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ORIGINAL
FILE COPY

June 2, 1992

Steve Tribble, Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, FL 32399-0850

Re: Docket No. 920260-TL

Dear Mr. Tribble:

Enclosed for filing in the above-referenced docket on behalf of the Citizens of the State of Florida are the original and 15 copies of the Citizens' Supplement to their First Motion to Compel and Request for In Camera Inspection of Documents.

Please indicate the time and date of receipt on the enclosed duplicate of this letter and return it to our office.

Sincerely,

Janis Sue Richardson
Janis Sue Richardson
Associate Public Counsel

Enclosure

- ACK
- AFA 5
- APP
- CAF
- ~~CMH~~
- CTR
- ENG
- LEG 1 w/m
- LIR 6
- OPD
- REL
- SIS 1
- WFO
- CRP

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DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Comprehensive Review of the)
Revenue Requirements and Rate) Docket No. 920260-TL
Stabilization Plan of Southern) Filed: June 2, 1992
Bell Telephone & Telegraph Company)

**CITIZENS' SUPPLEMENT TO THEIR FIRST MOTION TO COMPEL
AND REQUEST FOR IN CAMERA INSPECTION OF DOCUMENTS**

The Citizens of Florida ("Citizens"), by and through Jack Shreve, Public Counsel, submitted their request to the Florida Public Service Commission to compel BellSouth Telecommunications, Inc., ("BellSouth") to produce each of the documents responsive to the Citizens' first set of requests for production of documents dated March 20, 1992, and to conduct an in camera inspection of all documents and portions of documents withheld by BellSouth Telecommunications based on a claim of irrelevancy or privilege on May 8, 1992. This supplement to that request is being filed in support of Citizens' assertion of need for the documents requested.

Background

1. This supplement was made necessary by BellSouth's disregard of Citizens' initial request to identify any documents that were being withheld under a claim of privilege. Indeed, until Citizens' filed their motion to compel, BellSouth had not identified any of the documents it had claimed were privileged. BellSouth simply withheld the documents and uttered conclusory claims of privilege.

On May 15, 1992, BellSouth filed its response in opposition to Citizens' motion. Attached to that response [Attachment A] was the document identification requested by Citizens on March 20, 1992.¹

2. With the documents properly identified, Citizens is now able to file its statement of need in opposition to BellSouth's claim of work product. Specifically, Citizens have need for the four internal audits conducted by the company in the third quarter of 1991. BellSouth identified these documents on Attachment A as:

- 15-03 Customer Adjustments -- Loop
Maintenance Operations System (LMOS)
Significant Adverse Findings

- 16-06 Mechanized Adjustments -- Mechanized
Out of Service Adjustments (MOOSA) -
Florida Significant Adverse
Findings²

- 53-15 Key Service Results Indicator (KSRI)
-- Network Customer Trouble Rate
Significant Adverse Findings

- 63-04 PSC Schedule 11 -- Significant
Adverse Findings

Work Product Privilege

¹ Notwithstanding the Certificate of Service attached to its motion in opposition, Citizens had to orally request a copy from BellSouth Telecommunications. BellSouth faxed a copy of its motion to Citizens on May 26, 1992.

² Citizens filed a motion to compel BellSouth to produce the September 1991 MOOSA audit on April 8, 1992. The motion is pending before the Commission. No hearing date has yet been set.

3. The Supreme Court of Florida has stated that the purpose of the discovery rules is to expedite the search for relevant facts, to facilitate trial preparation, and to assist the court in its search for truth and justice by eliminating gamesmanship, surprise and legal gymnastics as determining factors in litigation. Dodson v. Persell, 390 So. 2d 704 (Fla. 1980) (holding that surveillance films are not privileged when they will be used as evidence or, if the films are unique, when they are materially relevant and unavailable). The Supreme Court of Florida relied on federal precedent set by the United States Supreme Court decision in Hickman v. Taylor, 329 U.S. 495 (1974) as authority for claims based on the work product privilege. Hence, the work product privilege is derived from judicial rule and state case law, not statute. Fla. R. Civ. P. 1.280(b)(2).

4. The work product doctrine protects an attorney's mental impressions, investigative materials, legal theories, and personal notes from discovery when prepared in anticipation of litigation by an attorney or an employed investigator at the direction of a party. Id.; accord Reynolds v. Hofmann, 305 So. 2d 294 (Fla. 3d DCA 1974) (categorizing attorney's views of the evidence, witnesses, jurors, legal citations, proposed arguments, jury instructions, diagrams and charts as work product). "The general rule for determining whether a document can be said to have been 'prepared in anticipation of litigation' is whether the 'document can fairly be said to have been prepared or obtained because of the prospect

of litigation, . . . [and not] in the regular course of business. 8 Wright & Miller, Federal Practice & Procedure: Civil § 2024 (1970)." Carver v. Allstate Ins. Co., 94 F.R.D. 131 (1982); but see Harper v. Auto-Owners Ins. Co., 138 F.R.D. 655, 661-622 n.2 (S.D. Ind. 1991) (disagreeing with the Carver court and concluding that documents prepared for the concurrent purposes of litigation and business "should not be classified as work product").

5. Work product is a more limited privilege than the attorney-client privilege. Work product only gives a qualified immunity from discovery for documents and tangible things prepared in anticipation of litigation by the attorney or at the attorney's request. Proctor & Gamble Co. v. Swilley, 462 So. 2d 1188 (Fla. 1st DCA 1985). The attorney may be required to disclose the existence of privileged material,³ but not its contents, unless an adverse party shows need and an inability to obtain the materials from other sources without undue hardship. Alachua Gen. Hosp. v. Zimmer USA, Inc., 403 So. 2d 1087 (Fla. 1st DCA 1981) (holding that work product immunity attaching to information in initial wrongful death suit carried forward to subsequent litigation); Fla. R. Civ. P. 1.280(b)(2); accord Transcontinental Gas Pipe Line Corp., 18 F.E.R.C. ¶ 63,043 (Feb. 9, 1982) (finding that materials that were related to the issue, which were prepared at the direction of counsel, were discoverable by the adverse party because the materials could not be duplicated without undue hardship).

³ See note 1 supra.

6. The objecting party has the burden of first showing the existence of the privilege. Hartford Accident & Indem. Co. v. McGann, 402 So. 2d 1361 (Fla. 4th DCA 1981). Only if clearly shown does the moving party have to demonstrate need to overcome the privilege. Id.; accord Black Marlin supra at 65,088 (material written by non-attorney at request of attorney does not automatically make it privileged work product).

7. BellSouth has failed to demonstrate the existence of the privilege. BellSouth claimed that the attorney-client privilege and the work product privilege protected these four audits from discovery because these audits were done at the request of company attorneys. BellSouth motion at 6-7. BellSouth's reliance on Affiliated Florida, Inc. v. U-Need Sundries, Inc., 397 So. 2d 764 (Fla. 2d DCA 1981) is misplaced. That case upholds the accountant-client privilege and documents held by an attorney where no subpoena duces tecum had been filed. It does not stand for the proposition that an audit conducted by company auditors is privileged. It is not. The Legislature defined the privileges available to citizens in this state. § 90.501, et seq., Fla. Stat. No privilege exists for company audits. The Legislature has provided for an exemption from the public records law for telephone company audits upon a finding that disclosure would harm the utility or ratepayer. Id. § 364.183(3)(b). The Commission should review the document to determine whether it qualifies for this limited privilege. Austin v. Barnett Bank of So. Fla., 472 So. 2d 830 (Fla. 4th DCA 1985)

("Where a claim of privilege is asserted, the trial court should hold an in camera inspection to review the discovery requested and determine whether assertion of the privilege is valid."). If the Commission finds legal conclusions are mixed with facts, it may order the company to produce copies with the legal advice redacted. This safeguards the company's interest while ensuring Citizens their full due process rights to factual evidence.

8. Florida courts have distinguished between fact and opinion work product. E.g., State v. Rabin, 495 So. 2d 257 (Fla. 3d DCA 1986) (holding that attorney's fact work product was discoverable after the case terminated). "Generally, fact work product is subject to discovery upon a showing of 'need,' whereas opinion work product is absolutely, or nearly absolutely, privileged." Id. at 262; see Livingston v. Allis-Chalmers Corp., 109 F.R.D. 546 (S.D. Miss. 1985) (extending perpetual protection to opinion work product, but not fact work product, used in prior, terminated and unrelated cases).

9. Several exceptions to the work product doctrine exist: (1) opinion work product used by an expert witness in formulating his opinion or testimony is discoverable on the basis of need of the opposing party to prepare for effective cross-examination;⁴ (2)

⁴ Boring v. Keller, 97 F.R.D. 404 (D. Colo. 1983); Zuberbuhler v. Division of Admin., 344 So. 2d 1304 (Fla. 2d DCA 1977) (permitting discovery of opposing party's expert witness's evidentiary opinions while protecting expert's non-evidentiary opinions promotes fairness through encouraging settlements by

materials used by an opposing party to cross-examine or impeach a witness is discoverable to further effective cross-examination and rebuttal;⁵ (3) work product protection may be waived by disclosure;⁶ and documents concurrently created for business purposes are discoverable.⁷

10. Internal audits are created for business purposes. Audits are designed to examine and evaluate company practices and procedures with an eye toward improving service and maintaining compliance with Commission rules. As such, the audits listed are business documents that cannot be afforded work product protection merely because the company states that they were run as a special request

exposing both parties strengths and weaknesses and by providing a more thorough examination of expert witnesses for the jury), cert. denied, 358 So. 2d 135 (Fla. 1978); but see Hamel v. General Motors Corp., 128 F.R.D. 281 (D. Kan. 1989) (concluding that opinion work product used by expert in preparation of testimony was not discoverable as the adverse party could not meet the "substantial need" test as the party failed to show that the expert was influenced by the documents in the development of his opinion or preparation for testimony).

⁵ Mims v. Casademont, 464 So. 2d 643 (Fla. 3d DCA 1985) (holding that reports prepared by experts expected to testify at trial were discoverable).

⁶ State v. Rabin, 495 So. 2d 257 (Fla. 3d DCA 1986).

⁷ Harper v. Auto-Owners Ins. Co., 138 F.R.D. 655 (S.D. Ind. 1991); see United States v. El Paso Co., 682 F.2d 530 (5th Cir. 1982) (tax pool analysis), cert. denied, 466 U.S. 944 (1984); accord Hardy, 114 F.R.D. at 644 (company's affirmative action plan sent to house counsel); United States v. Gulf Oil Corp., 760 F.2d 292 (Temp. Emer. Ct. App. 1985) (auditors' financial reports prepared pursuant to requirements of federal securities laws); Soeder v. General Dynamics Corp., 90 F.R.D. 253 (D. Nev. 1980) (in-house reports on air crash); Consolidated Gas Supply Corp., 17 F.E.R.C. ¶63,048 (Dec. 2, 1981) (summary of corporation's business practices).

from in-house counsel. See Soeder v. General Dynamics Corp., 90 F.R.D. 253, 255 (D. Nev. 1980) (company's in-house air crash accident report, while prepared in anticipation of litigation, was equally spurred by a desire to improve the quality of its product, to protect future passengers, to avoid adverse publicity, and to promote its own economic interests); cf. Proctor & Gamble Co. v. Swilley, 462 So. 2d 1188, 1193 (Fla. 1st DCA 1985) (scientific and technical documents prepared in anticipation of litigation are not disqualified from work product immunity).

11. The attached memo [Attachment G] from H.W. Hay, Assistant Vice President of Network Operations Support, is clear evidence that these audits served BellSouth's business interest. On January 1, 1992, BellSouth instituted a number of changes to the LMOS, MOOSA, and KRSI systems. Mr. Hay's memo provides details of the numerous changes that were made to these systems. It is obvious that the information derived from the audits of the operating system formed the basis of the changes. Given BellSouth's business interests, these audits were prepared for ordinary business purposes, and therefore, are discoverable.

12. Citizens have a substantial need for the information contained in these audits and cannot replicate the information.⁸ These audits are directly relevant to the issue of the integrity of maintaining customer service quality standards within the context

⁸ State Farm Mutual Auto. Ins. Co. v. LaForet, 591 So. 2d 1143 (Fla. 4th DCA 1992) (demonstration of need and undue hardship required under Fla. R. Civ. P. 1.280(b)(2)).

of incentive regulation. As Vice President D.W. Jones indicated in his memo to various vice presidents on August 1, 1991 [Attachment H], changes in the customer trouble reporting system potentially affects the "rate stabilization" plans. These audits will provide factual data on the accuracy of the trouble reporting and automatic rebate processes, the accuracy of the amount and timing of customer rebates, the accuracy of the error correction process, and employee motivation to ensure the integrity of the customer service quality reporting system.

13. According to company reports (schedule 11 and 11a) submitted to the Commission, in 1991, Southern Bell received 1,643,188 trouble reports. Of those, 670,535 were statused out-of-service. The October 1989 MOOSA audit indicated that over 280,000 adjustments were made in the first eight months of 1989 alone.⁹ Obviously, that amount of data can only be processed by a computer.

14. BellSouth's 1991 third quarter audit of PSC schedule 11's, which BellSouth labeled as "significant adverse findings", casts doubt upon the integrity of the customer repair report data. This data forms the base for all other information reviewed in this investigation, as well as Dockets Nos. 910163, 90727, and 900960.

⁹ See Attachment A - 1989 MOOSA audit produced in response to Citizens' 7th production of documents request, item 12. As this audit was produced under a claim of temporary protective order, it is being provided in a sealed envelope.

Only a review of that audit will determine whether the schedule 11's as filed with the Commission contained accurate data. Until this point is cleared up, no independent audit of BellSouth's system can be accurate as it would be based upon suspect data.

15. The customer trouble reporting data is processed through a complex computer system, which is designed to interact with the customer on initial call-in, with various employees throughout the trouble reporting and rebate process, and at times automatically. This complex system of hardware and software programs comprises linked programs, each of which has its own nest of subprograms and subroutines that massage customer data. The initial program for capturing a customer trouble report is the Loop Maintenance Operating System (LMOS).

16. LMOS is activated by a customer calling in a trouble report. This data is processed through linked computer software into a trouble history database, which is a 500 character record. This data storage record is accessed by at least two other software programs that generate PSC reports and the MOOSA adjustments. MOOSA (Mechanized Out of Service Adjustments) operates at the end of this series of linked computer programs. The rebate adjustment process has a separate series of programs that generate a variety of reports, as well as producing the actual credit on the

customer's bill.¹⁰ BellSouth is the sole proprietor of the data and the computer software programs involved in producing these audits. BellSouth has sole control of the data and the software programs. Harris Semiconductor v. Gastaldi, 559 So. 2d 299 (Fla. 1st DCA 1990). The customers, who have provided the means to build this complex system, have the right to know how this regulated monopoly has handled the regulated side of customer repairs and rebates.

17. Any evidence that bears on the integrity of the LMOS and MOOSA systems is directly relevant to the issue of the integrity of the incentive regulation plan. Was the data relied on by BellSouth to show that customer service quality remained high during the incentive plan valid or was this data manipulated by employees to give the appearance of success? BellSouth's own statement that each of these four audits contain "significant adverse findings" is prima facie evidence that these audits are relevant to this central inquiry.

¹⁰ See Attachments B - LMOS operating system document produced in response to Citizens' 17th request, items 2 & 3; C - BellSouth CRIS user guide and Revision #3 of Financial systems Documentation (FSD) produced in response to Citizens' 20th request, items 12 & 14; D - trouble report system flow chart produced along with the response to Citizens' 5th request, item 9; and E - MOOSA --Florida only-- Southern Bell procedures produced in response to Citizens' 7th request, items 4 & 6; F - AT&T Bell Labs program application instructions produced in response to Citizens' 17th request, items 1 & 3. All of these documents were produced under a temporary protective order; therefore, they are attached in sealed envelopes. However, sections of documents B, C, E and F have been introduced without objection at the May 21, 1992, panel deposition and are now public record.

18. The Key Service Results Indicator (KSRI) is a compilation of data taken from the customer trouble report system. This data is used as a base to award bonus pay to employees. One of the key issues in this docket is whether the incentive plan works as the Commission intended. Any evidence that tends to prove or disprove the integrity of the incentive regulation plan is discoverable unless privileged. Fla. R. Civ. P. 1.280(b)(1). Any evidence tending to show a motivation to falsify repair records is germane to this issue and is reasonably calculated to lead to admissible evidence.

19. As an indication of the undue hardship Citizens' face in any attempt to reconstruct these internal audits, we proffer BellSouth's responses to Citizens' and Staff's document requests in Docket No. 910163-TL. Staff's 14th Request for Production of Documents, Item 9, requested "the summaries of each district's monthly billing accounts for residential and business customers showing the total amounts billed by each class and the amounts rebated automatically through MOOSA and manually by each class for January 1, 1988 to the present." BellSouth stated in their objection to this request that:

"the billing information for 1989 and 1988 is on microfiche which is kept at each accounting office (Jacksonville & Miami). The microfiche is categorized by revenue accounting classifications in each NNX. Southern Bell would have to manually summarize up to 50 accounting classifications, separating residence and business for each of approximately 850 NNX's. It is estimated that this would require 500 to 600 hours to complete."

BellSouth's response at 13 (Feb. 18, 1992). Citizens' Fifteenth Production of Documents Request, Item number 5, requested " the customer trouble report summaries (E-2700) for all exchanges, districts and areas for January, 1980 to the present." BellSouth "estimated that in order to comply with this request as written, BellSouth would be required to collect approximately 4 linear feet of documents from each IMC and ship them to Tallahassee." BellSouth objected on the grounds that the request was unduly burdensome. [BellSouth's response to Citizens' 15th document request, page 3]

20. The complexity of BellSouth's system and the enormous amount of data that would have to be compared cannot be handled manually, even if it could be produced in a paper format. The Herculean task of doing so would indeed pose an unnecessary and undue hardship on Citizens. Citizens have attached an affidavit produced by its staff analyst, which factually demonstrates the undue hardship Citizens would have to overcome to reproduce the audit [Attachment I].

21. Since Citizens cannot replicate the data nor the complex interconnected computer programming that is required to produce these audits of the company's customer repair and rebate process, this Commission should order BellSouth to produce the four audits identified. Citizens further asserts that we need these audits in order to prepare our case. By its very nature, these audits

contain factual information that is reasonably calculated to lead to admissible evidence. Citizens need this information in order to prepare cross-examination for company witnesses. Furthermore, withholding the audits would defeat the interest of justice. BellSouth, as the sole proprietor of all the information relevant to this case, cannot be permitted to selectively disclose only those audits that bolster its case, while hiding unfavorable data behind a claim of privilege. To allow a regulated monopoly to dictate what information it will release to its regulatory agency and statutory consumer advocate would defeat the statutory mandate granted to this Commission by the Legislature.

Conclusion

Citizens assert that BellSouth has failed to meet its initial burden of showing that the attorney-client or work product privileges apply to the audits in question. Internal company audits contain factual data not an attorney's legal conclusions or legal advice. Should these audits contain legal conclusions, the remedy is to produce copies with those sections redacted, not withhold the entire document.

Citizens assert that BellSouth's 1991 third quarter LMOS, MOOSA, KSRI, and PSC schedule 11 audits are business documents containing factual information on the processing of customer trouble reports and credits that are directly relevant to a central issue in this case, and as such, are not covered by the attorney-client privilege, nor the more limited work product privilege. A

final determination can only be made by the Commission after an in camera review of the documents in question. After this review, the Commission may find that the audits, while not privileged under statute or rule, may be entitled to proprietary treatment. BellSouth should request such treatment under Commission rule 25-22.006, Florida Administrative Code. In any event, the Commission should compel BellSouth to produce the 1991 third quarter audits immediately.

Respectfully submitted,

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Charles J. Beck
Deputy Public Counsel


Janis Sue Richardson
Associate Public Counsel

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Attorneys for the Citizens
of the State of Florida

ATTACHMENTS A - F ARE
INDIVIDUALLY ATTACHED
IN SEPARATE ENVELOPES

**THESE DOCUMENTS ARE COVERED BY A TEMPORARY PROTECTIVE ORDER UNDER
COMMISSION RULE 25-22.006, FLORIDA ADMINISTRATIVE CODE.**

ATTACHMENT G

H.W. HAY MEMO

NOTE: This is submitted without cover as it was introduced at the BellSouth panel deposition held May 21, 1992 without objection.

file code: 010.1600

subject: Standards and Procedures - Customer and Employee Trouble Reports

type: Administrative Guidelines - Region Policy


date: December 31, 1991

distribution list:

file [related letters: None
other: None
to: General Managers - Operations
Operations Managers - Implementation Support
entities: BellSouth Telecommunications - North, Central, South
from: H. W. Hay, Assistant Vice President - Network Operations Support
D. L. King, Assistant Vice President - CO Operations Support
description: This letter provides regional standards and procedures for the handling of customer and employee trouble reports. These standards and procedures are region policy and will be strictly enforced.

★ ★ ★

Questions regarding this subject should be referred to your respective staff contact. Questions from the Operations Staff may be directed to Hugh Jones or Phil Peterson, BellSouth Telecommunications IMC Support, and Johnny Blocker or Jim Stewart, BellSouth Telecommunications Special Services Support.



H. W. Hay
Assistant Vice President -
Network Operations Support



D. L. King
Assistant Vice President -
CO Operations Support

Attachment

NOTICE

Not for use or disclosure outside BellSouth or
any of its subsidiaries except under written agreement

On January 1, 1992, the regional standards and procedures for the handling of customer and employee trouble reports, as described in this document, will become effective. These changes will be reflected in the next issues of BSP 660-169-011SV through 660-169-013SV. These standards and procedures will also be included in future operational reviews and compliance will be strictly enforced.

- o The MLT VER codes listed below are recommended as OOS conditions for NDT (1xx), CCO (2xx), and CBC (4xx) type reports. Changes will be made to BSP 660-169-012SV.

MLT VER Code

3	Open In
17	Resistive Fault and DC FEMF
18	Open Out and Cross
21	Ground
22	Short
25	Short and Ground
32	Can't Draw Dial Tone
33	Can't Break Dial Tone
35	Open In and Cross
41	Open Out Balanced
42	Open Out In Cable
45	Open Out Near Drop
95	Resistive Fault and Open

- o All Auto-Screen rules with the MLT VER codes described previously should have an OOS indicator (100-199) in the RESULT field.
- o It is a management responsibility to ensure compliance to the highest standard of ethics and professionalism in the determination of OOS versus SA for all MLT VER codes.
- o Modifications to the Auto-Screen rules, necessary to comply with these standards, must be completed before January 31, 1992. On this date, the transaction used for compiling the Auto-Screen rules, SCRCOMP, will no longer be available on demand. Future requests to compile the Auto-Screen rules must be coordinated through the

appropriate Implementation Staff to the Headquarters Staff - LMOS Subject Matter Expert.

The Headquarters Staff will maintain records of Auto-Screen rule changes for five years. In addition, Auto-Screen change activity reports will be prepared quarterly by the Headquarters Staff and distributed appropriately.

It is also recommended that each IMC use only one set of Auto-Screen rules and in addition, the use of Automatic Job Reject (AJR) eliminates the necessity for "wet" rules.

- o R (for retest) will be the only valid manual entry in the VER field of the LMOS TR mask.
- o CON or 106 (Carried Over Not Scored) will no longer be a valid Intermediate Status code.
- o In network centers not designated as customer trouble receipt centers, the creation of initial and subsequent trouble reports categorized as Customer Direct (CD), Customer Exclude (CX), and Employee Originated (EO) will be restricted to a small number of specified employees and the process thereof is to be directly supervised by management. A customer trouble receipt center is defined as a Centralized Repair Service Answering Bureau (CRSAB), Business Customer Assistance Center (BCAC), Major Account Center (MAC) / Special Services Center (SSC), National Accounts Support and Service (NASS), and Inter-Exchange Carrier Trouble Reporting Center (ICTRC). Those areas that have LMOS access through the Access Networking System (ANS) should use ANS as a means of managing this work function. Changes will be made to BSP 660-169-011SV.
- o IMC employees should not use mechanized trouble receipt systems, for example AIRO, to enter customer trouble reports except for those reports related to his or her personal business.

- o It will be a management responsibility to identify and document why customer trouble reports held for data base or line record reconciliation are carried over in an open status from one report month to another.
- o Regulatory reports and customer rebates will be based on the FST (final status) time rather than the reported clear time. This change will be made in the system used to extract these data.
- o Trouble reports closed to Disposition Code 11 will be included in the 1992 KSRI Total Customer Trouble Report measurement.
- o MTAS management reports to be used for the identification and reconciliation of customer reports closed to invalid disposition and cause codes will be available on January 1, 1992. The reports will initially be available on demand and will be titled Report 56 - Invalid Cause Codes and Report 86 - Invalid Disposition Codes. These management reports will be eliminated when LMOS software that prevents a trouble report from being closed with invalid codes is installed.
- o BSP 660-169-011SV describes the customer reports that can be excluded for measurement purposes as a Customer-Excluded (CX) report. Compliance to this practice will be strictly enforced.
- o BSP 660-169-011SV describes the appropriate sources of an Employee Originated (EO) report. Compliance to this practice will be strictly enforced.
- o All Operational Review documents related to adverse findings, check lists, and final written reports of findings will be retained for five years.

In addition, the following changes will be made to BSP 660-169-013SV in regards to disposition and cause codes. Due to extensive changes, there are descriptive paragraphs that need revision that are too lengthy to be included in this letter. A complete revised practice will be distributed before the end of the first quarter of 1992. Each operating location should continue to use the existing practices with the following changes:

- o All existing codes used for Service Orders are deleted. Service Orders are now defined as follows:

0190 -SERVICE ORDER FIELD WORK REQUIRED: Applies to Service Orders which require field work to provide service and are dispatched through a mechanized dispatch system. These codes are to be used only for the Service Order completion, not for trouble reports caused by Service Order activity.

0193 -INCOMPLETE FRAME/RCMAC:

0194 -SERVICE ORDER COMPLETE:

0198 -SERVICE ORDER NOT COMPLETE:

0199 -CANCELED SERVICE ORDER:

- o Only 6 codes remain in the category of Disposition code 03**.

The General Code for WIRE/EQUIPMENT IS 0300.

301 -CORPORATE COMMUNICATIONS WIRE - Use existing definition.

0302 -PUBLIC COMMUNICATIONS WIRE - Use existing definition.

0340 -NETWORK INTERFACE: Applies to troubles located in an Inside Network Interface (INI) or Outside Network Interface (ONI) or equivalent network equipment. This includes Network Channel Terminating Equipment (NCTE), Pulselink Data Multiplexing Unit (DVM), and troubles located in a Maintenance Terminating Unit (MTU).

0350 -NETWORK TERMINATING WIRE: Applies when that portion of the facility, including equipment and hardware, that is used to extend circuits from an intra-building network cable terminal or building terminal to a demarcation point.

0370 -PROTECTION GAS/CARBON: Applies when trouble is located in a gas/carbon protective device in the station protector. This code also includes 125 type protectors and trouble located in the ground system, such as missing, loose, or broken ground wire or connection.

0380 -DROP SERVICE WIRE/COPPER AND FIBER: Applies when the trouble is located in the drop service wire. Includes troubles isolated to an aerial/buried drop which came clear prior to being repaired. Applies to both Copper and Fiber Optic Service wires. Applies to permanent, temporary repairs, cut over of drop wire, AC/DC power disturbances to the Optical Network Interface (ONI), and failures of the Optical Network/Channel Units (ONI/ONI Channel Unit).

There are no detail codes except as described above.

- o The revisions to disposition code 04** are designed to allow each operation to use detail coding as applicable. If an operating area desires to use only General coding to identify pair changes, then only disposition code 0400 is required. If the same area wants to run a special study on pair changes, the trouble would be coded to disposition 0401. All code "4's" previously identified as a detail code "0" (Other) are deleted and now will identify the General Code. Should an organization opt to use detail coding, the codes specified in the practice are the only codes that may be used.

TABLE "G" in paragraph 18.1 outlines Sub-codes for Outside Plant troubles, the following changes will be made to the table:

0400 -TROUBLE NOT REPAIRED: Applies when the trouble is located in the outside plant and the trouble report is cleared by means other than correcting or repairing the facility fault. This includes but is not limited to PAIR TRANSFERS, PAIR CUT DEAD AHEAD, PAIR TRANSPOSED, RECONSTRUCTED PAIRS, WRONG PAIR ASSIGNED, and trouble

reports requiring loop treatment devices be added to the line except when a loop treatment device is defective or not connected in a central office as specified on a Service Order, service wire transfer., cable transfer, or any other official written document.

All detail codes previously categorized as 04** will remain in the practice and may be used as required.

0410 -CABLE: USE EXISTING DEFINITION AND DETAIL CODES.

0420 -NON-ACCESSIBLE PLANT: USE EXISTING DEFINITION AND DETAIL CODES.

0430 -ACCESSIBLE PLANT: USE EXISTING DEFINITION AND DETAIL CODES.

0440 -WIRE: USE EXISTING DEFINITION AND DETAIL CODES.

0450 -LIGHTWAVE SYSTEM AND FIBER OPTIC CABLE: USE ALL EXISTING CODES EXCEPT "0453". Code 0453 will be deleted and AIR PRESSURE SYSTEM will be included in disposition code 0490.

0460 -DIGITAL LOOP CARRIER (DLC) AND T1 EXTENSIONS: USE EXISTING DEFINITION AND DETAIL CODES.

0470 -DIGITAL LOOP CARRIER: USE EXISTING DEFINITION AND DETAIL CODES.

0480 -ANALOG CARRIER AND OTHER LOOP ELECTRONICS: USE EXISTING DEFINITION AND DETAIL CODES.

0490 -This is no longer a miscellaneous code. Code 0490 will be defined as: AIR PRESSURE SYSTEM/SHEATH TERMINATING HARDWARE/PRESSURE PLUGS: Applies when trouble is located to pressurization system. Includes air pipe, manifolds, splice case leaks, pressure or flow transducers, controlled leaks, check valves, fittings, etc. Also includes air dryer troubles whether or not air dryer also feeds cooper cables, Also applies when trouble is found to be in the Sheath Terminating Hardware or equivalent Pressure Plugs (including 100A closures or equivalent). Excludes fiber breaks occurring at these two items; code under appropriate fiber failure.

- o 05** -There are no changes to disposition code 05** at this time.

- o 0600 -MISCELLANEOUS: Applies when the customer reports a non-service effecting condition. Includes all conditions presently categorized as 060*. These items will be listed in the revised practice. Paragraph 12.3 (n) is applicable.
- o 0700 -There are no changes to disposition code 07** at this time.
- o 0800 -There are no changes to disposition code 08** at this time.
- o 0900 -NETWORK FOUND OK: Existing definition of 0900 applies. Codes 0910 and 0930 are deleted.
- o 1000 -MISC/ROUTINE: Applies when a trouble report is referred to other BellSouth agencies or departments not normally involved in the trouble clearing process and task credit maybe required for employee evaluation. Likewise, this code may be used when a trouble report can be EXCLUDED under BSP 660-169-011SV, paragraph 4.8, and task credit maybe required for employee evaluation. Disposition code 1010 is deleted. Codes 1092 thru 1095 remain as defined in the existing practice.
- o 1100 -There are no changes to disposition code 1100 at this time.
- o 1200 -EQUIPMENT WIRING - BILL: Applies when trouble cannot be located in TELCO facilities and can be attributed to, is isolated to, or is found in customer provided equipment/wiring and bill is generated via a Statement of Work Charges RF 141/RF 1356. This code includes billable Tariffed or Detariffed trouble determination or isolation charges made for repairs to station wires, jacks, connecting blocks, etc. at the customer's request. It also applies when the trouble is located in nonstandard customer equipment/wiring.
- o 1210 -EQUIPMENT WIRING - NO BILL: Applies when trouble is found to be in customer equipment/wiring and billing is not applicable for (but is not limited to) the

following reasons:

- Trouble reported by a third party.
- WMR only customer that refuses access to a technician.
- No accesses where the customer has a wire maintenance plan.
- Customer subscribes to a wire maintenance plan that includes isolation and a technician does isolation or repair.
- Repairs covered by warranty.
- Repairs covered by contracted wire maintenance.
- Trouble determination when included as part of tariff for access line.

1220 -CUSTOMER DECLINES DISPATCH: Applies when a trouble is isolated to the customer's equipment/wiring during initial testing when contacting the customer and no dispatch is required. This code is for IMC/MAC/BCAC use only.

1290 -CATV: Any trouble isolated to equipment associated with Cable Television (CATV)

Any 12** code not mentioned above is deleted from the practice.

- o 1300 -All 1300 codes are deleted.

- o The revisions to cause codes are designed to allow each operation to use detail coding as applicable. If an operating area desires to use only General coding to identify reports caused by lightning, then only cause code 400 is required. If the same area wants to run a special study on reports caused by lightning, the trouble would be coded to cause code 410. Should an organization opt to use detail coding, the codes specified in the practice are the only codes that may be used.

100 -TELCO-EMPLOYEE:

200 -NON-TELCO-EMPLOYEE:

300 -DEFECTIVE PLANT:

400 -WEATHER:

500 -MISCELLANEOUS:

600 -UNKNOWN:

ATTACHMENT H

D.W. JONES MEMO

NOTE: This is submitted without cover as it was introduced at the BellSouth panel deposition held May 21, 1992 without objection.

August 1, 1991

*Walt
are PSC rules
impacted in any of
our states? CB*

TO: R. M. Flynt, Jr. - Senior Vice President -
 SCB Regulatory & External Affairs
 W. W. Sessoms - Senior Vice President -
 SBT Regulatory & External Affairs
 D. J. Thompson, Jr. - Vice President -
 Regulatory & External Affairs Staff
 T. L. Cloar, Vice President Operations - North
 D. L. Strohmeier, Vice President Operations - Central
 C. J. Sanders, Vice President Operations - South

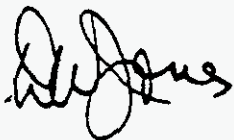
FROM: D. W. Jones, Vice President - Network Strategic Planning &
 Support

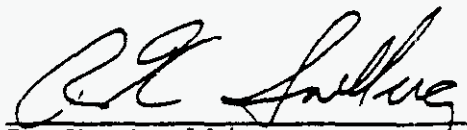
SUBJECT: Change in Method of Determining Out of Service
 Conditions on Customer Trouble Reports

Over the past few months my staff has made a review of Out of Service (OOS) procedures. It was determined that there are currently varied interpretations as to what constitutes an OOS condition.

Based on findings during the review, the rules for scoring Out of Service troubles will be refined so that all areas across the region are more consistent. This will be accomplished first by establishing a standard set of test codes that will be considered an Out of Service condition. Secondly, a software change in the maintenance operation system (LMOS) is being initiated to automatically status troubles as Out of Service when a customer reports No Dial Tone, Can't Be Called, or Can't Call Out on all phones or all calls. With today's methods forty to fifty percent of our total customer trouble reports are coded Out of Service. Our projection is that with the new methods this level will climb to seventy to eighty percent of the total customer trouble reports.

Please evaluate the impacts this new method of determining Out of Service might have with the various rate stabilization plans, rebate policies, internal repair commitment and measurement strategies, or other areas of concern. Please share your findings and thoughts with me by August 30th.



CONCURRED: 
 R. K. Snelling

cc: F. D. Ackerman
 W. M. Ferguson
 N. C. Baker, Jr.

ATTACHMENT I
AFFIDAVIT OF NEED
and UNDUE HARDSHIP

AFFIDAVIT

STATE OF Florida

COUNTY OF Leon

BEFORE ME, the undersigned authority, personally appeared Walt Baer, who stated that he is currently a Regulatory Analyst with the Florida Office of the Public Counsel, and has provided the following opinion on Southern Bell Telephone's trouble reports.

1. To the best of my knowledge, Southern Bell trouble reports are analyzed by computerized procedures to identify out-of-service conditions that qualify for a refund to the consumer. The initial customer trouble report is processed through the Loop Maintenance Operation System (LMOS). LMOS data forms the trouble history base from which the Mechanized Out Of Service Adjustment (MOOSA) system, the Mechanized Trouble Analysis System (MTAS), and the Customer Record Information System (CRIS) operates. MOOSA identifies and adjusts the appropriate customer accounts based on this data. MOOSA only handles the simple accounts like single line residential and business. More complex situations involving multiple lines and systems, late payment charges, denial of toll calls, and incorrect billing of service order charges are handled by a manual adjustment system. PSC schedule

11 reports are run through the MTAS system. The Key Service Results Indicators are derived from the same data as generated by LMOS. The foundation of all of these systems is the customer trouble reports.

2. To evaluate the adequacy and effectiveness of internal controls and the quality of performance of these systems, BellSouth performs internal audits. Four such audits took place in the third quarter of 1991.

3. The necessity of utilizing computers to assist in the audits is obvious when one understands the enormous size of the data base, which represents the trouble reports that have to be analyzed to determine whether a refund is due to the consumer. The volume of total trouble reports of which the number of Out of Service (OOS) reports are a subset, and trouble reports that are Out of Service for greater than 24 hours, which is a subset of the OOS reports, can be seen by way of the Schedule 11 and 11a reports furnished to the Florida Public Service Commission by BellSouth. I have summarized the figures from the Schedule 11 and 11a reports in the attached Charts A, B and C. Without access to BellSouth's audits, the Office of the Public Counsel Staff would have to receive all the manuals and procedures that explain how to read trouble reports, the paper copies of each trouble report, and each customer bill to verify the accuracy of BellSouth's entire trouble repair and rebate system. All this

information would then have to be tabulated into some comprehensible form to determine the degree to which BellSouth has met its claim of maintaining the high quality of customer service with appropriate incentives and integrity.

4. It would be difficult to even estimate how long it would take for the Public Counsel staff to analyze just the 1,643,188 total reports for 1991, or the total OOS report for 1991 of 670,537. Indeed, given the complexity of the audits, the enormous amount of data, and the unique computer system required to process it, the task is impossible.

5. All of the customer data and the computer systems that are needed to produce these audits are under the sole control of BellSouth Telecommunications, Inc. and cannot be obtained from any other source.

6. Graphs showing the number of reports - total, OOS and OOS over 24 hours - are attached. This data comes from public records on file with the Public Service Commission. This data has been rendered suspect by BellSouth's claim of privilege for its audit of the PSC schedule 11's, which it labeled as containing "significant adverse findings".

DATED at Tallahassee, FL., this 2nd day
of June, 1992.

Walter Bar

Sworn to and subscribed before me this

2nd day of June, 1992.

Kay W. Harder

NOTARY PUBLIC

State of Florida at Large

My commission expires: _____



KAY W. HARDER
MY COMMISSION # CC 191547 EXPIRES
April 7, 1996
SIGNED BY JERRY GAIN INSURANCE, INC.

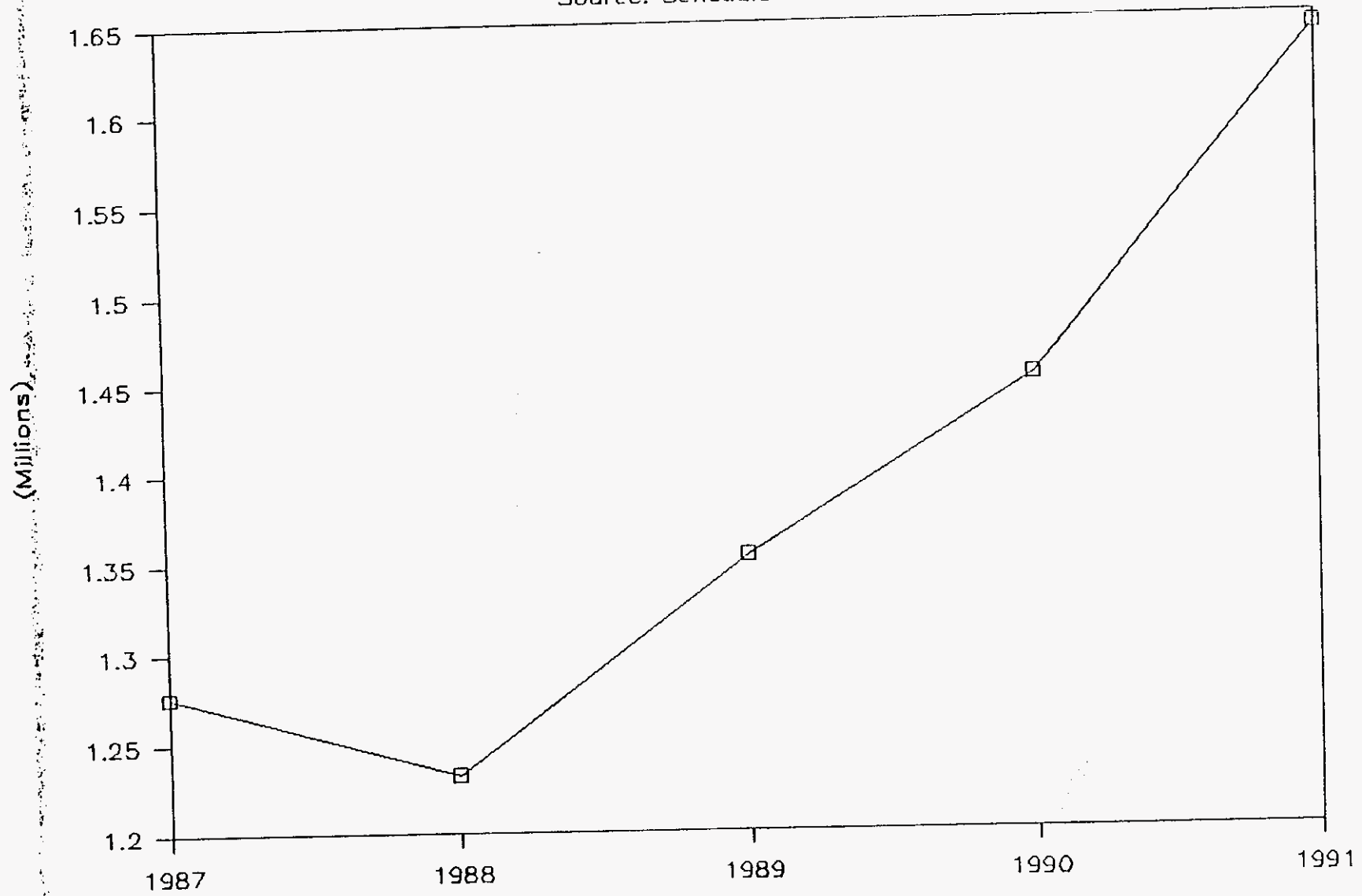
CHART A

TOTAL TROUBLE REPORTS - FLORIDA
Source: Schedule 11a

	1987	1988	1989	1990	1991
Jan.	113,579	102,933	103,709	114,610	131,981
Feb.	96,604	97,937	88,552	104,880	111,720
Mar.	106,111	105,345	107,347	112,496	125,549
Apr.	97,858	94,100	104,754	112,079	132,356
May	100,168	92,591	109,894	113,841	132,523
Jun.	103,174	103,297	122,791	133,633	146,135
Jul.	119,247	109,465	122,336	136,731	157,929
Aug.	108,363	117,044	131,791	149,120	151,135
Sep.	109,612	111,206	120,142	120,533	135,174
Oct.	111,773	101,807	122,180	131,459	166,431
Nov.	106,536	102,540	107,206	115,554	127,835
Dec.	103,131	94,212	112,392	107,336	124,420
Sum=	1,276,156	1,232,477	1,353,094	1,452,272	1,643,188
Ave=	106,346	102,706	112,758	121,023	136,932
Total 1987 - 1991 =					4,448,554

TOTAL TROUBLE REPORTS - FLORIDA

Source: Schedule 11a



TOTAL TROUBLE REPORTS - FLORIDA

Source: Schedule 11a

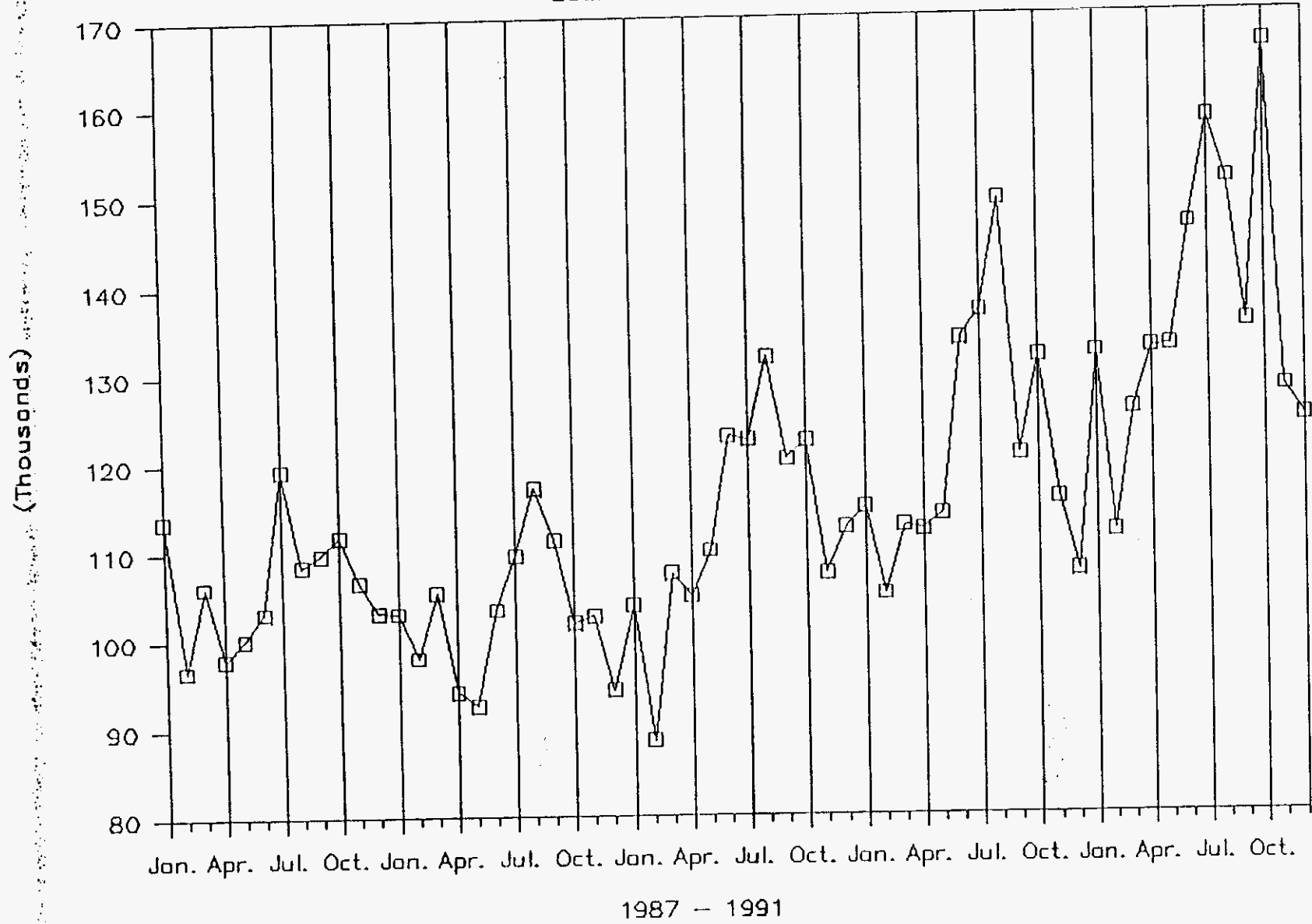


CHART B

TOTAL OOS TROUBLE REPORTS - FLORIDA

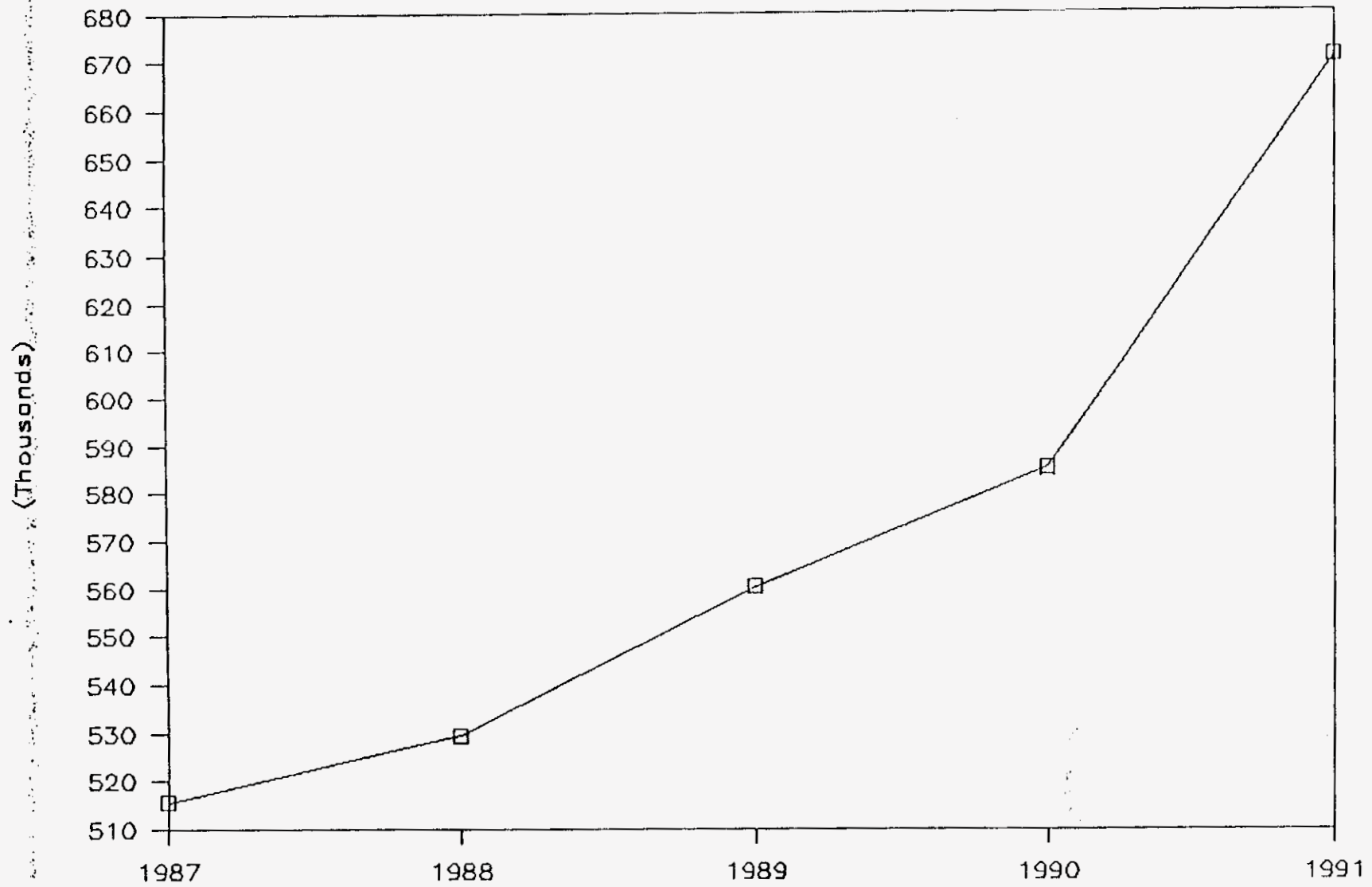
Source: Schedule 11a

	1987	1988	1989	1990	1991
Jan.	41,124	44,918	41,225	45,321	51,227
Feb.	36,436	43,942	36,380	42,433	42,828
Mar.	39,789	46,581	44,723	46,900	48,204
Apr.	35,935	40,458	45,206	47,942	53,108
May	39,171	39,960	45,889	46,079	53,621
Jun.	41,285	45,033	53,087	55,939	62,239
Jul.	50,617	47,806	51,317	56,719	67,818
Aug.	45,255	51,322	54,376	62,556	60,637
Sep.	46,898	46,769	51,080	48,141	55,946
Oct.	47,910	42,267	48,500	50,052	71,557
Nov.	46,685	42,712	42,730	43,604	51,881
Dec.	44,612	37,680	45,821	39,559	51,471
Sum=	515,717	529,448	560,334	585,245	670,537
Ave=	42,976	44,121	46,695	48,770	55,878

Total 1987 - 1991 = 1,816,116

TOTAL OOS TROUBLE REPORTS – FLORIDA

Source: Schedule 11a



TOTAL OOS TROUBLE REPORTS - FLORIDA

Source: Schedule 11a

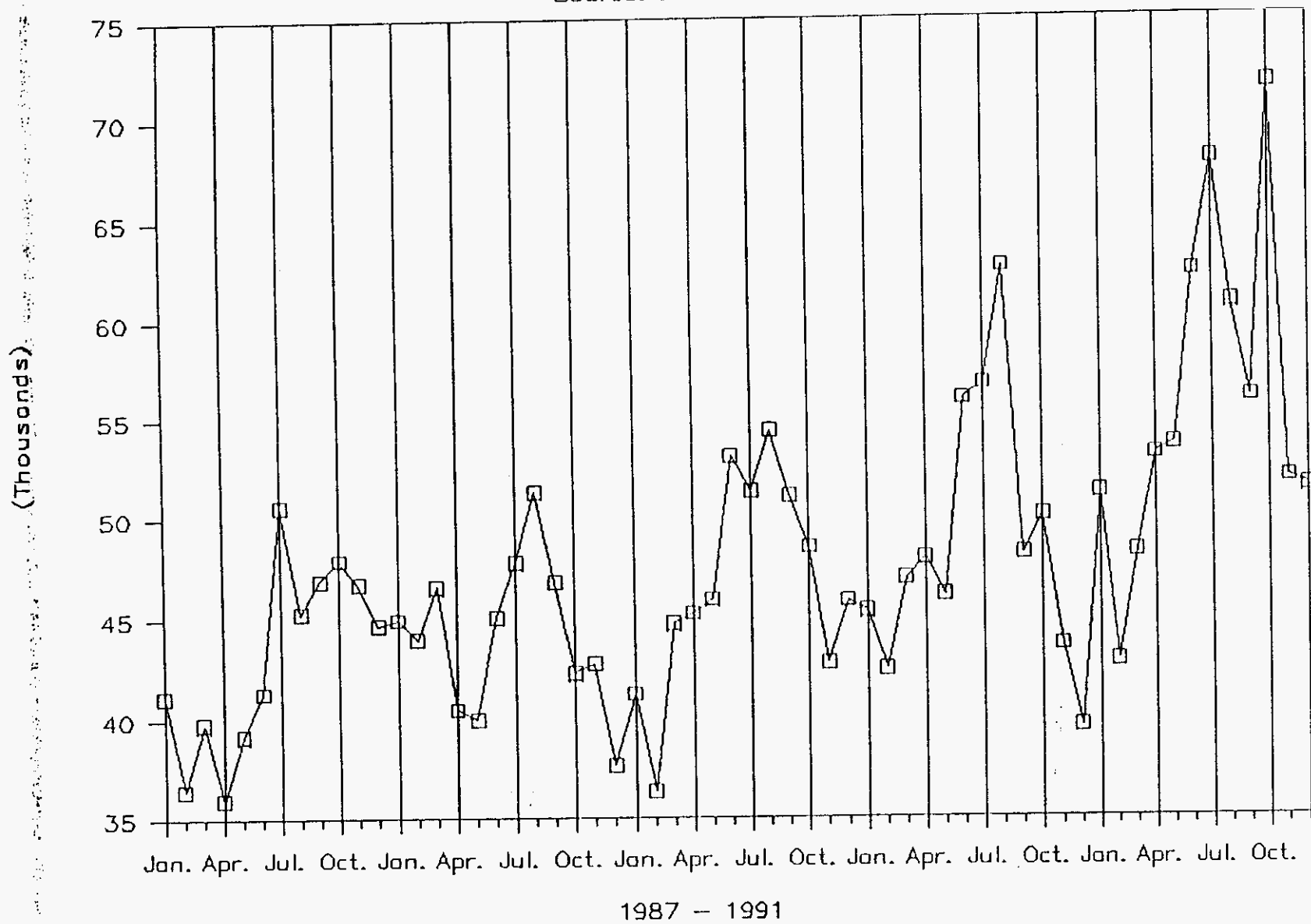


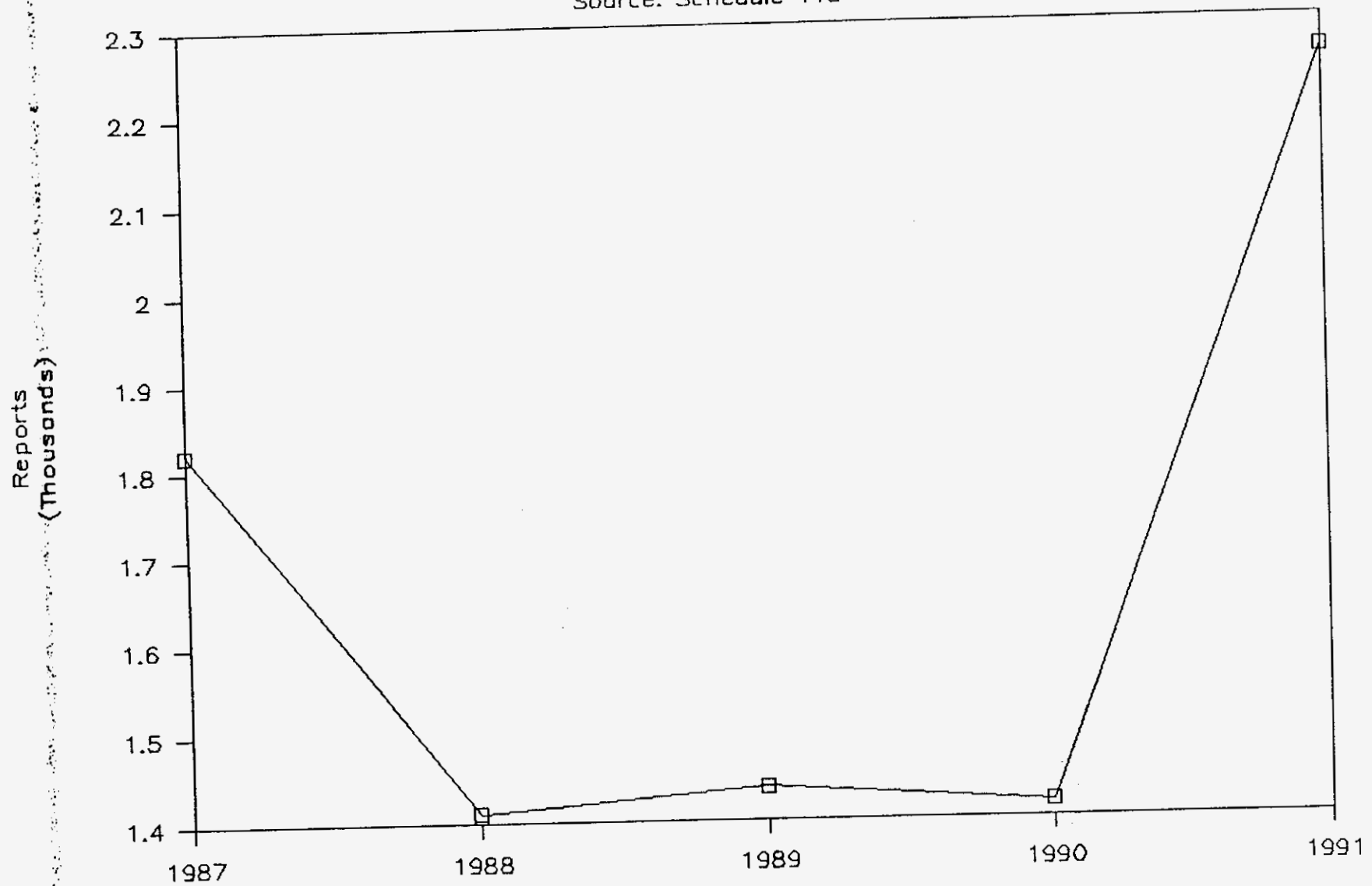
CHART C

TOTAL OVER 24 HOURS TROUBLE REPORTS - FLORIDA
Source: Schedule 11a

	1987	1988	1989	1990	1991
Jan.	1,452	1,372	733	1,298	1,293
Feb.	878	1,131	513	796	811
Mar.	1,225	955	1,604	917	1,275
Apr.	1,030	884	863	1,036	1,351
May	1,360	898	892	962	1,496
Jun.	1,552	1,432	1,620	1,720	2,662
Jul.	2,461	2,295	1,605	2,601	3,604
Aug.	1,562	2,288	1,851	3,483	2,925
Sep.	1,910	2,962	1,464	1,092	1,904
Oct.	2,087	1,245	2,440	1,364	5,125
Nov.	4,323	842	1,756	893	2,191
Dec.	2,011	631	1,905	853	2,513
Sum=	21,851	16,935	17,246	17,015	27,150
Ave=	1,821	1,411	1,437	1,418	2,263
Total 1987 - 1991 =					61,411

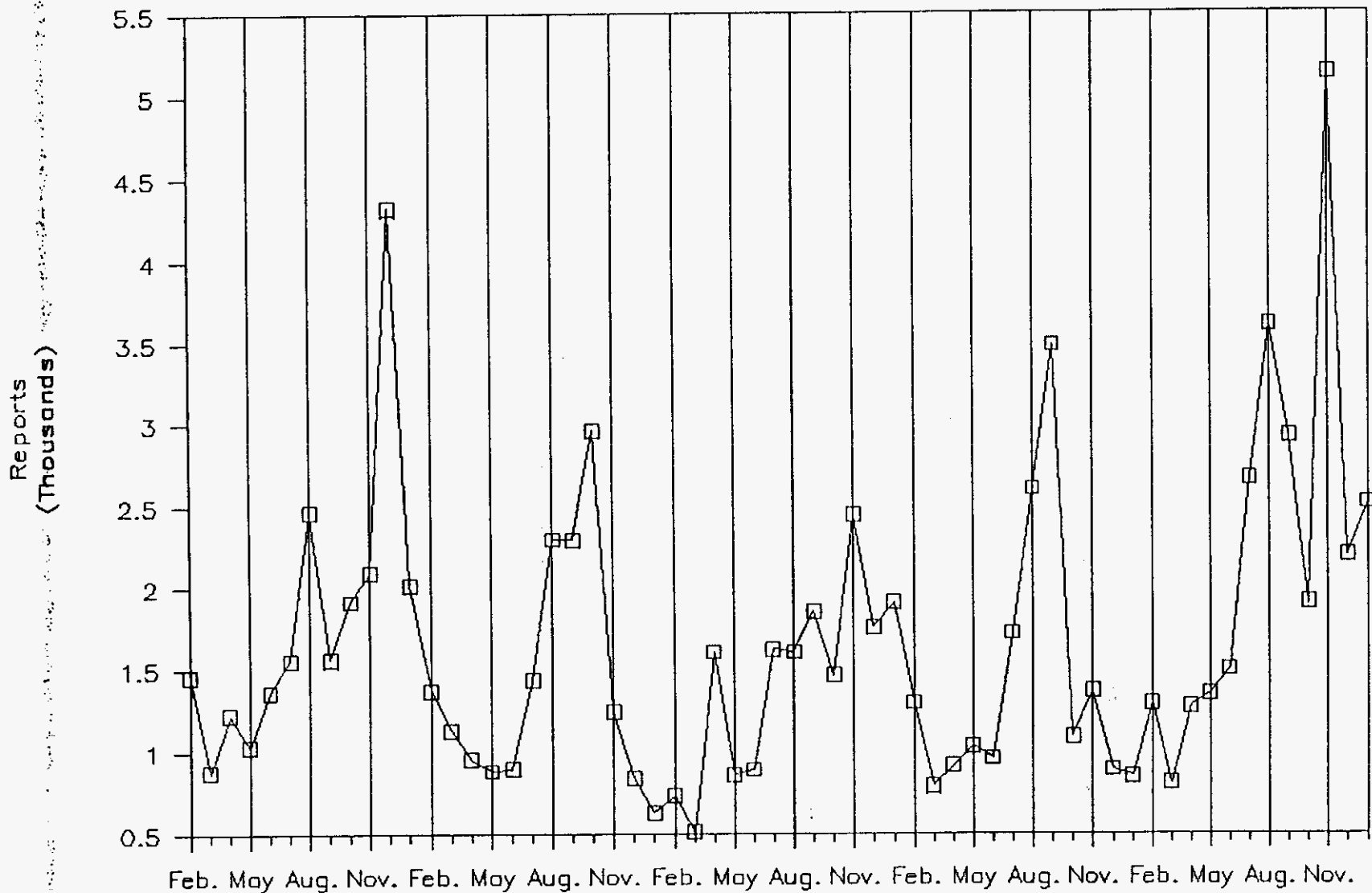
TOTAL OVER 24 HOURS OOS REPORTS

Source: Schedule 11a



TOTAL OVER 24 HOURS OOS REPORTS

Source: Schedule 11a



**CERTIFICATE OF SERVICE
DOCKET NO. 920260-TL**

I HEREBY CERTIFY that a copy of the foregoing has been furnished by U.S. Mail or hand-delivery to the following parties on this 2nd day of June, 1992.

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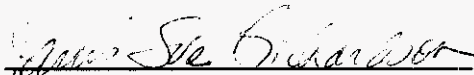
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/s/
Charles J. Beck
Deputy Public Counsel



Janis Sue Richardson
Associate Public Counsel