

STATE OF FLORIDA

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(850) 413-6199

Public Service Commission

July 8, 2004

Mr. Scott Boyd, Executive Director  
Joint Administrative Procedures  
Committee  
Room 120 Holland Building  
Tallahassee, FL 32399-1300

RE: Docket No. 040493-TP – Proposed amendment of Rule 25-24.516, F.A.C., Pay Telephone Rate Caps, and Rule 25-24.630, F.A.C., Rate and Billing Requirements.

Dear Mr. Boyd:

Enclosed is an original copy of the following materials concerning the above referenced proposed rules:

1. A copy of the rules.
2. A copy of the F.A.W. notice.
3. A statement of facts and circumstances justifying the proposed rules.
4. A federal standards statement.
5. A statement of estimated regulatory costs.

If there are any questions with respect to these rules, please do not hesitate to call me.

Sincerely,

Samantha M. Cibula  
Associate General Counsel

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Enclosures

cc: Division of the Commission Clerk  
and Administrative Services

DOCUMENT NUMBER - DATE

07428 JUL-08

FPSC-COMMISSION CLERK

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1 25-24.516 Pay Telephone Rate Caps.

2 (1) Rates charged any end user by a pay telephone provider, providing operator service  
3 within the pay telephone premises' equipment, shall not exceed the following:

4 (a) Local coin calls – the rate posted at the pay telephone station.

5 (b) Extended area service (EAS) coin calls – a rate equivalent to the local coin call rate.

6 (c) Extended calling scope (ECS) calls – the rate equivalent to the local coin rate.

7 (d) 0+ toll non-person-to-person – a maximum rate of \$0.30 per minute, plus a \$1.75 charge.

8 (e) 0+ toll person-to-person – a maximum rate of \$.30 per minute, plus a \$3.25 charge.

9 (f) 0+ non-person-to-person local – a rate equivalent to the local coin rate, plus a \$1.75  
10 charge.

11 (g) 0+ person-to-person local – a rate equivalent to the local coin rate, plus a \$3.25 charge.

12 (2) A pay telephone provider shall not obtain services from an interexchange carrier or an  
13 operator service provider unless such carrier or provider has obtained a certificate of public  
14 convenience and necessity from the Commission.

15 ~~(3) A set use fee of \$.25 shall apply to all completed 0+ local calls placed from pay~~  
16 ~~telephones.~~

17 Specific Authority: 350.127(2), FS.

18 Law Implemented: 364.03, 364.3375(4), (5), FS.

19 History–New 9-5-95, Amended 2-1-99, XX/XX/XX.

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1 25-24.630 Rate and Billing Requirements.

2 (1) Services charged and billed to any end user by an operator services provider for an  
3 intrastate 0+ or 0- call made from a pay telephone or in a call aggregator context shall not  
4 exceed a rate of \$.30 per minute plus the applicable charges for the following types of  
5 telephone calls:

6 (a) A person-to-person call - - a charge of \$3.25;

7 (b) A call that is not a person-to-person call - - a charge of \$1.75.

8 ~~(2) For 0- calls from pay telephone stations completed by the provider of local exchange~~  
9 ~~telecommunications services, a set use fee of \$.25 shall apply and shall be remitted by the~~  
10 ~~local exchange company to the pay telephone service provider.~~

11 ~~(3)~~ (2) An operator services provider shall have current rate information readily available and  
12 provide this information orally to end users upon request prior to connection.

13 ~~(4)~~ (3) An operator services provider shall require that its certificated name appear on any  
14 telecommunications company's bill for regulated charges.

15 ~~(5)~~ (4) An operator services provider shall require all calls to be individually identified on  
16 each bill from a telecommunications company on an end user's bill, including the date and  
17 start time of the call, call duration, origin and destination (by city or exchange name and  
18 telephone number), and type of call.

19 ~~(6)~~ (5) An operator services provider shall provide a toll-free number for customer inquiries  
20 on the bill and maintain procedures adequate to allow the company to promptly receive and  
21 respond to such inquiries.

22 ~~(7)~~ (6) An operator services provider shall charge only for conversation time as rounded  
23 according to company tariffs.

24 ~~(8)~~ (7) An operator services provider shall not:

25 (a) Bill or charge for uncompleted calls in areas where answer supervision is available or

CODING: Words underlined are additions; words in ~~struck through~~ type are deletions from existing law.

1 knowingly bill or charge for uncompleted calls in areas where answer supervision is not  
2 available.

3 (b) Bill for any collect call that has not been affirmatively accepted by a person receiving the  
4 call regardless of whether the call was processed by a live or automated operator.

5 (c) Bill for calls in increments greater than one minute except for coin calls that may be in  
6 increments no greater than three minutes.

7 (d) Bill or collect a surcharge levied by any entity, either directly or through its billing agent,  
8 except Commission-approved charges for pay telephone providers.

9 Specific Authority: 350.127(2), FS.

10 Law Implemented: 364.01, 364.3376, FS.

11 History--New 9-6-93, Amended 2-1-99, XX/XX/XX.

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CODING: Words underlined are additions; words in ~~struck through~~ type are deletions from existing law.

NOTICE OF PROPOSED RULEMAKING

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO.: 040493-TP

RULE TITLE:    RULE NO.:

Pay Telephone Rate Caps                                  25-24.516

Rate and Billing Requirements                                  25-24.630

PURPOSE AND EFFECT: To eliminate the requirement that the provider of local exchange telecommunications services pay a set use fee of \$0.25 to the pay telephone service provider for completing a 0- local calls from a pay telephone station.

SUMMARY: The rule amendment deletes subsection (3) from Rule 25-24.516 and subsection (2) from Rule 25-24.630 to eliminate the requirement that the provider of local exchange telecommunications services pay a set use fee of \$0.25 to the pay telephone service provider for completing a 0- local call from a pay telephone station.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: The statement of estimated regulatory costs concluded that the amendments should not have a negative impact on regulated communications companies or other entities.

Any person who wishes to provide information regarding the statement of estimated regulatory costs, or to provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 350.127, F.S.

LAW IMPLEMENTED: 364.01, 364.03, 364.3375(4), (5), 364.3376, F.S.

WRITTEN COMMENTS OR SUGGESTIONS ON THE PROPOSED RULES MAY BE SUBMITTED TO THE FPSC, DIVISION OF THE COMMISSION CLERK AND

ADMINISTRATIVE SERVICES, WITHIN 21 DAYS OF THE DATE OF THIS NOTICE FOR INCLUSION IN THE RECORD OF THE PROCEEDING.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FAW.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULES IS: Samantha Cibula, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399-0862, (850) 413-6245.

THE FULL TEXT OF THE PROPOSED RULES IS:

25-24.516 Pay Telephone Rate Caps.

(1) – (2) No change.

~~(3) A set use fee of \$.25 shall apply to all completed 0 local calls placed from pay telephones.~~

Specific Authority: 350.127(2), FS.

Law Implemented: 364.03, 364.3375(4), (5),FS.

History–New 9-5-95, Amended 2-1-99, XX/XX/XX.

25-24.630 Rate and Billing Requirements.

(1) No change.

~~(2) For 0 calls from pay telephone stations completed by the provider of local exchange telecommunications services, a set use fee of \$.25 shall apply and shall be remitted by the local exchange company to the pay telephone service provider.~~

~~(2)~~(3) An operator services provider shall have current rate information readily available and provide this information orally to end users upon request prior to connection.

~~(3)~~(4) An operator services provider shall require that its certificated name appear on any telecommunications company's bill for regulated charges.

~~(4)~~(5) An operator services provider shall require all calls to be individually identified on each bill from a telecommunications company on an end user's bill, including the date and start time of the call, call duration, origin and destination (by city or exchange name and telephone number), and type of call.

~~(5)~~(6) An operator services provider shall provide a toll-free number for customer inquiries on the bill and maintain procedures adequate to allow the company to promptly receive and respond to such inquiries.

~~(6)~~(7) An operator services provider shall charge only for conversation time as rounded according to company tariffs.

~~(7)~~(8) An operator services provider shall not:

(a) – (d) No change.

Specific Authority: 350.127(2), FS.

Law Implemented: 364.01, 364.3376, FS.

History–New 9-6-93, Amended 2-1-99, XX/XX/XX.

NAME OF PERSON ORIGINATING PROPOSED RULES: Ray Kennedy

NAME OF SUPERVISOR OR PERSONS WHO APPROVED THE PROPOSED RULES:

Florida Public Service Commission.

DATE PROPOSED RULES APPROVED: June 29, 2004

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: Vol. 30, No. 12, March 19, 2004

Rule Nos. 25-24.516  
and 25-24.630  
Docket No. 040493-TP

STATEMENT OF FACTS AND CIRCUMSTANCES  
JUSTIFYING RULE

Currently, Rule 25-24.516(3), Florida Administrative Code, requires that a set use fee of \$0.25 shall apply to all completed 0- local calls placed from pay telephones. Also, Rule 25-24.603(2), Florida Administrative Code, states that a set use fee of \$0.25 shall apply and be remitted by the local exchange company to the pay telephone service provider for all 0- calls from pay telephone stations completed by the provider of local exchange telecommunications services.

The Federal Communications Commission (FCC) addressed the compensation for 0- local calls in In the Matter of Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, Third Report and Order, and Order on Reconsideration of the Second Report and Order, 14 FCC Rcd 2545, CC Docket No. 96-128, Order No. FCC 99-7, ¶¶ 51 and 53 (February 4, 1999)(Pay Telephone Order). In this order, the FCC designated 0- local calls as compensable calls subject to the default per-call compensation established in the order.

In Order No. PSC-99-2296-DS-TL, issued November 29, 1999, in Docket No. 991226-TL, In re: Petition by GTE Florida Incorporated for declaratory statement that the Commission's use fee rules do not prohibit GTE from compensating pay telephone service providers for 0- local calls under the FCC's per-call compensation scheme, or, in the alternative, petition for variance from Rules 25-24-516(3) and 25-24.630(2), F.A.C., (GTE Declaratory Statement Order), the Commission found that the FCC preempted the Commission from establishing a different set use fee for 0- local calls because the FCC established the default compensation for these calls in its Pay Telephone Order. The Commission declared that Rules 25-24.516(3) and 25-24.630(2) did not apply to GTE because the company was already compensating payphone service providers for 0- local calls and other pay phone calls under the federal scheme in accordance with the Telecommunications Act and FCC rules. The Commission also stated in the GTE Declaratory Statement Order that rulemaking will be initiated to repeal the set use fees for 0- local calls set forth in Rules 25-24.516 and 25-24.630.

Accordingly, subsection (3) of Rule 25-24.516 and subsection (2) of Rule 25-24.630 are being deleted from the rules because these subsections are no longer relevant.

STATEMENT ON FEDERAL STANDARDS

The proposed rules are no more restrictive than federal standards.



State of Florida



## Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

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**DATE:** May 24, 2004  
**TO:** Office of General Counsel (Cibula)  
**FROM:** Division of Economic Regulation (Hewitt) *BA* *SM* *TD*  
**RE:** Statement of Estimated Regulatory Costs for Proposed Amendments to Rule 25-24.516, F.A.C., Pay Telephone Rate Caps; and, 25-24.630, F.A.C., Rate and Billing Requirements,

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### SUMMARY OF THE RULE

Currently, Rule 25-24.516 (3), F.A.C., Pay Telephone Rate Caps, requires that a set use fee of \$0.25 shall apply to all completed 0- local calls placed from pay telephones; and, Rule 25-24.630 (2), F.A.C., Rate and Billing Requirements, for all 0- calls from pay telephone stations completed by the provider of local exchange telecommunications services (LEC), a set use fee of \$0.25 shall apply and shall be remitted by the LEC to the pay telephone service provider.

The Federal Communications Commission (FCC) has preempted states from establishing compensation rates to pay telephone service providers for 0- local calls. Therefore, the proposed rule amendments would eliminate the \$0.25 set use fee requirement. The FCC has set a national compensation rate and regulated companies must compensate pay telephone providers according to that rate.

### ESTIMATED NUMBER OF ENTITIES REQUIRED TO COMPLY AND GENERAL DESCRIPTION OF INDIVIDUALS AFFECTED

There are many telecommunications companies certified by the Commission that may be affected by the proposed rule amendments. There are 10 incumbent local exchange companies, 477 pay telephone providers, 444 competitive local exchange companies, and 585 interexchange companies currently active.

### RULE IMPLEMENTATION AND ENFORCEMENT COST AND IMPACT ON REVENUES FOR THE AGENCY AND OTHER STATE AND LOCAL GOVERNMENT ENTITIES

The Commission should have no cost impact other than the normal rule implementation costs. There should be no negative impact on other state and local government entities.

ESTIMATED TRANSACTIONAL COSTS TO INDIVIDUALS AND ENTITIES

There should be no transactional costs to the covered regulated companies because they must currently comply with FCC regulations concerning pay telephone completed call compensation.

IMPACT ON SMALL BUSINESSES, SMALL CITIES, OR SMALL COUNTIES

There should be no negative impacts on unregulated small businesses, small cities, or small counties.

cc: Mary Andrews Bane  
Ray Kennedy  
Hurd Reeves