

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE
STATE OF MISSISSIPPI

98-AD-342

MISSISSIPPI PUBLIC
SERVICE COMMISSION

IN RE: GENERIC PROCEEDING TO
 DETERMINE IF "PUBLIC
 INTEREST PAYPHONES" ARE
 NEEDED AND THE FUNDING
 THEREOF.

O R D E R

COMES NOW, the Mississippi Public Service Commission (MPSC) *sua sponte* and establishes this Docket to determine if public interest payphones (PIPS) are needed, and if so, the proper mechanism to fund said PIPS. In support of the establishment of this Docket, the MPSC finds as follows:

1. That the Telecommunications Act of 1996 (TA96) §276(b)(2) required the Federal Communications Commission (FCC) to:

Determine whether public interest payphones, which are provided in the interest of public health, safety, and welfare, in locations where there would otherwise not be a payphone, should be maintained, and if so, ensure that such public interest payphones are supported fairly and equitably.

2. That the FCC addressed the issue of PIPS in CC Docket No. 96-128 (Payphone Report and Order issued September 29, 1996.) (See, ¶¶264 through 286.) In said Report and Order, the FCC imposed minimum guidelines for the establishment of a PIPS program to meet

the FCC's statutory duty to ensure the maintenance of such payphones. In ¶282 of said Order, the FCC defined a PIP as:

A payphone which (1) fulfills a public policy objective in health, safety, or public welfare, (2) is not provided for a location provider with an existing contract for the provision of a payphone, and (3) would not otherwise exist as a result of the operation of the competitive marketplace.

3. That in ¶283 of said Order, the FCC set forth a national guideline that companies providing PIPS be fairly compensated for the cost of such services. The states were left to their discretion on how to fund the programs. However, the funding mechanism must fairly and equitably distribute the costs of such a program and must not involve the use of subsidies prohibited by §276(b)(1)(B) of TA96.

4. That states have until September 20, 1998 to determine the need for PIPS and to adopt an appropriate funding mechanism.

IT IS THEREFORE ORDERED:

1. That the MPSC establishes this Docket to determine whether PIPS are needed, and if so, the proper mechanisms to fund said PIPS. Interested parties are invited to provide comments on the following matters:

- Whether PIPS are needed in Mississippi;

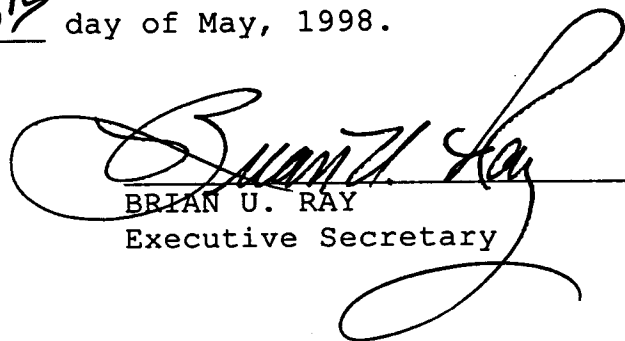
- All considerations and/or evidence, including quantitative evidence, which shows that PIPS are either necessary or unnecessary;
- Any measures needed to ensure that payphones serving important public interests will continue to exist in light of the elimination of subsidies and other competitive provisions pursuant to §276 of TA96;
- Any appropriate terms, criteria and conditions for PIP programs; and
- How the PIP programs should be funded.

2. That interested parties shall submit comments on the above matters no later than June 17, 1998. Reply comments shall be filed by July 1, 1998.

3. The Executive Secretary of the Commission is directed to serve a copy of this Order on all telecommunications providers, including payphone providers, in the State.

SO ORDERED, this the 20th day of May, 1998.




BRIAN U. RAY
Executive Secretary