

By Senator Constantine

22-1209B-05

1 A bill to be entitled

2 An act relating to regulation of telephone

3 rates; amending s. 364.051, F.S.; providing

4 that evidence of natural disaster damage to the

5 equipment and facilities of a local exchange

6 telecommunications company constitutes a

7 compelling showing of changed circumstances to

8 justify a rate increase; requiring the Public

9 Service Commission to verify the costs and

10 expenses for repairing, restoring, or replacing

11 damaged lines, plants, or facilities; requiring

12 the commission to determine whether the costs

13 and expenses are reasonable; providing that the

14 commission may authorize increased rates or add

15 a separate line-item charge for certain

16 customers; providing for a rate increase and

17 providing the maximum number of months the

18 increased rate may be imposed; requiring the

19 company to file a tariff; providing for an

20 effective date.

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22 Be It Enacted by the Legislature of the State of Florida:

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24 Section 1. Subsection (4) of section 364.051, Florida

25 Statutes, is amended to read:

26 364.051 Price regulation.--

27 (4) (a) ~~Notwithstanding the provisions of~~ subsection

28 (2), any local exchange telecommunications company that

29 believes circumstances have changed substantially to justify

30 any increase in the rates for basic local telecommunications

31 services may petition the commission for a rate increase, but

1 | the commission shall grant ~~the such~~ petition only after an
2 | opportunity for a hearing and a compelling showing of changed
3 | circumstances. The costs and expenses of any government
4 | program or project required in part II ~~may shall~~ not be
5 | recovered under this subsection unless ~~the such~~ costs and
6 | expenses are incurred in the absence of a bid and subject to
7 | carrier-of-last-resort obligations as provided for in part II.
8 | The commission shall act upon ~~the any such~~ petition within 120
9 | days ~~after~~ ~~of~~ its filing.

10 | **(b)** For purposes of this section, evidence of damage
11 | to the lines, plants, or facilities of a local exchange
12 | telecommunications company subject to carrier-of-last-resort
13 | obligations which results from a natural disaster, such as a
14 | storm declared to be a hurricane by the National Hurricane
15 | Center, constitutes a compelling showing of changed
16 | circumstances. After such an event, the commission shall
17 | verify the costs and expenses of the company relating to
18 | repairing, restoring, or replacing the damaged lines, plants,
19 | or facilities. The commission shall determine whether the
20 | costs and expenses are reasonable under the circumstances for
21 | the natural disaster. The commission may order the company to
22 | increase rates or add a separate line-item charge for a period
23 | of no more than 12 months to the bills of the company's retail
24 | basic local telecommunications service customers, its retail
25 | nonbasic telecommunications service customers, and its
26 | wholesale loop unbundled network element customers. The
27 | company must file tariffs showing the rate increase or the
28 | line-item charge and the class of customers to be charged. The
29 | commission may determine the amount of any increase regardless
30 | of whether any or all of the verified costs and expenses are
31 | recovered.

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

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5 SENATE SUMMARY

6 Provides that evidence of natural-disaster damage to the
7 equipment or facilities of a local exchange
8 telecommunications company constitutes a compelling
9 showing of changed circumstances to justify a rate
10 increase. Requires the Public Service Commission to
11 verify the costs and expenses for repairing, restoring,
12 or replacing damaged lines, plants, or facilities.
13 Requires the commission to determine whether the costs
14 and expenses are reasonable. Provides that the commission
15 may authorize increased rates or add a separate line-item
16 charge for certain customers. Provides for a rate
17 increase and the maximum number of months the increased
18 rate may be imposed. Requires the company to file a
19 tariff.
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