

STATE OF ALABAMA
ALABAMA PUBLIC SERVICE COMMISSION
P.O. BOX 991
MONTGOMERY, ALABAMA 36101-0991

JIM SULLIVAN, PRESIDENT
JAN COOK, ASSOCIATE COMMISSIONER
CHARLES B. MARTIN, ASSOCIATE COMMISSIONER

WALTER L. THOMAS, JR.
SECRETARY

ALABAMA PUBLIC SERVICE COMMISSION

IN RE: TIME LIMITATION
ON COIN TELEPHONES

V.

ALL CUSTOMER-OWNED COIN AND COINLESS
OPERATED TELEPHONE SERVICE PROVIDERS
IN ALABAMA (COCOTIS)

DOCKET 24039

REPORT AND ORDER

BY THE COMMISSION:

By Order entered in this proceeding on October 3, 1994, an investigation into the time limitations in tariffs of Customer-Owned Coin and Coinless Operated Telephone Service providers was instituted. Also, that Order set a hearing on October 14, 1994.

On October 14, appearances were made by the Alabama Pay Phone Association; B & W Enterprise; and the Attorney General's office. It appeared that settlement negotiations would be desirable and the hearing was continued to allow for the settlement negotiations.

It was suggested by the parties that the local exchange carriers should also be parties to this proceeding. By Order dated November 8, 1994, the local exchange carriers were made parties Respondent and a hearing was scheduled for, and held on, November 29, 1994. An additional appearance was made by South Central Bell. The parties agreed to make their presentations through written submissions.

On December 21, 1994, the Alabama Pay Phone Association submitted its statement. It contends 25 cents for a three minute call was adopted to increase the availability of pay stations and to compensate COCOT providers for the charges of local exchange carriers. Elimination of the time limit would reduce revenue and cause the removal of some pay phones. Also, a time limit is helpful where a turnover of the pay phone is desirable. The Association contends there is no basis for the removal of the time limit.

A written submission was made by BellSouth Telecommunications, Inc., d/b/a South Central Bell Telephone Company, with a request for proprietary treatment. It was returned and, by letter dated January 3, 1995, it was

resubmitted without the request for proprietary treatment. Bell contends that a time limit is needed on coin telephones due to the rising expenses involved in providing service and in order to best serve the needs of the public. Lower volume stations are at risk of being removed if there is not some form of relief. Bell contends it should be allowed either a rate of 25 cents for each time increment, or a higher rate for unlimited time.

On December 27, 1994, the Attorney General's office filed its brief. It contends the Commission should either determine whether a cap rate is necessary or adopt a time limitation of five (5) minutes. It feels, however, that time limitations are not in the public interest.

Our study of this matter indicates that there are problems with time limits and benefits from having time limits. The best balance would be to have a five (5) minute time limit per 25 cent deposit, but with exceptions where appropriate.

IT IS, THEREFORE, ORDERED BY THE COMMISSION, That the Rule T-15(A), Public Pay Telephone Service of Local Exchange Carriers, Subsection (11) is hereby amended to read as follows:

If a time limitation is placed on a phone, proper notice must be posted and a tone must sound 15 to 30 seconds before disconnection. The exact interval of which shall be clearly stated on the instrument. The minimum time limit for local calls shall be no less than five (5) minutes, provided, however, that no time limit will be allowed on phones where, in the past, the need for no time limit on that phone has been determined by the Commission, or where, in the future, the Director of Telecommunications Division directs, in writing, that the pay phone have no time limit. Removal of the time limit may be requested by the owner of the phone, the owner of the premises, and/or governmental or civic groups.

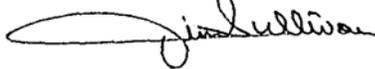
IT IS FURTHER ORDERED BY THE COMMISSION, That Rule T-15(B), Customer-Owned, Coin-Operated Telephone Service, Subsection (14), is hereby amended to read as follows:

If a time limitation is placed on a phone, proper notice must be posted and a tone must sound 15 to 30 seconds before disconnection. The exact interval of which shall be clearly stated on the instrument. The minimum time limit for local calls shall be no less than five (5) minutes, provided, however, that no time limit will be allowed on phones where, in the past, the need for no time limit on that phone has been determined by the Commission, or where, in the future, the Director of Telecommunications Division directs, in writing, that the pay phone have no time limit. Removal of the time limit may be requested by the owner of the phone, the owner of the premises, and/or governmental or civic groups.

IT IS FURTHER ORDERED BY THE COMMISSION, That this Order shall become effective on January 1, 1996.

Done at Montgomery, Alabama, this ~~17th~~ day of August, 1995.

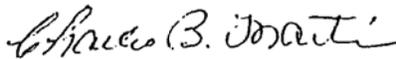
ALABAMA PUBLIC SERVICE COMMISSION



Jim Sullivan, President



Jan Cook, Commissioner



Charles B. Martin, Commissioner

ATTEST: A True Copy



Walter L. Thomas, Jr., Secretary