

ORIGINAL

State of Florida



# Public Service Commission

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

RECEIVED-FPSC

CC SER. DIV. 22

COMMISSION CLERK

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

**DATE:** September 14, 2006

**TO:** Blanca S. Bayó, Commission Clerk and Administrative Services Director

**FROM:** Melinda H. Watts, Engineering Specialist III, Division of Competitive Markets & Enforcement *MHW*

**RE:** Docket No. 060578-TI - Investigation and determination of appropriate method for refunding apparent overcharges by Bell Atlantic Communications, Inc. d/b/a Verizon Long Distance due to overbilling on certain calling card calls.

Please add the attached interest calculation generated for Verizon Long Distance's refund proposal, dated September 7, 2006, to the subject docket file.

- CMP \_\_\_\_\_
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- ECR \_\_\_\_\_
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- OPC \_\_\_\_\_
- RCA \_\_\_\_\_
- SCR \_\_\_\_\_
- SGA \_\_\_\_\_
- SEC   /
- OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK



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

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**DATE:** September 7, 2006

**TO:** Melinda H. Watts, Engineering Specialist III, Division of Competitive Markets & Enforcement

**FROM:** Michael A. Springer, Regulatory Analyst IV, Division of Economic Regulation *mas*

**RE:** Docket No. 060578-TI – Investigation and determination of appropriate method for refunding apparent overcharges by Bell Atlantic Communications, Inc. d/b/a Verizon Long Distance due to overbilling on certain calling card calls. *ALM*

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Per your request, staff has calculated the interest on overcharges by Bell Atlantic Communications, Inc. d/b/a Verizon Long Distance. The total refund amount is \$96,156.72 and consists of \$89,559.50 in overcharges and \$6,597.22 in interest, as shown on the attached schedule. In calculating the interest amount, staff used the overcharges that occurred over the 23 month period from September 2004 to July 2006 as shown on the attached schedule. Also, the Company will refund the entire amount in October 2006. The appropriate interest rate is the average 30-day commercial paper rate for each month. Staff used the last available monthly interest rate of 5.315% for months beyond August 2006.

Docket No. 060578-T1

ATTACHMENT 1

Bell Atlantic Communications, Inc. d/b/a Verizon Long Distance due to overbilling on certain calling card calls.

INTEREST CALCULATION ON OVERCHARGES

TOTAL OVERCHARGES 89,559.50

Calculation Done: September 7, 2006

MONTH	AVERAGE MONTHLY INTEREST RATE	MONTHLY INTEREST FACTOR	MONTHLY OVERCHARGES	MONTHLY OVERCHARGES INTEREST	MONTHLY OVERCHARGES PRINCIPAL AND INTEREST	BALANCE BROUGHT FORWARD PLUS INTEREST	REFUND BALANCE	MONTHLY REFUND
Jan-04	1.045%	0.08708%	\$0.00	-	-	-	-	-
Feb-04	1.005%	0.08375%		-	-	-	-	-
Mar-04	0.980%	0.08167%		-	-	-	-	-
Apr-04	1.005%	0.08375%		-	-	-	-	-
May-04	1.035%	0.08625%		-	-	-	-	-
Jun-04	1.185%	0.09875%		-	-	-	-	-
Jul-04	1.400%	0.11667%		-	-	-	-	-
Aug-04	1.535%	0.12792%		-	-	-	-	-
Sep-04	1.685%	0.14042%	18,262.00	25.64	18,287.64	-	18,287.64	-
Oct-04	1.855%	0.15458%	13,983.00	21.62	14,004.62	18,315.91	32,320.53	-
Nov-04	2.080%	0.17333%	10,315.50	17.88	10,333.38	32,376.55	42,709.93	-
Dec-04	2.280%	0.19000%	8,023.00	15.24	8,038.24	42,791.08	50,829.32	-
Jan-05	2.420%	0.20167%	6,710.00	13.53	6,723.53	50,931.83	57,655.36	-
Feb-05	2.575%	0.21458%	4,813.75	10.33	4,824.08	57,779.08	62,603.16	-
Mar-05	2.715%	0.22625%	4,687.50	10.61	4,698.11	62,744.80	67,442.90	-
Apr-05	2.880%	0.24000%	4,537.00	10.89	4,547.89	67,604.77	72,152.66	-
May-05	3.020%	0.25167%	2,163.50	5.44	2,168.94	72,334.24	74,503.18	-
Jun-05	3.165%	0.26375%	3,408.25	8.99	3,417.24	74,699.69	78,116.93	-
Jul-05	3.350%	0.27917%	1,353.50	3.78	1,357.28	78,335.00	79,692.28	-
Aug-05	3.535%	0.29458%	906.00	2.67	908.67	79,927.04	80,835.71	-
Sep-05	3.715%	0.30958%	698.50	2.16	700.66	81,085.96	81,786.63	-
Oct-05	3.910%	0.32583%	749.75	2.44	752.19	82,053.11	82,805.31	-
Nov-05	4.120%	0.34333%	788.25	2.71	790.96	83,089.61	83,880.56	-
Dec-05	4.255%	0.35458%	931.00	3.30	934.30	84,177.99	85,112.29	-
Jan-06	4.405%	0.36708%	905.75	3.32	909.07	85,424.72	86,333.80	-
Feb-06	4.520%	0.37667%	775.00	2.92	777.92	86,658.99	87,436.91	-
Mar-06	4.655%	0.38792%	1,132.00	4.39	1,136.39	87,776.09	88,912.48	-
Apr-06	4.870%	0.40583%	892.00	3.62	895.62	89,273.32	90,168.94	-
May-06	4.985%	0.41542%	1,216.50	5.05	1,221.55	90,543.51	91,765.07	-
Jun-06	5.150%	0.42917%	1,028.50	4.41	1,032.91	92,158.89	93,191.81	-
Jul-06	5.325%	0.44375%	1,279.25	5.68	1,284.93	93,605.35	94,890.27	-
Aug-06	5.315%	0.44292%	-	-	-	95,310.56	95,310.56	-
Sep-06	5.315%	0.44292%	-	-	-	95,732.70	95,732.70	-
Oct-06	5.315%	0.44292%	-	-	-	96,156.72	96,156.72	96,156.72
			<u>\$89,559.50</u>					96,156.72
						TOTAL INTEREST OVERCHARGES	6,597.22	
						TOTAL OVERCHARGE PAYMENT	89,559.50	
							96,156.72	