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January 10, 2001

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

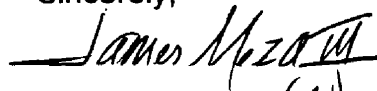
Re: Docket No. 000028-TL (Anthony Parks Matter)

Dear Ms. Bayó:

Enclosed is an original and fifteen copies of BellSouth Telecommunications, Inc.'s Direct Panel Testimony of Nancy H. Sims and Patricia K. Shields, which we ask that you file 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 to the parties shown on the attached Certificate of Service.

Sincerely,


James Meza III (JM)

cc: All Parties of Record
Marshall M. Criser III
R. Douglas Lackey
Nancy B. White

DOCUMENT NUMBER-DATE

00421 JAN 10 01

FPSC-RECORDS/REPORTING

CERTIFICATE OF SERVICE
Docket No. 000028-TL


I HEREBY CERTIFY that a true and correct copy of the foregoing was served by (*) Hand Delivery and U.S. Mail this 10th day of January, 2001 to the following:

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Jim Meza III

1 BELLSOUTH TELECOMMUNICATIONS, INC.
2 TESTIMONY OF NANCY H. SIMS AND PATRICIA K. SHIELDS
3 AS A PANEL
4 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
5 DOCKET NO. 000028-TP
6 JANUARY 10, 2001

7
8 Q. FOR EACH OF THE WITNESSES ON THE PANEL, PLEASE STATE
9 YOUR NAME, YOUR BUSINESS ADDRESS, AND YOUR POSITION
10 WITH BELLSOUTH TELECOMMUNICATIONS, INC. ("BELLSOUTH").

11
12 A. My name is Nancy H. Sims. My business address is 150 So. Monroe
13 St., Suite 400, Tallahassee, Florida 32301. I am Director of Regulatory
14 Relations for BellSouth's Florida operations. I have served in my
15 present position since 1994.

16
17 My name is Patricia K. Shields. My business address is 150 W.
18 Flagler St., Miami, Florida. I am a Manager in the Executive Appeals
19 Office and have served in my present position since 1990.

20
21 Q. PLEASE SUMMARIZE YOUR BACKGROUND AND EXPERIENCE.

22
23 A. **Nancy H. Sims**

24 I graduated from North Carolina State University in 1971 with a
25 Bachelor of Science Degree. In 1973 I was employed by Southern

1 Bell as an Outside Plant Forecaster in Charlotte, North Carolina.
2 Since that time I have held various positions with the Company, which
3 included responsibility for pricing and tariffing of a variety of local
4 exchange and interconnection services for the nine state BellSouth
5 region. I also worked for AT&T on the Department of Justice antitrust
6 case prior to divestiture. I am currently assigned to the position of
7 Director of Regulatory Relations for BellSouth in the state of Florida.

8

9 **Patricia K. Shields**

10 I was employed by Southern Bell in 1963 in the Comptrollers
11 Department. I have held various positions with the Company including
12 service representative in the residential and the business office with
13 responsibility for sales, service and collections. I have held
14 management positions in administration, personnel, security and
15 customer service. I was appointed to my present position as Manager
16 in the Executive Appeals Office in 1990.

17

18 Q. HAVE YOU TESTIFIED PREVIOUSLY BEFORE ANY STATE PUBLIC
19 SERVICE COMMISSION?

20

21 A. **Nancy H. Sims**

22 Yes, I have testified numerous times in Florida, South Carolina, North
23 Carolina, Georgia, Louisiana, Alabama and Mississippi.

24

25

1 **Patricia K. Shields**

2 No.

3

4 Q. WHAT IS THE PURPOSE OF THE TESTIMONY BEING FILED
5 TODAY?

6

7 A. We will present BellSouth's position on why the Florida Public Service
8 Commission should grant BellSouth's request for a waiver of Rules 25-
9 4.107, 25-4.108 and 25-4.113, Florida Administrative Code, pursuant
10 to Section 120.542, Florida Statutes that was filed with the
11 Commission on January 10, 2000. The purpose of this waiver is to
12 allow BellSouth to forego the future provision of service to Anthony
13 Parks, former customer of BellSouth, and to the locations that he
14 currently owns, leases, or with which he is, in any way, associated.
15 These locations, upon information and belief, include 4750 S. Ocean
16 Blvd., Apt. 210, Highland Beach, Florida and 6050 Verde Trail S. B4
17 Apt. 405, Boca Raton, Florida. Mr. Parks may be associated with
18 other locations unknown to BellSouth.

19

20 Q. WHAT ARE THE SPECIFIC FLORIDA RULES INVOLVED IN
21 BELLSOUTH'S WAIVER REQUEST?

22

23 A. BellSouth's waiver request includes Rules 25-4.107, 25-4.108 and 25-
24 4.113, Florida Administrative Code, and they cover Information to
25 Customers, Initiation of Service, and Refusal or Discontinuance of

1 Service by the Company, respectively.

2

3 Q. WHAT IS BELLSOUTH'S UNDERSTANDING OF THE
4 REQUIREMENTS OF THE CURRENT RULES THAT ARE INVOLVED
5 IN BELLSOUTH'S WAIVER REQUEST?

6

7 A. Generally, these rules require a local exchange company to provide
8 information and assistance "as is reasonable" to any customer in order
9 for him to obtain telephone service. The rules also require the
10 Company to apply its policy for initiation of service in a uniform
11 manner, and upon compliance by the applicant, " to initiate service
12 without unreasonable delay." Rule 25-4.113 details the conditions
13 under which the Company may or may not refuse or discontinue
14 service.

15

16 Q. SHOULD BELLSOUTH BE GRANTED A WAIVER OF RULES 25-
17 4.107, 25-4.108, AND 25-4.113, FLORIDA ADMINISTRATIVE CODE,
18 AS SET FORTH IN ITS PETITION?

19

20 A. Yes, the waiver should be granted. BellSouth is seeking relief from
21 having to provide service to Mr. Anthony Parks, as well as to any
22 locations that he currently owns, leases or is associated with. Mr.
23 Parks has been linked to at least twenty-five separate accounts with
24 BellSouth, both residence and business, since 1992. He has used
25 many avenues to obtain service, and, in every instance, his account

1 has been disconnected for fraudulent practices and/or for nonpayment.
2 Mr. Parks currently owes BellSouth more than \$22,750 in past due
3 billing.

4
5 On several occasions, Mr. Parks has misled the Company in order to
6 obtain telephone service. For instance, he has written several checks
7 to prevent disconnection of service, only to immediately stop payment
8 of the checks. He has used multiple social security numbers and has
9 written checks on closed accounts. He has also used false credit
10 information in setting up the business accounts, including providing
11 BellSouth with the names of businesses that are not recognized by the
12 Florida Secretary of State and using the name of a legitimate
13 corporation without permission. The details of these transactions are
14 provided in exhibit NHS/PKS no. 1, which is attached to this testimony.
15 Also, in at least eight situations, appeals have been submitted by Mr.
16 Parks to the Commission Staff, and all have been found to be without
17 merit.

18
19 Q. DOES THE APPLICATION OF RULES 25-4.107, 25-4.108 AND
20 25-4.113, FLORIDA ADMINISTRATIVE CODE, AS SET
21 FORTH IN BELLSOUTH'S PETITION, CREATE A
22 SUBSTANTIAL HARDSHIP FOR BELLSOUTH OR VIOLATE
23 PRINCIPLES OF FAIRNESS?

24
25 A. Yes. Mr. Parks has cost the Company, as well as the

1 Commission Staff, a great deal of time and money. He has
2 taken time away from BellSouth service representatives and
3 Commission Staff Appeals personnel that could have been used
4 more efficiently and effectively to handle valid customer
5 concerns and needs. There is no way to accurately determine
6 the number of hours that have been involved in dealing with Mr.
7 Parks in repeatedly having to handle calls into the business
8 office to establish service, to investigate credit, employment and
9 corporate information, to send out denial notices, to process
10 checks with insufficient funds, to process checks that have had
11 payment stopped, to disconnect service, to reconnect service,
12 to answer Commission inquiries and participate in informal
13 conferences with the Commission Appeals Staff.

14
15 Q. WHY DIDN'T BELLSOUTH DISCONNECT MR. PARKS WHEN
16 THESE SITUATIONS OCCURRED?

17
18 A. Rule 25-4.113 "Refusal or Discontinuance of Service by Company"
19 details situations where service may or may not be refused or
20 discontinued. Sections (4)(a), (b), (c) and (d) of this rule provide for
21 situations where service should not be refused nor denied for
22 delinquent payment. They state:

23
24 "The following shall not constitute sufficient cause for refusal or
25 discontinuance of service to an applicant or customer:

- 1 (a) Delinquency in payment for service by a previous occupant of
2 the premises, unless the current applicant or customer occupied
3 the premises at the time the delinquency occurred and the
4 previous customer continues to occupy the premises and such
5 previous customer shall benefit from such new service.
- 6 (b) Delinquency in payment for service by a present occupant who
7 was delinquent at another address and subsequently joined the
8 household of the customer in good standing.
- 9 (c) Delinquency in payment for separate telephone service of
10 another customer in the same residence.
- 11 (d) Failure to pay for business service at a different location and a
12 different telephone number shall not constitute sufficient cause
13 for refusal of residence service or vice versa.”

14

15 Due to this rule, Mr. Parks has repeatedly been able to obtain
16 telephone service by gaming the rule. By changing names, addresses
17 and using business facades, he has been able to manipulate the
18 system. Mr. Parks has skirted these rules by having others call the
19 BellSouth business office for him and establish service in the caller's
20 name. The location where service was established was found to be
21 owned by or leased to Mr. Parks, or Mr. Parks would call in to discuss
22 service at that location. Additionally, checks that were received to pay
23 for service at these locations were signed by Mr. Parks. BellSouth has
24 provided service to at least six different addresses and seven different
25 business names that have been linked to Mr. Parks (see detailed

1 information in exhibit NHS/PKS no.1). Mr. Parks has misled the
2 Commission Staff on many occasions. He has and will use the
3 Commission's rules to dispute legitimate charges in order to delay
4 disconnection of service. As stated previously, in at least eight
5 situations, appeals have gone to the Commission Staff, all without
6 merit.

7
8 BellSouth has been more than fair in giving Mr. Parks every
9 opportunity to establish service and to keep service. BellSouth has
10 spent an inordinate amount of time, money and resources on treating
11 Mr. Parks and his related accounts. This is time, money and
12 resources that had to be redirected from providing service to
13 BellSouth's other customers. In every instance, BellSouth has
14 provided service and has not been paid for legitimate charges.

15

16 Q. HAS BELLSOUTH EVER REQUESTED A WAIVER OF THESE
17 RULES BEFORE?

18

19 A. No, Bellsouth has never requested a waiver of these rules. This is an
20 extremely unique situation, which BellSouth takes very seriously. The
21 decision to ask for this waiver was not entered into lightly, and was
22 considered to be our last resort. It does not make good business
23 sense to continue to allow a customer to take advantage of a business
24 to the detriment of that business's other customers. It is not
25 BellSouth's intention to use waiver requests in the future in general for

1 this purpose. It is simply that with Mr. Parks, BellSouth has no choice.

2

3 Q. IN THE EVENT THAT BELLSOUTH IS GRANTED A WAIVER OF
4 RULES 25-4.107, 25-4.108 AND 25-4.113, FLORIDA
5 ADMINISTRATIVE CODE, AS SET FORTH IN ITS PETITION, WILL
6 THE PURPOSE OF THE UNDERLYING STATUTES BE ACHIEVED
7 BY OTHER MEANS?

8

9 A. Yes. BellSouth's waiver request meets the standards of Section
10 120.542, Florida Statutes. The purpose of the underlying statutes,
11 364.03, 364.04, 364.19, and 427.704 is, in part, to promote the public
12 health, safety and welfare by ensuring that basic local
13 telecommunications services are available to all consumers.
14 BellSouth's waiver will not undermine this purpose. The statutes
15 entitle BellSouth to receive rates and set terms for those services.
16 Continuing to require BellSouth to provide service to Mr. Parks and the
17 associated locations could result in a negative impact on BellSouth's
18 other ratepayers, in terms of time and expense.

19

20 Mr. Parks has available to him alternatives to BellSouth's local
21 exchange service. There are several Alternative Local Exchange
22 Carriers (ALECs) providing residence and business local exchange
23 services in the 561, 954 and 305 area codes in Florida. These ALECs
24 provide service through resale and through the use of their own
25 facilities. In addition, there are several wireless carriers offering very

1 reasonable flat and measured rate calling plans.

2

3 Q. WHAT IS THE COMMISSION'S JURISDICTION IN THIS MATTER
4 (LEGAL ISSUE)?

5

6 A. This is a legal issue, which BellSouth will address in our brief to be
7 filed in this proceeding. Although we are not attorneys, it is our opinion
8 that the Commission does have jurisdiction in this matter. In this case,
9 state law, not federal law, is the basis for the rules that govern the
10 provision of telecommunications service to Mr. Parks and this
11 requested waiver.

12

13 Q. PLEASE SUMMARIZE YOUR TESTIMONY.

14

15 A. The Florida Public Service Commission should grant BellSouth's
16 request for a waiver of Rules 25-4.107, 25-4.108 and 25-4.113, Florida
17 Administrative Code, which would allow BellSouth to forego the future
18 provision of service to Mr. Anthony Parks, former customer of
19 BellSouth, and to the locations that he currently owns, leases, or with
20 which he is in any way associated. BellSouth, as well as the
21 Commission Staff has made every effort to accommodate Mr. Parks
22 (see attached exhibit NHS/PKS no.1), but we can no longer afford to
23 extend our resources and services without reimbursement. Mr. Parks
24 will not be without service, as he has the ability to obtain basic local
25 exchange telephone service from various ALECs serving the

1 Southeast area of Florida.

2

3 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

4

5 A. Yes.

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The information in this Exhibit is

PROPRIETARY