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BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of :  
Comprehensive review of the : DOCKET NO. 920260-TL  
review of the revenue require- :  
ments and rate stabilization :  
plan of Southern Bell Telephone :  
and Telegraph Company. :

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PROCEEDINGS: PLANTATION SERVICE HEARING

BEFORE: **RECEIVED** CHAIRMAN THOMAS M. BEARD  
Division of Records & Reporting COMMISSIONER J. TERRY DEASON  
COMMISSIONER LUIS J. LAUREDO

**SEP 28** 1992

DATE: Florida Public Service Commission Monday, September 14, 1992

TIME: Commenced at 6:00 p.m.  
Concluded at 9:25 p.m.

PLACE: Plantation High School  
Auditorium  
6901 N.W. 16th Street  
Plantation, Florida

REPORTED BY: JOY KELLY, CSR, RPR  
Official Commission Reporter

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## P R O C E E D I N G S

(Hearing commenced at 6:00 p.m.)

CHAIRMAN BEARD: Let's go ahead and get started. I want to welcome everybody and thank you for coming. Some pretty heavy traffic and some pretty nasty weather from the south side.

My name is Tom Beard. And I am Chairman of the Public Service Commission. And with me tonight is Commissioner Terry Deason and Commissioner Luis Lauredo.

Our sole objective tonight, besides trying to shout out the trumpets over here, is to hear from you. And your comments, your questions, how you feel about your phone service, anything that you have of importance that you want to talk to the Commission about.

We will take a few minutes tonight, briefly, and let the Company make an opening statement. And I believe Mr. Shreve, of Public Counsel's office, has some comments, as well as the Attorney General's office. Once we get that out of the way, then I would like to take a few minutes and do -- we have to swear anybody in that wants to testify, just so we can make it a part of the record. We don't want to intimidate anybody, we'll do it all at one time, and then feel

1 free to -- we'll call you up by name and say what you  
2 have to say.

3 If you are nervous and don't want to stand up  
4 here and testify, there's a couple of ways you can  
5 still get your statements or your concerns in the  
6 record. I think you've seen some of those yellow  
7 sheets that you can fill out, put your comments down  
8 and sign those, and that will work just as good.

9 If somebody comes up here and makes a  
10 statement and you would agree basically with what they  
11 are saying, if you want to just get up and say, "Hey, I  
12 agree with what they said and I want to adopt that for  
13 my testimony too." You can do that if it make you feel  
14 more comfortable. We want you to be comfortable. We  
15 want you to tell us what's on your mind.

16 Okay. With that behind us. Mr. Lacher, are  
17 you ready to go?

18 MR. LACHER: Yes, sir.

19 CHAIRMAN BEARD: Okay.

20 MR. LACHER: Mr. Chairman, just one  
21 preliminary matter, if I could.

22 Southern Bell has the proof of publication  
23 for this hearing, which was published in the Ft.  
24 Lauderdale News Sun Sentinel, North Palm Beach Post in  
25 the Miami Herald, all on September 4th. I'll just give



1 that to the Court Reporter as exhibits.

2 CHAIRMAN BEARD: You do that. And we'll  
3 identify that as Exhibit No. 4.

4 MR. LACHER: Thank you.

5 (Exhibit No. 4 marked for identification.)

6 CHAIRMAN BEARD: Oh, yeah. Bear with me  
7 while I do one more thing, and my lawyer's going to  
8 keep me out of trouble. If you'll read the notice.

9 MS. DAVIS: Yes, sir.

10 This time and place have been called for a  
11 service hearing in Docket No. 920260-TL in the matter  
12 of the comprehensive review of the revenue requirements  
13 and rate stabilization plan of Southern Bell Telephone  
14 and Telegraph Company.

15 CHAIRMAN BEARD: Okay. Mr. Lacher.

16 MR. LACHER: Thank you, Mr. Chairman.

17 Good evening. My name is Joe Lacher, and I  
18 am the President for Southern Bell Florida. And I am  
19 responsible for the Company's operations in the state.  
20 I'm here to discuss Southern Bell's price regulation  
21 plan proposal. But before I begin outlining our  
22 proposal, I would like to relate to you some of what  
23 we've experienced recently in our South Florida  
24 community.

25 As you well know, much of Miami, Homestead,

1 Kendall, Perine, and Florida City, has recently been  
2 ravaged by Hurricane Andrew. In certain areas Andrew  
3 destroyed everything in its path, including many  
4 facilities which were considered hurricane-proof.

5 One of the few positive things which we have  
6 learned from the devastating experience has to do with  
7 the value of the new telecommunications infrastructure  
8 which Southern Bell has been building in Florida to  
9 serve you, our customers, on our public network.

10 I've jotted down a few excerpts from the  
11 August 27th Miami Herald editorial, that I believe  
12 illustrate the performance of the network, and Southern  
13 Bell's commitment to our customers. The Herald article  
14 begins by describing the uncanny performance of  
15 Southern Bell's phone system throughout the worst of  
16 Hurricane Andrew.

17 The same article quotes, "When houses were  
18 destroyed phone connections often went with them. But  
19 when individual connections survived, the durable  
20 underlying fiber optic network of Southern Bell service  
21 never failed; not even in the hardest-hit Homestead  
22 Office.

23 Finally, the same article: "Beyond the  
24 engineering, playing and finance that drive a big  
25 corporation, that soothing voice of Southern Bell's

1 essential business, when we needed it most it was  
2 there. So while much else was being destroyed,  
3 Southern Bell's network remained to the great degree,  
4 intact, serving its customers in their most desperate  
5 time of need."

6 Now, we're proud of those words from the  
7 Herald, as we're proud of our network. But most  
8 importantly, we're proud of our people of Southern Bell  
9 who are manning the network 24 hours every day, for  
10 you, our customer.

11 We believe Southern Bell's proposal, which is  
12 what I'm here to discuss with you tonight, will help to  
13 ensure the continuance of this kind of outstanding  
14 service. We filed our plan with the Florida Public  
15 Service Commission on July 15th for two reasons:

16 First, our existing plan will expire at the  
17 end of the year; and, second, we are meeting the  
18 requirements outlined in the legislation passed in  
19 1990.

20 Southern Bell's proposal, the price  
21 regulation plan, provides the Company with some needed  
22 flexibility, particularly in the pricing of our  
23 services, in order to meet the demand of an emerging  
24 competitive marketplace, and of our customers.

25 In addition, it provides immediate customer

1 benefits. Let me describe these benefits.

2 First, the proposal includes approximately  
3 \$80 million of annual rate decreases, made up of the 47  
4 million previously ordered by of the Public Service  
5 Commission, and 33 million additional dollars proposed  
6 by Southern Bell, which I will discuss in detail later.

7 Another plan provision is a commitment by  
8 Southern Bell that we'll absorb a 4% inflation increase  
9 through productivity improvements before any rate  
10 relief would be considered. This commitment assures  
11 our customers a decrease in the real cost of service as  
12 compared to inflation every year of the plan.

13 Another provision fosters operational  
14 efficiencies and the continued development of both  
15 current and new services. And if we achieve  
16 outstanding performance, there's a potential for you,  
17 our customers, to share additional benefits if the  
18 Company's earnings exceed a threshold level. This  
19 would usually be in the form of a refund or other one  
20 time benefit that the Florida Commission would  
21 determine.

22 Now, let me describe how the \$80 million rate  
23 reduction proposal would be applied. In response to  
24 the Public Service Commission's direction that we  
25 reduce rates on a permanent basis by \$47 million we've

1 recommended rate reductions in the following: service  
2 connection charges, certain residential custom calling  
3 features, and some business access services.

4 In addition, we proposed a Lifeline program  
5 established for low-income customers. This program  
6 would benefit qualified customers by applying a \$7  
7 credit to their monthly telephone bill, thus,  
8 supporting affordable service for all of Florida  
9 citizens. Beyond the reductions directed by the  
10 Commission, we've also proposed \$33 million in  
11 additional annual reductions as part of our plan.

12 First, they include an optional service which  
13 expands your local calling area. This service is  
14 divided into two distinct parts. In one optional  
15 package the first part relates to your existing local  
16 calling area, where today you make seven-digit local  
17 calls. The second part relates to an expanded local  
18 calling area to which today are long distance. In this  
19 plan those calls also become seven digits.

20 The first part, your existing local calling  
21 area: If you're a Ft. Lauderdale customer, the rate  
22 for your phone line would be reduced from 10.65 to 7.75  
23 per month. That discounted rate includes two and a  
24 half hours of calling for no additional charge.  
25 Following the first two and a half hours a usage rate

1 of 2 cents per minute would apply. The maximum usage  
2 rate is set at \$7.

3 Now, the second part of the optional plan,  
4 the expanded local calling area, this part of the plan  
5 relates to calls, for example, from Ft. Lauderdale to  
6 Miami, Perine, North Dale, Boca Raton, Delray Beach, or  
7 Boynton Beach. These are currently long distance  
8 calls, and we're proposing a deeply-discounted rate of  
9 only 8 cent per minute for the calls to these  
10 communities. Today a three-minute call from Ft.  
11 Lauderdale to Miami costs 57 cents. Users of this  
12 service would pay only 24 cents, a per-call savings of  
13 almost 60%.

14 In summary, the practical result of this  
15 optional package plan: The first part, the existing  
16 local calling area. If you make less than 5 hours of  
17 calls you save money every month.

18 The second part, expanded local calling area.  
19 If you make any calls to this area your savings could  
20 exceed 60% per call. And please remember it's an  
21 option, not designed for everyone, but an option that  
22 will save many of you money. Each of you would decide  
23 whether this option would save you money, or whether  
24 you should remain on the current pricing scheme.

25 There are other proposed rate reductions, for

1 instance, reductions for those companies which provide  
2 intrastate long distance and cellular service to you.  
3 These reductions, if passed on by those companies,  
4 would result in a lowering of your rates for those  
5 services.

6 Finally, Southern Bell has proposed to  
7 participate in the Enterprise Zone Program established  
8 by the State of Florida. This program encourages  
9 economic development and revitalization.

10 Financial incentives are provided to  
11 qualifying businesses which locate, rebuild, or expand  
12 their operations in these zones. For example, in the  
13 Ft. Lauderdale area, parts of the City of Ft.  
14 Lauderdale and parts of the City of Delray Beach would  
15 qualify for the program. Our proposal will support the  
16 State's initiative by proposing to waive and discount  
17 charges for one year for certain telecommunication  
18 services to qualified businesses.

19 Now, that's a brief outline of the benefits  
20 of the plan. It provides immediate and direct value  
21 for our customers. It provides incentives for the  
22 Company to further improve its efficiencies, and it  
23 brings new network services to you, our customers, and  
24 enables Southern Bell to meet those expectations in an  
25 increasingly competitive marketplace.

1 Southern Bell believes its proposal is the  
2 necessary next step in regulation to ensure the  
3 continued progress of the public network in Florida.

4 I want to thank all of you for being here  
5 tonight. I want to thank you for your business. And I  
6 commit to you that we will do our best to ensure that  
7 your service is nothing less than excellent.

8 Thank you. Thank you, Mr. Chairman.

9 (Applause)

10 CHAIRMAN BEARD: Thank you. Mr. Shreve.

11 MR. SHREVE: I'm Jack Shreve, Public Counsel.  
12 We appreciate all of you being here tonight. We're  
13 here to hear what you have to say about the proposals  
14 and the fact that the Public Counsel's Office, Attorney  
15 General and AARP have brought Southern Bell in for a  
16 rate decrease. Mr. Charlie Beck is the attorney  
17 handling this case for our office, and he'll speak and  
18 give the opening statement.

19 MR. BECK: Thank you. I'll be brief because  
20 we want to get to your comments, that's the purpose of  
21 being here tonight.

22 Briefly, Southern Bell has proposed reducing  
23 their rates by \$13.3 million in 1993, and you'll see  
24 that on the front of the handout from the Commission.

25 The bulk of their proposed rate reductions



1 would be accomplished through eliminating a credit you  
2 are now getting on your bill. Right now you're getting  
3 a credit for residential service of 40 to 58 cents.  
4 Southern Bell wishes to eliminate that and apply it  
5 elsewhere, so, essentially, your local rates would go  
6 up by the elimination of that credit.

7           When our office and the Attorney General and  
8 the AARP filed their petition a year ago, we felt  
9 Southern Bell was earning too much then, and that their  
10 rates were too high. Since that time their earnings  
11 have continued to go up. Their most recent report to  
12 the Commission showed that they were earning 13.75%  
13 after tax on their investment. We feel that is a way  
14 too-high investment, or too high of earnings,  
15 particularly considering the economy today. That  
16 should be reduced considerably.

17           In fact, we will be proposing rate reductions  
18 in excess of \$100 million per year more than what  
19 Southern Bell has proposed.

20           Southern Bell also wants to have decreased  
21 regulation go into effect next year. Part of their  
22 proposals would have the PSC preapprove their ability  
23 to raise any individual rate by up to 5% per year. So  
24 Southern Bell, for example, if the Commission approved  
25 their plan, could raised your local rates 5% each year.

1 They would have to offset that by reductions to other  
2 services depending on the inflation rate. But the fact  
3 is that any rate that they choose they could increase  
4 up to 5%, and they're asking the Public Service  
5 Commission to preapprove that type of authority so that  
6 Bell could do it, simply by filing a tariff.

7 We're opposed to that type of decreased  
8 regulation. In fact, they're asking for that  
9 regulation even though doing this first incentive plan  
10 they've had, they've had a series of misconduct that  
11 we'll be presenting evidence about to the Commission.

12 Primarily those are in two areas. One is in  
13 adding services to customers' bills without even asking  
14 the customers if they wanted the service. And the  
15 second area is on not providing refunds when people's  
16 phones have been out of service, and the Commission  
17 rules require that a refund be given.

18 Southern Bell has mentioned what they call an  
19 optional expanded local calling service, and that's  
20 described on Page 2 of the Commission's handout.  
21 Again, even the Commission's handout seems to emphasize  
22 that it's optional, by putting it in bold letters.  
23 Well, it's really not quite so optional at all, because  
24 what Southern Bell is proposing there is certain  
25 reductions in your -- in toll rates out to 40 miles,

1 but they won't give those reductions to all customers.

2           They are proposing that those rate reductions  
3 be only given to customers if you take local measured  
4 service from the Company. And we're very much opposed  
5 to any type of tie-in of rate reductions only be given  
6 to the people who take local measured service. We feel  
7 that the rate reductions that come out of this case  
8 ought to be available to everyone regardless of that.

9           That's all I have. We will be going to  
10 hearings in January, and I think the Commission is  
11 scheduled to decide the case next March.

12           Thank you.

13           CHAIRMAN BEARD: Mr. Twomey.

14           MR. TWOMEY: Thank you, Mr. Chairman. I'm  
15 Mike Twomey. I'm an assistant Attorney General,  
16 appearing on behalf of Attorney General Bob  
17 Butterworth. I'd like to briefly echo some of the  
18 comments made by Public Counsel.

19           Late last year, October of last year, the  
20 Attorney General, along with the Public Counsel, Jack  
21 Shreve, and the American Association of Retired  
22 Persons, petitioned the Commission to do a number of  
23 things with respect to Southern Bell. The Commission  
24 did a number of those things, did not with others. One  
25 of the things that we asked for jointly was that the

1 Commission return Southern Bell to what is called  
2 traditional full rate base regulation, which is what  
3 other utilities for the most part are experiencing.

4 Southern Bell is currently, as mentioned by  
5 Mr. Lacker, in the midst of an incentive rate program  
6 which is unique to the state.

7 We suggested at that time that under the  
8 traditional rate base regulation that Southern Bell is  
9 entitled to receive, is prudent and reasonable cost.  
10 It is so entitled; the Public Service Commission is  
11 obligated by law to see that it gets those costs.  
12 Likewise, they are entitled to an opportunity to earn a  
13 reasonable return on their invested capital or their  
14 invested equity.

15 Again, the Public Service Commission is  
16 obligated by law to see that this company has an  
17 opportunity to earn a reasonable return on its  
18 investment. Experts that have testified within the  
19 last year, and will likely testify in the coming year,  
20 will say that a reasonable return for this Company  
21 would be in the range of 11 to 12%, perhaps lower.

22 We believe that under the current situation,  
23 or the proposal that Southern Bell has now, as  
24 described by Mr. Beck, the Company would have rates  
25 that would earn between 13.5% and would have an

1 opportunity to sharing rates and revenues up to 16%.  
2 We think that's excessive. We think that the  
3 Commission, in short, should return Southern Bell to  
4 full rate base regulation, give it a chance to receive  
5 its reasonable and prudent costs, a reasonable return  
6 on its equity, and we believe that this Company, that  
7 its officers and management, have a responsibility to  
8 manage it efficiently; that they don't need a financial  
9 incentive to be efficient and prudent; and likewise,  
10 they don't need an additional financial incentive for  
11 them to introduce new services and technologies.

12           So, in short, we'd like to see them remain or  
13 be returned to full rate base regulation.

14           As indicated by Mr. Beck, some \$47 million of  
15 the reduction proposed by Southern Bell is money that  
16 is being currently credited to all the customers of  
17 Southern Bell, all the customers throughout the state.  
18 It is the 42 to 58 cents you receive on your bill  
19 monthly now. That credit was requested by the Public  
20 Counsel, the Attorney General, and the AARP and the  
21 Commission saw fit to impose it.

22           We believe that that money should never have  
23 been authorized for collection by the PSC. And that if  
24 it is to go back to customers it should go back to all  
25 of you and not go back to special services, select

1 services, such as some business access charges and  
2 certain custom calling features, as is now currently  
3 proposed by Southern Bell. We believe that this amount  
4 of money should be reduced entirely and spread across  
5 the entire customer base.

6 We agree with Public Counsel's assertion that  
7 the rates and revenues for Southern Bell should be  
8 reduced an additional \$100 million beyond what they  
9 have proposed.

10 As mentioned by Mr. Beck, the Company has had  
11 some problems with the selling of some of its services,  
12 inside wire maintenance services, some custom calling  
13 features, and they've taken measures to rectify those  
14 situations.

15 We would suggest that, with regard to inside  
16 wire maintenance in particular, we'd like to see the  
17 Public Service Commission take that service back and  
18 make it not an optional service, but make it one that  
19 is regulated by the PSC, that the expenses be examined,  
20 and that the cost, that is the rates for the surcharge  
21 for inside wire maintenance, be set by the Public  
22 Service Commission at a reasonable rate.

23 In addition, one of the things that led to  
24 some of the problems, we believe, was the fact that the  
25 manner in which Southern Bell now displays the charge

1 for inside wire on your bill is inherently misleading,  
2 or so we think. It is lumped together -- although it  
3 is an optional service it is lumped together in the  
4 middle of what are, for the most part, mandatory  
5 charges on your bill. We think that that is inherently  
6 misleading. And we think the Commission should take  
7 immediate steps to reverse that and require the Company  
8 to list this optional charge, if it remains optional,  
9 with the other optional charges that you may have for  
10 the services you take.

11 That's it. I appreciate your time. Thank  
12 you, Mr. Chairman.

13 CHAIRMAN BEARD: Thank you.

14 Mr. Shreve, call the first individual,  
15 please.

16 MR. SHREVE: Mr. Ken Wolf, Florida Consumer  
17 Action Network. I should mention that the Florida  
18 Consumer Action Network has intervened in this docket,  
19 and they are active in it.

20 CHAIRMAN BEARD: Before we get started. Any  
21 of you that intend to testify tonight, or come up and  
22 speak, if you would stand now and I'll swear everybody  
23 in at once, it'll be a little more convenient.

24 (Witnesses sworn collectively.)

25

- - - - -

1 KEN WOLF

2 was called as a witness on behalf of the Citizens of  
3 the State of Florida and, having been duly sworn,  
4 testified as follows:

5 WITNESS WOLF: Mr. Shreve, Commissioners,  
6 thank you for being here to listen to us. I'm here in  
7 two capacities. As Mr. Shreve said, I'm with the  
8 Florida Consumer Action Network. I'm an officer with  
9 this statewide consumer group. We represent 38,000  
10 Floridians across the state. I have a very, very brief  
11 statement to read on behalf of our consumer group. But  
12 I'm also here on a personal level, as a Ft. Lauderdale  
13 resident and local business person.

14 And I'll just say real briefly, on a personal  
15 level, that I think this proposal is unacceptable.  
16 It's very frustrating, and I'm sure I'm not the only  
17 one in the room who's got family and friends across the  
18 county line. In my case it's my parents, and every  
19 time I call my parents it's like racing against the  
20 clock, and it shouldn't be that way when we're dealing  
21 with some -- you know, we're just right over the county  
22 line, an area so close. So on a personal level I find  
23 it very frustrating and it's very expensive.

24 I also have a grandparent, a grandfather,  
25 across the county line who is on an extremely limited



1 budget, and, you know, I have to call him, he can't  
2 afford to call me. Which is fine, but again, in the  
3 spirit of family values, which seems to be the buzz  
4 word of these days, I think Southern Bell could promote  
5 family values by getting rid of this absurd extra cost  
6 that we must face to talk to our friends and family.

7           Okay. On behalf of the Consumer Action  
8 Network, I have a brief, just four paragraph, statement  
9 if I may read for the record. Thank you.

10           In the fall of 1991 the Florida Consumer  
11 Action Network joined with the Public Counsel, Attorney  
12 General, and AARP to win more than \$100 million in  
13 refunds of accumulated overcharges for Southern Bell  
14 customers. This action also forced Bell into a full  
15 rate hearing to examine all of its rates and charges  
16 for telephone service. Which is why we're here  
17 tonight.

18           In July of 1992, Southern Bell filed for a  
19 \$13 million decrease in overall rates. But with Bell,  
20 as many time is the case, there were a few strings  
21 attached to their proposal. There are four strings,  
22 specifically, that I'd like to highlight on behalf of  
23 our organization.

24           Number one, to be able to increase rates in  
25 the future without any hearings whatsoever. This is

1 what Southern Bell is calling for, to increase rates in  
2 the future by up to 5% each year despite the fact that  
3 telephone service is basically a declining-cost  
4 industry.

5 The second thing that Bell wants from us, to  
6 further shift costs onto the backs of basic ratepayers  
7 to benefit select customers who make local long  
8 distance calls.

9 The third item, to begin local measured  
10 service which bills you by the minute for local calls  
11 the way long distance calls are currently billed. This  
12 amounts, in our minds, to putting a pay phone in your  
13 living room.

14 Finally, number four, Bell wants to make  
15 ratepayers subsidize the cost of replacing perfectly  
16 good existing phone lines with fiber optic cable so  
17 Bell can enter into new nonregulated enterprises and  
18 enhance their future profits.

19 Bell's rates should be cut by a lot more than  
20 the \$13 million a year that they are offering us  
21 tonight. Despite today's dismal economy, Southern Bell  
22 is earning a 13.75% rate of return at a time when the  
23 ratepayers are lucky to be earning a 3 to 4% return on  
24 their investments.

25 It's time to tell the Public Service

1 Commission, as we are here tonight saying, that we are  
2 -- that we will not put up with these such proposals.  
3 And that we'd like to support the full \$100 million in  
4 refunds. I have brought a copy of our statement, which  
5 I will make available to the Commissioners and the  
6 press.

7 CHAIRMAN BEARD: If you would, give a copy to  
8 the court reporter as well, please.

9 WITNESS WOLF: Thank you.

10 MR. SHREVE: Mr. Wolf, will you open up  
11 questions or you just handing that out?

12 CHAIRMAN BEARD: Yeah. We're open for  
13 questions.

14 MR. SHREVE: I just want to tell you that, on  
15 behalf of the consumers of the state of Florida, we  
16 have appreciated working with your organization,  
17 particularly in that \$100 million refund area.

18 WITNESS WOLF: It's our pleasure.

19 (Witness Wolf excused.)

20 - - - - -

21 CHAIRMAN BEARD: Next witness.

22 MR. SHREVE: Mr. Tim Locher.

23

24

25

TIM LOCHER

1  
2 was called as a witness on behalf of the Citizens of  
3 the State of Florida and, having been duly sworn,  
4 testified as follows:

5           WITNESS LOCHER: Thank you for the  
6 opportunity to speak to you tonight. My name is Tim  
7 Locher. I'm a twenty-five-year resident of Hollywood,  
8 Florida. I've served on the Hollywood Commission and  
9 on many different committees and organizations.

10           And I'm here tonight, not to discuss with you  
11 the pros and cons of the pricing in the rate increase  
12 or rate decrease, but to look a little bit into the  
13 heart of the Company, which I've been able to see in  
14 the last 25 years.

15           Over the last 25 years Southern Bell in  
16 Hollywood, in South Florida, has been a company that we  
17 could count on. When our churches need help they were  
18 there to help us. When our temples needed help they  
19 were there to help us. Most recently in Hurricane  
20 Andrew, and I might add first that I'm a pilot with  
21 Delta Airlines, I have no business with Southern Bell  
22 whatsoever and in no way do I represent Delta Airlines.  
23 I'm representing simply myself. I am the vice chairman  
24 of the State of Florida Southern Baptist Convention,  
25 and I'm here to publicly thank Southern Bell for the

1 help they gave us during the hurricane.

2           On Saturday, after the storm, we called  
3 Southern Bell because we had literally semis coming  
4 from all over the country into the South Florida area  
5 with one phone number to call at Pembroke Road to help  
6 us distribute the trucks to the proper place.

7           And, gentlemen, I know you've read in the  
8 paper the response that took place. Well, that first  
9 week it was the churches that were able to respond and  
10 getting the food into the hands of the people. And we  
11 had semis coming from all over and no phone lines to  
12 help them.

13           I called Southern Bell on a Saturday  
14 afternoon and said, "Could you possibly get these lines  
15 in by noon on Monday?" They said they would do their  
16 best. I kind of held the phone back when I said that  
17 because I thought I was going to get a large blurb of,  
18 "How could you possibly expect that, don't you know  
19 there's been a hurricane," et cetera, they said they  
20 would do their best. Well, they didn't get them in at  
21 noon on that Monday they got them the day before, on  
22 Sunday afternoon. And we had trucks being dispatched,  
23 60 to 70 trucks a day, down to where they needed to go  
24 without stopping first and getting food to thousands of  
25 people down there.

1 UNIDENTIFIED SPEAKER: Stick to the issue.

2 WITNESS LOCHER: I am ma'am.

3 Now, I said at that time, and this is the  
4 issue. I said, "How in the world could you do that so  
5 quickly?" And the answer I was given by Mr. Nelson was  
6 fiber optics.

7 Now, I have a computer sitting on my desk and  
8 I don't know how it works but I don't know what I would  
9 do without it. I've got 79 computers in my airplane  
10 and I fly all over the world, inertial navigation  
11 systems, and I don't know how they work either. But I  
12 know how to operate them. I don't know what fiber  
13 optics means but I know this: That they got it done  
14 quick and they got it done well, and we were able to  
15 get food to thousands of people because of that.  
16 Now, what that's worth I don't know, in investments,  
17 but I believe if you'd ask literally thousands of  
18 people in South Florida what it was worth, they'd be  
19 glad to tell you.

20 So I'm here on behalf of the State of Florida  
21 Southern Baptist Convention, to thank Southern Bell for  
22 the important and great job that they did for us.

23 CHAIRMAN BEARD: Thank you. (Applause)

24 (Witness Locher excused.)

25

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1 MR. SHREVE: Cynthia Bucholtz.

2 CYNTHIA BUCHOLTZ

3 was called as a witness on behalf of the Citizens of  
4 the State of Florida and, having been duly sworn,  
5 testified as follows:

6 WITNESS BUCHOLTZ: Hi, my name is Cynthia  
7 Bucholtz. And for a number of years now I've worked in  
8 the field of telecommunication.

9 AUDIENCE: We can't hear you.

10 WITNESS BUCHOLTZ: Oh, can you hear me now?

11 CHAIRMAN BEARD: Yeah, that's better.

12 WITNESS BUCHOLTZ: Okay. My name is Cynthia  
13 Bucholtz. And I've been a telecommunications  
14 professional for a number of years.

15 I would first like to point out that  
16 everybody in this auditorium is here tonight to voice  
17 its opinion on the proposal by Bell to the Public  
18 Service Commission. I'm very disappointed that upon  
19 reading the synopsis of each Commissioner, although  
20 they are very well qualified, especially in the area of  
21 public law, that no one has a real extensive background  
22 of years in telecommunications.

23 We're also here tonight, this evening I  
24 should say, to voice our opinions to the President of  
25 Southern Bell. I would like to point out that Bell

1 Company is a monopoly. AT&T was forced to divest back  
2 in the early 1980s, but Bell still remains a monopoly.

3 On the proposed option for 8 cents a minute  
4 for extended toll calls within the LATA, if you look at  
5 the mathematics of it, they are going to cap you at \$10  
6 a month for local service. That means service that  
7 normally you wouldn't be charged for. And it's going  
8 to be 8 cents a minute for calls that are normally toll  
9 calls within the LATA, up to 40 miles. If you look at  
10 a person making 60 minutes a month of intraLATA toll  
11 calls within that radius, and you add the \$10 that  
12 they're being charged for calls that normally are not  
13 toll calls, that comes out to 14.80 for 60 minutes, and  
14 when I divide that by 60 minutes I get 20.5 cents a  
15 minute. (Applause) Far higher than any IXC charges.

16 Let me point out to the people in here that  
17 do not understand telecommunications. When AT&T  
18 divested, was forced to diversion, the government said  
19 that each local telephone company would have  
20 jurisdiction over a particular geographical area, this  
21 is known as the LATA, into which no long distance  
22 carrier can offer equal access. That means that no  
23 matter who your long distance carrier is, you cannot  
24 dial 1 and the phone number and have your long distance  
25 carrier transmit that call. The only way you can do



1 that is to either use a code, speed dial the access  
2 code into your keyset, or program your PBX.

3 Now, any long distance carrier that you might  
4 want to use to transport those intraLATA phone calls is  
5 going to charge you a lot less than 20.5 cents a  
6 minute. So most people, not knowing this, will look at  
7 that and say, "Oh, yeah, I'd love to make a call from  
8 Ft. Lauderdale to Perine, or Ft. Lauderdale to Delray  
9 at 8 cents a minute," but they forget to add in that  
10 \$10 for the local calls.

11 And if you do like I do, and you start  
12 calculating every time you call the bank and want to  
13 know your bank balance, you call your mechanic and  
14 you've got to hold on for him to come to the phone to  
15 find out when he can fix your car. If you ever call a  
16 doctor's office, you how hard it is to get them, they  
17 put you on hold. Think about that, you're going to be  
18 charged for all of that. That's really going to affect  
19 a lot of the local businesses here because those  
20 businesses are going to have a lot of problems. The  
21 ones that have to put people on hold, they're going to  
22 start losing customers.

23 I think this is very unacceptable. I think  
24 this is opening up a Pandora's box. And again, I'm  
25 very disappointed that we do not have Commissioners

1 with a very extensive telecommunications background. I  
2 think we should have somebody up there who has spent  
3 years of analyzing telephone bills. I would like to  
4 point out that when you get a telephone bill,  
5 especially a commercial account bill, a large one, it's  
6 very difficult to interpret; much more difficult, I  
7 think, than a long distance's bill.

8 But, again, this is a very unacceptable  
9 situation. I think it's opening up a Pandora's box, I  
10 think the next step after it will be all measured rate  
11 service. And I'm totally against it.

12 Thank you. (Applause)

13 (Witness Bucholtz excused.)

14

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15 CHAIRMAN BEARD: Next witness.

16 MR. SHREVE: Mr. Al Levin.

17 AL LEVIN

18 was called as a witness on behalf of the Citizens of  
19 the State of Florida and, having been duly sworn,  
20 testified as follows:

21 WITNESS LEVIN: Good evening. Members of the  
22 Public Service Commission, Mr. Shreve: My name is Al  
23 Levin. I'm a resident of Sunrise. I reside in a  
24 2,000-family condo complex, and for the last ten years  
25 I have served on my condo's Board of Directors. For

1 the last five years I've been serving as Chairman of my  
2 Board's Political Action Committee. I have a petition  
3 to present to the Commission, which I will comment on  
4 shortly.

5 I want to thank the Public Service Commission  
6 for the opportunity to express my opposition and  
7 concern regarding Southern Bell's measured service plan  
8 camouflaged inside a rate reduction plan proposal.

9 We South Florida phone customers are  
10 exceedingly wary of the plan. The measured service  
11 plan would charge a per-minute rate for every local  
12 call, making each use of the phone similar to long  
13 distance.

14 Though Southern Bell would offer measured  
15 service as an option, I share the opinion of the Ft.  
16 Lauderdale Sun Sentinel, in the July 22 editorial, that  
17 the plan is not in the public's best interest.  
18 Consumers in Boynton Beach and Boca Raton will be  
19 directly affected, don't want it. In fact, 2,353  
20 signed petitions from that area, expressed their  
21 negative feelings about the plan.

22 Southern Bell is a profit-oriented business,  
23 which I have no problems with, but when they claim  
24 their new rate proposal will save the phone users  
25 money, the public raises great questions. Since when

1 is Southern Bell becoming charitable? This does not  
2 lead to public trust in Southern Bell. We share Public  
3 Counsel Jack Shreve's concern that the phone customers  
4 in South Florida have for years opposed measured  
5 service.

6 Southern Bell is deceptive in its appeal to  
7 the public. One of their news releases has the lulling  
8 information that describes measured service as, quote,  
9 "discounted local access line and usage rates." This  
10 rate reduction plan, and other similar plans, are  
11 nothing but Southern Bell's policy to increase their  
12 profit base without added service.

13 The Commission should be aware of Southern  
14 Bell's ultimate intentions of duplicating other  
15 telephone companies in the country, of instituting zone  
16 measured service, countywide.

17 I come from Long Island, Nassau County, New  
18 York, where we once had a basic rate of unlimited  
19 county service, as we have here presently in Broward  
20 County. Under persistent pressure the New York phone  
21 company influenced the state Public Service Commission  
22 to institute zone measured service which increased  
23 phone bills substantially.

24 I speak from personal experience. My phone  
25 bill increased 50%. Friends of mine informed me that

1 their bills increased 75 to 100%. I appeal to the  
2 Commission, please do not ever grant Southern Bell the  
3 right to zone measured service. It is pure and simple  
4 an extra rate increase.

5 Editorials of the Ft. Lauderdale Sun Sentinel  
6 and the Miami Herald reject and oppose Southern Bell's  
7 current measured service plan. The public overwhelmingly  
8 reject it. We ask the Commission to listen to public  
9 opinion, and likewise reject Southern Bell's measured  
10 service plan. In the Ft. Lauderdale's Sentinel editorial  
11 of July 22nd last, I quote, "Unless the evidence given by  
12 Southern Bell is much stronger than a apparent so far, the  
13 PSC should give strong weight to the legitimate concerns  
14 of Southern Florida phone customers.

15 Southern Bell is doing very well financially.  
16 In fact, the BellSouth parent company stock dividends  
17 have increased every year since 1988. In 1988 the  
18 dividend was 232, in '89 it was 248, in '90 it was 264,  
19 in '91 it was 274. Currently, in the second quarter  
20 ending June 20th, Bell's profits grew 26%. Per share  
21 for the second quarter was 94 cents. Last year in a  
22 similar quarter it was 76%. Although these financial  
23 results are of BellSouth, the parent company of  
24 Southern Bell, a subsidiary, Southern Bell contributes  
25 profitably to the overall financial gains.

1 I will now read and present to the Commission  
2 a 1,112 signed petition from Sunrise, Florida, phone  
3 customers. A call to action petition to Governor  
4 Lawton Chiles, to Thomas Beard, Chairman, Florida  
5 Public Service Commission, to Jack Shreve: "Protest  
6 new Southern Bell Telephone rate schedule granted on  
7 October 1st, '91, by Public Service Commission called  
8 new optional voluntary calling plan.

9 Whereas, effective October 1st, last, the  
10 Public Service Commission granted Southern Bell's  
11 request to install a new rate schedule.

12 Whereas, there will be a \$9 charge for making  
13 the service change, a 40% discount to the present basic  
14 rate of 10.65 in the Ft. Lauderdale rate area. And  
15 there will be no charge for the first thirty calls  
16 monthly, equivalent to one call per day.

17 "Whereas, after these 30 calls the charge  
18 will be 10 cents per call.

19 "Whereas, more than 12 years ago the New York  
20 Telephone company in Nassau County in Long Island asked  
21 subscribers to volunteer to such a plan, and in time  
22 this plan became mandatory and permanent.

23 "Whereas, in time Southern Bell's goal is to  
24 emulate the Nassau County, New York, plan, to be called  
25 in Florida "zone measured service system."

1           "Whereas, each county will be divided into  
2 zones with extra charges for calls made outside your  
3 zone which will, in time, increase all residential  
4 bills.

5           "Whereas, this new rate schedule gives  
6 Southern Bell a foot in the door to eventually petition  
7 the Public Service Commission to make these voluntary  
8 plans permanent to all subscribers.

9           "Whereas, the Public Service Commission  
10 hearing on October 1st, last, ruled for the Southern  
11 Bell plan, which was only held in Tallahassee and these  
12 hearings were not held statewide.

13           "Whereas, we Southern Bell subscribers  
14 strenuously protest the Public Service Commission's  
15 ruling and respectfully request cancellation of this  
16 ruling as prejudicial and inimical to more than 3  
17 million Southern Bell resident taxpayers who are  
18 confronted with the present economic crisis.

19           "Whereas, if this eventually becomes  
20 mandatory, will increase Southern Bell's earnings and  
21 will threaten to go beyond the present 13.5 profit  
22 level."

23           Thank you very much, and I present this, the  
24 petitions, to the Commissioners. (Applause)

25           CHAIRMAN BEARD: Next witness.

1 MR. SHREVE: Thank you, Mr. Levin.

2 (Witness Levin excused.)

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4

DON SCHUBECK

5 was called as a witness on behalf of the Citizens of

6 the State of Florida and, having been duly sworn,

7 testified as follows:

8 MR. SHREVE: Dr. Schubeck.

9 WITNESS SCHUBECK: I am Don Schubeck. I am a  
10 stockholder in Southern Bell, and I am retired.

11 In May of this year I lived in Pembroke  
12 Pines. My intrastate phone bill for the month of May  
13 was \$4.26 for four phone calls, long distance phone  
14 calls. In June I moved exactly one mile north to  
15 Cooper City. Changed no pattern in my phone calls from  
16 our family, and my phone bill -- my phone bill -- my  
17 intrastate portion of the phone bill was \$67.02, and I  
18 had 82 phone calls that were long distance. And these  
19 are the same people that I talked to daily, friends,  
20 relatives.

21 I think this is outrageous. My phone calls  
22 cost Southern Bell nothing more than it did the month  
23 before. In July I had 79 phone calls long distance, at  
24 least we cut back three phone calls. Our friends no  
25 longer can call us. They've told us, "Hey, we can't



1 afford to call you up there." And on the same basis,  
2 I've told my wife we've got to stop calling all our  
3 friends. Not all of them, but many of them certainly.

4 This is because of the Southern Bell rates;  
5 inequities in their calls. And you're going to find  
6 more and more people moving up this way and putting  
7 that money into Southern Bell's pockets. I speak as a  
8 stockholder. Remember that.

9 I have had measured service in another state,  
10 and soon dropped it when we still had an option on it  
11 because it cost too damn much money.

12 I don't want the 58-cent credit that you  
13 people have authorized the telephone company to give  
14 me. I want a \$60 reduction in my phone bill each  
15 month.

16 Thank you. (Applause)

17 MR. SHREVE: Thank you, sir.

18 (Witness Schubeck excused.)

19 - - - - -

20 MR. SHREVE: Betty Cobb.

21

22

23

24

25

BETTY COBB

1  
2 was called as a witness on behalf of the Citizens of  
3 the State of Florida and, having been duly sworn,  
4 testified as follows:

5 WITNESS COBB: My name is Betty Cobb. I  
6 reside in Plantation, Florida. I am District Director  
7 of the Florida Federation of Women's Club, District 13  
8 here.

9 What this is proposing will kill, literally,  
10 billions of dollars of hours and services from  
11 volunteers. It's not just Women's club, but you stop  
12 and think about scout leaders, school teachers, T-ball  
13 mothers, team coaches, all of that will be affected.  
14 We won't be able to have a telephone committee because  
15 it will cost too much.

16 I have been put on hold at a local hospital  
17 while I was trying to get a bill straightened out for  
18 three and a half hours it took me to get through to the  
19 right person. What will you do with attorneys? They  
20 will be forced, many of you are, will be forced to  
21 start keeping an egg timer on their credenza to bill  
22 their clients per minute when it's local? It just has  
23 too much.

24 There was a call that went out on Tuesday  
25 morning following Andrew to every District Director in

1 the state of Florida asking them, telling them what was  
2 needed, to get it to the Salvation Army, arrangements  
3 had been made to truck it down. There were seven  
4 truckloads that came out of the Ocala Women's Club  
5 alone.

6 Locally, one club in three days raised over  
7 \$4,000 in merchandise and made an awful lot of  
8 sandwiches. Because the Salvation Army was down there  
9 on Tuesday with sandwiches. In five days they  
10 distributed, along with 181,000 sandwiches, a lot of  
11 things. This was accomplished by the telephone. But  
12 if you go into the other, you're going to kill  
13 volunteerism. And think of the strife you're going to  
14 bring between teenagers and their family. You may  
15 raise the divorce rate between husbands -- I know  
16 certainly two and a half hours would not hold a candle  
17 to my phone. And so one thing I have a question on:  
18 My mother worked for Florida Power and Light. They  
19 used to only be allowed to have a 6% profit. Is that  
20 still true?

21 CHAIRMAN BEARD: No.

22 WITNESS COBB: No. They had a cap at one  
23 time, and I thought that applied for the telephone  
24 company as well. What is the cap of Florida Power and  
25 Light?

1           CHAIRMAN BEARD: Each company, and I can't  
2 tell you off the top of my head what it is. Each  
3 company has an approved rate that's determined in a  
4 rate case, as a part of that rate case, just as that  
5 will be one of the things that we determine in this  
6 case, what is the appropriate amount, and it will vary  
7 depending upon the market, just as one of the gentlemen  
8 said earlier. What Florida Power and Light's is right  
9 now, I couldn't tell you off the top of my head. I  
10 would suggest it's probably in the 12% range.

11           MR. SHREVE: Well, in Southern Bell the  
12 Public Service Commission in the last case supposedly  
13 set a mid-point at 13.2% return on equity. We're in  
14 sort of an incentive plan that was requested by Bell,  
15 and the cap or top that you're talking about would be  
16 at 16% under this program.

17           This is one of the reasons that we have  
18 brought Bell in. We feel that this should be lowered  
19 down so that it's realistically in the economic times  
20 that it is right now.

21           WITNESS COBB: I think 10% is plenty. I wish  
22 I could get 10% or any type of thing. But at any rate,  
23 I do feel Southern Bell does many wonderful things, but  
24 I do feel that this is kind of like opening the door  
25 and being a little bit pregnant. I don't believe in

1 the tooth fairy. (Applause)

2 MR. SHREVE: Thank you, Ms. Cobb.

3 (Witness Cobb excused.)

4 - - - -

5 MR. SHREVE: Bonnie Flynn

6 BONNIE FLYNN

7 was called as a witness on behalf of the Citizens of  
8 the State of Florida and, having been duly sworn,  
9 testified as follows:

10 WITNESS FLYNN: Good evening. I appreciate  
11 the opportunity to speak. I just have a few brief  
12 comments.

13 I head up a project, a nonprofit organization  
14 here in Broward since 1974, and it's the only certified  
15 domestic violence program in Broward. We have been  
16 very fortunate and blessed that many of the Southern  
17 Bell folks have helped us as volunteers. And in many  
18 of our efforts they have been there for us. Certainly,  
19 during Hurricane Andrew our service was not  
20 interrupted. And it was crucial that we be able to  
21 communicate with our people as we had to evacuate them.  
22 So this was important to us.

23 We also receive a service called the Call  
24 Blocking which protects our clients' confidentiality  
25 when they call us for help; that those calls are not

1 traced to someone who might injure them or perhaps even  
2 kill them.

3 But I think when we talk about the rate and  
4 the changes that are offered, I understand as an  
5 option, as it relates to our program, I think the  
6 consumer has an opportunity to make a choice. And if  
7 that choice is clear, the Lifeline for our clients  
8 would be very important. Because the Lifeline will  
9 provide them with, perhaps, a phone service that they  
10 would not otherwise be able to afford as low-income  
11 people. And I think that's important for our clients  
12 because we're trying to help them find new lives and  
13 help themselves.

14 And I think the second part of that is even  
15 more important because we can't do our services at  
16 Women in Distress unless we can reduce our costs. And  
17 if this can help us to reduce costs because we make a  
18 good choice, and hopefully, you will help us in that,  
19 then I appreciate it. Thank you.

20 CHAIRMAN BEARD: Thank you. (Applause)

21 (Witness Flynn excused.)

22 - - - - -

23 MR. SHREVE: Rita Warren.

24

25

1 RITA WARREN

2 was called as a witness on behalf of the Citizens of  
3 the State of Florida and, having been duly sworn,  
4 testified as follows:

5 WITNESS WARREN: Good evening, ladies and  
6 gentlemen. I'm Rita Warren. I am on the Legislation  
7 Committee for the AARP. However, I am here to speak on  
8 my own behalf as a private citizen. So don't blame  
9 AARP for anything I say.

10 To begin with, when the Telephone Company  
11 tells me they want to give me a reduction, it's like a  
12 fox in the hen house trying to tell me he's a  
13 vegetarian. (Laughter)

14 The productivity that the Telephone Company  
15 speaks of, they charged the customers for every new  
16 innovation due to the research and development that we,  
17 the customers, have paid for. These new innovations,  
18 in my opinion, should have been passed on to the  
19 customer as a gift as a result of the research and  
20 development that we, the customers, have paid for. Not  
21 to charge us at every turn in the road for every new  
22 little invention and innovation they've come up with,  
23 and they have come up with some beautiful things at a  
24 price.

25 Now, I have to either cry or laugh when I

1 hear of their request for a basic increase of only 5% a  
2 year. In 5 years that equates to 25% increase and in  
3 10 years a 50% increase. And you can do the same thing  
4 with their request for basic increase of only 20% a  
5 year, which in five years equates to a 100% increase.  
6 And I'm really impressed when I hear you say that they  
7 have earnings of approximately 14%, 13.75. On that  
8 point I would like to address the President.

9 Can I bring my piggy bank to you and get  
10 13.75% return on my money with you? It would be a hell  
11 of a lot better than the 2.3 I get in my money market  
12 account today. (Applause)

13 Also to earn 13.75% after -- after inflated  
14 salaries to CEOs, presidents and all the other senior  
15 officers, plus the stock options, plus the bonuses,  
16 plus the pensions, plus their golden parachutes and  
17 plus plus that they get. And what does the customer  
18 get? The shaft. (Laughter)

19 I find it a little offensive that it costs me  
20 to call 15 miles from North Dade to South Broward more  
21 than it costs me, on the same per-minute basis, to call  
22 from Miami to New York 1,500 miles away. What can  
23 possibly excuse that?

24 Also somewhere along the line the Telephone  
25 Company was permitted to charge us on a per information



1 call; to me it's an insult.

2           If I'm going to call the Telephone Company  
3 for information for a number in Cincinnati, and then  
4 I'm going to call Cincinnati and use their telephone  
5 services and have them charge me for using these  
6 services, why in God's name should I have to pay for  
7 information on this? I hope Sears Roebuck and Macy's  
8 never find this out, because when I call them to ask  
9 them about a product, if they start to charge me for  
10 information, we're going to be in bad trouble. They're  
11 setting a bad precedent, and I think this ruling should  
12 be reversed. This is a service that they owe the  
13 customers. We should not be charged for this.

14           And I find that if I call an operator, if I'm  
15 having difficulty placing a call, I find on my bill the  
16 next month a huge charge as an operator-assisted call.  
17 Can I not call the people of the Company that I am  
18 paying for their services to ask them a simple  
19 question, to ask for assistance if I'm having  
20 difficulty? Must I be slapped with a charge for every  
21 single thing that I do? This is outrageous, and this  
22 is an insult to the people.

23           Of course, the per minute charge, all the  
24 others before me, have voiced their opinion and I'm  
25 merely underlining what they say. This should never,

1 never be considered by the Public Service Commission  
2 and I'm sure you agree with me on that point.

3           For outside of the obvious financial  
4 arrangements, this would impact the elderly, the infirm  
5 who have no connection to the outside world, can't get  
6 out unless somebody comes and takes them and brings  
7 them and their only connection to the outside world is  
8 to be able to pick up a telephone, probably one of the  
9 few things they can still be able to lift up, and talk  
10 to somebody and hear a human voice. And the Telephone  
11 Company wants to charge them on a per-minute basis for  
12 that?

13           I really, I really feel that the Phone  
14 Company insults my intelligence and the intelligence of  
15 all the people here when they said they want to give \$7  
16 off to the low-income people. Hoorah for the Telephone  
17 Company. (Witness claps hands for emphasis.)

18           The low-income people are served well by the  
19 city, state and federal government. It's we people in  
20 the middle class that are getting crushed and squashed.  
21 What are you going to do for us, Mr. President, besides  
22 raise rates and charge us on a per-minute basis?

23           And lastly, a question to you, sir. Can you  
24 spell the word "recession"?

25           Thank you. (Applause)

1 (Witness Warren excused.)

2

- - - - -

3 MR. SHREVE: Thank you. Mr. Harry Thielle.

4

HARRY THIELLE

5 was called as a witness on behalf of the Citizens of

6 the State of Florida and, having been duly sworn,

7 testified as follows:

8 WITNESS THIELLE: Harry Thielle. I came down

9 here primarily to talk about that measured time. But

10 before I go into that, I'd just like to call the

11 attention of the Staff, of the Public Defender, of the

12 BellSouth people and the Commissioners to the fact that

13 if this particular meeting was held in the afternoon,

14 you wouldn't have an audience like this. (Indicating)

15 You would have the kind of audience that you had 12 or

16 13 years ago when you had a meeting similar to this on

17 exactly the same topic, over at the War Memorial in Ft.

18 Lauderdale. And so I'd like to suggest to this group

19 of people, the Staff and the Utility people, who call

20 the meeting I am sure, that they have some meetings in

21 the afternoon so that the people who can drive over

22 here have the opportunity to drive over here during the

23 day.

24 In regard to the -- so I just want it clearly

25 understood that I'm blaming not the people for not

1 being here, but I'm blaming the Utility Commission for  
2 not having this meeting at the proper time.

3 Now, in regard to the measured business,  
4 there are many people, whether they can afford it or  
5 whether they can't afford it, that cannot go onto  
6 measured time. There are seniors and there are  
7 juniors, who are closed into their homes and their  
8 apartments, and they need somebody to talk to. And  
9 they have friends. And the friends call and they talk  
10 to them. And perhaps talk longer than perhaps they  
11 should. And they call friends and they call for  
12 assistance and they talk to people.

13 And with this business of measured time, you  
14 know, there is no question in my mind that that  
15 measured time is eventually going to wind up by costing  
16 them 20, 30, 40, 60, \$80 a month. Because what's  
17 simply going to happen, merely doing this in a  
18 different way than another gentlemen did it, this  
19 charge of two cents, that's a loss leader. And I'm  
20 sure the Telephone Company will admit to that. Not  
21 only is it a loss leader, but they are actually losing  
22 money on that two cents. But they're offering it  
23 simply because they want to get it in.

24 Once you establish the precedent, then there  
25 is no problem later on as time goes on, to go from two

1 cents to three cents, to six cents, to 10 cents and  
2 wherever. And now the option calls for something like  
3 40 miles south of where you live; 40 miles north of  
4 where you live; 40 miles east of where you live; 40  
5 miles west. You can even talk to a submarine in the  
6 Atlantic Ocean based upon that. But nevertheless, what  
7 they will do, number one, they'll increase the rate  
8 from two cents to three cents, et cetera. And then as  
9 time goes on they'll lower the number of miles that  
10 they get.

11 Now, I don't understand how the Utility  
12 Commission -- and I'm focusing primarily on the Utility  
13 Commission and their Staff, who probably do more damage  
14 than the Utility Commissioners. If they -- I don't  
15 understand how they could even let them place it on the  
16 agenda. That thing should have been kicked out right  
17 away. In addition to which, let's take this 13.6% that  
18 they are allowed, going up to 16%.

19 BellSouth and all the other regionals,  
20 including American Telephone, signed new labor  
21 contracts with the CWA Union and also with the  
22 Electrical Brotherhood.

23 Now, the way 13.6 works is that if you give  
24 an employee 3% more pay and you increase their benefits  
25 and you do all of these wonderful things, they are all

1 paid for to begin with by the people out here. In  
2 addition to which, if they pay a dollar more a week,  
3 they also pay a dollar plus 13.6. And so these are all  
4 the sweetheart things.

5 Now, I don't want to be totally misunderstood.  
6 I don't want telephone service like the telephone service  
7 that they get in Mexico, or in Venezuela, or in Argentina.  
8 I don't want to wait for a dial tone for 30 minutes or  
9 more. I don't want to wait five years or ten years for a  
10 telephone to be installed wherever I need it.

11 So, therefore, I don't have objection in  
12 terms of their getting what they are entitled to get.  
13 But I do have a very strong objection to getting it --  
14 for their getting more than they are entitled to. And  
15 that is primarily the fault of the Utility  
16 Commissioners and the Staff of the Utility  
17 Commissioners and no one else. And I don't think the  
18 Utility Commissioners, if they are present here, should  
19 think that everyone doesn't understand that. Thank  
20 you. (Applause)

21 MR. SHREVE: Thank you, sir.

22 (Witness Thielle excused.)

23

24 MR. SHREVE: Diana Shapiro.

25

1 DIANA SHAPIRO

2 was called as a witness on behalf of the Citizens of  
3 the State of Florida and, having been duly sworn,  
4 testified as follows:

5 WITNESS SHAPIRO: Hi. I just want to make a  
6 statement.

7 I agree with all of the speakers before me.  
8 They brought into focus everything the way I felt, and  
9 especially to Betty Cobb, because I, too, am a  
10 volunteer for three organizations that I have to make  
11 phone calls for. And I make 30 calls per organization  
12 a month, which is a lot, and it would be a hardship and  
13 it's not fair.

14 Thank you very much.

15 MR. SHREVE: Thank you. (Applause)

16 (Witness Shapiro excused.)

17 - - - - -

18 MR. SHREVE: Mr. Art Lazear.

19 ART LAZEAR

20 was called as a witness on behalf of the Citizens of  
21 the State of Florida and, having been duly sworn,  
22 testified as follows:

23 WITNESS LAZEAR: Good evening, members of the  
24 Commission and others assembled on the dais. My name  
25 is Art Lazear. I'm a Councilman in the town of Davie.

1           I only came to address one particular issue.  
2 Perhaps it's selfish on my part. We have a son that  
3 lives in Coral Gables, and we have a daughter that  
4 lives in Boca Raton. And my wife and I probably make  
5 10 to 15 calls a week to each of them. It's as though  
6 they live next door. So I would say, in my particular  
7 situation, I may be saving some money by this Standard  
8 Option 1.

9           However, I wouldn't want to take advantage  
10 and make others pay for that. I feel I would leave it  
11 to the discretion of you people to make the final  
12 decision as to what is fair for one and all. But  
13 selfishly, I would say in my particular situation, and  
14 any others like me, would save money on this particular  
15 option. But then, again, you people are up there, and  
16 I think you're looking out to the interests of all of  
17 us. And I will hope that you will make the proper  
18 decision.

19           Thank you. (Applause)

20           MR. SHREVE: Thank you, sir. Vice-Mayor,  
21 Lynne Matson.

22           (Witness Lazear excused.)

23           - - - - -

24

25



1 LYNNE MATSON

2 was called as a witness on behalf of the Citizens of  
3 the State of Florida and, having been duly sworn,  
4 testified as follows:

5 WITNESS MATSON: I have something I'd like to  
6 hand out if you would just -- if you could just follow me.

7 Honorable Commissioners, Public Counsel,  
8 representatives of Southern Bell, my name is Vice-Mayor  
9 Lynne Matson. I'm the Vice-Mayor and City Commissioner  
10 for the City of Boynton Beach. Being an elected  
11 official, I'll try and be brief. We have some problems  
12 that are very severe so please bear with me.

13 The City of Boynton Beach needs a few  
14 problems addressed. Number one, we've got a very large  
15 disparity involving the telephone exchange billing  
16 classification within our own city. We've got cables  
17 that were installed in 1945 that are routed out of the  
18 Green Acres City area that are providing service to two  
19 pockets within the city.

20 If you look on the first page of the handout  
21 I gave you, it encompasses, as of 1990, about 6,500  
22 residents. Now, it's closer to 8,000, and, as you can  
23 tell, from a city of 50,000 residents, 8,000 is a  
24 goodly proportion of residents to have a very large  
25 inequity dealt to them.

1           We've got two areas, as I said, that are  
2 being fed out of Green Acre City. When these cables  
3 were installed in 1945, obviously, these sections of  
4 our city were not planned, and nobody thought that  
5 within X number of years they would be part of the City  
6 of Boynton Beach municipal boundaries. And what's  
7 happening is in these two particular areas, we can call  
8 free-of-charge all the way up to Jupiter, which is  
9 about 45 miles, but we cannot call the next town of  
10 Delray, which is within a couple of miles of our  
11 municipal boundaries, without having to pay a long  
12 distance charge.

13           What the City of Boynton Beach is asking for,  
14 and you have a copy of a resolution there, is that  
15 everybody be treated at a fair and equitable manner.  
16 We have come up with a solution. We did discuss this  
17 with Mr. Buck Passmore of Southern Bell.

18           We're not interested in a dollar refund, a \$2  
19 refund, 68-cent refund. It's not going to help us. We  
20 understand it will cost approximately \$3 million to  
21 upgrade the cable system to encompass all of Boynton  
22 Beach into one exchange classification. This is what  
23 we want. We want to be treated in a fair and equitable  
24 manner. We would like some of the set-asides that are  
25 held in escrow to be used to upgrade this system.

1 I have, also in the packet, a letter  
2 addressed to Mr. Thomas Beard, Public Service  
3 Commission. I promised I would read this into the  
4 record. This is from Southeast Savings Realty.

5 "Dear Mr. Beard: The proposed restructuring  
6 of rates to provide customers' options is a precursor  
7 of the message unit method of charging for the use of  
8 the telephone lines. The message unit method is one in  
9 which the user is charged for every second he uses the  
10 telephone. These charges apply to local area calls as  
11 well as calls within the LATA. And the message units  
12 are charged in addition to the basic monthly fee.

13 "Federal, state and local taxes and a  
14 plethora of other charges are, of course, additional.  
15 The phone companies want to cash in on the most  
16 universal use of fax machines. By easing into the  
17 message unit system, they can reap huge profits when  
18 the system is fully operational. I can appreciate that  
19 rarely does the PSC refuse any utility --" and this is  
20 not from me, okay, "and I presume that the decision has  
21 already been made because of high cost of printing the  
22 information booklets distributed with the thousands of  
23 billings.

24 "However, there comes a time in everyone's  
25 life when one must stand up and be counted. Now is the

1 time that the Public Service Commission must stand up  
2 for the public which it serves. Do not Southern Bell  
3 to initiate the system. We are in a depression in this  
4 country with many millions out of work, and more people  
5 being placed upon the poverty rolls everyday.

6 "Please look at the future consequences of  
7 your actions. This proposal is a precursor to the  
8 message unit system."

9 There's also a letter from Congressman Harry  
10 Johnson from Washington DC; a letter from Senator  
11 Robert Wexler; a letter from Representative Carol  
12 Hanson; a letter from Representative Lois Frankel, and  
13 a copy of the Boynton Beach City Resolution urging the  
14 Public Service Commission to require Southern Bell to  
15 adopt an unified telephone exchange classification  
16 encompassing all areas within the municipal boundaries  
17 of the City of Boynton Beach. That is one of our most  
18 severe problems.

19 The second problem, which we have been  
20 dealing with, although I believe it's going to be  
21 addressed by Southern Bell very soon, is that half of  
22 one neighborhood will be listed in the telephone  
23 directory under Greater West Palm, and you can have  
24 people on the same block being listed in Boynton Beach.  
25 Well, if you have people coming in from out of state,

1 and they're looking for you in Boynton Beach in the  
2 telephone directory, they are not going to find you in  
3 Greater West Palm.

4 I understand they are looking into dually  
5 listing us. It's better than what we have got now. We  
6 do appreciate that. We're not here to cast aspersions,  
7 but we would like our problems taken care of.

8 And the third problem that I'm addressing is  
9 message units. When we have to pay long distance to  
10 Delray, when we have to start getting our message units  
11 measured, it is my own personal opinion that you are  
12 abridging our rights to freedom of speech.

13 There are so many people who are shut-ins,  
14 who cannot get out, and whose telephone is the only  
15 lifeline that they have to the outside world. I'm on  
16 the telephone I'd say approximately six hours a day to  
17 my constituents. Sometimes I'll get calls from elderly  
18 residents, and it will take me 45 minutes to a hour and  
19 a half to explain to them what I can do to help them or  
20 how they can help themselves. If we go to message  
21 units, which, in my opinion, is archaic and is a  
22 regression, these people will have no more voice.  
23 You'll take away their right to speak to their elected  
24 officials, to call their hospitals, to call their  
25 neighbors when they've got nobody else.

1 I'm begging you from the bottom of my heart  
2 to please consider the ordinary person. We cannot  
3 afford message units. Right now we pay \$10.05 flat fee  
4 to call unlimited local telephone calls. What's  
5 proposed is now \$7.75 with a cap of \$10, and they will  
6 take off \$3. Well, you see a \$3 rebate and you think  
7 you're getting something, well, you're not. Take that  
8 \$3 off that \$10 and it's costing you \$14.75 for what  
9 you're paying \$10.05 for.

10 And then you you're being charged two cents a  
11 minute, and then you're being charged eight cents a  
12 minute instead of 16 cent a minute to Boca Raton, which  
13 is only two towns away, or to Delray, which is only one  
14 town away.

15 It just seems to me that this is regressing,  
16 it's not progressing, and with the economic  
17 constraints, such as they are throughout the entire  
18 country, we are looking forward to this Commission in  
19 its wisdom to please grant us some relief. And if you  
20 need someone to speak on behalf of the Citizens of  
21 Boynton Beach at the meeting in Tallahassee, please  
22 contact me and I'll be very happy to be there.

23 Thank you. (Applause)

24 CHAIRMAN BEARD: Before you go.

25 WITNESS MATSON: Yes.

1                   CHAIRMAN BEARD: You chose to be the  
2 messenger, and so consequently, I want to put something  
3 in the record and I would ask you to deliver a message  
4 back to Sally Rockrise.

5                   WITNESS MATSON: Yes.

6                   CHAIRMAN BEARD: That --

7                   WITNESS MATSON: Don't shoot the messenger.  
8 I said I would read it.

9                   CHAIRMAN BEARD: I understand that.

10                  WITNESS MATSON: I don't agree with that, but  
11 I said I would read it.

12                  CHAIRMAN BEARD: But you chose to deliver it  
13 and to read it.

14                  WITNESS MATSON: Yes.

15                  CHAIRMAN BEARD: And I'm asking you for the  
16 kindness of doing me a favor of delivering a message  
17 back to her.

18                  WITNESS MATSON: Absolutely.

19                  CHAIRMAN BEARD: That I find the insinuations  
20 in that paragraph offensive --

21                  WITNESS MATSON: I do, too.

22                  CHAIRMAN BEARD: -- and I think that she  
23 ought to do her homework before she makes those kinds  
24 of statements.

25                  WITNESS MATSON: I do, too. But as, you

1 know, as an elected official, I was asked to do this,  
2 and I said these are not my words. I kind of cringed  
3 when I got it.

4 CHAIRMAN BEARD: Well, just deliver the  
5 message back from me because I found it offensive.

6 WITNESS MATSON: I do, too. I do, too.  
7 That's why, you know, I will apologize for her, but I  
8 can't apologize for me for doing my job.

9 CHAIRMAN BEARD: I understand.

10 WITNESS MATSON: Okay. Thank you.

11 MR. LACHER: Mr. Chairman, excuse me. While  
12 the Vice-Mayor was speaking, there was an announcement  
13 in the background that I don't think could be heard.  
14 And apparently someone's car is parked in a fire lane.  
15 And I'm sorry I couldn't catch the license number but  
16 they were talking about towing it. I just want to have  
17 anyone have their car towed away while we're waiting.  
18 So if you parked in a fire lane, you may want to check  
19 your automobile.

20 CHAIRMAN BEARD: Okay.

21 (Witness Matson excused.)

22 - - - - -

23 MR. SHREVE: Nadine Frakes.

24

25



1 NADINE FRAKES

2 was called as a witness on behalf of the Citizens of  
3 the State of Florida and, having been duly sworn,  
4 testified as follows:

5 WITNESS FRAKES: Good evening, ladies and  
6 gentlemen. My name is Nadine Frakes and I'm a resident  
7 of Boynton Beach.

8 The situation of which my vice-mayor, Lynne  
9 Matson, has just spoken is probably a bigger issue than  
10 most people realize. And a couple of things that I  
11 would like some people to understand is that that  
12 25-cent Boca-to-Boynton and Boynton-to-Boca rate does  
13 not apply for us because, according to Southern Bell,  
14 the call that we make from Boynton Beach is originating  
15 from West Palm because we have a West Palm exchange.  
16 Can you hear me clearly?

17 When I read the 25-cent rate I was very  
18 upset, and I talked to several of my neighbors. We got  
19 together, and we had a number of petitions signed and  
20 we also made some letters that I would like to present  
21 to you.

22 They may just be a bunch of papers to you,  
23 but this is very important issue to us. Not only can  
24 we not participate in the same other amenities afforded  
25 other Boynton residents, we must pay the long distance

1 charges.

2           Also, we are against measured service. We  
3 feel that by paying a basic phone rate, we should be  
4 getting something. The phone shouldn't just be hanging  
5 on the wall for \$10 a month. We should get something,  
6 and we would like a free local calling area. We  
7 realize that long distance should cost something, but  
8 certainly there should be a free local calling area.  
9 Something like 25 cent from Boynton to Boca, that's  
10 fine. But we should get something for having that --  
11 paying a monthly service.

12           I'd like to go ahead and give these letters  
13 to you. These represent not only the Boynton Lakes  
14 community but eight other communities affected as well,  
15 totally about 5,000 to 6,000 people that are affected  
16 by this. And I don't know what your procedure is once  
17 you receive copies of correspondence, but I'm asking  
18 you to, please, take a look at this. This is just a  
19 sampling. This was not the whole community and there's  
20 many more people affected by this.

21           Thank you.

22           CHAIRMAN BEARD: While you're doing that, let me  
23 tell you what will happen. All of this information, and  
24 first off, trust me, we take it seriously. I have kids at  
25 home; I'd love to be there but need to be here because

1 it's important. All of this will go into the file, it  
2 will be a part of the case. We will look at that. In  
3 addition to that, when I receive correspondence in  
4 Tallahassee, I respond to each one of them.

5 WITNESS FRAKES: Okay.

6 CHAIRMAN BEARD: Okay.

7 WITNESS FRAKES: Thank you very much. I'd  
8 like to give these to you.

9 CHAIRMAN BEARD: Sure.

10 MR. SHREVE: Thank you.

11 (Witness Frakes excused.)

12 - - - - -

13 MR. SHREVE: Genevieve Veltri.

14 GENEVIEVE VELTRI

15 was called as a witness on behalf of the Citizens of  
16 the State of Florida and, having been duly sworn,  
17 testified as follows:

18 WITNESS VELTRI: You're going to be saved  
19 most of my talk because Betty Cobb and I belong to most  
20 of the same clubs in Plantation. She did leave out two  
21 of them. Let me brag a little. Friends of the  
22 Library.

23 CHAIRMAN BEARD: Your name?

24 WITNESS VELTRI: Genevieve Veltri.

25 Friends of the Library, we earned \$23,000

1 this year, and they told me if I said it was by a bunch  
2 of old ladies, they would disown me, but we were all  
3 ladies that earned this.

4 We can't do it if we get measured service.  
5 We have a Historical Society that in two years has  
6 earned \$150,000 and built a historical museum that  
7 isn't matched anywhere else in this county. We can't  
8 do things like that with measured service.

9 Then, to cut it short because Betty took all  
10 the rest of it, I find one thing in here very unusual  
11 to us old timers. Why would you reduce the rate on a  
12 new line, connecting line, when some of us have been  
13 with you all our lives, and we doesn't get a reduced  
14 rate if we put this new thing in. But a newcomer to  
15 the state, which we don't need many more of them, of  
16 course I'm prejudiced, but you give them the break, and  
17 us old timers don't get it. And you can thank Betty  
18 for this being short. (Applause)

19 (Witness Veltri excused.)

20

- - - - -

21 CHAIRMAN BEARD: Mr. Shreve, how many --  
22 roughly, how many more do you have there?

23 MR. SHREVE: I have -- we're probably halfway  
24 through.

25 CHAIRMAN BEARD: Let's take about a 15-minute

1 break. I've only one court reporter and if her fingers  
2 wear out, we're out of luck.

3 (Brief recess.)

4 - - - - -

5 CHAIRMAN BEARD: Okay. Get everybody to  
6 please take their seats. We'll pick up where we left  
7 off. (Pause)

8 The next witness is Steven Harris.

9 STEVEN HARRIS

10 was called as a witness on behalf of the Citizens of  
11 the State of Florida and, having been duly sworn,  
12 testified as follows:

13 WITNESS HARRIS: Members of the Commission,  
14 my name is Steven Harris. I'm an attorney; I live in  
15 Jupiter.

16 For those of you who are unaware, Jupiter is  
17 about 70 miles north of this location tonight. I  
18 mention it only because to give up time from my office  
19 and to drive that distance, I take this most seriously,  
20 the proposal that is before you. I don't want to  
21 repeat everything that has been said before so I'll  
22 just pick out two points that have perhaps not been  
23 mentioned.

24 About five years ago, Southern Bell came  
25 before you and asked for local measured service.

1 Hundreds of thousands of Floridians signed petitions,  
2 myself included, and gathered more names against that  
3 proposal. I think the thinking of the public has not  
4 changed. They do not want local measured service,  
5 period, no exceptions. And I would hope that the  
6 Public Service Commission would take that into account;  
7 that the public, the people of the state of Florida, do  
8 not want it.

9           The second point I would like to make, which  
10 perhaps is not directly in conversation or discussion  
11 tonight, is the 18% that you have allowed both Florida  
12 Power and Light and Southern Bell to add to late bills.  
13 The amount is unconscionable. This is not a department  
14 store that we have over here nor is Florida Power and  
15 Light. They are utilities providing necessities for  
16 life. The phone and electricity are necessities in our  
17 society. And I find that adding an 18% charge for  
18 someone who may have been, say, laid off, who was short  
19 money that month, is an unconscionable rate to allow to  
20 be charged. I'm sure the utilities have argued that  
21 they need a whip to make people pay their bills, and to  
22 some degree they are correct. But certainly a rate of  
23 8 or 7 or 9% would certainly be more than fair. Given  
24 the fact of the savings rates in this country right now  
25 that have dropped so low and the return that they can

1 get, 18% is really ridiculous. I know it's not before  
2 you at this time. But I felt it was worth mentioning.

3 Thank you very much. (Applause)

4 CHAIRMAN BEARD: Thank you.

5 MR. SHREVE: Thank you, sir.

6 (Witness Harris excused.)

7 - - - - -

8 MR. SHREVE: Mr. Norman Durmaskin.

9 NORMAN DURMASKIN

10 was called as a witness on behalf of the Citizens of  
11 the State of Florida and, having been duly sworn,  
12 testified as follows:

13 WITNESS DURMASKIN: Mr. Chairman, members of  
14 the Commission, and members of the panel, my name is  
15 Norman Durmaskin. I live in the City of Sunrise.

16 The cities of Miami, Fort Lauderdale and West  
17 Palm Beach have formed and become a part of a  
18 megalopolis. Because of the Everglades, the geographic  
19 growth of our area has largely been in a north-south  
20 direction instead of in an east-west direction. In the  
21 Fort Lauderdale area, east-west is defined as  
22 approximately 15 miles. Not the 40 miles that is  
23 alluded to so often in this evening's talks. It's  
24 almost impossible to live in the South Florida area  
25 without developing strong relationships with the people

1 in all three counties.

2 For these relationships to be nurtured, there  
3 must be inexpensive, accessible phone communication.  
4 In Broward County we watch and listen to Dade and Palm  
5 Beach radio and TV stations. We read Dade and Palm  
6 Beach newspapers. We keep abreast of Palm Beach/Dade  
7 recreational events. We share in their catastrophes as  
8 well.

9 I have long recognized the need for a simple,  
10 flat rate extended service into Dade and Palm Beach  
11 counties. Equally strongly, I oppose the shutting down  
12 of communications, which a measured service program  
13 would cause. Extended service, I might say, works  
14 successfully in the Dallas/Fort Worth areas and in the  
15 Los Angeles areas as well, at a reasonable flat rate.  
16 It's time, in my opinion, for our phone system to give  
17 us something comparable to an extended service at a  
18 flat rate.

19 Thank you. (Applause)

20 CHAIRMAN BEARD: Thank you.

21 - - - - -

22 MR. SHREVE: Lori Parrish.

23 LORI PARRISH

24 was called as a witness on behalf of the Citizens of  
25 the State of Florida and, having been duly sworn,



1 testified as follows:

2 WITNESS PARRISH: Good evening, ladies and  
3 gentlemen. Welcome to Broward County. While I serve  
4 as a County Commissioner here in Broward County,  
5 tonight I'm here as a resident of Broward County and a  
6 long-term one, and a former employee of Southern Bell.

7 I'd like to tell you a story of why I believe  
8 that infrastructure dollars should be invested in our  
9 telephone company here locally. Most of you know that  
10 Hurricane Andrew devastated a great deal of South  
11 Florida. However, I've lived in Broward County for 41  
12 years, but I was born three years before that in the  
13 state of Kentucky. At ten minutes to six on Monday  
14 morning, the day of the hurricane, my telephone rang  
15 right in the middle of everything, and it was my father  
16 in Kentucky to call and see how we were doing. And I  
17 said, "Well, Dad, I don't know. We haven't had  
18 electric since about 1:53 this morning, you tell me."  
19 And he was watching CNN, and he told me the eye of the  
20 hurricane was down in Homestead but we were supposedly  
21 in the middle of it.

22 So I listened outside because my husband and  
23 I had fallen asleep, and the wind sounded terrible and  
24 the palm trees were laying over sideways in our pool,  
25 and we had no electric, but the telephone worked. And

1 for families that are apart and can't always be close  
2 to each other, for my dad and for my grandmother who is  
3 93 years old, and our family we left in Kentucky, it  
4 was real important for them to know, because of all the  
5 headlines and the media attention, that my family was  
6 safe.

7 I'm here to say my phone company does a good  
8 job in my community. And anything that enhances my  
9 phone company in our calling area is a benefit to the  
10 community I live in as well as our families that live  
11 someplace else. So on behalf of the Lori Parrish  
12 family and the family, my extended family in Kentucky,  
13 I'm here in support of the telephone company that works  
14 in this community.

15 Thank you. (Applause)

16 - - - - -

17 MR. SHREVE: Aditya Mishra.

18 ADITYA MISHRA

19 was called as a witness on behalf of the Citizens of  
20 the State of Florida and, having been duly sworn,  
21 testified as follows:

22 WITNESS MISHRA: I'm not accustomed to this  
23 kind of meeting and you may have some problem -- my  
24 name is Aditya Mishra, and you may have some problem  
25 understanding my accent. If you have any problem,

1 please ask me to repeat.

2           And I've lived in this country for 22 years  
3 but somehow I couldn't get out with the American accent  
4 and some people have problems understanding. And it's  
5 my first meeting, so I did not come prepared, I just  
6 jotted down some notes. And I want to say that I agree  
7 with most of the speakers who oppose this message rate  
8 system.

9           And by training I'm an electrical engineer,  
10 and one of the speakers, he didn't understand how the  
11 fiberoptic system works and the things like that, and I  
12 do understand that problem. I think the technology has  
13 gone to the extent where something that used to cost  
14 \$10,000, now you can buy as \$500. So the same  
15 technology is used by the telephone company, so  
16 financing the cost of running the business is going  
17 down so rapidly that our costs should be going down  
18 instead of going up.

19           And, as I said, I oppose the message rate  
20 system. With the fiberoptic system, it's like the  
21 transportation system, it doesn't make any difference.  
22 If you are using a satellite, then you can call your  
23 next-door neighbor or you can call a person across the  
24 continent because your message goes to the satellite  
25 and comes back in the same time, all the time element

1 is the same. So I don't see any reason.

2 If the only alternative to the communication  
3 by telephone is by driving to someplace, your neighbor.  
4 If my neighbor lives five miles away, I spend the same  
5 gas whether he lives in Dade County or he lives in  
6 Broward County, so why should there be any difference  
7 in payment if I use a telephone call to call him. As  
8 far as the technology is concerned, it doesn't make any  
9 difference; it will cost the same for the technology to  
10 provide the same kind of service.

11 There are some other points which I would  
12 like to point out which have not been covered, that has  
13 been my experience: One thing is that the telephone  
14 company charges me for changing my long distance  
15 carrier. And the way it happens, I've got the  
16 different long distance carriers, one is the primary  
17 carrier and a few of them are secondary carriers. So  
18 when I call some secondary carrier, for whatever reason  
19 they call the Southern Bell Company, and they want to  
20 make me as -- their company as a primary carrier. And  
21 every time it happens, the Southern Bell charges me,  
22 without my permission, to change my long distance  
23 carrier, and it has happened six times within this  
24 year. And in the beginning it used to be \$6 plus  
25 change, but now it is \$1.50, but still it is an event,

1 and without my permission, it has happened, and when I  
2 called Southern Bell, they said, "You call the long  
3 distance carrier and they should refund for your  
4 charges." Instead of me calling the long distance  
5 carrier, they should get something in writing from the  
6 long distance carrier that I really did want to make a  
7 change of my long distance carrier. And this has not  
8 happened once; this has happened six times within the  
9 last one year in my case.

10 Because my understanding what are the  
11 services for the different long distance carriers, I  
12 use different long distance carriers for different  
13 kinds of services. And with one primary service  
14 carrier, and long distance carriers, I make some call  
15 to somebody and it always gets messed up.

16 CHAIRMAN BEARD: Before you go on, when you  
17 get done tonight -- Brenda, stand up, please, the lady  
18 in the back.

19 It sounds like you're getting switched  
20 without your permission and then being charged for it?

21 WITNESS MISHRA: Yes.

22 CHAIRMAN BEARD: Okay. I'd like you to get  
23 with her and get some information, because that  
24 shouldn't be happening. If you elect to change it,  
25 that's your business but --

1           WITNESS MISHRA: I didn't elect but it was  
2 changed.

3           CHAIRMAN BEARD: If you'll get with her, I  
4 think we can help you out with that problem.

5           WITNESS MISHRA: Okay. Thank you very much.

6           Another point I wanted to make is that  
7 Southern Bell has for yesterday, and a few days before,  
8 advertised for the disruption of service for the people  
9 who are affected by Andrew. And they have all of the  
10 records; they know who are the people who have been,  
11 whose services have been disrupted. My service, I live  
12 in Broward County, I was not affected. My FPL and my  
13 electric service was disrupted by Andrew. But  
14 telephone service was not disrupted.

15           But one day after that, for some reason it  
16 was disrupted for two days, and I didn't get the  
17 service. I cannot understand why it happened. But my  
18 doctor who lives in Miami Beach has service, was  
19 restored only last week, I think day before yesterday  
20 or something. They know who are the people whose  
21 services are disrupted. Why should they bill them and  
22 then wait for the customer to call them and say that  
23 they should not be charged? They can work it out and  
24 given the refund to the people who have been disrupted.

25           Okay. Another thing as an engineer I

1 understand, because the telephone wire that goes in  
2 anybody's home, it has four wires. That means every  
3 telephone is equipped to have two lines at home. So if  
4 I want to have two lines, then there should be no  
5 additional charges, as far as the telephone company is  
6 concerned. They already provide a four-line wire to my  
7 home, and I asked that I have a Call Waiting service.

8           Recently I bought a telephone from some other  
9 company that provides two-line service. I thought  
10 maybe if I had Call waiting, I could have a two-line  
11 service which will give me the same kind of advantage.  
12 But I was told it would cost me about 60 or \$70 dollars  
13 to get a second line and without any overhead cost as  
14 far as Southern Bell is concerned.

15           Okay. They are talking about some of the  
16 custom calling features. I think this is some of the  
17 features which Southern Bell is charging us they should  
18 not be charging us at all. Like speed calling service.  
19 Those people who know it, the telephone they know,  
20 speed calling, you can buy a telephone for \$25 and you  
21 have 10, 15, 20 free dialing numbers on your own, while  
22 Southern Bell is charging you the same service for \$3 a  
23 month, which in a year you will end up paying more than  
24 the cost of a new telephone equipment. The same thing  
25 goes about the answering service; you can have your

1 answering machine and if you have charge it, Southern  
2 Bell is providing a service where somebody can call  
3 them in regard to a message and you have to pay \$3 a  
4 month. So for this kind of technology, Southern Bell,  
5 they should tell the customers to buy this kind of  
6 equipment.

7 I remember when I came to this country, at  
8 that time there was a monopoly and we could not buy  
9 even a telephone equipment; we had to rent from  
10 telephone companies. And we had to pay \$2, \$3, or  
11 something like that, by the month, regardless of what  
12 telephone we used. So since then we have been provided  
13 the service that we can buy our own equipment. And  
14 this is the kind of thing which Southern Bell can  
15 advertise to their customers and just start providing  
16 this service and making money on the ignorance of the  
17 technology and uninformed people. They should let them  
18 know that this kind of service can be easily obtained  
19 by just buying new equipment from the market. (Pause)

20 Okay, one more thing. I have noticed that  
21 this extended -- I am in favor of the extended service.  
22 But there are certain long distance carriers which do  
23 provide the message by the minute, and regardless of  
24 whether you call to Miami or you could call Texas or  
25 California, the charge is the same. Some companies,



1 they charge over \$6 an hour, which comes to 10 cents a  
2 minute, so eight cents a minute is not a bargain if you  
3 can sign up with some other company.

4 So Southern Bell is competing with some of  
5 the long distance carriers for this service and they  
6 are telling us this is a bargain for us. It's not a  
7 bargain. If I want an eight-cents-a-minute charge, I  
8 can sign up with a long distance carrier which provides  
9 me the same kind of service at this time.

10 Thank you very much. (Applause)

11 MR. SHREVE: Thank you, sir.

12 (Witness Mishra excused.)

13

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14 MR. SHREVE: Mr. Jerry Noyer. Mr. Jerry  
15 Noyer, N-o-y-e-r. (Pause) (No response)

16 Mr. Martin Summer.

17 MARTIN SUMMER

18 was called as a witness on behalf of the Citizens of  
19 the State of Florida and, having been duly sworn,  
20 testified as follows:

21 WITNESS SUMMER: Chairman Beard,  
22 Commissioners, representatives of the offices of the  
23 phone company, Public Counsel, the Attorney General, my  
24 name is Martin Summer. I reside in West Boca. I am a  
25 member of the Board of the West Boca Community Council.

1 We represent homeowners and condominium associations,  
2 at present 71 associations, with about 50,000, a little  
3 over 50,000 units.

4 We came into this matter about June when you  
5 changed the measured rate service in Boynton to a flat  
6 rate. I asked a couple of questions then and I became  
7 a Committee, so I am here, basically to observe. And I  
8 will make some comments after talking to our people and  
9 talking to some of the political clubs in the area.

10 It appears that people are concerned not so  
11 much about an optional measured rate service but they  
12 are concerned that they might lose their basic service.

13 The measured service that is proposed, I have  
14 a couple of questions about it, if I may. You propose  
15 a usage cap of \$10. Is this -- does this bring the  
16 local area portion of that measured service to 17 --  
17 pardon me, I am in Zone 10, so my basic charge on that  
18 would be 7.75. Does this bring my maximum charge on  
19 the local usage to \$17 or to \$10? Are we adding  
20 another 500 minutes afterwards or are we adding another  
21 hour?

22 MR. ANTHONY: I'm Hank Anthony, with Southern  
23 Bell.

24 WITNESS SUMMER: Yes, sir.

25 MR. ANTHONY: And the 7.75 would be the basic

1 monthly charge. There would then be the \$10 cap for  
2 local usage but with an allowance of \$3. So, in  
3 effect, the total, if you hit the very top of the cap,  
4 would be \$14.75. That would be the most you would pay  
5 for your local service.

6 WITNESS SUMMER: I'm a little lost there.

7 You allow me 300 minutes or, I'm sorry, three  
8 hours under the 7.75.

9 MR. LACHER: Approximately.

10 WITNESS SUMMER: Now, you cap it where,  
11 another 500 minutes at the -- \$10 on top of that?

12 MR. ANTHONY: It would be another -- it's  
13 \$10, but you get \$3 of what we call an allowance, which  
14 means that you wouldn't be charged for \$3 worth of  
15 those calls.

16 MR. LACHER: Effective \$7 cap.

17 MR. ANTHONY: So it's \$7 more above the 7.75.  
18 If you made 10,000 calls locally, 10,000 minutes of  
19 calls would still be \$14.75.

20 WITNESS SUMMER: \$7 above the basic?

21 MR. ANTHONY: Above the 7.75, yes, sir.

22 WITNESS SUMMER: So that's how that  
23 translates. Okay. All right, because I was trying to  
24 figure out whether a 20% discount on heavy usage would  
25 mean anything.

1                   Okay. Thank you. (Pause)

2                   I presently have a measured service. I have  
3 a measured service that is based on per call and not  
4 per minute. Available to me are some other optional  
5 services. We have a value pack where I can call  
6 anywhere in the state, interLATA/interstate, for a base  
7 charge of a dollar and get 50% off at late hours and  
8 Saturday all day. I have a saver service available to  
9 me where for a base rate of 20.40 I get two hours, and  
10 then I have lower charges in peak and off-peak rates  
11 per minute. And this is throughout the southeast zone  
12 from Indian River down to Monroe. I also have  
13 available to me -- let's see, Valu-Pak and Saver  
14 Service and the current one I have.

15                   Question: You are proposing to do away with  
16 the measured service. Are you planning to do away  
17 with the other options? (Pause) Now, let me expand on  
18 that question a little more.

19                   The options are based on the exchange that  
20 I'm in because the network engineering at a central  
21 office routing is determining the options I get. My  
22 exchange is 487 and so I get certain options. Somebody  
23 who is next to me, 451, they don't get those options.  
24 Each exchange has various packages available to them.  
25 It doesn't matter how far away you are from somebody in

1 mileage.

2 MR. LACHER: I want to be sure. I think one of  
3 the options you mentioned was the intrastate/interLATA  
4 option, and if that's the case, it's provided by one of  
5 the long distance companies and not us.

6 I would suggest one possibility might be --

7 WITNESS SUMMER: It's called "Valu-Pak." It  
8 is billed by Southern Bell. It costs \$1 a month.

9 MR. LACHER: We do some of the billing for  
10 some of the long distance --

11 WITNESS SUMMER: And that's a 50%-off option.

12 MR. LACHER: On, did you say on  
13 interLATA/intrastate? I'm sorry, I couldn't catch all  
14 of the detail.

15 WITNESS SUMMER: I was told by my business  
16 office it was intraLATA/interstate. I know it is --

17 MR. LACHER: IntraLATA or inter? I'm having --

18 WITNESS SUMMER: "Tra," "Tra."

19 MR. LACHER: "Tra." Then that would be our --

20 WITNESS SUMMER: Intrastate/intraLATA.

21 MR. LACHER: Intrastate/intraLATA would be  
22 ours; intrastate/interLATA would not.

23 WITNESS SUMMER: In any case, 11:00 p.m. to  
24 8:00 a.m. Saturday all day, 50% off, "Valu-Pak," it's  
25 called.

1 MR. LACHER: Okay. What I would suggest, if  
2 it's agreeable is to have one of our staff sit down and  
3 go through each of those options and explain them to  
4 you in detail which ones would be affected by our  
5 proposal or not. If that's agreeable, I'd be glad to  
6 do that off line.

7 CHAIRMAN BEARD: I would like you to do that.  
8 I want you to fully understand what's before you and I  
9 want all of your questions answered, but I do also not  
10 want to hold everybody up in trying to hear their  
11 comments about this while we do that.

12 WITNESS SUMMER: I apologize. I did not read  
13 the rate filing and I don't know exactly what is in  
14 this package and what is not.

15 The question that I'm basically raising is  
16 that everybody has a different package; and, therefore,  
17 it is noted in Southern Bell's little note that they  
18 sent out with their bills that they plan to do away  
19 with certain of these other services and I wanted to  
20 know which ones.

21 MR. LACHER: Yes, sir, and I think Mr. Shreve  
22 and Mr. Twomey would clearly point out that this is our  
23 proposal, not what has been approved. And I would be  
24 glad to have our staff sit down with you and explain  
25 the proposal. I think that might facilitate time

1 tonight, if that's agreeable with the Commissioner.

2 CHAIRMAN BEARD: Sure thing.

3 WITNESS SUMMER: I would like to know if it  
4 is feasible because when we did come into this, because  
5 of what happened in Boynton Beach, and an earlier  
6 speaker spoke to you that because you had a certain  
7 exchange that she did not come under that 25-cent  
8 Boynton-to-Boca rate, I would like to know if it is  
9 feasible, because they asked about that time for an  
10 area calling rate, whether it be 10 miles, 30 miles,  
11 whether it be a flat rate, whether it be measured. But  
12 they basically asked whether they could have a rate  
13 based on how far they were from other people they  
14 called. Is that feasible to do something like that?

15 CHAIRMAN BEARD: Let me say that anything is  
16 possible. And what typically happens in this hearing,  
17 the Company will bring forward their proposal. From  
18 that point, depending on what testimony goes in from  
19 Public Counsel's office, from the Attorney General,  
20 from the Florida Consumer Action Network, all the  
21 people in this hearing, it may come out looking like  
22 they asked. It may come out looking nothing like that.  
23 And we try to look at each of the areas and what is  
24 good for the people.

25 We've tried -- quite frankly as Florida has

1 grown up, the telephone boundaries don't necessarily  
2 match any of the other boundaries. And as cities have  
3 grown together, it's created -- it's not a problem but  
4 it's a greater desire to communicate between these and  
5 it's not isolated to Miami and Fort Lauderdale and West  
6 Palm. It's Tampa/St. Petersburg, it's you name it, all  
7 over the state; each one is a little different. We've  
8 tried. I hate to say that there's nothing that we  
9 haven't tried in different plans because as sure as I  
10 say that, somebody will think of a new one. But we  
11 will look at all those and we will look at some options  
12 like that as well, I'm sure, that are related to  
13 distance as well as message rates, which we've tried  
14 the \$.25 Plan you've mentioned. In one area that  
15 became so successful that it became the \$.20 Plan,  
16 because people used it enough and it helped to bring  
17 the price down.

18           So the answer to your question is, yes, it is  
19 feasible. At this stage there is no way to tell you  
20 what will come out of it because we haven't had the  
21 hearing and we haven't looked at all the testimony.

22           WITNESS SUMMER: Thank you, Mr. Chairman.  
23 I'd like to make this comment at that time, but from  
24 what I have heard tonight, and from listening to our  
25 constituents, there appears to be a large demand for a



1 rate based on how far you happen to be from somebody  
2 else. Those are the people that you're more likely to  
3 call. And not based on the fact that your exchange is  
4 hooked through some central that may not be next to  
5 you.

6           The other problem that arises with that is a  
7 telephone directory problem. I'm sure you're aware of  
8 that. That we want to look up who is two towns away  
9 and it's in another book and we can't get the book  
10 because the price of the book is \$15. And maybe we'll  
11 get it through our Chamber of Commerce. But if we have  
12 to go down to the phone office, we have to order it,  
13 and we have a problem with that. Anything to be done  
14 about the directory is being relocalized.

15           MR. LACHER: I didn't catch all of it, sir.

16           CHAIRMAN BEARD: Well, I had the opportunity  
17 to, at break, it was brought to my attention that, for  
18 example, Miami has the Greater Miami or Dade County --  
19 it's actually, I guess, two books, but it's all in one  
20 spot; whereas, in Broward County you have a situation  
21 where you have five or ten, or however many different  
22 phone books, and they are not a combined, consolidated  
23 phone book. I think that is the concern of some of the  
24 citizens here, or at least that's what I heard at the  
25 break. That way when they go to look up something,

1 they don't have to go to a specific phone book, they  
2 can, in fact, go to one phone book regardless of where  
3 it is in that county. Is that a pretty fair  
4 assessment?

5 WITNESS SUMMER: I thank you for listening to  
6 my concerns. I took my glasses off, I didn't bring my  
7 bifocals. So if I'm not looking you in the eye, just  
8 bear with me for a minute. I have one more item. That  
9 didn't pertain perhaps to the rate filing, but I'd like  
10 to ask the question in any case, and that is regard to  
11 something that is buried in your basic phone charge,  
12 and that is some extras, one of which is a Touch-Tone  
13 charge. Has the money for the Touch-Tone installation  
14 been recovered yet, or when do you anticipate that we  
15 might get rid of that as a separate charge?

16 MR. LACHER: Do you want me to comment?

17 CHAIRMAN BEARD: You can start and I'll  
18 finish.

19 MR. LACHER: Touch-Tone is one of the  
20 optional services and the revenues from that help  
21 offset the cost of basic service and the basic services  
22 is priced below cost, so the optional services help  
23 provide that subsidy.

24 CHAIRMAN BEARD: Now, let me finish the other  
25 part it.

1           The Commission, over the past several years,  
2 -- I have been here now five years -- has recognized  
3 that more and more Touch-Tone is a basic part of  
4 universal service. And over time those rates have  
5 gradually migrated downwards from what they first were.  
6 I have all degree of confidence that that will be at  
7 issue in this rate case. I think it has been raised by  
8 the Public Counsel's office, among others. I'm not  
9 sure, but at any rate, we will be look being at that,  
10 as we have, and the trend has been for that to  
11 gradually migrate away.

12           WITNESS SUMMER: Thank you very much.

13           CHAIRMAN BEARD: Sure.

14           MR. SHREVE: Thank you, sir.

15           (Witness Summer excused.)

16

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17           MR. SHREVE: Mr. Dennis Nusser.

18                           DENNIS NUSSER

19 was called as a witness on behalf of the Citizens of  
20 the State of Florida and, having been duly sworn,  
21 testified as follows:

22           WITNESS NUSSER: Mr. Chairman, Commissioners,  
23 and Public Counsel, and the guys that really love  
24 sitting through these hearings, I would like to talk  
25 about what I call "topsy-turvy rates," the rates that

1 don't seem to make a whole lot of sense.

2           When I was in college down here, I was dating  
3 a girl that lived out west of Cooper City, west of  
4 Flamingo Drive, and I couldn't call her because she had  
5 to pay \$75 a month, or her parents would have had to  
6 pay \$75 a month for Ma Bell to string a line out. And,  
7 therefore, they were kind of denied basic service.  
8 Now, every time we increase in population, I get to pay  
9 more on my monthly service because I can call more  
10 people. And I submit to you, as a small business  
11 owner, the number of people that I get to call is  
12 dependent upon -- and the number of people who get to  
13 call me is dependent upon the number of phone lines I  
14 have. Because once the first one gets tied up, the  
15 second one is a necessity.

16           Which brings me to when we finally expanded  
17 from one phone 12 years ago to two. And at that time I  
18 was told that if I wanted Line 2 to ring when Line 1  
19 was busy, that I would have to purchase a wonderful  
20 service called "roll over," which back then was about  
21 \$29 a month. It's currently \$29.66 a month, but, ah,  
22 you say, that's for two lines. But I'm only rolling  
23 one of them into the other one. The basic tariff is  
24 half of that; scheduled to come down to \$10 and change.  
25 But I've got to pay it twice because the roller and the

1 rollee line both have to pay the tariff. And, you  
2 know, that's not why I'm here.

3 I'm here because in my phone bill two months  
4 ago not only did I get an itemization of my annual  
5 itemization where I saw that pesky roll-over charge,  
6 but I got my Southern Bell statement stuffer.

7 Now, I think everyone here is familiar with  
8 what roll-over is. Let me read you a description of a  
9 new service from Southern Bell. "Call forwarding, busy  
10 line, automatically forwards calls to a preselected  
11 number at another location when you're on the phone."  
12 Son-of-a-gun, doesn't that sound like roll-over except  
13 that two words in that tariff "another location." So I  
14 said, "Hey, you know, this is great," because I really  
15 didn't see the "another location."

16 So I called up Southern Bell, and I said,  
17 "You know, I've got two phone numbers. I want to take  
18 and have one roll on to the other one; and according to  
19 this, I want 6902 to ring on 6903." They said, "Sorry,  
20 you can't do that, it's in the same switching office.  
21 You've got to pay your \$29.66 instead of \$3.25 a  
22 month."

23 We're finally finding out what roll-over  
24 costs Southern Bell. And I resent, as a small business  
25 owner, having to pay the \$29 when I really should be

1 only paying \$3.25. And I think it's a very valid  
2 point. That's a topsy-turvy rate.

3           When I first went into business, a friend of  
4 mine bought me a Snoopy phone, bought me from Southern  
5 Bell. And I took it down to Southern Bell because my  
6 business line was Touch-Tone and the phone that he got  
7 me was a rotary phone, so I took it in and I said, "The  
8 phones are the same price, can I trade Snoopy for  
9 Touch-Tone?"

10           "Well, why do you want that?" "Well," I  
11 said, "it's going to be used on my business line, it's  
12 a Touch-Tone line, and my home phone is still rotary."  
13 And they said, "Well, this is the consumer phone  
14 office, residential. You will have to have a premise  
15 visit in order for us to trade out Snoopy."

16           So I got on the letter-writing thing. Every  
17 now and then I'll write a letter. And we wrote one up  
18 to 6400 North Federal, in the Colony office, and I kind  
19 of stated my case and how stupid this was. And your  
20 District Manager there agreed with me wholeheartedly  
21 that it was pretty stupid, and I went down and traded  
22 out my Snoopy phone. And then I wanted to get a long  
23 coil cord for it; we went through a similar discussion.

24           But the topsy-turvy rate is the thing I'm  
25 looking at. I understand that a business should pay

1 more for a business line than a residential should pay  
2 for a residential line; that I am subsidizing all of  
3 these folks that have been speaking in here, in terms  
4 of my business lines at \$29 and change a month versus  
5 my home line at \$11 and change.

6 In my business, and I think in most people's  
7 businesses, the number of phone lines that they have  
8 coming into their business kind of determines how much  
9 phone business they are doing and how much wires they  
10 are using. It has no bearing on the fact that there's  
11 24 hours a day service, seven days a week. And most  
12 businesses running a Monday through Friday use about 45  
13 hours of phone service per week, per line. And if I'm  
14 on the phone constantly on Line 1, I've got to have a  
15 Line 2 or other people can't talk to me. Or I could do  
16 Call Waiting but, I'm sorry, that's probably the worst  
17 thing that's ever been invented. And I welcome all  
18 other businesses to use it; I will not. I will bite  
19 the bullet and pay three times the cost for the second  
20 -- no, two times the cost for the second line.

21 But I want to know how my business in Fort  
22 Lauderdale differs from a business in Live Oak --  
23 excuse me, Cedar Key, of which is the only city in  
24 Group 1 and we're in Group 12 -- and how does the  
25 business in Group 1 differ in terms of how much they

1 need a telephone, from a business point of view, than I  
2 do in Fort Lauderdale? Well, you say, I can reach more  
3 basic phone customers. That's true, but if you take my  
4 business -- I sell desks and chairs and files in an  
5 interior design service. And the majority of the  
6 people in this county are not in the marketplace for  
7 that type of stuff, and those that are, are going to  
8 call me, or I'm going to call them, and that brings us  
9 to Yellow Pages.

10           And the Yellow Pages are kind of interesting  
11 because they don't come under the rate situation. I  
12 wasn't going to mention it but someone mentioned the  
13 White Pages books, and the fact that we've got one Dade  
14 book for yellow and one Dade book for white. They only  
15 mention the white one, but I'm going to mention the  
16 yellow one. In Fort Lauderdale, in Broward County, if  
17 I want to reach all 1.2 million members of its  
18 population, I have to go into three book versus one  
19 book in Dade for 3 million people. And those three  
20 books in Fort Lauderdale, Hollywood and Pompano, same  
21 size ad, are going to cost me more than the same size  
22 ad in the book in Dade reaching almost three times the  
23 population. I think that that's the rate that if you  
24 don't have control over ought to be looked at.

25           And there is one other point I wanted to



1 make. Oh, yes, productivity. I like that idea. And  
2 this isn't for the Public Service Commission, but I  
3 mentioned we sell desks, chairs and files. We also  
4 sell ergonomic space planning services, and we've got  
5 a seminar going on in four different locations in  
6 Broward County -- well, three in Broward County, in the  
7 three-county area that, next week, if you have somebody  
8 that's interested in how to increase the productivity  
9 of your people that sit at desks, send one of them to  
10 this.

11 Thank you, Commissioners.

12 MR. SHREVE: Thank you, sir.

13 (Witness Nusser excused.)

14 - - - - -

15 MR. SHREVE: Mr. Mac Rich.

16 MAC RICH

17 was called as a witness on behalf of the Citizens of  
18 the State of Florida and, having been duly sworn,  
19 testified as follows:

20 WITNESS RICH: My name is Mac Rich. I've  
21 waited two hours and ten minutes to speak. I don't  
22 want to talk too much, but I hear a lot of gobbledygook  
23 down here from all of these people. And I know they're  
24 against Southern Bell, but let me tell you one thing.  
25 Why don't they talk about AT&T?

1 AT&T is the manufacturer of all equipment,  
2 telephone equipment, but they don't allow Southern Bell  
3 to manufacture. And this is a monopoly. I love  
4 Southern Bell. I don't care what the telephone bill  
5 is. I've got service. My wife has got service. They  
6 deserve a good profit. But AT&T, get after these  
7 people, and I say that Congress should get after them.

8 You people have nothing to do with it, but I  
9 admire the Commissioners sitting there. And I love you  
10 all, and I still love Southern Bell. Thank you.

11 CHAIRMAN BEARD: Thank you.

12 (Witness Rich excused.)

13 - - - - -

14 MR. SHREVE: Ruth Seid. Ruth Seid, S-e-i-d?

15 (Pause) (No response)

16 Robert Ash.

17 ROBERT ASH

18 was called as a witness on behalf of the Citizens of  
19 the State of Florida and, having been duly sworn,  
20 testified as follows:

21 WITNESS ASH: Commissioners, Public Counsel,  
22 and phone company, I appreciate the opportunity to  
23 speak.

24 I don't want to be totally redundant, but I  
25 do have an awful lot of one-liners I want to bring to

1 your attention pent up in my anxiety for years and  
2 years.

3           Ironically, I do want to tell you first that  
4 I enjoy the quality of the phone system, and I think  
5 you've got one good system here, and I truly appreciate  
6 it. I own two businesses; I have three lines in my  
7 house. We spend lots of my money, hard-earned money,  
8 on the phone company, and I think it's a good  
9 investment. But there are some equities that I have  
10 felt, and some of them have come before us here this  
11 evening, and I'd like to touch upon a few of them.

12           The phone company deserves a just reward, and  
13 I hope that the Commission, in their infinite wisdom,  
14 and with the input from the Public Counsel and the  
15 public hearings, decide a reasonable rate. And I don't  
16 think I'm qualified to decide what is a reasonable  
17 rate, but we all have opinions, and from just on the  
18 surface I think that the numbers 13.75, or whatever I  
19 have heard here this evening, in light of this economy  
20 seems a little excessive. And on that I'll leave the  
21 point because I don't know what is.

22           But on what is a reasonable profit to me,  
23 unfortunately, leaves no initiative on the phone  
24 company to be efficient. They are given a rate of  
25 return based on their expenses rather than limiting

1 their profit as a percentage of the revenue, so that if  
2 their expenses are high, they just add on the 13.7%,  
3 11%, 12%, and the consumer pays for it. So I'd like  
4 someday some kind of an initiative be designed into the  
5 rate structure so that they have the motivation to buy  
6 more efficient vehicles, to buy something wholesale  
7 rather than retail, whatever we, as private business  
8 people, have to do to remain profitable.

9           One other thing: The phone company has been  
10 a benefactor of technology. As the population has  
11 grown and more technology has been invented, obviously  
12 it's a lot less work to replace a trunk line with a  
13 high cost of corporate lawyers, as opposed to the fiber  
14 optics. And that's found revenue, obviously, and we  
15 benefit. But then we have victims of our beepers that  
16 a lot of us wear; the fax machines that we're all  
17 compelled to have now; the mobile phones that we're all  
18 running around with. We have more and more lines to  
19 the point that now the phone companies have been so  
20 profitable they've literally run out of their own  
21 capacity; and no longer can we survive and we have to  
22 have more and more area codes, which becomes another  
23 cumbersome thing for people who live within the county,  
24 and then they call the immediate county after and they  
25 have to do the additional effort.

1           Complexity seems to be the way of the phone  
2 company. And I'm asking now, why such complexity? Our  
3 rate structure seems to be an oxymoron. I'm sorry, the  
4 proposed rate seems to be an oxymoron, where one has to  
5 pay more in order to get a reduction.

6           I'm very satisfied with our existing rate  
7 structure. It has a lot of inequities, but it's --  
8 like they say, "if it ain't broke, why fix it?" A very  
9 bad expression, we shouldn't use it, but I'm going to  
10 make an exception tonight. When I lived up north 15  
11 and a half years ago, and I'll not say that again, we  
12 had banded rates. I lived in the greater Boston area.  
13 You had your basic service; so many miles out you had a  
14 different rate structure; so many miles out a different  
15 rate structure. It appears the phone company tried  
16 that over and over and over. Pembroke Pines tried it.  
17 A gentleman spoke; he only spent \$4.50. It went to \$67  
18 and he left the exchange. He was a very unsuccessful  
19 experiment because the phone company failed to price it  
20 accordingly.

21           I wish I had that service in Broward County.  
22 Personally, I'd spend \$15 a month for it.  
23 Business-wise I'd spend \$30 a month for it. I just  
24 don't think it was adequately tried. We heard the  
25 experiment in Boca; we heard the experiment done in

1 Boynton Beach. I'd like to see an applicable rate, a  
2 fair rate structure that everybody can share in. I  
3 don't think that these experiments have been favorable  
4 to everybody.

5           And lastly, only sarcastically, in terms of  
6 the Touch-Tone rate, what would you do if everybody in  
7 the state next month said, "I want to go to rotary  
8 dial"? It would cost you a billion dollars to build  
9 switching stations. It seems to be really the epitome  
10 of an oxymoron to charge for Touch-Tone phones.

11           Again, I thank you, and I look for some  
12 equity in our rate structure. Keep up the good work.  
13 Thank you. (Applause)

14           CHAIRMAN BEARD: Thank you.

15           MR. SHREVE: Thank you.

16           (Witness Ash excused.)

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18           MR. SHREVE: Mr. Doug Matthes. (Pause)

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DOUG MATTHES

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

WITNESS MATTHES: My name is Doug Matthes, M-a-t-t-h-e-s. I live in Pompano Beach.

All in all, I think the telephone company does a pretty decent job; they keep the phones up and the lines are fairly clear most of the time, and so on.

When I got this notice in the phone bill about a month ago, I called the phone company business office. And I said, "Hey, what's this going to do to me? Do I have to convert my service to whatever?" And they said, "Well, if you have measured service, you will automatically be converted to message rate." At least that was my understanding. They said, however, "You can convert to flat rate."

That's what the business office told me. Now, which is it?

MR. ANTHONY: The message rate will still be there as an option. It's something the Commission ordered; and to my understanding, it will remain as an option no matter what the Commission does, unless the Commission decides to remove it as an option.

As far as your flat rate service, that will

1 be there; and if you want to take that as your service,  
2 you'll be able to do that. If you want to go to  
3 Southern Bell's proposal, if that's approved, you'll be  
4 able to do that; totally optional, you'll have your  
5 choices of the three, if Southern Bell's proposal were  
6 approved.

7 MR. LACHER: We need to talk to our business  
8 office, obviously.

9 MR. ANTHONY: Somebody gave you some bad  
10 information.

11 WITNESS MATTHES: Well, I came from your  
12 business office.

13 Anyway, if I maintain my phone service as it  
14 is today, now I have -- for reasons I have two phone  
15 lines at my house. I only use these lines at night and  
16 on weekends. I do not use them in the daytime, so I'm  
17 not running up against a capacity problem in one of  
18 your central offices or anything like that. Okay.

19 However, if I go -- if this rate approval is  
20 approved as is, and this conversion takes place and I  
21 do nothing, this will cost me \$152.64 a year, plus  
22 applicable sales taxes, franchise fees, and other  
23 things that add on to my bill. So I don't know, what  
24 does that make it, \$175 a year? And I make, on each of  
25 these lines, about 20 calls a month.



1                   And I'm also told by your business office  
2                   that I can't have one line flat rate and another line  
3                   message or anything; they all to have to be alike. I  
4                   find this to be unreasonable. I should be able to  
5                   elect whatever kind of phone service I want on whatever  
6                   a line I want. If I want one line one way and the  
7                   other line the other way, I should be allowed to do  
8                   that. I don't see why there is a restriction. Maybe  
9                   there's some reasoning behind it. I am inclined to  
10                  think it's probably profit, but -- (Pause)

11                  Now, modern electronics, as we know it today,  
12                  has brought out things like fiber optics, and they've  
13                  brought out clearer service, and they've obviously  
14                  reduced costs. And I'm sure that a moderate electronic  
15                  switch is probably cheaper to run than the old Reed  
16                  switches. So just because we have come up with all  
17                  this modern electronics, it seems to me that the rate  
18                  should go down, and they haven't done too bad in the  
19                  last few years. Like I said, they do pretty well.

20                  However, I am against having to pay two cents  
21                  a minute. Like I said, I'll hit that cap every solid  
22                  month. I make 20 calls at night when there is plenty  
23                  of capacity. You know, my God, if we've got a loading  
24                  problem, let's surcharge people during the peak hours,  
25                  but don't charge me at 10:00 at night because I make an

1 hour-and-a-half or two-hour-long phone call, and might  
2 do it once a week, or twice a week or three times a  
3 week. Now, I think that is not right.

4 Now, as for installation charges, although  
5 they probably will not affect me, although they did  
6 affect me when I had a second line installed, I really  
7 think there ought to be two tiers on the installation  
8 charges. There's always been one tier. You have a  
9 phone installed, even if a line is there and all  
10 somebody has to do is key a few keys on a keyboard on a  
11 computer someplace to enable it, and maybe a technician  
12 comes out and he verifies, yeah, it works. I think  
13 that should have one charge, maybe a lower charge. But  
14 when you have to run lines, cable, and string it all, I  
15 think, you know, like a new building, I think those  
16 people should pay a little more for those services.

17 The rate structure, as I see it here, kind of  
18 looks like, hey, we'll lower the installation costs,  
19 we'll get more phones installed, but then we're going  
20 to hit them every month because that's continuing  
21 revenue that is coming in.

22 There was some discussion here earlier about  
23 Touch-Tone service. There are other phone companies,  
24 for example, US West in the Phoenix, Arizona, area  
25 where Touch-Tone is part of the basic rate. Now, I

1 don't know whether that would make the basic rate go up  
2 a dollar like Touch-Tone is, or maybe it would make it  
3 go up 75 cents for those 20% of the people that don't  
4 have it. (Pause)

5           And as far as calling areas go, that was also  
6 discussed here tonight. All of my phone calls, I would  
7 say 99% of them are less than 12 miles. I rarely make  
8 a phone call beyond 12 miles, and if I do, I'm happy  
9 with the current structure. I'm not saying that I  
10 don't, but I do think that I'm really absolutely anti  
11 against this 2 cents a minute. I think that is  
12 absolutely wrong, especially in the kind of calling I  
13 do late at night when the capacity is there. Thank  
14 you.

15           CHAIRMAN BEARD: Thank you.

16           MR. SHREVE: Thank you, sir.

17           (Witness Matthes excused.)

18           - - - -

19           MR. SHREVE: Lillian Lorber. Lillian Lorber,  
20 L-o-r-b-e-r? (Pause) (No response)

21           Louis Lefkowitz.

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1                    LOUIS LEFKOWITZ

2 was called as a witness on behalf of the Citizens of  
3 the State of Florida and, having been duly sworn,  
4 testified as follows:

5                    WITNESS LEFKOWITZ: Good evening. My name is  
6 Louis Lefkowitz. I live in Hollywood.

7                    I naturally agree with what everyone has said  
8 here and the reason I'm going to do this this evening  
9 is try to put it on a personal basis.

10                   I've worked as an appliance repairman since  
11 the age of 15; I'm going to be 60 in November. I've  
12 even worked as a subcontractor for Sears. I've seen  
13 all the gadgetry. And you walk in the wash, people  
14 turn it on to one spot, and that's it. In some of the  
15 other things it's simplified.

16                   I ended up in the hospital June and July. At  
17 the same time in the last few years my wife has become  
18 ill. Because of her illness she drives part-time to  
19 work, and she couldn't visit me. I was in the hospital  
20 in Miami Beach, okay?

21                   The phone, because if I couldn't work and --  
22 it's unbelievable, I mean, I am one of those people  
23 that you hear about that falls in a crack; that one day  
24 you've got it, the next day your medical bills are  
25 humongous and Blue Cross says, "I've never heard of

1 you." And they add an addendum to the addendum, and  
2 "we don't do that," and "maybe we will," and "the  
3 mylogram you took was wrong." I'm just putting that  
4 in, but that's what happens.

5           When your personal income is gone and then  
6 your bank book is gone, the telephone bill becomes  
7 humongous. Even if it was a dollar a month it's  
8 horrendous.

9           My wife's condition is such that she couldn't  
10 come visit me so she had to use the phone. But because  
11 of what was happening, and I was away so much, she  
12 couldn't call me. She has a thing called "arrhythmia,"  
13 a heart condition that was exacerbated by worry with  
14 what she has, so she didn't know what was happening to  
15 me on a day-to-day basis. I couldn't call her; she  
16 couldn't call me because of financial circumstances.  
17 From one day having it, the next day going down; this  
18 elderly gentlemen who says, "I don't care what they  
19 charge." We fell into the crack. That's a problem.  
20 That's just one thing I want to talk about.

21           It's incredible to have a simple telephone  
22 call of that distance and the bill goes up four or five  
23 times.

24           The other problem is we had a year or two  
25 ago, twice, with the telephone company, which is

1 unbelievable. I'll just try to make it simple. Some  
2 years ago when we lived in New York, we had a lunatic  
3 call us on the phone; we got the telephone company; the  
4 security people were excellent; they were ex-New York  
5 City cops; the FBI guys, they told us what to do. They  
6 caught this individual and he turned out to be --  
7 forget it, he was a "Bundy," a lunatic. Thank God,  
8 they got him; they put him away. Everything was  
9 settled.

10 We had a year or two ago, two young girls  
11 decided to call us on the phone in the middle of the  
12 night. I have all three children living away from me,  
13 and now one just moved back. And you get a call at  
14 2:00 in the morning, you're hysterical. Every 15, 20  
15 minutes they called us. I tried to reason with them;  
16 it didn't help. Finally, after this running for  
17 X-amount of days, I called the telephone company. I  
18 was given somebody who spoke Lithuanian, I suppose;  
19 didn't understand. I said, "Can I get through to  
20 security?" There is no way to get through to security.  
21 I had to persist for almost two weeks and these  
22 lunatics were calling us, and my wife has a horrible  
23 heart condition, okay? And I wasn't feeling well at  
24 that time, too. I couldn't get through; by some  
25 persistence, I got through. Luckily, they worked with

1 me, as they had done in New York, and they got these  
2 two lunatics off the phone. They were just calling us  
3 for no apparent reason. They picked us out randomly.

4 About six months later, five months later,  
5 these same two individuals started again. I can't tell  
6 you what I went through in order to find security  
7 again. The number was invisible. I had disregard the  
8 numbers; the girls stopped calling; everything was  
9 fine. I was given such a run-around by people it was  
10 unbelievable. A simple thing of having their security  
11 get that.

12 Here's what I was told twice, on the first  
13 occasion and the second occasion: "Why don't you buy  
14 the telephone or why don't you have this little block,  
15 or whatever it is, so the number can appear?" What  
16 could I do to that individual? I'm not an individual  
17 that goes around shooting people or doing whatever to  
18 that. That's the telephone's problem.

19 If we ask them to find out who those people  
20 are for us, it's an impossibility. You can't get  
21 through; it's an impossibility.

22 The other thing is, because of my  
23 circumstances, my checking vanished. I had to pay  
24 bills on the head. I end up now going to Sears,  
25 waiting on humongous, humongous, humongous lines. And

1 the woman who works at Sears doesn't know what's going  
2 on.

3           When you have a problem, there are no places  
4 to go anymore with Southern Bell. There are no places.  
5 You don't have any facilities at all. You're making  
6 money up to "gazookers" and you can't open a bloody  
7 store in each area, or somewhere, where a person could  
8 pay the bill where I used to go on Hollywood Boulevard  
9 and paid. I have no checking account anymore. I'm out  
10 of money. Why the heck can't you go to a place and say  
11 something is wrong or something can be done. The woman  
12 at Sears doesn't know anything, she works for Sears.  
13 She says "Here's a number to call." Why should I have  
14 to call an additional number when I've waited in line  
15 for 40 people? I've been in line from 8:00 to 10:00  
16 till 12:00, three hours. I'm not even supposed to be  
17 on my darned feet. How can't they have a place that  
18 facilitates someone who just wants to pay their bills  
19 or wants to discuss a bill or have something that is  
20 going on? You have nowhere to go.

21           As soon as you call the telephone company,  
22 you get a run-around. You don't know anything that's  
23 going on.

24           So the rates that prevail right now are bad  
25 enough. If anything is added on to the rates, I can



1 assure you there are people like me who have worked all  
2 my darned life, and all of a sudden you end up Monday  
3 morning, you don't know where in the hell it came from,  
4 left field. You're sick enough to go into the  
5 hospital, and you're ill enough not to be able to work.  
6 And you can't get any darned money, and you can't get  
7 anything out of anybody.

8 I'm one of those people who can't get any  
9 money. Okay, they say I'm middle class, and I can  
10 assure you I'm as poor as anybody here who hasn't had  
11 anything. I don't understand these people who say  
12 "I'll pay anything."

13 What I'm saying to you people is it's a  
14 crying shame that you're talking to me. I'm white, I'm  
15 educated and I fell into that bloody crack. I never  
16 thought it would happen to me.

17 There is no place to get in touch with  
18 Southern Bell at all. I'm asking you -- in addition to  
19 what you're doing is, what happened to the places that  
20 they used to have that you could go to pay your bills  
21 and discuss with someone something that was wrong? You  
22 haven't.

23 You get on the phone and they immediately  
24 start charging you for having a conversation. It's an  
25 impossibility. Every time we turn around there's

1 something else. We have enough with all the other  
2 facilities.

3 I'm asking that you have stores; that you ask  
4 them to open places, not every two feet but at least  
5 reasonable places we could walk in and have a  
6 discussion with a human being instead of discussing it  
7 on the phone and have the security of something that  
8 happened to us happen to other people.

9 I'm just giving an analogy and I'll stop.

10 Did you ever bang your thumb, and you meet  
11 other people that banged their thumbs? Well, you run  
12 into people that have the same problems all the time.

13 Take yourselves down to Sears here at Broward  
14 and see what the lines are like to pay the telephone  
15 bills. You'll find there's not only me. You'll find  
16 there's an endless amount of people waiting to pay  
17 their bills because they don't have checking accounts  
18 anymore either. Thank you very much.

19 MR. SHREVE: Thank you, sir.

20 (Witness Lefkowitz excused.)

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1 MR. SHREVE: Averill Dorsett.

2 AVERILL DORSETT

3 was called as a witness on behalf of the Citizens of  
4 the State of Florida and, having been duly sworn,  
5 testified as follows:

6 WITNESS DORSETT: Good evening, Mr. Chairman,  
7 Commissioners, Counsel, and Mr. Lacher.

8 My name is Averill Dorsett, and I live in  
9 Plantation. However, I've only lived in Plantation for  
10 a year. Prior to living in Plantation, I was a Miami  
11 resident. I'm born and raised in Miami for over 25  
12 years.

13 I believe that I represent thousands of  
14 Broward residents who either work or have family  
15 members in Miami. I'm a Prosecutor in Janet Reno's  
16 office in Dade County. I spend most of my day in  
17 court. In order for me to return a lot of phone calls  
18 to victims, witnesses, including police officers, I  
19 need to come home so that I can get home at a decent  
20 hour and make those phone calls from home.

21 Part of the reason that I moved to Broward  
22 County is that the housing here is more affordable, so  
23 the whole reason for moving here is to save money. The  
24 money that I am saving in housing I'm spending on phone  
25 bills. My phone bills are averaging at least \$300 a

1 month just for Miami calls. And that's all times of  
2 day and night.

3 I'm frequently on call in my office. We  
4 rotate on beeper duty about every six to seven weeks.  
5 And again, I have to call Miami. When I call the  
6 Customer Service Department, I was given information  
7 about several -- I believe it was called "WATS  
8 program," 60-minute, 120-minute. None of those apply  
9 to me.

10 I think that the extended area service is  
11 what the people want, including a flat rate.  
12 Commissioners, I really don't think it's fair for  
13 Southern Bell to allow us to have a flat rate on the  
14 one hand so that somebody like me could call into Dade  
15 County; yet, if I want to call somebody around the  
16 corner, to make me pay a per-minute charge.

17 Southern Bell, I think you all need to  
18 realize that the west Broward area and the south  
19 Broward area -- and I haven't heard anybody from the  
20 developments of Weston or other of the larger  
21 developments here -- you have a large number of folks  
22 who work in Miami and who have family members in Miami  
23 who do live in Broward County, and who can't afford to  
24 make phone calls to Dade County every day as they may  
25 need to.

1                   Certainly, in light of Hurricane Andrew -- I  
2 know my parents live in South Dade; their phone and  
3 their lights are out, and they've camped out with me  
4 for about a week. I was making phone calls from them  
5 to Miami to roofing companies, to contractors, and the  
6 like. And again, my phone bill this month will  
7 probably be over \$500.

8                   I would ask you to think about what the  
9 people want. This option, expanded local service, is  
10 not an option. An option for me, by being a Broward  
11 resident and living in Dade County, if I want to save  
12 on wear and tear on my car or save on gas, I have the  
13 option of riding the Tri-Rail. I have the option of  
14 forming a car pool. What Southern Bell is currently  
15 proposing is not an option for someone like me. Thank  
16 you.

17                   MR. SHREVE: Thank you.

18                   (Witness Dorsett excused.)

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1 MR. SHREVE: Steve Keller.

2 STEVE KELLER

3 was called as a witness on behalf of the Citizens of  
4 the State of Florida and, having been duly sworn,  
5 testified as follows:

6 WITNESS KELLER: Mr. Chairman, Commissioners,  
7 and members of the panel, my name is Steve Keller. I  
8 live in a area called "Weston" that the lady before me  
9 just spoke about. And I represent -- I'm Vice  
10 President of the Homeowners Association at Weston.  
11 It's an area that has 10,000 acres that is going to be  
12 built out. It's an area that also brings in people not  
13 only from out of state, from up north, as they say, but  
14 also a large number of people are moving to this area.

15 In light of Hurricane Andrew, we expect the  
16 area to just multiply in size, and the number of people  
17 moving in from Dade County will be tremendous.

18 I have been living there now for three years.  
19 And we have been trying for this three-year time period  
20 to bring a flat rate service to Weston for calling into  
21 Dade County.

22 A lot of the people that live in -- that used  
23 to live in Dade that now live in Weston have ties to  
24 Dade County, and we live only maybe five miles from  
25 that border.

1           Now, there exists service, flat rate service,  
2 from North Dade into Hollywood where people are charged  
3 a flat fee of -- I think it's a figure 680 or 750, in  
4 that area, and they have unlimited service from calling  
5 Dade into Broward County.

6           We've been trying to get this type of service  
7 for this period of time, and we've called the telephone  
8 company, the PSC. We've contacted the County  
9 Commission.

10           I would like to read into the record a small  
11 Resolution passed by our County Commission back in July  
12 of '91, and then go on from there.

13           "Whereas, Broward County has grown  
14 dramatically in recent years; and

15           Whereas, the significant number of said  
16 growth is attributable to the migration of businesses  
17 and families from central and northern Dade County to  
18 Broward County; and

19           "Whereas, the businesses and families located  
20 in Broward County and those which remain located in  
21 Dade County share common interests and, therefore,  
22 share the need for economical methods of communication  
23 between the two counties; and

24           "Whereas, Section 25-4 of the Florida  
25 Administrative Code permits the Board of County

1 Commissioners of Broward County to request the PSC to  
2 direct the telephone company to initiate studies to  
3 determine whether to extend the areas of telephone  
4 service in order to accommodate the increasing need for  
5 economical communication between Broward County and  
6 Dade County.

7 "Now, therefore, be it resolved by the Board  
8 of County Commissioners of Broward County Florida,  
9 Section 1, the Board of County Commissioners of Broward  
10 County, Florida, request the PSC to direct the  
11 telephone company to initiate appropriate calling usage  
12 studies in order to establish extended area service as  
13 follows: (a) From Ft. Lauderdale exchange to the North  
14 Dade and Miami exchanges. (b) From the Hollywood  
15 exchange to the Miami exchange; from the North Dade  
16 exchange to the Fort Lauderdale exchange, and from the  
17 Miami exchange to the Hollywood and Fort Lauderdale  
18 exchanges.

19 Section 2, this Resolution shall become  
20 effective upon its adoption. " And this is dated 9  
21 July 1991.

22 Now, since that time there have been certain  
23 proposals. The last proposal that we were aware of  
24 came down about, I believe it was in April, and they  
25 spoke about a 25-cent flat rate per-call charge.



1           Now, in light of the proposal which is on the  
2 table right now to, number one, charge us this 8 cents  
3 per minute, okay. I think that we, the residents,  
4 would feel that there is an inequitable situation, in  
5 that you have certain people that have flat rate  
6 service of \$6.50 or 7.80, and you have people that are  
7 now going to be charged 25 cents a call; and, of  
8 course, that is more equitable than the proposal which  
9 is on the table right now.

10           For instance, we did some studies whereby a  
11 person in my area that would have a \$50 per month  
12 charge calling Dade County, okay. Under the plan  
13 proposed, they would save approximately \$15. Under the  
14 \$.25 Plan, they would save \$30 to \$35, and under the  
15 flat rate plan, they would save approximately \$40 to  
16 \$42.

17           Okay. For those people that -- in looking at  
18 this particular increase, not only does it increase the  
19 cost for these people calling into Dade County, but it  
20 also increases the cost of basic service. And as this  
21 gentleman before me, Mr. Lefkowitz, mentioned, I  
22 wholeheartedly have heartfelt feelings for a man like  
23 this that cannot, cannot, cannot afford to have his  
24 basic flat rate service increased.

25           And this is what we're talking about with

1 Southern Bell doing, is increasing the flat rate  
2 service, disguising it by lowering the 10.65 to \$7,  
3 adding \$3, having a certain number of calls. It's very  
4 confusing for anybody to read this proposal. And we  
5 vehemently feel that any infringement on changing the  
6 flat rate service is wrong and should not be done in  
7 this community. We appeal to you not to allow that to  
8 happen. Let's see. (Pause)

9 In getting back just a second to the survey  
10 that was requested by Broward County, that survey was  
11 taken; it did show a quite a large usage from our area  
12 calling patterns into Dade County. And we would  
13 request that you, as quickly as possible, institute  
14 this 25-cent calling pattern, calling rate, per call,  
15 if the flat rate service does not show to be economical  
16 for the Company.

17 We do applaud Southern Bell in its work in  
18 regard to dealing with Hurricane Andrew. We applaud  
19 you highly. And it is a tremendous piece of work that  
20 you are doing. And we think that the service is  
21 admirable. However, we will not allow you to increase  
22 basic rate services, and we do feel that if you have  
23 service, flat rate service in one area, then continue  
24 it in our area as well. Thank you very much.

25 MR. SHREVE: Thank you, sir.

1 (Witness Keller excused.)

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3 MR. SHREVE: Mr. Ross Shulmister.

4 ROSS SHULMISTER

5 was called as a witness on behalf of the Citizens of  
6 the State of Florida and, having been duly sworn,  
7 testified as follows:

8 WITNESS SHULMISTER: It's nice to know I can  
9 call you 15 miles away but I have to pay long distance  
10 to dial down 10 miles away from home. But that's  
11 because of the structure.

12 Mr. Chairman, Commissioners, my name is Ross  
13 Shulmister. I'm a resident of Pompano Beach. I happen  
14 to be a president of a Civic Association but I'm not  
15 here in that capacity.

16 And I will echo the sentiments of some of the  
17 other speakers who have commented on how good a job  
18 Southern Bell does here. We're quite satisfied with  
19 the service.

20 Sometimes it's interesting because I can get  
21 on the line, dial a number and hear somebody else's  
22 conversation, sometimes one side, sometimes both sides  
23 and they can't hear me. But all I have to do is hang  
24 up and get a new line and it solves the problem. I  
25 always wonder whether somebody is listening to my

1 conversation and I don't know about it and hoping  
2 that's not true because I'm a lawyer, and supposedly,  
3 my conversations are confidential. But I hope that's a  
4 rare occasion that if they are interested in new  
5 technology, that won't happen again.

6 Sentiments expressed by most of the speakers  
7 are pretty much the same as the people that I hear from  
8 in Pompano Beach, except some of them don't even  
9 realize that there is a proposal on the table even  
10 though it's come in their bills. Perhaps they don't  
11 understand it. I really didn't understand it myself.  
12 I read it a few times and it looked like what I thought  
13 it was and tonight it sort of confirms that.

14 So you don't see a lot of people because they  
15 don't really understand it. And, of course, there is  
16 no good time to have a hearing. Somebody said you  
17 should have it in the afternoon. But you've got to  
18 remember, that if you have it in the afternoon, there  
19 are people who are working and going to school. And if  
20 you have it in the evening, there are people who are  
21 eating dinner or they're at home with their family.

22 CHAIRMAN BEARD: Counselor, I don't think  
23 we've had a meeting that I haven't been criticized by  
24 at least one person for having it at the wrong time.

25 WITNESS SHULMISTER: There is no way you can

1 have a meeting at the right time. And if you do have  
2 it at the right time, you're not going to have the  
3 people come because they are at other meetings, or  
4 they're at school meetings, or they're at work meetings  
5 or at civic meetings. So it's a battle you can't win.  
6 But as long as you recognize that the people can't  
7 come, and the people who do come are expressing  
8 probably the sentiment of the others who haven't.

9           Now, in my business I have five lines. I  
10 don't really need five lines; I can do the bulk of my  
11 work on one line. But if we institute this measured  
12 service, now, I'm suddenly going to have to be  
13 conscious of the calls that are being made on my lines.  
14 I've got to spread it out so I can take advantage of  
15 this minimum of each line, and then when I get done  
16 with that one, I want to concentrate on the one line  
17 that I use most of the time anyway, which is going to  
18 be a waste of my management time. Because if you  
19 figure, under the proposed rate structure, it only  
20 takes 75 minutes per day to hit the maximum of 30  
21 bucks, and that's 75 minutes because you're only  
22 dealing with 20 business days a month.

23           Now, at home my wife does the volunteer work  
24 for school. I do volunteer work for the civic  
25 association. My children are constantly on the

1 telephone talking about homework and talking to their  
2 friends. In fact, it got so bad that I had to break  
3 down and get call waiting. But for home it's only  
4 going to take 25 minutes a day for us to hit the  
5 maximum. So I'm going to pay the maximum. I'll pay it  
6 at work on at least one line, and I'll pay it at home,  
7 except when I'm gone, and then I won't be able to take  
8 advantage of that \$3 minimum.

9           Now, I have an idea: If we have to have  
10 this, perhaps we can call collect or have my kids'  
11 friends call them collect so I don't have to pay for  
12 it. Or maybe we can do what BellSouth does and that is  
13 charge me for incoming calls and I get to pay for all  
14 the wrong numbers.

15           There is one good thing which has come up  
16 tonight, and I think you ought to look at it, and  
17 that's that extended calling area, but without measured  
18 rate service. And it does sound like a good idea  
19 because for some people that will be an advantage. And  
20 I'll pay for it; I may not use it, but I'll pay more  
21 just to have it available, just as I pay more to have  
22 five lines that I don't use because it's convenient.

23           A couple years ago Congress told me that they  
24 were going to reduce my taxes and they passed a Tax  
25 Reform Act. I thought that was great. I'm going to

1 pay less taxes. Well, I'll tell you -- I've had the  
2 experience now. I want you to do me a favor: Don't  
3 give me a rate reduction. Either keep it the same or  
4 raise the rates, because I really can't afford a  
5 reduction. Thank you. (Applause)

6 (Witness Shulmester excused.)

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8 MR. SHREVE: Mr. John Kross.

9

JOHN KROSS

10 was called as a witness on behalf of the Citizens of  
11 the State of Florida and, having been duly sworn,  
12 testified as follows:

13 WITNESS KROSS: Good evening. My name is  
14 John Kross. I'm a citizen of Broward County. I'm also  
15 a broadcaster on a local radio station called Y100. I  
16 have been on the Morning Show there for 18 years. I'm  
17 also on the Board of Directors of a drug treatment  
18 program in Dade County called "Here's Help." And I'm  
19 involved in a lot of public service work in  
20 Dade/Broward and, of course, South Florida in general.

21 Keeping in mind sensitivity to people on  
22 fixed incomes and people who have honest problems with  
23 all of their bills, including their phone bill, which I  
24 believe you all have or you wouldn't be here, I'd like  
25 to speak on behalf of Southern Bell. And, first of

1 all, I don't believe them to be thieves, liars and  
2 profiteers. I believe them to be good, hard-working  
3 community-involved people trying to solve these  
4 problems that we're hearing tonight, as well as provide  
5 modern, improving, innovative service.

6 I know the management and employees of  
7 Southern Bell through a lot of my work in charities.  
8 They are relentless; they are very giving in every way;  
9 they are very involved in the community, and I think  
10 that speaks for the character of them as citizens and  
11 of the corporation itself.

12 As a broadcaster, I recently had an  
13 experience that sort of astounded me. As the Hurricane  
14 Andrew came in, we simulcast with Channel 4; we were  
15 the radio simulcast for when the power went out, they  
16 could continue to -- Bryan Norcross (phonetic) and the  
17 crew could continue to broadcast. So as was planned,  
18 the power went out and Channel 4 was broadcast over  
19 Y100.

20 We came in right after the storm to try to  
21 initially assess where the storm had struck; who was  
22 having problems; where the big damage was; where help  
23 was needed. And we started, I would say, 7:00, 8:00 in  
24 the morning, as soon as the storm started to blow out,  
25 we were taking phone calls. And it dawned on us that



1 we started speaking to person after person in heavily  
2 afflicted areas who had lost their house, lost their  
3 electric, lost their cars, lost their water, but their  
4 phones worked, and person after person after person.

5           And I think that Southern Bell's foresight  
6 was not only convenience-saving but actually  
7 life-saving in this situation, and I researched it. I  
8 said, "Well, how come the phones worked?" Well, 10 or  
9 12 years ago we started getting out of the telephone  
10 pole business and got into putting the lines  
11 underground and then fiber optics and all those things  
12 I don't understand.

13           But I would imagine that 15 years ago you had  
14 a hearing like this, where a number of people came up  
15 here and said, "We don't need a rate increase. We  
16 don't need this. Telephone poles have worked great for  
17 100 years, and telephone poles work great in New York,  
18 and telephone poles work great here." And Southern  
19 Bell went ahead and went into the future. And I  
20 believe today, had they not done that then, you would  
21 have a large group of people standing here and going,  
22 "We have got to get rid of these telephone poles,"  
23 because they all went down in the storm.

24           So I guess I'm complimenting the job that  
25 they've done, the foresight that they've done. Also,

1 understanding that people, of course, are always  
2 affected and concerned about their rates. I know I  
3 certainly am. But I also understand the problems of  
4 bringing the Company into the future, and I don't  
5 believe them to be doing anything other than attempting  
6 to do the best that they possibly can, and I think that  
7 they are. So thank you very much for your time.

8 CHAIRMAN BEARD: Let me say one thing. Thank  
9 you.

10 The simulcast that you all did with Channel 4 --

11 WITNESS KROSS: Right.

12 CHAIRMAN BEARD: -- meant a heck of a lot to  
13 a lot of people, myself included, because that was the  
14 link that you had when you didn't have power and you  
15 had batteries. We appreciate it.

16 WITNESS KROSS: Bryan is going to be on  
17 tomorrow morning, as a matter of fact. Thank you.

18 (Applause)

19 MR. SHREVE: Thank you.

20 (Witness Kross excused.)

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1 MR. SHREVE: Mr. Eudsley.

2 E. E. EUDSLEY

3 was called as a witness on behalf of the Citizens of  
4 the State of Florida and, having been duly sworn,  
5 testified as follows:

6 WITNESS EUDSLEY: I suppose I'm here to say  
7 amen to what John just told you. We worked together in  
8 Andrew. I'm the Executive Director of the United Way.  
9 And I had the pleasure of working in the Askew  
10 administration. I knew the Public Counsel in another  
11 role at that time.

12 CHAIRMAN BEARD: Have you got any good  
13 stories?

14 WITNESS EUDSLEY: Excuse me?

15 CHAIRMAN BEARD: Have you got any good  
16 stories?

17 WITNESS EUDSLEY: You'll have to go back to  
18 Reubin Askew to find out. (Laughter)

19 When this thing hit, the people in Dade County  
20 were so stunned, many of them, that they weren't very  
21 well organized. And we here in Broward did the best we  
22 could to get relief supplies down there as quickly as  
23 possible in the first three or four days. And the only  
24 way we were able to do that was because Southern Bell  
25 was there.

1 I didn't come here to kill Caesar, I came  
2 here to praise him. And we needed extra lines for our  
3 volunteer centers to recruit thousands of volunteers to  
4 send down there. We also needed -- well, we needed so  
5 many things from Southern Bell, and they took the sum  
6 total of about four hours to get us those extra lines,  
7 and everything else, and service didn't go down, and we  
8 were able to get that job done. And I'm just here to  
9 say thanks. Many times.

10 I was going to leave earlier because I didn't  
11 want to miss the Dolphin game, but I heard so many  
12 people pounding on them I just had to come and say  
13 "thank you" to them. Thank you.

14 MR. LACHER: Thank you.

15 MR. SHREVE: Thank you, sir.

16 (Witness Eudsley excused.)

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1 MR. SHREVE: Shelley Kahn

2 SHELLEY KAHN

3 was called as a witness on behalf of the Citizens of  
4 the State of Florida and, having been duly sworn,  
5 testified as follows:

6 WITNESS KAHN: I didn't come here tonight  
7 planning to speak but mostly for clarification. And I  
8 did get the clarification in terms of the fact that if  
9 you have a flat rate you can keep that, and the other  
10 is an option.

11 What's bothering me is that sooner or later  
12 options become mandatory. If the two cents per minute  
13 phone call is instituted, there are certain things that  
14 are going to go by the wayside. As a former 17-year  
15 advocate for children where PTA is concerned, I have to  
16 tell you about some of those things.

17 We have children that come home and have no  
18 one there. The phone is their friend. They have a  
19 Phone Friend Program. There are children who do not  
20 get what they need in school because we don't have the  
21 money for the teachers to give them the extra help.  
22 They come home to a homework hotline. They may spend  
23 an hour to an hour and a half waiting for a person to  
24 get to them on that homework hotline to help them. At  
25 two cents a minute they could not afford that help;

1 neither could their parents. There are suicide  
2 hotlines for teenagers; there are drug hotlines. All  
3 of these things are only here because of the flat rate.  
4 Two cents a minute will cause all of these things to be  
5 gone in no time.

6 If our children are truly the future of this  
7 country, then you cannot afford to institute a  
8 two-cents-per-minute call at their expense. Thank you.

9 (Applause)

10 MR. SHREVE: Thank you.

11 (Witness Kahn excused.)

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13 MR. SHREVE: Douglas Bush.

14 DOUGLAS BUSH

15 was called as a witness on behalf of the Citizens of  
16 the State of Florida and, having been duly sworn,  
17 testified as follows:

18 WITNESS BUSH: My name is Douglas Bush. I  
19 live in North Lauderdale, northern part of the county,  
20 and I can empathize with some of these people who were  
21 talking about the things between Dade County and  
22 Broward County. I cannot even call Hollywood. I have  
23 to go half a mile down the road, get myself into  
24 Tamarac, to make a call to Hollywood. It's kind of  
25 stupid.

1 But let me get back to this whole thing.

2 I think that -- we're getting some noise.

3 Can everybody hear me all right? Everybody back here?

4 Okay.

5 I have to agree with the lady that was just  
6 up here, that this limited service option, they call it  
7 an option now for a select number of people, it's  
8 really -- it's just the first toehold to get in to have  
9 mandatory measured service for all customers. I  
10 believe it's already mandatory in some parts of other  
11 parts of the country, and I think Chicago is one of  
12 them. And it's very expensive.

13 A lot of people do not have the income.  
14 There are a number of people who have already spoken  
15 tonight who have indicated they would be faced with  
16 hardships. And a lot of people don't have the  
17 wherewithal, necessarily, to understand, for example,  
18 that brochure that was passed out. I have a Master's  
19 Degree and it took me a little while to figure out what  
20 they were talking about, how to read it. How to  
21 understand it. There are people who don't have half  
22 the education I have who they are just going to throw  
23 their hands up and give in, which is just what these  
24 people want.

25 They'll give you all of this PR stuff, and so

1 forth, and talk about this and that, but, you know,  
2 they're just looking out for their own pockets.

3           There's a tradeoff that they talk about.  
4 This letter that I got from a lady that I spoke with  
5 out of West Palm, says, "Well, it's for having a  
6 limited service in the local area so you can have  
7 greater service in an area outside the 40 miles."

8           Why should I want to reduce my own phone area  
9 calling at a higher rate? It would cost me 39% more  
10 using the maximum with that \$10 cap to have this type  
11 of service. That doesn't really benefit me and I'm  
12 sure about 95% of the people out there wouldn't  
13 benefit. And those few people who would select it,  
14 probably sooner or later are going to find out they  
15 don't benefit either.

16           Somebody mentioned earlier about having a  
17 25-cent flat rate up to 40 miles for the whole area, in  
18 what you call your limited, your local calling area.

19           I remember when that idea was bandied around,  
20 and I have not heard anybody say, "Let's look at that  
21 and really seriously do something about it." That  
22 would give a lot more flexibility to more people, in my  
23 opinion, then this thing that they're proposing now,  
24 which seems to be self-serving to them to get a toehold  
25 in, to have some kind of measured service somewhere so



1 that they can later have everybody on it.

2 Another item I'd like to bring up is, I'd  
3 like to see a little truth in advertising right on the  
4 bill. We can start with the so-called FCC charge.  
5 None of that money goes to the FCC. If it did, that  
6 would be the wealthiest agency in the country. That  
7 money goes to Southern Bell. They don't tell you that,  
8 because you have allowed them to do that. You should  
9 be telling them to be truthful with their customers,  
10 like telling them where that money goes.

11 They don't have a basic rate of \$10.55. My  
12 basic rate is \$14.15, because I am required to pay that  
13 \$3.50. I don't have an option on that. Even if I  
14 don't make any long distance calls. I think a little  
15 bit of truth in advertising and truth in billing would  
16 be in order.

17 Another issue I have is I happen to be in the  
18 type of business where I get, the bulk of my money  
19 comes right about the first of the month. I have  
20 talked with this phone company on several occasions  
21 trying to get them to allow me to move the date that I  
22 have my payment due. They won't budge. These people  
23 claim that they are serving the public, but they will  
24 not work with the public in order to accommodate their  
25 special needs.

1           In the situation I have, I have been forced  
2 to oftentimes use a night box depository on Oakland  
3 Park Boulevard. They have now taken that option away  
4 from me. Instead, I have to wind my way through a  
5 crowded mall, and go into a Sears, oftentimes on the  
6 second floor, and wait in a line because they don't  
7 even have a box there, and it has to be between certain  
8 hours.

9           There are people who that would be an  
10 inconvenience for. And if I put my money in earlier  
11 and put it in the mail, they do not pay attention to  
12 postmarks. I can't rely upon putting it in on the 1st,  
13 when I get my money, and it being there by the 5th.  
14 This creates a hardship, particularly if you have a  
15 situation where it is a three-day weekend, like this  
16 past Labor Day weekend. If I don't get that in on  
17 time, I get this late payment charge. In reality, I'm  
18 putting the money in a month in advance every month but  
19 they say, "Well, we're going to slap you with 18%  
20 payment penalty at 1.5% each month, for even being one  
21 day over."

22           Now, they have an option to use, at their  
23 disposal, if people are truly delinquent over a period  
24 of time. It's called "cutting off service." They do  
25 not need to use this tactic in order to gain unearned

1 income. And I have in my material here, a -- I guess  
2 you would call it a statement that your Commission  
3 generated saying that they earn \$18 million off of  
4 this. To a lot of people out here that's a lot of  
5 money. But \$18 million in their coffers is probably  
6 less than .001% at their cost. I think that they,  
7 rather than prey on people who have trouble like me or  
8 other people who might be on vacation or something,  
9 they're trying to earn income this way, I think that's  
10 stupid.

11 I remember there was a gentleman here  
12 earlier, an attorney from Jupiter, he was saying  
13 something about that. I have to agree with him.

14 Now, I don't think if you're going to be in  
15 the service of the public, which is what you're  
16 supposed to be doing, you should be looking for all of  
17 these little nitpicking ways to find money and earn  
18 money, unearned.

19 There is another example that, well, the  
20 population of local area that I live in happened to  
21 slip over into the 700,000 people range, so they earned  
22 the right to earn more money off of my local calling  
23 basic charges. And that doesn't mean I went out and  
24 suddenly started calling more people. And I don't  
25 think most of the people here do either. But they have

1 got this thing with you guys because they wine and dine  
2 with you all the time, that, "Well, we'll throw that in  
3 there, too."

4 I'm not ready to concede to Southern Bell for  
5 the job they did during Hurricane Andrew. As far as  
6 I'm concerned, that's what they were supposed to be  
7 doing. It's not something they're on top of and so  
8 that results in gratitude, and so forth. I mean, they  
9 were supposed to be having good reliable service. In  
10 part it worked; in part it didn't work. Because I  
11 learned later on that some of those homes, a lot of  
12 homes in fact, after they got back into them, they  
13 found out that the phone really wasn't working. It was  
14 only those people who were calling that happened to  
15 have theirs left in.

16 But you also have to remember that there is a  
17 distinction between the way the power is transmitted  
18 and the way telephone service is transmitted. You  
19 can't transmit millions of volts of electricity in the  
20 same manner that you can transmit over the lines that  
21 they use for telephone service so the way they  
22 structure the line is vastly different. So a lot of  
23 that situation, I don't consider that Southern Bell was  
24 good and FPL was bad in some respects. It's just a  
25 matter of the fact that there is a difference in the

1 way you can transmit the current back and forth.

2 Now, there are a whole bunch of other things  
3 that I could touch on, but I'll just very briefly go on  
4 to these: One of them, I have absolutely no patience  
5 for granting to this company any options of getting  
6 into other businesses: cable, voice mail, what have  
7 you. If we get one company having a stranglehold over  
8 communications systems in this country, it's going to  
9 sacrifice freedom of speech, among other things. I  
10 think that competition is healthy. I think, as I  
11 pointed out in the beginning, I think this optional --  
12 which is going to become mandatory if you pass it --  
13 measured service thing, is also a thinly-veiled attempt  
14 to create a larger long distance local calling area and  
15 take that service away from the other providers in the  
16 area.

17 I don't mind advertising, as I mentioned, to  
18 be something that this company needs to be doing.  
19 Advertising for all of these gizmos, like this one lady  
20 mentioned. This is supposed to be a company that's  
21 dealing with basic services. This is not supposed to  
22 be a company that's out there selling all of these  
23 special gizmos to people at the ratepayers' expense.

24 I don't see very many advertising pieces from  
25 Southern Bell that tell you how to safely use this

1 device or how to safely use that device, or that sort  
2 of thing. Like FPL, they'll put out these things about  
3 how to watch out for power lines and to trim your trees  
4 right, things like that. You would never see anything  
5 like that from these people. Instead, they'll  
6 advertise, well, why don't you get on and get this  
7 little flim-flam little gizmo that can identify who's  
8 calling you, or something like that. Most people don't  
9 need that. But I end up having to pay for it; I don't  
10 like it.

11           The Public Service Commission really has a  
12 terrible track record in terms of the protecting the  
13 consumer in the state of Florida. I don't like  
14 guaranteed income for any company, including this one.  
15 I don't have a guaranteed income; why should they have  
16 a guaranteed income?

17           I can't see that we need to be chipping away  
18 at what is supposed to be for the public so that they  
19 can have a monetary gain, little by little. Just like  
20 Bert Wolf says on that Winn Dixie commercial, "A few  
21 nickels and dimes individually don't mean much, but  
22 when you add them up, they mean a lot." And that's  
23 what they're doing with us, they're "nickel and diming"  
24 us. A little bit here, a little bit there; you get a  
25 little bit in on this, you get a little bit in on that

1 and eventually it will move up over our way. That's  
2 what they are doing. As far as I'm concerned, you guys  
3 have a long ways to go to really show that you are  
4 responsible to the public. That's supposed to be your  
5 number-one priority, not their profit margin. These  
6 people out here. Thank you.

7 CHAIRMAN BEARD: Before you go, you've told  
8 me some things tonight that you didn't like and I  
9 appreciate that.

10 WITNESS BUSH: I'm sorry?

11 CHAIRMAN BEARD: You've told me about some  
12 things that you don't like tonight. I appreciate your  
13 telling me that.

14 Let me tell you something I don't like. I  
15 don't like being accused of something when you don't  
16 know what you're talking about. And if you've got  
17 something about me being wined and dined or anybody  
18 else, there is the Attorney General. Okay?

19 I will sit here all night and listen to  
20 anybody talk about any issue they want to and give them  
21 that respect. But don't talk about me, and I don't  
22 think my fellow Commissioners cared for it either. If  
23 you have something on me, there he is. Okay? Because  
24 I haven't been wined and dined by anybody.

25 MR. SHREVE: Thank you, sir.

1 (Witness Bush excused.)

2

- - - - -

3 MR. SHREVE: Agnes Katz?

4

AGNES KATZ

5 was called as a witness on behalf of the Citizens of  
6 the State of Florida and, having been duly sworn,  
7 testified as follows:

8 WITNESS KATZ: Hi, I'm Agnes Katz. And I  
9 wasn't going to speak tonight, but it really bothers me  
10 that I have some family who lives in the Ventura area.  
11 And they received a bill and they called the same  
12 people as I do, and their bill for the long distance  
13 phone call is \$7 and mine is \$78. For the same people,  
14 for approximately the same amount of time.

15 I don't believe that Southern Bell is giving  
16 them charities. I believe that they still make money  
17 on it; they charge for everything else extra.

18 I do have sick relatives in Miami, and I have  
19 to make phone calls. And I feel that if you cannot  
20 give me a guaranteed rate, at least you should maybe  
21 learn from MCI and say if you have certain amount of  
22 family that you call continuously, we will give you a  
23 break, and let's just say a dollar per family, or \$10 a  
24 month, and you can call the people that you  
25 continuously call out of courtesy and do not charge me



1 \$78 a month for that. I don't believe, you know, that  
2 that's what you're supposed to be doing.

3 And second, I want to correct what I said  
4 before, that Broward addition is all in one book, but  
5 it is divided into different areas. So anybody that  
6 comes over here and does not know Davie from Pompano or  
7 Hollywood has to call information. Of course,  
8 information you pay for. So not only they don't  
9 provide us with correct phone books, they charge us for  
10 the misinformation that we cannot find in the phone  
11 book.

12 And I feel that they should have some type of  
13 like Tri-county. You said that something of the people  
14 in St. Petersburg and they live in Tampa -- I have a  
15 son that lives there -- but you have to have some type  
16 of an area that you're connected to. So, you know,  
17 people who live in Broward, they are connected mainly  
18 to Miami or to Boca. So it should be like a  
19 Tri-County, so Boca should be going up, and so forth  
20 and so on. But you should have some type of a choice  
21 that you do not cut people off because they moved five  
22 mile away and then, you know, give them a penalty of  
23 \$78 because they make the same phone calls that people  
24 do for \$7. So it has to be.

25 And I feel that like I know that that lady --

1 you know, some people are calling here for business,  
2 but when you call relatives like MCI giving you a break  
3 because you are calling the people that you care about,  
4 at least give, you know, an idea of, if you give me ten  
5 numbers that you are continuously calling, you would  
6 have a certain amount of monthly payment, rather than  
7 every time I pick up the phone I'm dialing the long  
8 distance.

9 My parents live in New York and it's cheaper  
10 for me to talk to them than it is to a sick aunt that I  
11 have in Miami. And she shouldn't have the problem of  
12 worrying picking up that phone because she is going to  
13 get the phone bill in that amount. She should be able  
14 to feel free to call me, but there is no way she can  
15 call me at this rate. So I would appreciate if you  
16 would think of --

17 You know, I called down there before and they  
18 were telling us they were going to send us notices. I  
19 called Southern Bell and they said, "Oh, we will send  
20 out a notice and let you know about the hearing or we  
21 will send you some kind of a survey on it." I haven't  
22 got the survey; none of my friends ever got the survey;  
23 we weren't ever told about the possibility how to get  
24 it through. And the only one thing they are saying,  
25 "Well, we do have some area that we try to see how it

1 works." Well, they have had it a pretty long time and  
2 it works fine for them. We would appreciate it, you  
3 know, trying it for us.

4 I appreciate it. Thank you.

5 CHAIRMAN BEARD: Thank you.

6 (Witness Katz excused.)

7

- - - - -

8 MR. SHREVE: That's all we have.

9 CHAIRMAN BEARD: Is there anybody else that  
10 would like to speak and has not had a chance tonight?  
11 Please come up.

12 CHAIRMAN BEARD: Did I swear you in earlier?

13 WITNESS MEYERS: My name is Sol Chokey  
14 Meyers.

15 CHAIRMAN BEARD: Yes, but did I swear you in  
16 earlier? Let me do that real quick.

17 (Witness sworn.)

18 SOL CHOKEY MEYERS

19 was called as a witness on behalf of the Citizens of  
20 the State of Florida and, having been duly sworn,  
21 testified as follows:

22 WITNESS MEYERS: Well, my name is Sol Chokey  
23 Meyers and I'm from West Boca. I formerly lived in  
24 Margate. And we just moved there in Boca. And I play  
25 quite a bit of golf at Camita (phonetic) Real Country

1 Club, and they call me "Chokey," but I don't choke up,  
2 you know, I beat them young guys when I'm playing golf.

3 Anyways, when I read about Nadine Frakes and  
4 Shirley Siegal, and she said she wanted some help in  
5 getting some signatures to get our rates lowered by Mr.  
6 Lacher of Southern Bell. And now I appreciate meeting  
7 both of you here today, and I hope something really  
8 comes out of this.

9 Here's a letter that I wrote to Mr. Beard,  
10 and I talked to Charlene Verconi, and she told me to go  
11 ahead and get these signatures. But you have a record  
12 of it and this is what I wrote, and I hope that this is  
13 the last one tonight. Because everybody is getting  
14 tired and I want to go see that football game.

15 Anyway, here's what I wrote: "I personally  
16 believe, and the consumers who have signed this  
17 petition to request Southern Bell have a flat rate of  
18 25 cents a call from Broward, Dade, and Palm Beach  
19 counties, that more people would be calling each other  
20 and that will offset any revenue that Southern Bell is  
21 making from their long distance calls.

22 "This rate will be more acceptable to the  
23 consumers and they would really enjoy calling each  
24 other more often."

25 That's what I personally believe. What they

1 have been talking today is let's get a flat rate of 25  
2 cents a call for all three of these counties.

3 And then I wrote, "We would appreciate if you  
4 would take this matter up with Southern Bell and have  
5 them consider this under advisement. Thank you."

6 And here's some of the signatures that I have  
7 written and Mr. Beard has them on docket. Thank you.

8 (Applause)

9 CHAIRMAN BEARD: Thank you.

10 (Witness Meyers excused.)

11 CHAIRMAN BEARD: Okay. We truly appreciate  
12 your coming and taking time out from the Dolphins' and  
13 the Browns' football game, and whatever else you had to  
14 do. This is one of a total of six that we will have.  
15 We had one scheduled in Miami, but, unfortunately,  
16 Andrew ruined that one. So we are going to reschedule  
17 that for January and we will be meeting there before  
18 the hearing as well.

19 Thank you again for coming.

20 (Thereupon, the hearing concluded at 9:25  
21 p.m.)

22

23

24

25

1 F L O R I D A )  
2 :  
3 COUNTY OF LEON )

CERTIFICATE OF REPORTER

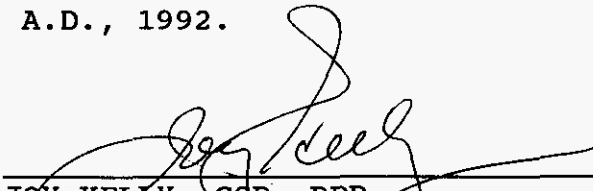
3 I, JOY KELLY, CSR, RPR, Official Commission  
4 Reporter.

5 DO HEREBY CERTIFY that the hearing in this  
6 cause, Docket No. 920260-TL, was heard by the Florida  
7 Public Service Commission at the time and place therein  
8 stated; it is further

9 CERTIFIED that I reported in shorthand the said  
10 proceedings; that the same has been transcribed under my  
11 direct supervision, and that this transcript, consisting  
12 of 147 pages, constitutes a true and accurate  
13 transcription of my notes of said proceedings; it is  
14 further

15 CERTIFIED that I am neither of counsel nor  
16 related to the parties in said cause and have no interest,  
17 financial, or otherwise, in the outcome of this docket.

18 IN WITNESS WHEREOF, I have here into set my  
19 hand at Tallahassee, Leon County, Florida, this 28th  
20 day of September, A.D., 1992.

21  
22   
23 \_\_\_\_\_  
24 JOY KELLY, CSR, RPR  
25 Official Commission Reporter  
FPSC Bureau of Reporting  
(904) 488-5981

# The Miami Herald

PUBLISHED DAILY  
MIAMI-DADE-FLORIDA

STATE OF FLORIDA  
COUNTY OF DADE

Before the undersigned authority  
personally appeared:

ANN MARTULA

who on oath says that he/she is:

CUSTODIAN OF RECORDS

of The Miami Herald, a daily news-  
paper published at Miami in Dade  
County, Florida; that the attached  
copy of advertisement was published  
in said newspaper in the issues of:

SEPTEMBER 4, 1992

Affiant further says that the said  
The Miami Herald is a newspaper  
published at Miami, in the said  
Dade County, Florida and that the  
said newspaper has heretofore been  
continuously published in said Dade  
County, Florida each day and has  
been entered as second class mail  
matter at the post office in Miami,  
in said Dade, County Florida, for a  
period of one year next preceding  
the first publication of the at-  
tached copy of advertisement; and  
affiant further says that he has  
neither paid nor promised any per-  
son, firm or corporation any dis-  
count, rebate, commission or refund  
for the purpose of securing this  
advertisement for publication in  
the said newspaper(s).

*Ann Martula*

Sworn to and subscribed before me  
this 11th day of September A.D. 1992

My Commission  
expires: *Virginia J. Salton*



Exhibit  
(4) 920260 TL  
9-14-92

FLORIDA PUBLIC SERVICE  
DOCKET  
NO. 920260-TL EXHIBIT NO. 4  
COMPANY: So Bell  
WITNESS: \_\_\_\_\_  
DATE: 9/14/92

## LEGAL NOTICE NOTICE OF PUBLIC HEARING

The Florida Public Service Commission has scheduled a public hearing in Docket No. 920260-TL. The purpose of this docket is to review Southern Bell's operations under its rate stabilization plan and to consider Southern Bell's proposed price regulation plan and its related rate restructuring, including the proposed optional Expanded Local Service Plan, a reduction in intraLATA access charges and certain custom calling feature rates, a restructuring of service order charges and implementation of a Lifeline Plan.

For the convenience of the public, the Florida Public Service Commission has also scheduled a service hearing as follows:

Monday, September 14, 1992 - 6:00 PM  
Plantation High School Auditorium  
6901 N.W. 16 St.  
Plantation, Florida

At the above time and place, members of the public may appear to testify as to their interest in this matter. All persons desiring to present testimony at the hearing should, if possible, bring bills or other documentations regarding their telephone service. Customers are urged to attend on time. If no customers are present, the hearing will be adjourned. The Public Counsel, the citizens' representative in matters before the Commission, will be available at least 30 minutes prior to each hearing in order to meet members of the public who wish to testify. Prior to that time, inquiries should be directed to the Office of Public Counsel, c/o Florida House of Representatives, the Capitol, Tallahassee, Florida 32399-1300.

# THE PALM BEACH POST

Published Daily and Sunday  
West Palm Beach, Palm Beach County, Florida

## PROOF OF PUBLICATION

STATE OF FLORIDA  
COUNTY OF PALM BEACH

Before the undersigned authority personally appeared Chris Bull  
who on oath says that she/he is Class. Sales Mgr. of The Palm Beach Post,  
a daily and Sunday newspaper published at West Palm Beach in Palm Beach County,  
Florida; that the attached copy of advertising, being a \_\_\_\_\_  
Notice  
in the matter of 2SBL Southern Bell Telephone Co.  
in the \_\_\_\_\_ Court, was published in said newspaper in  
the issues of September 4, 1992

Affiant further says that the said The Post is a newspaper published at West Palm Beach, in said Palm Beach County, Florida, and that the said newspaper has heretofore been continuously published in said Palm Beach County, Florida, daily and Sunday and has been entered as second class mail matter at the post office in West Palm Beach, in said Palm Beach County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that she/he has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Sworn to and subscribed before me this 4 day of September A.D. 19 92

*Chris Bull*  
*[Signature]*  
NOTARY PUBLIC, STATE OF FLORIDA  
1000 UNIVERSITY AVENUE, SUITE 100  
WEST PALM BEACH, FLORIDA 33411

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**FORT LAUDERDALE NEWS/SUN-SENTINEL**

Published Daily

**Fort Lauderdale, Broward County, Florida  
Boca Raton, Palm Beach County, Florida**

STATE OF FLORIDA

COUNTY OF BROWARD/PALM BEACH

Before the undersigned authority personally appeared A. Shepard

who on oath says that he is \_\_\_\_\_

Classified Supervisor of the Fort Lauderdale News/Sun-Sentinel, Daily newspapers published in Broward/Palm Beach County, Florida that the attached copy of advertisement, being a Legal Notice in the matter of Monday, September 14, 1992

\_\_\_\_\_ in the \_\_\_\_\_ Court,

was published in said newspaper in the issues of \_\_\_\_\_  
Sept. 4, 1992

Affiant further says that the said Fort Lauderdale News/Sun-Sentinel are newspapers published in said Broward/Palm Beach County, Florida, and that the said newspapers have heretofore been continuously published in said Broward/Palm Beach County, Florida, each day, and have been entered as second class matter at the post office in Fort Lauderdale, in said Broward County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant says that he has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in said newspapers.

Sworn to and subscribed before me

this 11th day of Sept.

A.D. 1992

Nana L. Weyant  
Notary Public, State of Florida

My Commission Expires July 20, 1993

*A. Shepard*

PAS

**LEGAL NOTICE  
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