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BellSouth Telecommunications, Inc.
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ORIGINAL

November 4, 1997

Mrs. Blanca S. Bayó
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 930235-TL (EAS Taylor County)

Dear Ms. Bayó:

Enclosed is an original and fifteen copies of BellSouth Telecommunications, Inc.'s Direct Testimony of Nancy H. Sims, which we ask that you file in the above-captioned matter.

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 to the parties shown on the attached Certificate of Service.

ACK _____

AFA _____

APP _____

CAF _____

CMI **Shelfer**

CTR _____

ESP _____

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NBW/vf

orig 3

cc: All parties of record
A. M. Lombardo
R. G. Beatty
William J. Ellenberg II

Sincerely,

Nancy B. White

Nancy B. White (NBW)

DOCUMENT NUMBER-DATE

11328 NOV-97

FPSC-RECORDS/REPORTING

**CERTIFICATE OF SERVICE
DOCKET NO. 930235-TL**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served
by U.S. Mail this 4th day of November, 1997 to the following:

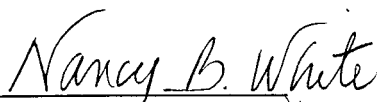
Beth Culpepper
Staff Counsel-FPSC
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
Tel No. (850) 413-6212


GTC, Inc.
c/o St. Joe Communications, Inc.
Mr. Bill Thomas
P.O. Box 220
Port St. Joe, FL. 32456-0220
Tel. No. (850) 229-7324
Fax. No. (850) 227-7366

Steinhatchee Community Projects
Board, Inc.
P.O. Box 736
Steinhatchee, FL 32359
Fax. No. (352) 498-5555

Taylor County Board of Comm.
P.O. Box 620
Perry, FL 32347-0620

David Erwin
P.O. Box 1833
Tallahassee, FL 32302-1833
Tel. No. (850) 222-7206
Fax. No. (850) 561-6834



Nancy B. White (N) 

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BELLSOUTH TELECOMMUNICATIONS, INC.
TESTIMONY OF NANCY H. SIMS
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 930235-TL
NOVEMBER 4, 1997

Q. Please state your name and business address.

A. I am Nancy H. Sims. My business address is 150 South Monroe Street, Tallahassee, Florida 32301.

Q. By whom are you employed?

A. I am employed by BellSouth Telecommunications, Inc. as Director - Regulatory Relations in the Florida Regulatory organization.

Q. Please give a brief description of your background and experience.

A. I graduated from North Carolina State University in 1971 with a Bachelor of Science Degree. In 1973 I was employed by Southern Bell initially in the North Carolina Headquarters Organization. Since that time I have held various positions with the company and AT&T, which included responsibility for the pricing and tariffing of a variety of local exchange and interconnection services for the nine state BellSouth region. I am currently assigned to the position of Director-Regulatory

1 Relations for the state of Florida.

2

3 Q. Have you previously testified before this Commission?

4

5 A. Yes I have.

6

7 Q. What is the purpose of your testimony?

8

9 A. The purpose of my testimony is to address the issues identified in
10 Docket No. 930235-TL. Those issues include whether a sufficient
11 community of interest exists between the "pocket" of customers served
12 by the BellSouth exchange of Cross City located in Taylor County and
13 the GTC, Inc. exchanges located in Taylor County, to justify a plan that
14 would provide toll relief and what the revenue impact would be on
15 BellSouth.

16

17 Q. Which routes associated with this Docket involve BellSouth
18 exchanges?

19

20 A. The two routes involved are Cross City to Keaton Beach and Cross City
21 to Perry. Cross City is a BellSouth exchange with only a small pocket
22 of approximately 838 customers located in Taylor County. The vast
23 majority of the Cross City subscribers reside in Dixie County.

24

25 Q. Did BellSouth conduct traffic studies on these routes?

1 A. No, BellSouth did not conduct traffic studies on the Cross City to
2 Keaton Beach or Cross City to Perry routes. These routes are
3 interLATA, with the entire Cross City exchange being in the Gainesville
4 LATA and Keaton Beach and Perry being in the Tallahassee LATA.
5 Data is not available to BellSouth on interLATA routes. The
6 Commission recognized this and in Order No. PSC-93-1168-FOF-TL,
7 dated August 10, 1993, relieved BellSouth of the requirement to file
8 traffic data on the interLATA routes in this Docket.

9
10 Q. Does BellSouth have a position as to whether sufficient community of
11 interest exists between the pocket of Cross City customers located in
12 Taylor County and the Gulf Telephone exchanges of Keaton Beach
13 and Perry to justify surveying for non-optional flat rate Extended Area
14 Service (EAS)? (Issue 1)

15
16 A. No. In the absence of traffic data, we do not have any evidence to
17 know whether a sufficient community of interest exists. We do
18 acknowledge that the Commission in the past has used items such as
19 location of schools, medical facilities, police or fire protection, county
20 offices, or military bases in determining community of interest. We are
21 not aware of any of these items being significant enough in this Docket
22 to justify flat rate EAS.

23
24 Q. Does BellSouth think that an alternative plan, such as Extended Calling
25 Service (ECS), should be recommended as an alternative method to

1 provide toll relief (Issue 1)?

2

3 A. No, we do not. These routes are interLATA and BellSouth cannot
4 provide interLATA service without a waiver from the FCC. In a recent
5 ruling, the FCC has made it very clear that the only waivers that they
6 will approve are for non-optional flat rate EAS (FCC Memorandum
7 Opinion and Order, CC Docket No. 96-159, released July 15, 1997).

8

9 Q. If a sufficient community of interest is found on either of the routes
10 between BellSouth's Cross City pocket of customers and GTC's
11 exchanges of Keaton Beach and Perry, should toll relief be provided
12 using EAS with a 25/25 plan and regrouping or an alternative
13 interLATA plan such as ECS? (Issue 2)

14

15 A. As stated previously, if a sufficient community of interest is found to
16 exist, the only type of waiver that BellSouth could obtain from the FCC
17 is for non- optional flat rate EAS. Therefore, if ordered to provide flat
18 rate EAS, one alternative would be to utilize the 25/25 plan with
19 regrouping.

20

21 Q. If the Commission Ordered BellSouth to apply for a waiver from the
22 FCC for non-optional flat rate EAS between the pocket of BellSouth
23 customers located in Taylor County and the GTC exchanges, would
24 there be any problems implementing this Order? (Issue 2)

25

1 A. Yes, there would be several problems implementing flat rate EAS
2 between the Cross City pocket of customers located in Taylor County
3 and the Keaton Beach and Perry exchanges. First, Cross City
4 customers are located in the 352 Numbering Plan Area (NPA), while
5 Keaton Beach and Perry are in the 850 NPA. Therefore, it would be
6 difficult to provide 7-digit dialing on these routes, and customer
7 confusion could result. It should be noted that the Commission in
8 Order No. PSC-96-0558-FOF-TP in Docket No. 960090-TP addressed
9 the appropriate dialing patterns for various local and toll scenarios. On
10 page 3 of that order, the recommended dialing pattern for inter and
11 intra NPA EAS is 10-digits. Therefore, if flat rate EAS is ordered on
12 these routes, 10 digit dialing should be required.

13

14 Second, since Cross City only utilizes the 498 NXX, it would be difficult
15 for GTC to limit toll free calling only to those Cross City subscribers
16 located in Taylor County. Here again, customer confusion could result
17 as some calls to the 498 NXX would be free and other calls would be
18 toll.

19

20 Third, since BellSouth does not currently carry traffic on these routes,
21 we would either have to construct facilities or lease them. There would
22 also be numerous administrative problems for BellSouth in maintaining
23 different rates for those Cross City subscribers located in Taylor County
24 as opposed to the customers located in Dixie County. This would
25 affect the management of inward and outward movement, billing,

1 service ordering, provisioning and routing calls.

2

3 Q. Should subscribers be required to pay an additive as a prerequisite to
4 surveying for flat rate 2-way non-optional EAS? If so, who should pay,
5 how should the additive be determined, and how long should it last?
6 (Issue 3)

7

8 A. Yes. If this Commission orders flat rate, non-optional EAS, the
9 subscribers in the pocket area should be required to pay an additive
10 sufficient to allow BellSouth to recover the costs of implementing the
11 plan. The most commonly used type of additive in recent years has
12 been the 25/25 plan with regrouping. Because this EAS request
13 involves a pocket, and, as noted previously, there could be additional
14 costs associated with providing EAS to an interLATA pocket, the
15 amount of the additive should more directly reflect the actual costs to
16 provide the EAS. The additive should remain in effect for a sufficient
17 period of time to allow for the recovery of costs incurred by BellSouth.

18

19 Because of the numerous problems mentioned above on providing
20 EAS to only the pocket customers, BellSouth believes that the entire
21 Cross City exchange should be included in any EAS decision rather
22 than only the pocket customers. We do recognize, however, that this
23 docket was opened because of a request from the Taylor County Board
24 of Commissioners for countywide EAS; therefore, it is my
25 understanding that the docket cannot be expanded to include all of the

1 Cross City exchange.

2

3 Q. If EAS or any alternative plan is determined to be appropriate, which
4 customers should be surveyed (Issue 5)?

5

6 A. With a typical EAS request, the entire Cross City exchange would be
7 surveyed. But, in this case, if the Commission decides that there is
8 sufficient community of interest to survey for non-optional EAS, then
9 the pocket area of Taylor county in BellSouth's territory should be
10 surveyed.

11

12 Q. If sufficient Community of interest is found, what are the appropriate
13 rates and charges for any alternative and how should it be
14 implemented on either of the routes? (Issue 4)

15

16 A. BellSouth is in the process of developing the costs for providing the
17 facilities for EAS to the pocket area. These costs will be filed in this
18 docket as supplemental testimony prior to the hearings. The
19 Commission should consider these costs in deciding upon the
20 appropriate additive, but, at a minimum, the following rates are
21 proposed for the BellSouth pocket area of Taylor County for calling into
22 Keaton Beach and Perry utilizing the 25/25 plan with regrouping (Cross
23 City will be regrouped from Rate Group 2 to Rate Group 3):

24

25

1	Class	Present	Proposed	25/25	Total
2	<u>of Service</u>	<u>Rate</u>	<u>Rate</u>	<u>Additive</u>	<u>Rate</u>
3	Residence	\$7.70	\$8.10	\$2.03	\$10.13
4	Business	\$20.80	\$21.90	\$5.48	\$27.38
5	PBX Trunk	\$35.36	\$37.23	\$9.31	\$46.54

6

7 Q. If non-optional flat rate EAS was Ordered, what would be the revenue
8 impact to BellSouth?

9

10 A. As stated previously, BellSouth is in the process of developing the
11 costs to provide non-optional flat rate EAS to the pocket area and will
12 provide this information prior to the hearing.

13

14 Q. Would you please summarize your testimony?

15

16 A. BellSouth does not advocate establishing traditional flat rate non-
17 optional EAS between our customers located in the pocket area of
18 Taylor County and the GTC exchanges in Taylor County. Establishing
19 EAS in a pocket area is costly and creates routing and management
20 problems for both BellSouth and GTC. In addition, splitting the Cross
21 City exchange could cause customer confusion.

22

23 If the Commission does determine that there is sufficient community of
24 interest to order a survey of non-optional flat rate two way EAS, then
25 BellSouth should be allowed to recover its costs through the additive

1 charged to its customers in Taylor County.

2

3 Q. Does that conclude your testimony?

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5 A. Yes.

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