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ORIGINAL  
FILE COPY

July 10, 1995

Mrs. Blanca S. Bayo  
Director, Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399

RE: Docket No. 920260-TL

Dear Mrs. Bayo:

Enclosed are an original and fifteen copies of Southern Bell Telephone and Telegraph Company's Prehearing Statement. Please file these documents in the captioned docket.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served on the parties shown on the attached Certificate of Service.

Sincerely,

*Nancy B. White*  
02

Nancy B. White

ACK   
AFA 2  
APP \_\_\_\_\_  
CAF \_\_\_\_\_  
CCH Norton  
CTR \_\_\_\_\_  
EAG \_\_\_\_\_  
LEG 1  
LIN 5  
OFC \_\_\_\_\_  
RCH Vinson  
SEC 1  
WAS \_\_\_\_\_

Enclosures

cc: All Parties of Record  
A. M. Lombardo  
R. G. Beatty  
R. D. Lackey

RECEIVED & FILED

*[Signature]*  
EPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

06500 JUL 10 95

EPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Comprehensive Review of )  
the Revenue Requirements and Rate ) Docket No. 920260-TL  
Stabilization Plan of Southern )  
Bell Telephone and Telegraph ) Filed: July 10, 1995  
Company )  
\_\_\_\_\_ )

PREHEARING STATEMENT OF  
BELLSOUTH TELECOMMUNICATIONS, INC.

BellSouth Telecommunications, Inc., d/b/a Southern Bell Telephone and Telegraph Company, ("Company" or "Southern Bell") in compliance with Order No. PSC-95-0642-PCO-TL issued May 24, 1995, herewith submits its Prehearing Statement.

A. WITNESSES

Southern Bell proposes to call the following witnesses to offer testimony on the matters indicated below:

<u>Witnesses</u>	<u>Subject/Issues</u>
Joseph Stanley (Direct and Rebuttal)	Mr. Stanley will testify on direct and rebuttal regarding Issues 1, 2, 3, and 4.
Jerry Hendrix (Rebuttal)	Mr. Hendrix will testify on rebuttal regarding Issues 1 and 2.

Southern Bell further reserves the right to call additional rebuttal witnesses, witnesses to respond to Commission inquiries not addressed in direct or rebuttal testimony and witnesses to address issues not presently designated which may be designated by the Prehearing Officer at the prehearing conference to be held on July 17, 1995.

B. EXHIBITS

<u>Witness</u>	<u>Document Indicator</u>	<u>Title of Exhibit</u>
Joseph Stanley	JAS-1	ECS Tariff Filing
	JAS-2	Stipulation and

DOCUMENT NUMBER-DATE  
06500 JUL 10 95  
FPSC-RECORDS/REPORTING

Agreement Between  
BellSouth  
Telecommunications  
and FIXCA

JAS-3

Residence Calls  
Cheaper with IXC  
Toll

JAS-4

Tariff of MFS  
Intelenet of  
Georgia, Inc.

Jerry Hendrix

None at this time

Southern Bell reserves the right to file exhibits to any additional testimony that may be filed under the circumstances identified in Section "A" above. Southern Bell also reserves the right to introduce exhibits for cross-examination, impeachment, or any other purpose authorized by the applicable Florida Rules of Evidence and the Rules of this Commission.

C. STATEMENT OF BASIC POSITION

The Settlement reached in the above captioned matter and approved by the Commission in Order No. PSC-94-0172-707-TL, dated February 11, 1994, provided for a \$25 million revenue reduction, which was not specifically allocated, to be implemented in 1995. Southern Bell has proposed to provide for the \$25 million rate reduction through the establishment of Extended Calling Service ("ECS"). ECS will provide expanded area calling to certain exchanges on a seven-digit dialing basis for \$.25 per message for residential customers and a per minute charge for business customers. The ECS filing is Southern Bell's response to the desires of its Florida customers for expanded local calling. The proposal of Southern Bell for ECS more than satisfies the

requirement for the 1995 unspecified rate reductions. It is a proposal that is in the best interest of and benefits the greatest number of ratepayers in Florida. For these reasons, Southern Bell's ECS proposal should be adopted by this Commission.

D. SOUTHERN BELL'S POSITION ON THE ISSUE

Issue 1: Which of the following proposals to dispose of \$25 million of Southern Bell's revenues for 1995 should be approved?

- (a) SBT's proposal to implement the Extended Calling Service pursuant to the tariff filed on May 15, 1995?
- (b) CWA's proposal to reduce the following by \$5 million:
  - (1) Basic "lifetime" senior citizens telephone service;
  - (2) Basic residential telephone service;
  - (3) Basic telephone service to any non-profit organization with 501(c) tax exempt status;
  - (4) Basic telephone service of any public school, community college and state university;
  - (5) Basic telephone service of any qualified disabled ratepayer.
- (c) McCaw's and FMCA's proposal that a portion be used, if necessary, to implement the decisions rendered in Docket Number 940235-TL.
- (d) Any other plan deemed appropriate by the Commission.

Position: 1(a) Southern Bell's proposal to implement Extended Calling Service pursuant to the tariff filed on May 15, 1995, should be approved.

1(b) CWA's proposal should not be approved because it is redundant and conveys only a small benefit to a select few special interest groups.

1(c) The proposal of McCaw and FIXCA should not be approved because it is speculative, dependent upon a decision not yet made by this Commission and benefits only a small number of consumers.

1(d) There are no additional plans under consideration.

Issue 2: If the Southern Bell proposal is approved, should the Commission allow competition on the Extended Service Calling routes? If so, what additional actions, if any, should the Commission take?

Position: Competition should be allowed on the ECS routes as contemplated by the Stipulation and Agreement between BellSouth Telecommunications and FIXCA, dated March 31, 1994. No additional actions need be taken.

Issue 3: When should tariffs be filed and what should be the effective date?

Position: Tariffs were filed with the Commission on May 15, 1995 to implement ECS in October, 1995.

Issue 4: Should this docket be closed?

Position: No, not until the rate reductions required by the Settlement for October, 1996 have been approved.

#### E. STIPULATIONS

There have been no stipulations entered into at this time.

F. PENDING MOTIONS FILED BY SOUTHERN BELL

Southern Bell's Motion to Strike Portions of the Prehearing Statement filed by the Communications Workers of America, filed on July 6, 1995, and Southern Bell's Motion for Protective Order, filed on July 6, 1995.

G. OTHER REQUIREMENTS

Southern Bell knows of no requirements set forth in any prehearing orders with which it cannot comply.

Respectfully submitted this 10th day of July, 1995.

SOUTHERN BELL TELEPHONE  
AND TELEGRAPH COMPANY

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**CERTIFICATE OF SERVICE**

**Docket No. 920260-TL**

**Docket No. 900960-TL**

**Docket No. 910163-TL**

**Docket No. 910727-TL**

I HEREBY CERTIFY that a copy of the foregoing has been furnished by United States Mail this 10th day of July, 1995 to:

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