

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
TALLAHASSEE, FLORIDA

IN RE: Comprehensive review of the revenue requirements and
rate stabilization plan of SOUTHERN BELL TELEPHONE
AND TELEGRAPH COMPANY.

DOCKET NO. 920260-TL

COPY

BEFORE:

CHAIRMAN J. TERRY DEASON
COMMISSIONER THOMAS M. BEARD
COMMISSIONER SUSAN F. CLARK
COMMISSIONER LUIS J. LAUREDO
COMMISSIONER JULIA L. JOHNSON

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ITEM NUMBER:

14**

DATE:

Florida Public Service Commission

Tuesday, January 19, 1993

PLACE:

106 Fletcher Building
Tallahassee, Florida

REPORTED BY:

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Notary Public in and for the
State of Florida at Large

ACCURATE STENOGRAPHY REPORTERS, INC.
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FPSC-RECORDS/REPORTING

PARTICIPATING:

MICHAEL B. TWOMEY, on behalf of the Office of the Attorney General.

HARRIS ANTHONY, on behalf of Southern Bell Telephone and Telegraph Company.

CHARLES J. BECK, on behalf of the Citizens of the State of Florida.

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STAFF RECOMMENDATIONS

Issue 1: Recommendation that the Commission should consolidate Dockets Nos. 920260-TL, 900960-TL, 910163-TL and 910727-TL for purposes of coordinating the order in which issues are addressed. The record for the dockets will be treated as one, and the Commission will make the decisions on all issues in July 1993.

Issue 2: Recommendation that, if the Commission adopts Issue No. 1, then the Office of Public Counsel's motions for review of procedural Orders Nos. PSC-92-1195-PCO-TL and PSC-92-1320-PCO-TL should be denied on the basis of the rulings in Order No. PSC-92-1320-PCO-TL and the consolidation of the dockets. Order No. PSC-92-1320-PCO-TL should be clarified to explain the basis for excluding an issue on imputation of revenues and expenses of Inside Wire Maintenance.

If the Commission denies Staff's recommendation in Issue No. 1, it should deem Public Counsel's request for review of Order No. PSC-92-1195-PCO-TL moot, based on the rulings in Order No. PSC-92-1320-PCO-TL. Public Counsel's request for review of the subsequent Order No. PSC-92-1320-PCO-TL should be deemed moot in part, denied in part and granted in part as follows:

- 1) Where OPC's second motion reiterates its requests in its first motion, the requests should be deemed moot.
- 2) OPC's Motion to include an issue on the imputation of revenues and expenses of Inside Wire Maintenance should be denied.
- 3) OPC's requests to conduct a "plain, vanilla rate case" in the January/February hearings, and to move all issues involving quality of service and incentive regulation to the April hearings, should be granted.
- 4) OPC's proposal to include an issue on general mismanagement in this case should be denied.

Issue 3: Recommendation that this docket should remain open

pending hearings and a final determination of the issues in this and related cases.

P R O C E E D I N G S

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CHAIRMAN DEASON: Item 14?

MS. NORTON: Commissioners, Item 14 deals with certain matters in the Southern Bell rate case. The first issue is Staff's recommendation to consolidate the rate case with the investigation dockets currently in process by this Commission. The purpose for this recommendation is to be able to better coordinate the order in which the issues are addressed. If you would like to take that up, there is a second issue that will follow from the vote on this issue.

CHAIRMAN DEASON: Okay. Comments on Issue 1?

MR. ANTHONY: Just briefly, Commissioners. Pursuant to a recent order by the Prehearing Officer the hearing dates were postponed in the rate case portion of this matter until March. There are only two weeks that separate the two sets of hearings at this point, the middle of March, middle of April. And given that close proximity I think that that has resolved many of the issues that might have arisen from the temporal distance between the two sets of questions. So, I think a lot of what can be accomplished by consolidation has already been accomplished, and I just wanted to note that fact.

CHAIRMAN DEASON: Mr. Beck?

1 MR. BECK: We are in favor of consolidating the
2 dockets.

3 CHAIRMAN DEASON: Mr. Twomey?

4 MR. TWOMEY: Mr. Chairman, the Attorney General
5 supports the Staff's recommendation that the dockets be
6 consolidated.

7 CHAIRMAN DEASON: Questions, Commissioners?

8 COMMISSIONER LAUREDO: Yes, this Staff
9 recommendation -- help me through this -- and you talk
10 about how you -- I can't find it now, but how,
11 basically, you came to this conclusion after further
12 study of something or the other?

13 MS. NORTON: As discovery progressed from the
14 beginning to where we are now, it became more evident
15 to us that issues evidence, discovery, responses,
16 things would cross back and forth between the cases.
17 We thought it would just allow it to go more smoothly
18 if we consolidated those.

19 COMMISSIONER LAUREDO: In other words, subsequent
20 -- am I incorrect in saying that you're recommending
21 something contrary to the Prehearing Officer's order?

22 MS. NORTON: No, sir, I don't believe so. This
23 issue comes from Staff --

24 COMMISSIONER LAUREDO: Okay.

25 MS. NORTON: -- the second issue. That's not to

1 say that some of the motions and a lot of the paper
2 that was flowing in this docket didn't help us come to
3 this, but this is not -- we are recommending, making
4 this recommendation to you on our own. We do need to
5 dispose today of Public Counsel's motions, and that is
6 Issue 2.

7 COMMISSIONER LAUREDO: I guess they are
8 interconnected.

9 COMMISSIONER CLARK: Commissioner Lauredo, you're
10 right from the standpoint that in October -- when was
11 it, October?

12 MS. NORTON: The issue hearing?

13 COMMISSIONER CLARK: The issue reads, and based on
14 Staff's recommendation, I concluded that they could go
15 forward as two separate hearings. But I made it very
16 clear at that point, and in the order, that it was my
17 view that we should not set rates until we could have
18 had the hearing on the investigation. And the order is
19 clear, at least from my perspective, I always intended
20 to take into account the results of the hearing in the
21 investigation docket in determining the rates. That
22 hasn't changed. But what Staff is saying, I believe,
23 is based on getting further into discovery and the
24 motions that have been filed in both dockets, indicates
25 that at least with respect to the quality of service,

1 it's very intertwined and their recommendation at this
2 point, which I don't quarrel with, is that they be
3 combined. And I think Southern Bell in the last
4 prehearing conference we had did indicate no objection
5 to combining quality of service issues into the latter
6 part of the hearing. The real problem is going to be
7 how we divide up, I guess, depending on if you
8 consolidate it or not. If you consolidate it, then,
9 how will the flow of witnesses go? That is another
10 hurdle we need to take when it comes along. But it had
11 never been my intention that, you know, we would decide
12 the rates before we had completed the hearing on the
13 investigation. And I appreciate the opportunity to
14 make that clear to you all.

15 COMMISSIONER BEARD: And let me follow up since I
16 approved the schedule. At the time, the thought was to
17 take it sequentially, but literally back to back with a
18 rate case, an investigation, an investigation and a
19 relationship with the two. And we kept searching for
20 the days, and, in fact, provided a month full of days
21 to go through all of that process. So, we are now,
22 quite frankly, at the form in which that ought to
23 occur, and maybe this is the time to deal with form
24 versus substance. And I don't have a problem with
25 that. And I don't know when we discussed the third

1 item in Issue No. 2, but somebody has got to explain to
2 me how you're going to do a "plain vanilla rate case"
3 and then do something different, because I think, the
4 last time I checked, I think the companies file a rate
5 case, basically, of their choosing. Now, are we saying
6 at the outset that we are denying a part of that rate
7 case? I don't think we are in a position to do that.
8 And I am just -- maybe you all can help me with that
9 piece of it. Putting it all into one big basket is
10 fine. I don't think we are going to be able to avoid
11 it. And, in fact, in hindsight it may be easier to
12 hear it once, than to hear the same testimony four
13 times, which I think is what is about to occur if we
14 don't. We will probably only hear it three times this
15 way. But I don't understand how you dictate to the
16 Company what kind of rate case they file. So, if you
17 all can help me with that then I can take a lunch
18 break.

19 MR. HATCH: I believe, Commissioner Beard, that
20 with respect to the "plain vanilla rate case" it was
21 thought at the time, because there are a lot of other
22 issues than just a "plain vanilla" type of rate case
23 for Southern Bell pending, for example, incentive
24 regulation. In addition to that, the spillover into
25 determinations of quality of service that are going to

1 arise in the course of the investigation dockets
2 themselves. It was thought -- the reference to "plain
3 vanilla" means, essentially, that you deal with the
4 essential rate case elements, that you deal with the
5 add-ons in a different order in terms of when you would
6 hear it, not whether you would hear it at all. It's
7 not whether it would be included or excluded. The
8 company files the case as they want. For example, they
9 have filed testimony regarding incentive regulation.
10 The question of when you hear that testimony and in
11 what context is what was meant by the "plain vanilla."
12 The theory behind that was that you split that out into
13 a separate piece.

14 COMMISSIONER BEARD: Who bears the burden -- and I
15 am trying, just bear with me for a minute -- on the
16 rate case? Let's put aside, if we can, just briefly
17 the two investigations and the relationships of
18 investigations to the rate case. Who bears the burden
19 in the rate case?

20 MR. HATCH: The Company would bear the burden of
21 justifying its request, whatever that may be.

22 COMMISSIONER BEARD: But we are going to tell
23 them how they can go about dealing with that burden up
24 front?

25 MR. HATCH: We can, as a matter of orderly

1 disposition of the case, control how that burden is
2 presented to you.

3 COMMISSIONER BEARD: Well, give me an example of
4 the issues that are "plain vanilla," return on
5 equity --

6 MR. HATCH: Cost of capital, revenue requirements,
7 O&M, that sort of thing are "plain vanilla." They will
8 be dealt with in any context of a rate case. Other
9 issues related to quality of service, whether incentive
10 regulation is appropriate or not, those issues are
11 included as part of the company's request, but are not
12 part of the "plain vanilla" case. So, you could
13 literally separate those out and deal with them in a
14 more logical context and in a more logical order.
15 That's the only issue.

16 COMMISSIONER BEARD: Okay. Now, I want to put
17 this in perspective, because I'm not sure what I am
18 gaining in this particular "plain vanilla." If I have
19 a witness on the stand for Public Counsel or for the
20 company says, "I think return on equity ought to be X,"
21 okay, in isolation. Then, I guess, a week and a half
22 later we are going to come back and hear from that
23 witness again, and say, "However, his return on equity
24 is it ought to be relating to price caps or incentive
25 regulation, as we have had it in Florida today." So,

1 do I get to hear that testimony twice?

2 MR. HATCH: Perhaps, depending on how the flow of
3 the evidence and witnesses go. That's one of the
4 reasons we are here seeking consolidation is because we
5 believe it will make for more logical and orderly flow,
6 rather than separate proceedings, rather than having
7 multiple witnesses multiple times.

8 COMMISSIONER BEARD: I'm not arguing
9 consolidation. I'm arguing that I have a concern in
10 dictating how a party that bears the burden approaches
11 that burden. If you all are in agreement, you know, I
12 will shut up, but I suspect you're not in agreement.

13 COMMISSIONER CLARK: Commissioner Beard, one of
14 the things we did look at in the prehearing conference
15 was the schedule, the order of the witnesses. And the
16 company did point out that they felt that they should
17 be allowed to put on their case in the order that they
18 felt was appropriate. My concern there is that for
19 ease of us understanding it, we have, in other cases,
20 such as the GTE case and other rate cases, we sort of
21 segregated cost of capital and dealt with all of those
22 witnesses. We have segregated operating and
23 maintenance expenses and done that. And we've got
24 maybe seven people down in the witness list. And I
25 think you can separate cost of capital, and I think you

1 can separate O&M that way.

2 COMMISSIONER BEARD: There are only two problems
3 that I see with that. One, that was a "plain vanilla
4 rate case" by any standard from start to finish. Okay?
5 And, number two, there are some other relationships
6 associated with this case that make it just a tad
7 different. And, also, in that case and others, if I'm
8 not mistaken, the parties generally agreed to how that
9 case should be presented. And if I'm wrong about that,
10 tell me, because you all can work that out before I
11 ever get here. My question is, number one, is there
12 disagreement among the parties about how this case
13 comes forward; and if there is disagreement, is it
14 Staff's position that we will dictate to a party how
15 they bear their burden?

16 MS. NORTON: Commissioner,, yes, there is some
17 disagreement as to the order of witnesses in this case.
18 Sometimes there is in rate cases generally not to this
19 degree. When there is a dispute, typically, it is
20 brought to the Prehearing Officer who then rules. I
21 have wanted also just to ask a question, since you had
22 gone to one of the parts of Issue 2.

23 COMMISSIONER BEARD: I know how to separate them.

24 MS. NORTON: Okay. Issue 2, that part of Public
25 Counsel's motion as to how to divide up which hearings,

1 sets of hearings would hear which issues would only
2 come up if you denied our recommendation to consolidate
3 the rate cases. And I am not sure that -- I wasn't
4 clear whether that was clear to you.

5 COMMISSIONER BEARD: Well, no, that is not what I
6 understand out of this. I understand out of this, as I
7 read it, and perhaps inappropriately, that even if you
8 consolidate the cases, we will be, in essence,
9 dictating that a portion of the rate case occurs here.
10 And then at some point later in time we will say, "Now,
11 you can talk about incentive regulation, you can talk
12 about price caps and you can talk about quality of
13 service."

14 MS. NORTON: There will need to be an order on --

15 COMMISSIONER BEARD: There always is.

16 MS. NORTON: -- where we stand now based on the
17 conferences that we have had. So, we have set out
18 tentatively an overview, such an overview, typically,
19 the company's president, or an overview witness, return
20 on equity and cost of capital, then the revenue
21 requirements, affiliate transactions and attrition
22 witnesses. That is as far as we have gotten in the
23 order thus far.

24 COMMISSIONER BEARD: Don't misunderstand, because
25 if we consolidated the cases, my workload goes down.

1 CHAIRMAN DEASON: Let me ask a question on the
2 consolidation. If we were to grant consolidation,
3 there naturally still would be issues as far as what
4 order of witnesses will be appearing, and that is
5 something that is routinely handled by the prehearing
6 officer. But there would not be a question of whether
7 Issue 3 is going to be heard during the first week and
8 Issue 27 is going to be heard in the fourth week. Once
9 we set the order of witnesses, we are going to start on
10 the case, and we're going to proceed with Witness 1
11 until we go to Witness 50, or however many witnesses
12 are going to be in this case. And the case will just
13 proceed, and we'll use the days set aside until we
14 finish. Is it my understanding that's what the effect
15 of consolidating these cases would have?

16 MS. NORTON: That is my understanding. It still
17 won't be easy. Part of it is that if you consolidate
18 the cases, the testimony filing date for the
19 investigation dockets has not -- I mean, that is
20 scheduled for February. So, it will be somewhat tricky
21 to try to design the complete order of witnesses until
22 after that has been done, so we can get a better idea,
23 based on the decision today.

24 COMMISSIONER CLARK: The testimony in the
25 investigation docket is not yet in. It seems to me

1 logical to put off, at least the quality of service,
2 until the second set of hearings. I mean, the second
3 two weeks.

4 CHAIRMAN DEASON: Couldn't we accomplish that by
5 just setting those witnesses who address that to be the
6 later in the list of witnesses, as opposed to being
7 near the front of the witness list?

8 MS. NORTON: That would be the way we would plan
9 on doing it.

10 MR. HATCH: The current witness --

11 COMMISSIONER LAUREDO: Is your recommendation in
12 any way altered by the change in the scheduling that
13 was earlier mentioned, and now the gap is so close in
14 time that it may be a moot issue of the efficiency of
15 scheduling, et cetera, et cetera, et cetera?

16 MR. HATCH: Actually, no, the movement of the
17 hearing didn't affect our basic recommendation to
18 consolidate. If the hearings were still on the
19 original dates we would have requested that you
20 consolidate anyway.

21 COMMISSIONER LAUREDO: But what I'm saying, isn't
22 one of the reasons for your supporting consolidation to
23 enhance the efficiency of the process and to try to
24 diminish the impact of this lag as far as -- because
25 nothing has changed in terms of the decision. It's

1 clear. The order says we are not going to make a
2 decision until everything is heard, so I don't
3 understand what's the big deal, particularly now that
4 the time differences have become very close. You have
5 the fact of consolidation.

6 MR. HATCH: Consolidation will make the management
7 of the whole process more manageable.

8 COMMISSIONER LAUREDO: I understand. Well, my
9 question is has the time changed; that is, the
10 elimination of the substantial lag between the two
11 dockets in any way changed your mind?

12 MR. HATCH: As far as consolidation?

13 CHAIRMAN LAUREDO: Yes.

14 MR. HATCH: No, sir.

15 COMMISSIONER LAUREDO: And why not?

16 MR. HATCH: Because the manageability of the
17 witnesses and the evidence to be presented really is to
18 us irrelevant of the time span. The more
19 contemporaneous you make it, the more orderly the
20 process will appear because you're going to have to
21 decide the whole thing, which is why we are seeking
22 consolidation. If you heard part of it further away in
23 time, the first part from the second part, you would
24 still have to decide the whole thing. So,
25 consolidation to us is logical in either event.

1 COMMISSIONER LAUREDO: And this separation of the
2 issues -- this investigation is our investigation, was
3 initiated by us, correct?

4 MR. HATCH: Correct.

5 COMMISSIONER LAUREDO: Because I know a lot of
6 other people are investigating, but this is something
7 that we initiated.

8 MS. NORTON: The rate case, yes. I mean, the rate
9 case was initiated as well.

10 COMMISSIONER BEARD: The rate case is a result of
11 the termination of five years of incentive regulation
12 plan. That is what is driving that. The
13 investigations are ones we opened eons ago and delayed
14 at the request, if I'm not mistaken, of the Attorney
15 General until they could complete their investigations.
16 And it so happens that everything has coincided into an
17 appropriate time frame that we can look at it all in
18 one big ball of wax.

19 COMMISSIONER LAUREDO: No, I was just trying to
20 get clear, because it's so difficult to follow this
21 stuff. A lot of people are doing the investigating on
22 it. We are the ones who investigated it at our own
23 initiative, and it was put on hold at the request of
24 another agency, correct?

25 MR. HATCH: That's correct.

1 MR. TWOMEY: Mr. Chairman, if I might attempt to
2 clarify something here.

3 COMMISSIONER LAUREDO: There has been a lot of
4 things in the air about not doing our due diligence, et
5 cetera, et cetera, in this case. I think that it is
6 proper for me to at least get it on the record that we
7 are the ones who initiated it. Staff initiated it.

8 CHAIRMAN DEASON: Mr. Twomey, briefly, then I
9 think we are going to go to and try to dispose of Issue
10 1.

11 MR. TWOMEY: With respect to the Office of the
12 Attorney General requesting that you stop the
13 investigation or put it aside for the moment, I believe
14 the request was made that the Commission and Public
15 Counsel not take sworn statements, oral statements or
16 depositions of witnesses, and that that was the limit
17 of the request. Public Counsel did that, but during
18 the interim, directed a great deal of discovery with
19 respect to that investigation. There was no request
20 that interrogatories or other written discovery not be
21 had.

22 CHAIRMAN DEASON: Okay. Any more questions on
23 Issue 1?

24 MR. BECK: Mr. Chairman, before we do, may I
25 address one specific item under Issue 1, and that is on

1 Page 3 of the Staff recommendation. There are five
2 items listed at the bottom, and I would like to address
3 Number 2 about filing testimony. In order to do that,
4 I have copies of two motions I'd like to hand out that
5 have already been filed.

6 Commissioners, I have handed out two motions. The
7 first one is in the investigation into the repair
8 activities. It is not before you today. It's a motion
9 for full Commission review of the order establishing
10 procedure in the repair investigation. The second
11 motion is the one that is before you today, that is the
12 item -- that is our motion that you're considering.

13 The reason I am bringing out one motion that is
14 not before you and one that is, is that Item Number 2
15 on Page 3 of the recommendation disposes of items in
16 both of our motions. We have asked in both the motions
17 that we be given 30 days after the production of
18 discovery materials in order to file testimony. The
19 order of the Prehearing Officer in the repair
20 investigation docket requires us to file testimony 13
21 days from today, that is February 1st. We have asked
22 for a review of that. The reason that we are asking
23 for 30 days after the production of documents is that
24 there are a lot of motions in the repair docket with
25 respect to discovery that have not been ruled on. A

1 number of those motions go back six or seven months.
2 We think it is very unfair to require us to file
3 testimony when discovery motions haven't even been
4 dealt with.

5 COMMISSIONER CLARK: Mr. Beck, let me interrupt
6 just a minute. I thought on Friday -- let me ask a
7 question. We discussed this point, I believe. And one
8 of the things I had indicated to you was I realized
9 that there were some motions pending in the rate docket
10 that were likewise pending in the investigation
11 dockets. And I think I stated at that point that my
12 order allowing for discovery or not allowing for
13 discovery would set a time certain for filing that
14 testimony.

15 MR. BECK: Right. Some of the motions in the
16 repair docket are the same as in the rate case; some
17 are not. As a matter of fact, more of the motions deal
18 with items that are not before you in the rate case.
19 Commissioner Beard is the Prehearing Officer in the
20 repair docket.

21 COMMISSIONER CLARK: You're making me want to
22 reconsider voting for this.

23 MR. BECK: Well, I think you need to be aware of
24 it. Because if we consolidate these dockets, you need
25 to be aware that there is a real dispute about the

1 dates for filing testimony. And there are two problems
2 there. One is we have numerous motions, many that are
3 six or seven months old that haven't been ruled on in
4 the repair docket. The other item is there is an order
5 presently under appeal at the Florida Supreme Court
6 that dealt with discovery. We had orders out of this
7 Commission. Southern Bell appealed that order to the
8 Florida Supreme Court. We filed briefs. No party has
9 asked for oral argument, so we are at the point now
10 where we are awaiting an order from the Florida Supreme
11 Court. But you ordered Southern Bell to produce the
12 information we had asked for. Southern Bell, within
13 their rights, has appealed it. But the fact of the
14 matter is we still don't have the information, and we
15 don't see how we can go forward at the hearing in there
16 without the information that you have ordered Southern
17 Bell to produce. So, there will be problems
18 consolidating them because the repair docket simply
19 isn't ready to go to hearing by a long shot at this
20 point in time.

21 CHAIRMAN DEASON: I guess I'm really confused. Do
22 you support consolidation, or do you --

23 MR. BECK: Yes, I do.

24 CHAIRMAN DEASON: You do support consolidation?

25 MR. BECK: It makes enormous sense.

1 CHAIRMAN DEASON: Well, how are we going to
2 accommodate your concerns with the discovery and still
3 consolidate and have the hearing set as it is? You're
4 recommending we change the hearing dates?

5 MR. BECK: Whether you will be able to hear them
6 on those hearing dates is questionable, and that is why
7 I'm bringing it to your attention. I think
8 consolidation is a very logical way to go, but for the
9 items that are pending, because that way you can deal
10 with quality of service as a whole instead of trying to
11 bifurcate it.

12 COMMISSIONER CLARK: Charlie, are you speaking in
13 terms of the April dates? You are uncertain that we
14 would be able to meet those?

15 MR. BECK: Yes. If the Prehearing Officer in the
16 repair docket were to rule on all pending matters, and
17 there are about 12 pending discovery motions, about
18 that, pending; even at that, we don't know whether
19 Southern Bell will comply, because they certainly have
20 a right to ask for reconsideration by the full
21 Commission. I just don't know how long those
22 procedures would take.

23 COMMISSIONER CLARK: Of those 12, how many are the
24 same as what is in the revenue requirements case?

25 MR. BECK: I'm guessing, three or four. I'm not

1 positive, but about that, more separate from the rate
2 case than are the same.

3 COMMISSIONER BEARD: How about Staff responding to
4 the motion?

5 MR. HATCH: With respect to Mr. Beck's discovery
6 arguments, as we discussed at the prehearing conference

7 --

8 COMMISSIONER BEARD: I haven't had a prehearing
9 conference.

10 MR. HATCH: At Commissioner Clark's prehearing
11 conference, because these issues were raised there, as
12 well, the discovery motions relate to privileged
13 matters. There is an assertion about the
14 attorney-client and work product privileges. As we
15 received all of those motions beginning in the spring
16 and through fall, we examined them. It appeared to us
17 that we needed to develop a more complete factual basis
18 in order to rule on the privileged claims. And so, we
19 have been in the process of building that factual base,
20 both attempted through depositions, which has been very
21 difficult, as Commissioner Clark will attest through
22 the motions to compel deposition question responses
23 from Southern Bell for several of their witnesses. And
24 we have sent out, basically, a very massive set of
25 interrogatories to try and build the factual base that

1 must be had in order to address the claims of
2 privilege. Those should be due in shortly. Once we
3 have those, then we will know whether we have an
4 appropriate factual base to rule.

5 COMMISSIONER CLARK: Commissioners, what I have
6 done in the revenue requirement case is to require
7 Southern Bell to produce for me the documents that they
8 maintain are privileged and/or attorney work product in
9 their offices this Thursday. And I will conduct an in
10 camera review of those dockets. That will take care of
11 some of the items, and also the discovery Tracy has
12 talked about is due on the 18th. I have set next
13 Tuesday, the 26th, as the date that I'm going to
14 attempt to get an order out on those discovery matters.
15 But I think we can be assured that whoever is -- let me
16 put it this way: If it grants discovery, I'm sure
17 Southern Bell is going to appeal that order, and they
18 have a right to have a resolution of that before they
19 provide the discovery, which could put us in a dilemma.
20 But I think the way to handle that is to request that
21 the Supreme Court handle it expeditiously. What I
22 would say to you today, is I think we should go ahead
23 and deal with the consolidation and then we have to
24 sort our way through the motions that are pending to
25 see if we can meet the April deadline with respect to

1 the items that relate more to the investigation.

2 CHAIRMAN DEASON: Mr. Beck, are you saying that
3 Item 2 on Page 3 of the recommendation is premature for
4 the Commission to determine today?

5 MR. BECK: Yes.

6 CHAIRMAN DEASON: It's not essential to the
7 question of consolidating these dockets?

8 MR. BECK: That's correct.

9 CHAIRMAN DEASON: And this is a matter that could
10 be handled by the Prehearing Officer at the appropriate
11 time?

12 MR. BECK: Well, in fact, it's a matter that we
13 have asked the full Commission to review. You just
14 simply don't have a recommendation in front of you.
15 That is the first motion for review I just handed out.
16 It's ripe. It has been ripe for some time to bring it
17 to the full Commission.

18 CHAIRMAN DEASON: But it's not before us today?

19 MR. BECK: That's correct.

20 COMMISSIONER CLARK: That is in the investigation
21 docket?

22 MR. BECK: Yes.

23 COMMISSIONER LAUREDO: Staff, let me ask you a
24 dumb question. Under either consolidation or the
25 current schedule, are we, as Commissioners, going to

1 hear the exact type and quantity of the information?
2 Is the information going to change materially because
3 of the procedural arguments we are having here?

4 MR. BECK: No. I think we will try in the
5 investigation dockets to put more detailed information
6 before you. We have already filed testimony in the
7 rate case itself trying to give you a broad overview of
8 those matters.

9 COMMISSIONER LAUREDO: In other words, I, as a
10 Commissioner, am only concerned -- and I'm not a
11 lawyer, thank God -- about being able to hear and be
12 exposed to the widest spectrum of information. On
13 either procedure, consolidation or not, we will get
14 that benefit, would we not?

15 MS. GREEN: The answer to your question is, yes
16 and no. And the reason it is is because of the
17 artificial constraints that would be required by
18 maintaining four separate records.

19 COMMISSIONER LAUREDO: The answer -- forgive me
20 for arguing with you. The answer cannot be yes and no.
21 It either has to be yes or no. Will the information be
22 the same, notwithstanding the methodology by which we
23 get it?

24 MS. GREEN: Well, because of the methodology
25 required there is always a risk that the answer would

1 be no. We believe the answer would be yes, but that
2 requires an extraordinary amount of effort on the part
3 of the Staff and both of the Prehearing Officers,
4 because you cannot automatically take something from
5 one record and put it into the other record. You have
6 to line out specific questions to deal with the matter
7 of should the information in docket so-and-so, related
8 to issue so-and-so, be considered and have an impact on
9 issue so-and-so back in the other docket. This is a
10 lot of artificial constraint, and that is one point I
11 don't think that has been brought out this morning that
12 is a benefit of consolidation. And that is you have
13 one massive record. You don't have to do anything in
14 order to move information from one docket into another.
15 It is all one record.

16 COMMISSIONER LAUREDO: So, your concern that the
17 physical transfer of the information may -- we may lose
18 something in the translation, as we say? But the fact
19 of the matter is, the same information will be
20 forthcoming on either methodology?

21 MS. GREEN: But it's a due process concern that
22 unless you specifically identify up front that you want
23 to use findings from this docket in this other docket,
24 you're at risk.

25 MR. HATCH: One correction, Commissioner Clark,

1 with respect to the interrogatory responses. They were
2 served on December the 18th. We inadvertently
3 hand-served them, so there will be five days for
4 mailing. So, they would technically be due on the
5 22nd. I was in error when I told you that earlier.

6 CHAIRMAN DEASON: Mr. Shreve?

7 MR. SHREVE: I think Staff is exactly right. By
8 consolidating the dockets, I don't think you're going
9 to eliminate any of the information coming in. I think
10 it's going to all be there available. I think our big
11 problem was that by not consolidating and by splitting
12 them up, having to change cross examination and
13 presentation of witnesses, you would not have nearly as
14 orderly a consideration of the evidence. If you put
15 them together --

16 COMMISSIONER LAUREDO: I'm going to hold you to
17 that, Mr. Shreve. I'm going to hold you to that in the
18 remaining of my term here, your concern about the
19 efficiency of the presentation to us, because I have
20 problems with the way some of the other cases have
21 been. I mean, the flip side of my question is, does it
22 enhance any of the information? Do we get any more
23 information by doing this consolidation?

24 MR. SHREVE: I think you could have more
25 information in the consolidated docket, because you

1 don't have some of the arguments that counsel brought
2 out about bringing information back and forth between
3 the dockets. If you have it all there, I think it
4 would be probably in a more logical manner.
5 Consolidating doesn't solve all of the problems. I
6 think it certainly solves some of the problems. You
7 are still going to have problems in all of the areas
8 here until we get to the point that those are taken
9 care of. And it is probably going to have to be
10 handled on a day-to-day basis. I don't think anyone
11 can foresee exactly what is going happen after the
12 rulings come out. But I don't think consolidating the
13 dockets causes any more problems at all, and it
14 certainly solves some.

15 COMMISSIONER CLARK: Mr. Beck, could you tell me,
16 what is currently on appeal at the Supreme Court? What
17 is the --

18 MR. BECK: It was an order -- we sent
19 interrogatories to Southern Bell asking them to give us
20 the names of persons with knowledge about the various
21 frauds. It went to the Prehearing Officer twice and
22 the full Commission once. But you ordered them to give
23 us that information. That is the order Southern Bell
24 appealed.

25 COMMISSIONER CLARK: Has anyone filed a request to

1 expedite the decision or anything like that?

2 MR. BECK: No. Briefs were filed two or three
3 months ago? Yes, it was about two or three months ago.

4 COMMISSIONER CLARK: I would like to request that
5 either one of the parties send such a motion to the
6 Supreme Court requesting expedited treatment of that
7 appeal.

8 COMMISSIONER BEARD: Charlie, the order you're
9 talking about that's on appeal I think was mine, was it
10 not?

11 MR. BECK: Well, it was yours initially, and then
12 they went to the full Commission to exhaust their
13 administrative --

14 COMMISSIONER BEARD: And from the time that I
15 issued the order until the time it was appealed to the
16 Supreme Court, what kind of time frame are we talking
17 about, roughly?

18 MR. BECK: About a year. It took about a year.
19 There were three orders. I'm sorry, it was about a
20 year from the date of interrogatory to the appeal. It
21 took three separate times before the Commission, either
22 as Prehearing Officer or as a whole, before it was
23 appealed, and that took about a year.

24 COMMISSIONER BEARD: Time flies when you're having
25 fun.

1 COMMISSIONER LAUREDO: Let me ask the Staff, can
2 you turn to Page 8 of your recommendation, please, the
3 paragraph immediately above number three. You're
4 saying that one of the primary reasons for your
5 recommendation is the possibility of not having enough
6 time, and, quote, "Ideally would add to the number of
7 days in the April hearing. Unfortunately, that does
8 not seem possible." Is that still a valid statement?
9 And I am just tickled to death by your concern about
10 our scheduling. I think it's great.

11 MS. NORTON: Commissioner, when we were trying to
12 figure out how to handle all of this, we realized that
13 without regard to time constraints, the logical order
14 would be to hear the rate case and move -- this was
15 before we settled on consolidation -- we were thinking
16 that we wanted to move the quality of service and the
17 incentive regulation issues over into, to be heard in
18 the April hearings. The April hearings are now
19 scheduled for nine days. And we felt to add those two
20 sets of issues in on top of the investigation issues,
21 there simply would not be enough time. And so the only
22 solution to that was to hear some of it back in the
23 earlier set of hearings, which at the time the
24 recommendation was filed was the January-February time
25 frame. At least by consolidating the dockets there

1 could be at least a free flow of information, even
2 though it wasn't an ideal set-up to hear part of that
3 back in January and February and the rest of it in
4 April. Now that the January and February hearings have
5 been moved back to March, at least it's closer. But we
6 were concerned that the nine days set aside in April
7 would not be sufficient to hear everything that we
8 thought ought to get heard at that time.

9 COMMISSIONER BEARD: Maybe we can set aside '94.

10 COMMISSIONER LAUREDO: Well, the effective dates
11 of whatever decision we make, I think, it is still
12 stipulated to be -- all parties to be effective January
13 1st, 1993. So, in essence, there is no materiality as
14 to the time, how long it takes us to decide this case
15 -- "cases," quote, unquote.

16 MR. ANTHONY: Commissioner, if I could address
17 that. In a sense that it is retroactive to the 1st,
18 that's correct. On the other hand, people have been
19 talking a lot about the time delays in this proceeding.
20 Right now, if the Staff recommendation were approved,
21 and we don't have an objection to the schedule, but the
22 decision in this case would be July of 1993. Southern
23 Bell filed its direct testimony in this case in July of
24 1992, and I think Southern Bell is entitled to an
25 ultimate resolution of this proceeding sometime,

1 especially since it is going to be made retroactive, I
2 think. And we have a lot of issues that are open, the
3 type of regulation that we will have, what our earnings
4 will be. And to push this out indefinitely would be
5 doing a disservice to the company, I believe.

6 CHAIRMAN DEASON: Wouldn't you agree that the
7 parties do have some control over that pending, for
8 example, with the number of motions that are filed,
9 discovery disputes and things of that nature, that have
10 to be resolved before any testimony can even be filed?

11 MR. ANTHONY: I don't disagree with that, but I
12 would note -- and I don't want to argue the substantive
13 issues here today. It's not the right time. These all
14 go to privileged issues. All the motions to compel, I
15 believe, are related at this point to privileged
16 issues. I may be wrong, Mr. Beck. But certainly the
17 vast majority, if not all of them, are. And I think
18 that other than those privilege issues, Southern Bell
19 has allowed full and fair discovery. And to keep
20 pushing this out indefinitely puts the company in a
21 very difficult position. And so I would hope that we
22 could have some resolution of this fairly quickly,
23 because, if nothing else, it's a cloud that hangs over
24 the company's head. And I think the company is
25 entitled to have a fair hearing. We are not trying to

1 prevent anybody else from having that same fair
2 hearing, but, by the same token, I think due process
3 would indicate that we can't drag this out forever.

4 CHAIRMAN DEASON: Well, let me commit to you, and
5 all the parties, that it is the desire of the
6 Commission to handle this as quickly as possible, but
7 realizing that all parties have to have due process,
8 and the Commission has to have all the information we
9 feel is relevant and necessary to make that decision.
10 But within all of those parameters and constraints, we
11 are going to try to move this along as quickly as
12 possible, because I share your concerns that this is a
13 matter which does need to be resolved so that all
14 parties will know what the rules of the game are, so to
15 speak, from this point forward. And it has a
16 tremendous impact upon the company -- not only the
17 company, but the customers of this company. And so we
18 realize the need to expedite and move along as quickly
19 as possible.

20 MR. SHREVE: Mr. Chairman, briefly, I understand
21 what Mr. Anthony is saying. Of course, Southern Bell
22 is the first one to request the delay in their filing
23 initially. Plus, they have their rights legally, and I
24 think everybody -- this Commission and everybody is
25 going to see that they are entitled to those. Perhaps

1 the way to do it is to tie the final date to either
2 their production of the documents or -- a final order
3 coming out, either protecting or not protecting those,
4 because Southern Bell is in control of those. If they
5 produce the documents, then we are ready to go.

6 CHAIRMAN DEASON: Well, I think that's premature
7 at this point. We are not here to argue that the
8 today. I think the point has been made of the
9 necessity to try to move this along and not continue a
10 decision indefinitely. And that is not the intent of
11 the Commission to delay a decision indefinitely. Do we
12 have a motion on Issue 1?

13 COMMISSIONER BEARD: Move Staff.

14 CHAIRMAN DEASON: Do I have a second?

15 COMMISSIONER CLARK: Second.

16 COMMISSIONER JOHNSON: Second.

17 CHAIRMAN DEASON: Let me ask a question. We have
18 a motion and a second. The motion, then, does also --
19 when you say move Staff, that includes Item 2, which
20 Mr. Beck had a problem with on Page 3 of the
21 recommendation concerning the February filing of
22 testimony in the investigation docket?

23 COMMISSIONER BEARD: My motion says consolidate
24 the dockets, period. I've not gone any further than
25 that. If we are going any further than that, then I

1 need to back up.

2 MS. NORTON: The Staff recommendation is simply to
3 consolidate the dockets. The discussion later on sets
4 forth ways in which it could be handled. Some of those
5 dates have changed anyway, so to move Staff would be to
6 --

7 CHAIRMAN DEASON: Simply to consolidate?

8 MS. NORTON: That's correct.

9 CHAIRMAN DEASON: We have a motion and a second.
10 All in favor say "aye."

11 COMMISSIONER LAUREDO: Mr. Chairman, let me make
12 sure I understand, because I'm not embarrassed to admit
13 my confusion, and there is a lot here that I have not
14 seen from all of these wonderful lawyers. But the
15 Prehearing Officer on both cases have moved and
16 seconded on this thing, in both dockets, is that --

17 COMMISSIONER JOHNSON: Well, I seconded.

18 COMMISSIONER LAUREDO: Oh, I thought it was you.
19 I'm sorry.

20 COMMISSIONER CLARK: We both did. I suspect
21 Chairman Beard had a selfish motive.

22 COMMISSIONER BEARD: Well, I can't deny having
23 thought about that.

24 COMMISSIONER LAUREDO: Well, the only reason -- I
25 mean, all fun apart, this is a very serious matter. I

1 just look to you all as Prehearing Officers,
2 particularly when it's something that is inherently
3 confusing and legalistic and all of that stuff. And
4 Susan gave me mixed signals on what she feels. And I
5 thought that we were -- by voting this, we were
6 overruling her earlier prehearing order that we are so
7 familiar with.

8 COMMISSIONER BEARD: Let me put it in perspective.
9 In the best of all worlds, the way it was designed,
10 certainly at the time we did it was the best and, quite
11 frankly, in the best of all worlds, it still is in my
12 mind. I think one of the key overriding factors is the
13 mix and match of the record. And Angela mentioned, if
14 you try to move a piece from this record into this
15 record, it becomes cumbersome and it becomes a problem
16 administratively for us to deal with. Conversely, I
17 have a concern that we go in and listen to a rate case
18 that has some -- the best term, I guess, would be
19 interesting twists; that's something we have never
20 looked at. And I have a concern that multiple parties
21 will be there trying to cloud that issue. And for me
22 it's cleaner to deal with one bite at a time,
23 especially in the design, which was not to ultimately
24 deal with any rates or revenues until all the parts and
25 pieces of the puzzle were put together. But the

1 reality of it at this stage of the game is they are
2 going to be consolidated, and when I get down to
3 practical application, is that we can hear this
4 testimony four times, or we can hear it one time. And
5 if you have four dockets, the parties will make sure
6 that we hear it, at least, four times. I have all
7 confidence of that. If nothing else to protect
8 themselves legally and to provide a record for us. So,
9 when you just weigh out the practical applications,
10 let's have one. Now, beyond that, I express no
11 opinions as to who shares the burden and how we dictate
12 to somebody how they shoulder that burden. That's a
13 different animal for a different day.

14 CHAIRMAN DEASON: For Issue 1 we have a motion and
15 second. All in favor say "aye." (Response.) All
16 opposed, "nay." Issue 1 of Staff recommendation is
17 approved.

18 Issue 2.

19 MS. NORTON: Commissioner, based on your approval
20 of Issue 1, Staff's recommendation is that Public
21 Counsel's motions for -- you know, the points contained
22 therein, their motions for full review should be
23 denied. Based on this decision and the second
24 procedural order, we would recommend that a second
25 procedural order be clarified to explain the basis for

1 excluding an issue on the imputation of revenues and
2 expenses for Inside Wire Maintenance. That was in the
3 first point on that. By consolidating the dockets,
4 Staff believes that you have effectively addressed the
5 other points in their motion.

6 CHAIRMAN DEASON: So, Points 1, 3 and 4, you think
7 are addressed by the decision to consolidate, is that
8 correct?

9 MS. NORTON: Let me count the points.

10 MS. GREEN: Yes, your decision to consolidate has
11 the effect of denying those.

12 CHAIRMAN DEASON: And then the only other matter
13 which the question of consolidation does not address is
14 the motion to include an issue concerning imputation of
15 Inside Wire Maintenance, revenues and expenses. Is
16 that where we find ourselves?

17 COMMISSIONER CLARK: Yes, we have to deal with the
18 issue, their request on Inside Wire Maintenance.

19 CHAIRMAN DEASON: Okay.

20 MS. NORTON: Public Counsel has, in their motion
21 for a full Commission review, the bottom line is they
22 would like to have an issue on the imputation of
23 revenue and expenses for Inside Wire Maintenance as an
24 issue in the rate case.

25 Staff's recommendation to the Prehearing Officer

1 was that given that the decisions in both the GTE and
2 the United rate cases, that the issue of Inside Wire
3 Maintenance needed to go to rulemaking, prior to making
4 any policy changes. It was on that basis that we
5 recommended it not be an issue in the rate case. The
6 Prehearing Officer took it under advisement, and the
7 issue list that was subsequently issued did not have
8 that issue in it. And that is what Public Counsel
9 wishes the full Commission to address. Our
10 recommendation now is there should be an explanation, a
11 clarification of the order as to why Inside Wire
12 Maintenance was not included as an issue.

13 CHAIRMAN DEASON: Mr. Beck, briefly.

14 MR. BECK: Yes. Commissioners, the actual motion
15 that the Staff recommendation addresses, I've handed
16 out to you. You will see that the very first item in
17 the motion that's actually before you is the same in
18 this case as it was in the other case. And that is our
19 exception to being required to file testimony before
20 getting rulings on motions or on discovery. Now,
21 Commissioner Clark has addressed that. She is
22 addressing the motions in the rate case, and said she
23 would in her order address the filing of testimony. We
24 are willing to go along with that, but we would not
25 want to be precluded from bringing this item up to you

1 again if you don't address it today, because we still
2 have issue with being required to file testimony. We
3 filed what we could on the date it was required, but we
4 don't think we should have been ordered to file
5 testimony without rulings on discovery motions.

6 With respect to the inside wire issue,
7 Commissioners, it has been almost a year since we have
8 been told that this will be addressed in another
9 docket, and yet the docket hasn't even been opened yet.
10 In the meantime, the companies are walking away with
11 millions and millions of dollars because the Commission
12 is deferring this to a rule docket. These items were
13 items, or were issues in the United rate case, the GTE
14 rate case and the Centel rate case. In those cases in
15 which it was disputed, the Prehearing Officer allowed
16 us to present testimony on the topic, notwithstanding
17 the company's objection. We think it would be highly
18 incongruous for the Commission to hear testimony for
19 the second, third and fourth largest telephone
20 companies in the state with respect to inside wire, but
21 then deny us the right to present testimony in this
22 case. In fact, the testimony that we did file on
23 November 16th addresses this issue for Southern Bell.
24 In that testimony, we said that in light of Southern
25 Bell's track record, which is worse for Southern Bell

1 than it is for any other company, that the Commission
2 out to immediately assert its regulatory jurisdiction
3 to the full extent it can. There is a lot of money at
4 stake in this issue. We think you should allow us to
5 present testimony, because if you strike the issue,
6 that is, in essence, ruling against us without ever
7 even allowing us to present evidence in the first
8 place. As recently as last week, an order came out of
9 the Supreme Court on Commission rulings that denied it.
10 In that case it was United, a hearing on a refund
11 amount. We think you should give us the hearing on the
12 inside wire, as well.

13 CHAIRMAN DEASON: Mr. Anthony.

14 MR. ANTHONY: A couple of matters, Commissioners.
15 First of all, I think you have to recall what the
16 standard is. The standard is whether the Prehearing
17 Officer made a mistake of fact or law. That is the
18 standard that you have applied to other considerations
19 from -- excuse me, a review of that prehearing
20 officer's order. There is no such mistake here.
21 Clearly, inside wire in Florida for the local exchange
22 companies is governed by a rule that says it's
23 unregulated. It would take rulemaking to change that.
24 It can't be changed in the context of Southern Bell's
25 rate case.

1 Beyond that you have already expressed your intent
2 in the cases that Mr. Beck has cited to. It says that
3 you might consider this in a rulemaking. Given the
4 complexities of Southern Bell's case, which includes a
5 review of its current incentive plan, its proposed
6 incentive plan, the consolidation that you have now
7 undertaken and the other rate case issues, to add this
8 on top of all of those, when you already have said that
9 you're going to open a separate docket to consider the
10 very same issues, it seems to me it would be a waste of
11 everybody's resources.

12 CHAIRMAN DEASON: Mr. Twomey, do you wish to
13 comment?

14 MR. TWOMEY: We support Public Counsel.

15 CHAIRMAN DEASON: Questions, Commissioners? Do I
16 have a motion?

17 COMMISSIONER CLARK: Maybe I need to put it in
18 perspective in terms of my concern. While we did allow
19 the testimony in the other cases, the Commission took
20 no action as a result of that testimony, recognizing
21 the fact that we did have a rule on the books that says
22 it's unregulated. My concern would be that I believe
23 there is a new statute under 120 that would, even if we
24 wanted to do it in this hearing, we could not do it
25 because we have a rule that is directly contrary to

1 what we would be doing.

2 MR. BECK: I disagree, Commissioner. Your rule
3 says that inside wire is unregulated. What we have
4 asked you to do as a first step is not to regulate
5 inside wire, but impute the revenues and expenses for
6 the purpose of setting regulated rates. We believe
7 that is not inconsistent with a rule that allows inside
8 wire itself to be unregulated.

9 COMMISSIONER CLARK: Let me ask you this: Was
10 that the basis of your recommendation and testimony in
11 the other three cases?

12 MR. BECK: Yes, it was.

13 COMMISSIONER CLARK: And the Commission took no
14 action, deferring it to a generic proceeding?

15 MR. BECK: Yes.

16 COMMISSIONER CLARK: Okay.

17 COMMISSIONER BEARD: Well, I sat through those,
18 and with all due respect, this would not be denying you
19 the opportunity to hear this for the first time, but
20 more appropriately, maybe second, third or fourth time,
21 because the issues, generally speaking, are the same
22 for each of the companies and your position, as I
23 understand it. And I just -- this docket is pretty
24 clouded, and I don't see clouding it further at this
25 stage of the game. And that is coming from someone who

1 doesn't necessarily support the change in the rule,
2 but, nonetheless, we have committed to do that
3 notwithstanding the schedule that we have got to find
4 dates. And I would move Staff's recommendation to
5 support the Hearing Officer's decision.

6 CHAIRMAN DEASON: I have a motion. Do I have a
7 second?

8 COMMISSIONER JOHNSON: I will second it.

9 CHAIRMAN DEASON: I have a motion and a second.
10 All in favor say "aye."

11 COMMISSIONER JOHNSON: Aye.

12 COMMISSIONER LAUREDO: Aye.

13 COMMISSIONER BEARD: Aye.

14 COMMISSIONER CLARK: Aye.

15 CHAIRMAN DEASON: All opposed say "nay." Nay.
16 The Staff recommendation is approved.

17 Issue 3. I assume Issue 3 will be approved
18 without objection. No objection, Issue 3 is approved.
19 Any other matters? While we have got us here today, is
20 there -- I guess we can't bring anything else up except
21 what is on here. Fine.

22 (End of item)
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CERTIFICATE OF REPORTER

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STATE OF FLORIDA)
COUNTY OF LEON)

I, JANE FAUROT, Court Reporter, Notary Public in
and for the State of Florida at Large:

DO HEREBY CERTIFY that the foregoing proceedings
was taken before me at the time and place therein
designated; that before testimony was taken the
witness/witnesses were duly sworn; that my shorthand notes
were thereafter reduced to typewriting; and the foregoing
pages numbered 1 through 45 are a true and correct record of
the proceedings.

I FURTHER CERTIFY that I am not a relative,
employee, attorney or counsel of any of the parties, nor
relative or employee of such attorney or counsel, or
financially interested in the foregoing action.

WITNESS MY HAND AND SEAL this 2 day of
January, 1993, in the City of Tallahassee, County of Leon,
State of Florida.


JANE FAUROT, Court Reporter
Notary Public in and for the
State of Florida at Large

My Commission Expires: July 16, 1993