

Bill No. SB 2232

Barcode 954734

CHAMBER ACTION

Senate

House

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The Committee on Communications and Public Utilities  
(Constantine) recommended the following amendment:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause

and insert:

Section 1. Subsection (4) of section 364.051, Florida  
Statutes, is amended to read:

364.051 Price regulation.--

(4)(a) Notwithstanding ~~the provisions of~~ subsection  
(2), any local exchange telecommunications company that  
believes circumstances have changed substantially to justify  
any increase in the rates for basic local telecommunications  
services may petition the commission for a rate increase, but  
the commission shall grant the ~~such~~ petition only after an  
opportunity for a hearing and a compelling showing of changed  
circumstances. The costs and expenses of any government  
program or project required in part II may ~~shall~~ not be  
recovered under this subsection unless the ~~such~~ costs and  
expenses are incurred in the absence of a bid and subject to

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1 carrier-of-last-resort obligations as provided for in part II.  
2 The commission shall act upon the ~~any such~~ petition within 120  
3 days after ~~of~~ its filing.

4 (b) For purposes of this section, evidence of damage  
5 occurring to the lines, plants, or facilities of a local  
6 exchange telecommunications company that is subject to the  
7 carrier-of-last-resort obligations, which damage is the result  
8 of a tropical system named by the National Hurricane Center,  
9 constitutes a compelling showing of changed circumstances.

10 1. A company may file a petition to recover its  
11 intrastate costs and expenses relating to repairing,  
12 restoring, or replacing the lines, plants, or facilities  
13 damaged by a named tropical system.

14 2. The commission shall verify the intrastate costs  
15 and expenses submitted by the company in support of its  
16 petition.

17 3. The company must show and the commission shall  
18 determine whether the intrastate costs and expenses are  
19 reasonable under the circumstances for the named tropical  
20 system.

21 4. A company having a storm-reserve fund may recover  
22 tropical-system-related costs and expenses from its customers  
23 only in excess of any amount available in the storm-reserve  
24 fund.

25 5. The commission may determine the amount of any  
26 increase that the company may charge its customers, but the  
27 charge per line item may not exceed 50 cents per month per  
28 customer line for a period of not more than 12 months.

29 6. The commission may order the company to add an  
30 equal line-item charge per access line to the billing  
31 statement of the company's retail basic local

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1 telecommunications service customers, its retail nonbasic  
2 telecommunications service customers, and its wholesale loop  
3 unbundled network element customers.

4 7. In order to qualify for filing a petition under  
5 this paragraph, a company with one million or more access  
6 lines, but fewer than three million access lines, must have  
7 tropical-system-related costs and expenses exceeding \$1.5  
8 million, and a company with three million or more access lines  
9 must have tropical-system-related costs and expenses of \$5  
10 million or more. A company with fewer than one million access  
11 lines is not required to meet a minimum damage threshold in  
12 order to qualify to file a petition under this paragraph.

13 8. A company may file only one petition for storm  
14 recovery in any 12-month period for the previous storm season,  
15 but the application may cover damages from more than one named  
16 tropical system.

17  
18 This paragraph is not intended to adversely affect the  
19 commission's consideration of any petition for an increase in  
20 basic rates to recover costs related to storm damage which was  
21 filed before the effective date of this act.

22 Section 2. This act shall take effect upon becoming a  
23 law.

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26 ===== T I T L E A M E N D M E N T =====

27 And the title is amended as follows:

28 Delete everything before the enacting clause

29  
30 and insert:

31 A bill to be entitled

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1 An act relating to regulation of telephone  
2 rates; amending s. 364.051, F.S.; providing  
3 that damage to the equipment and facilities of  
4 a local exchange telecommunications as a result  
5 of a named tropical system constitutes a  
6 compelling showing of changed circumstances to  
7 justify a rate increase; allows such companies  
8 to petition for recover of such costs and  
9 expenses; requiring the Public Service  
10 Commission to verify the intrastate costs and  
11 expenses for repairing, restoring, or replacing  
12 damaged lines, plants, or facilities; requiring  
13 the commission to determine whether the  
14 intrastate costs and expenses are reasonable;  
15 requiring a company to exhaust any  
16 storm-reserve funds prior to recovery from  
17 customers; providing that the commission may  
18 authorize adding an equal line-item charge per  
19 access line for certain customers; providing  
20 for a rate cap and providing the maximum number  
21 of months the rate may be imposed; providing a  
22 12-month limit for the application; allowing  
23 recovery for more than one storm within the  
24 limit; providing an effective date.

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