

BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED FPSC

06 NOV 13 PM 3:54

In re: Petition to recover 2005 tropical system related costs and expenses, by BellSouth Telecommunications, Inc.

DOCKET NO. 060598-TL

COMMISSION CLERK

FILED: NOVEMBER 13, 2006

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-06-0783-PCO-TL, issued September 20, 2006, and Order No. PSC-06-0941-PCO-TL, issued November 8, 2006, the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. All Known Witnesses

Charleston J. Winston

b. All Known Exhibits

CJW-1

c. Staff's Statement of Basic Position

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

d. Staff's Position on the Issues

ISSUE 1: WHAT AMOUNT OF ANY STORM DAMAGE RESERVE FUND SHOULD BE CONSIDERED WHEN DETERMINING THE AMOUNT OF TROPICAL-SYSTEM-RELATED INTRASTATE COSTS AND EXPENSES TO BE RECOVERED?

POSITION: Staff believes that the Commission should consider the storm damage reserve fund and annual expense accrual of \$10 million approved in Order No. PSC-94-0172-FOF-TL in determining the amount of costs to be recovered. Based on BellSouth's response to Staff's 1st Set of Interrogatories, the calculated accumulated balance in the storm damage reserve fund was \$9,835,000 on December 31, 2005, excluding the costs of any storm damage incurred in 2005. The amount, if any, approved in Issue 2 should be reduced by \$9,835,000.

- CMP _____
- COM 5
- CTR _____
- ECR _____
- GCL _____
- OPC _____
- RCA _____
- SCR _____
- SGA _____
- SEC 1
- OTH _____

DOCUMENT NUMBER-DATE

10424 NOV 13 06

FPSC-COMMISSION CLERK

ISSUE 2: WHAT IS THE APPROPRIATE AMOUNT OF INTRASTATE COSTS AND EXPENSES RELATED TO DAMAGE CAUSED DURING THE 2005 TROPICAL STORM SEASON, IF ANY, THAT SHOULD BE RECOVERED BY BELLSOUTH, PURSUANT TO SECTION 364.051(4), FLORIDA STATUTES?

POSITION: Staff has no position at this time.

ISSUE 3A: WHAT IS THE APPROPRIATE TYPE AND NUMBER OF RETAIL ACCESS LINES, BASIC AND NONBASIC, TO WHICH ANY STORM DAMAGE RECOVERY MAY BE ASSESSED?

POSITION: Staff witness Winston recommends in his testimony and exhibit that the Commission reduce the total recovery requested by \$930,804 to account for differences between access lines reported in the petition and the number of access lines reported in the Commission's Schedule 8 report of June, 2006.

ISSUE 3B: IS A LINE ITEM CHARGE ON BELLSOUTH'S WHOLESALE UNE LOOPS APPROPRIATE PURSUANT TO SECTION 364.051(4)(B)(6), FLORIDA STATUTES AND FEDERAL LAW? IF YES, ON WHICH TYPES OF LINES SHOULD THE CHARGE BE ASSESSED AND HOW SHOULD THE LINES BE COUNTED? WHAT IS THE TOTAL NUMBER OF UNE LOOPS TO BE ASSESSED, IF ANY?

POSITION: Staff has no position at this time.

ISSUE 4: WHAT IS THE APPROPRIATE LINE ITEM CHARGE PER ACCESS LINE, IF ANY?

POSITION: The appropriate monthly line item charge per access line is the amount, if any, approved in Issue 2 divided by the appropriate number of access lines, approved in Issues 3A and 3B, divided by 12, as long as this amount does not exceed the statutory limitation of 50¢ per month per customer line as defined in Section 364.051(4), Florida Statutes.

ISSUE 5: IF A LINE ITEM CHARGE IS APPROVED IN ISSUE 4, ON WHAT DATE SHOULD THE CHARGE BECOME EFFECTIVE AND ON WHAT DATE SHOULD THE CHARGE END?

POSITION: If a charge is approved in Issue 4, the company should file a tariff within 30 days of the vote in this docket. The tariff should be effective for a total of 12 consecutive months.

ISSUE 6: SHOULD THIS DOCKET BE CLOSED?

POSITION: If a charge is not approved, then this docket should be closed. If a charge is approved, then the docket should remain open. At the end of the collection period, BellSouth shall file a report on the amount collected. If the collections exceed the amount authorized by the Commission, BellSouth shall refund the excess.

e. Pending Motions

Staff has no pending motions.


f. Pending Confidentiality Claims or Requests

Staff has no pending confidentiality claims or requests.

g. Compliance with Order Nos. PSC-06-0783-PCO-TL and PSC-06-0941-PCO-TL

Staff has complied with all requirements of the Order Establishing Procedure entered in this docket.

Respectfully submitted this 13th day of November, 2006.



ADAM J. TEITZMAN
THERESA LEE ENG TAN
Staff Counsel

FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Boulevard
Gerald L. Gunter Building - Room 370
Tallahassee, Florida 32399-0863
(850)413-6199

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Petition by BellSouth Telecommunications, Inc., pursuant to Florida Statutes §364.051(4), to Recover 2005 Tropical System Related Costs and Expenses

DOCKET NO. 060598-TL
DATED: November 13, 2006

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the one correct copy of STAFF'S PREHEARING STATEMENT has been furnished to the following by electronic and U. S. Mail this 13th day of November, 2006:

James Meza
c/o Ms. Nancy Sims
BellSouth Telecommunications, Inc.
150 South Monroe Street, Suite 400
Tallahassee, FL 32301

Office of Public Counsel
Mr. Harold McLean, Esquire
Mr. Charles J. Beck, Esquire
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400

CompSouth
Vicki Gordon Kaufman
Moyle Law Firm
118 North Gadsden Street
Tallahassee, FL 32301

NuVox communications, Inc.
Susan J. Berlin
Two North Main Street
Greenville, SC 29601


ADAM J. TEITZMAN
TERESA LEE ENG TAN
Staff Counsel

FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
(850) 413-6199