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March 6, 2012

Ms. Judy Harlow, Senior Analyst c/o Ms. Ann Cole, Commission Clerk Office of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Docket No. 110303-OT Survey Responses Rule 25-4.0161, F.A.C., Regulatory Assessment Fees Rule 25-22.032, F.A.C, Consumer Complaints

Dear Ms. Harlow:

Please find enclosed the survey responses regarding the above-noted rules for Securus Technologies, Inc. ("Securus"). Securus has done its best to respond to the Commission's survey questions; however, due to the nature of the Company's business as an inmate operator service provider, many questions do not apply to Securus's operations.

Securus sincerely appreciates your attention to this correspondence. Should you have any questions regarding the information provided, please contact Erin L. Curry, Senior Regulatory Analyst at (972) 277-0395 or <u>ecurry@securustech.net</u>. You may also contact the undersigned at (972) 277-0319.

Respectfully submitted,

Curtis L. Hopfinger Director, Regulatory & Government Affairs

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Rule 25-4.0161, F.A.C. – Survey Questions Page 1 Securus Technologies, Inc.

Rule 25-4.0161, F.A.C. - Survey Questions

Responses for Securus Technologies, Inc.

The following survey questions apply to Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies. For responding to these questions, please refer to Subsection 120.541(2), F.S., and Subparagraph 120.745(1)(b)2, F.S. "Transactional costs" are defined in Subparagraph 120.541(2)(d), F.S., as:

...direct costs that are readily ascertainable based upon standard business practices, including filing fees, the cost of obtaining a license, the cost of equipment required to be installed or used or procedures required to be employed in complying with the rule, additional operating costs incurred, the cost of monitoring and reporting, and any other costs necessary to comply with the rule.

The company's response data to these survey questions should be provided for the entire rule, unless the response data is available by rule section, in which case we request the response data be provided by rule section. Please present data in annualized format, if possible, and all cost or benefit dollar estimates should be stated in nominal terms.

1. What are the estimated transactional costs resulting from the Company's compliance of Rule 25-4.0161, F.A.C., for the five year period beginning July 1, 2011?

a. What are your actual transactional costs resulting from your Company's compliance with Rule 25-4.0161, F.A.C., for the period July 1, 2011 through December 31, 2011?

Securus Technologies, Inc. ("Securus") is an Inmate Operator Service Provider (IOSP) and provides inmate originated calling services only in correctional and confinement facilities. Securus provides IOSP services pursuant to competitively bid contracts awarded by the individual correctional institutions. Securus's calling rates are based on the individual contracts and may vary by institution. Securus does not perform incremental cost studies, such as LRIC or TSLRIC studies, which are typically used by local exchange companies. Securus does not have the data, resources, or personnel with the expertise to perform such incremental studies.

Securus's personnel responsible for handling complaints and regulatory reporting perform these job duties for all 45 states in which Securus operates. No studies have been performed to determine the portion of these job functions that are specific to Florida's operation.

For these reasons, many of the questions below, including those regarding "Transactional Costs," will not be applicable to Securus or Securus does not possess the information requested. With these caveats, Securus will answer the remaining questions to the best of its ability.

PARTY NUMBER - DATE

0 1 328 MAR-7 ≌ FPSC-COMMISSION CLERK Rule 25-4.0161, F.A.C. – Survey Questions Page 2 Securus Technologies, Inc.

2. What is your estimate of the likely impact, stated in terms of costs and/or benefits, on small businesses (as defined by Section <u>288.703</u>, F.S.) located in the Company's service territory, resulting from the compliance of Rule 25-4.0161, F.A.C., for the five year period beginning July 1, 2011?

Not applicable. (See response to Question 1.)

3. What is your estimate of the likely impact, stated in terms of costs and/or benefits, on small counties and small cities (as defined in Section <u>120.52</u>, F.S.) located in the Company's service territory, resulting from the compliance of 25-4.0161, F.A.C., for the five year period beginning July 1, 2011?

Not applicable. (See response to Question 1.)

4. What is your estimate of the likely impact, stated in terms of costs and/or benefits, on entities located in the Company's service territory other than those specifically identified in Questions 2 and 3, resulting from the compliance of 25-4.0161, F.A.C., for the five year period beginning July 1, 2011?

Not applicable. (See response to Question 1.)

5. What expected impact do you believe Rule 25-4.0161, F.A.C., will have on economic growth, private sector job creation or employment, and private sector investment for the five year period July 1, 2011 in the Company's service territory?

Not applicable. (See response to Question 1.)

6. What expected impact do you believe Rule 25-4.0161, F.A.C., will have on business competitiveness, including the ability of persons doing business in the Company's service territory to compete with persons doing business in states other than Florida or other domestic markets, productivity, and innovation, for the five year period July 1, 2011?

None.

7. What are the benefits to your Company associated with Rule 25-4.0161, F.A.C.?

None.

8. Since the December 4, 2011 rule change has your Company revised customer rates in order to comply with Rule 25-4.0161, F.A.C.? If so, please explain any rate changes that were made.

Not applicable. (See response to Question 1.)

9. If the Company did revise customer rates after the rule change, what were the specific costs associated with processing and implementing these rate changes?

Not applicable. (See response to Question 1.)

Rule 25-4.0161, F.A.C. – Survey Questions Page 3 Securus Technologies, Inc.

10. Does the Company anticipate having to revise customer rates in the future in order to comply with Rule 25-4.0161, F.A.C.? If so, please explain any anticipated rate changes for the five year period beginning July 1, 2011.

Not applicable. (See response to Question 1.)

11. If the company anticipates revising customer rates in order to comply with Rule 25-4.0161, F.A.C., what costs does the company expect to incur to process and implement the rate changes for the five year period beginning July 1, 2011?

Not applicable. (See response to Question 1.)

Rule 25-22.032, F.A.C. Page 1 Securus Technologies, Inc.

Rule 25-22.032, F.A.C. - Survey Questions Responses for Securus Technologies, Inc.

The following survey questions apply to **Rule 25-22.032**, **F.A.C**, **Consumer Complaints**. For responding to these questions, please refer to Subsection 120.541(2), F.S., and Subparagraph 120.745(1)(b)2, F.S. "Transactional costs" are defined in Subparagraph 120.541(2)(d), F.S., as:

...direct costs that are readily ascertainable based upon standard business practices, including filing fees, the cost of obtaining a license, the cost of equipment required to be installed or used or procedures required to be employed in complying with the rule, additional operating costs incurred, the cost of monitoring and reporting, and any other costs necessary to comply with the rule.

The Company's response data to these survey questions should be provided for the entire rule, unless the response data is available by rule section, in which case we request the response data be provided by rule section. Please present data in annualized format, if possible, and all cost or benefit dollar estimates should be stated in nominal terms.

- 1. What are the Company's estimated transactional costs resulting from the Company's compliance with Rule 25-22.032, F.A.C., for the five year period beginning July 1, 2011?
 - a. For the five year period beginning July 1, 2011, which requirements of Rule 25-22.032, F.A.C., if any, would be performed by the Company assuming the rule were not in effect? Please explain.
 - b. For each of the requirements identified in 1a., what are the estimated transactional costs associated with such requirements for the five year period beginning July 1, 2011?
 - c. What are your actual transactional costs resulting from your Company's compliance with Rule 25-22.032, F.A.C., for the period July 1, 2011 to December 31, 2011?

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Securus's personnel responsible for handling complaints and regulatory reporting perform these job duties for all 45 states in which Securus operates. No studies have been performed to determine the portion of these job functions that are specific to Florida's operation.

For these reasons, many of the questions below, including those regarding "Transactional Costs," will not be applicable to Securus or Securus does not possess the information requested. With these caveats, Securus will answer the remaining questions to the best of its ability.

2. What is the Company's estimate of the likely impact, stated in terms of costs and/or benefits, on small businesses (as defined by Section <u>288.703</u>, F.S.) located in the Company's service territory, resulting from the implementation of 25-22.032, F.A.C., for the five year period beginning July 1, 2011?

Not applicable. (See response to Question 1.)

3. What is the Company's estimate of the likely impact, stated in terms of costs and/or benefits, on small counties and small cities (as defined in Section <u>120.52</u>, F.S.) located in the Company's service territory, resulting from the implementation of 25-22.032, F.A.C., for the five year period beginning July 1, 2011?

Not applicable. (See response to Question 1.)

4. What is the Company's estimate of the likely impact, stated in terms of costs and/or benefits, on entities located in the Company's service territory other than those specifically identified in Questions 2 and 3, resulting from the implementation of 25-22.032, F.A.C., for the five year period beginning July 1, 2011?

Not applicable. (See response to Question 1.)

5. What does the Company believe is the expected impact of Rule 25-22.032, F.A.C., on economic growth, private sector job creation or employment, and private sector investment for the five year period beginning July 1, 2011 in the company's service territory?

Not applicable. (See response to Question 1.)

6. What does the Company believe is the expected impact of Rule 25-22.032, F.A.C., on business competitiveness, including the ability of persons doing business in the Company's service territory to compete with persons doing business in states other than Florida or other domestic markets, productivity, and innovation, for the five year period beginning July 1, 2011?

Securus expects no changes for Inmate Telecommunications Providers.

7. What does the Company believe are the benefits of Rule 25-22.032, F.A.C.?

None.

8. Assuming Rule 25-22.032, F.A.C., is unchanged over the next five years, do you expect your Company's costs to comply with the rule going forward, to increase, decrease, or remain the same. Please explain your response.

Securus expects no change in cost.

9. Does your Company currently have procedures/personnel in place to address complaints received directly from your consumers?

Yes.

10. If Rule 25-22.032, F.A.C., were repealed would your Company continue to accept and address consumer complaints? Please explain your response.

Yes, consumer complaints would continue to be addressed in the same manner they are currently handled.

11. Do you believe the costs, if any, incurred by your Company to comply with the records retention, reporting, and auditing requirements of Rule 25-22.032(10), F.A.C., for the five year period beginning July 1, 2011, if any, have an adverse impact on your Company? If so, please provide any and all data which supports your response.

No.

- 12. Of the transactional costs estimated to be associated with compliance with 25-22.032, F.A.C., what percentage is spent on the following items:
 - a. Staffing
 - b. Document storage and retention
 - c. Postage and shipping
 - d. Communications (dedicated phone lines, emails or faxes)
 - e. Other

No data available. (See response to Question 1.)

13. How many staff members at your Company are currently responsible for handling consumer complaints associated with 25-22.032, F.A.C.?

One staff person handles consumer complaints.

a. Are they full time employees?

Yes.

- b. Do these employees have responsibilities apart from handling complaints? Yes.
- 14. Section 3 of Rule 25-22.032, F.A.C., states that a customer's service shall not be discontinued during the complaint resolution process. Have there been instances within 2010 through 2011, when your Company was uncompensated for service provided as a result of a billing dispute?

Yes.

a. In the majority of these cases, is the Company able to recoup these costs after the complaint is resolved?

No.

15. Does your Company subscribe to the Florida Public Service Commission's telephone "transfer-connect" or email transfer system?

No.

a. What are the annual costs associated with subscription to these systems, including costs due to additional requirements for staffing, operating hours and document retention?

Not applicable.

16. Approximately what percentage of complaints are resolved prior to reaching the Informal Conference stage described in section 8 of Rule 25-22.032, F.A.C.?

100%

a. How many times has your Company had a consumer complaint that has escalated all the way to the informal conference stage in the previous two years?

Zero.

b. How many times within 2010 through 2011, has your Company had a complaint process that was escalated beyond the informal conference stage?

Zero.

17. Approximately what percentage of complaints from your customers filed with the Florida Public Service Commission are successfully resolved within 30 days?

100%

18. How has Rule 25-22.032, F.A.C., affected the way your Company processes complaints?

Rule 25-22.032, F.A.C. has not affected the way Securus processes complaints.

- Has the rule had a positive, negative, or neutral impact on your Company?
 Neutral.
- b. How has the rule affected the Company's cost of handling complaints?

The Company's cost of handling complaints is unchanged.