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May 10, 1991

Steve C. Tribble, Director Division of Records and Reporting Florida Public Service Commission 101 E. Gaines Street Tallahassee, Florida 32301

Re: Docket No. 870790-TL - Gilchrist County EAS

Dear Mr. Tribble:

OTH \_\_\_\_

Enclosed please find the original and fifteen (15) copies of Gilchrist County's rebuttal testimony of Charles Watson.

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.

DOCUMENT NUMBER-DATE
04712 MAY 13 ISSI
PSC-RECORDS/REPORTING

## CERTIFICATE OF SERVICE Docket No. 870790-TL

I HEREBY CERTIFY that a copy of the foregoing has been furnished by United States Mail this 10th day of may, 1991, to:

Debra Schiro Division of Legal Services Florida Public Service Commission 101 East Gaines Street Tallahassee, Florida 32399-0863

Richard H. Brashear ALLTEL Florida, Inc. Post Office Box 550 Live Oak, Florida 32060

Michael W. Tye
AT&T Communications of the
Southern States, Inc.
106 East College Avenue #1410
Tallahassee, Florida 32301

Florida Interexchange Carriers Association C/o Joseph Gillan Post Office Box 547276 Orlando, Florida 32854

E. Barlow Keener, Attorney Southern Bell Telephone and Telegraph Company Museum Tower Building 150 West Flagler Street #1910 Miami, Florida 33130

> Susan Hardyman Legal assistant

1		TESTIMONY OF CHARLES WATSON
2		DOCKET NO. 870790-TL
3		EXTENDED AREA SERVICE
4		GILCHRIST COUNTY
5		MAY 9, 1991
6		
7	Q.	PLEASE STATE YOUR NAME AND ADDRESS.
8		
9	A.	MY NAME IS CHARLES WATSON AND MY ADDRESS IS ROUTE 2, BOX
10		282, TRENTON, FLORIDA.
11		
12	Q.	BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?
13		
14	A.	I AM CURRENTLY SELF-EMPLOYED AS A FARMER IN GILCHRIST
15		COUNTY, FLORIDA. I WAS FORMERLY EMPLOYED BY SOUTHERN BELL
16		TELEPHONE AND TELEGRAPH COMPANY AS AN OUTSIDE PLANT
17		ENGINEER. IN MY LAST FIVE YEARS WITH SOUTHERN BELL I WAS
18		A TRANSMISSION ENGINEER.
19		
20	Q.	DO YOU CURRENTLY HAVE TELEPHONE SERVICE?
21		
22	Α.	YES. MY TELEPHONE SERVICE IS PROVIDED BY THE NEWBERRY
23		EXCHANGE AND I HAVE OPTED TO PARTICIPATE IN EOEAS OPTION
24		WHICH RECENTLY WAS PROVIDED BY SOUTHERN BELL FOR TELEPHONE
25		USERS IN THE NEWBERRY EXCHANGE GIVING THOSE CUSTOMERS A
26		LESS EXPENSIVE, FIXED RATE ACCESS TO THE TRENTON EXCHANGE.

1 Q. WHY DID YOU OPT TO USE THE FIXED RATE AND LESS EXPENSIVE

2 MEANS OF CALLING TO THE TRENTON EXCHANGE?

3

•

- 4 A. PRIOR TO MY ELECTION TO USE THE OPTION PROVIDED BY SOUTHERN
- 5 BELL, IT WAS A TOLL CALL TO MY PARENTS WHO LIVE THREE MILES
- 6 FROM ME.

7

- 8 Q. BY SOUTHERN BELL IMPLEMENTING THE EOEAS, IS THAT AN
- 9 INDICATION THAT COMMUNITY OF INTEREST STUDIES CAN BE MADE
- 10 IN A MORE LIMITED AREA FOR A POCKET. FOR INSTANCE, JUST THE
- 11 NEWBERRY EXCHANGE LOCATED WITHIN GILCHRIST COUNTY?

12

- 13 A. YES. AS POINTED OUT BY THE TESTIMONY OF S.E. SANDERS, WITH
- 14 PARTICULAR REFERENCE TO THE ATTACHMENT TO HER TESTIMONY,
- BEING EXHIBIT 4, PAGE 7, SOUTHERN BELL ACTUALLY STUDIED A
- 16 NEWBERRY POCKET TO TRENTON POCKET WHICH SHOWS THAT THAT
- 17 PARTICULAR POCKET OF NEWBERRY CUSTOMERS HAS A HIGH COMMUNITY
- 18 OF INTEREST WITH THE TRENTON EXCHANGE AND MEETS THE
- 19 COMMISSION'S RULE RELATING TO COMMUNITY OF INTEREST.

20

- 21 Q. ARE YOU FAMILIAR WITH THE COMMISSION'S RULE ON COMMUNITY
- 22 OF INTEREST?

23

24 A. YES.

- 26 Q. DOES APPLICATION OF THE COMMISSION'S RULE RELATING TO
- 27 COMMUNITY OF INTEREST HAVE A SIGNIFICANT NEGATIVE BEARING

## 1 ON GILCHRIST COUNTY?

2

3 A.	YES. THREE OF THE EXCHANGES SERVING GILCHRIST COUNTY HAVE
4	SUBSTANTIAL SUBSCRIBERS OUTSIDE OF GILCHRIST COUNTY, WHICH
5	IN FACT DISTORTS THE STUDY AS IT RELATES TO THE COMMUNITY
6	OF INTEREST AS DESCRIBED BY THE RULE. THAT IS, THE STUDY IS
7	DISTORTED BY THE RULE SINCE IT IS USING ENTIRE EXCHANGES
8	INSTEAD OF THE GILCHRIST COUNTY POCKETS. IT IS MY OPINION
9	THE REAL COMMUNITY OF INTEREST LIES WITH THE SUBSCRIBERS
10	ONLY WITHIN GILCHRIST COUNTY. FOR INSTANCE, IN MS.
11	SANDERS TESTIMONY AT PAGE 7 BEGINNING WITH LINE 20, SHE
12	CONFIRMS THAT WHEN THE STUDY IS LIMITED TO THE GILCHRIST
13	COUNTY POCKET WITHIN THE NEWBERRY EXCHANGE, A COMMUNITY OF
14	INTEREST DOES EXIST. PERSONALLY, I WOULD LIKE TO SEE A
15	STUDY DONE OF JUST GILCHRIST COUNTY SUBSCRIBERS IN ALL
16	POCKETS, SUCH AS THE ONE DONE BETWEEN NEWBERRY AND TRENTON.
17	IT IS OBVIOUS THAT WHEN LOOKING AT THE NEWBERRY EXCHANGE,
18	WHERE THERE ARE A TOTAL 2,932 NEWBERRY LINES, OF WHICH 728
19	ARE IN GILCHRIST COUNTY, MOST OF THE NEWBERRY SUBSCRIBERS
20	ARE NOT GOING TO HAVE A COMMUNITY OF INTEREST WITH GILCHRIST
21	COUNTY. HOWEVER, WHEN LOOKING JUST AT THE GILCHRIST COUNTY
22	SUBSCRIBERS ON THE NEWBERRY EXCHANGE, IT IS CONFIRMED
23	THAT THERE IS A COMMUNITY OF INTEREST.

- 25 Q. ARE YOU FAMILIAR WITH THE NUMBER OF SUBSCRIBERS ON THE HIGH
- 26 SPRINGS EXCHANGE AND THE BRANFORD EXCHANGE?

A. I AM FAMILIAR WITH THOSE NUMBERS ONLY BY THE TESTIMONY 1 PRESENTED BY HARRIET EUDY WITH ALLTEL. SHE TESTIFIED THAT 2 THERE ARE A TOTAL OF 3,286 SUBSCRIBERS ON THE HIGH SPRINGS 3 EXCHANAGE, OF WHICH 321 ARE IN THE GILCHRIST COUNTY POCKET. 4 REGARDING THE BRANFORD EXCHANGE, THERE ARE A TOTAL OF 2,698 5 SUBSCRIBERS OF WHICH 580 ARE IN THE GILCHRIST COUNTY 6 POCKET. I DID NOT SEE A STUDY OF THOSE POCKET EXCHANGES IN 7 RELATIONSHIP TO THE NUMBER OF CALLS BETWEEN THOSE POCKETS 8 AND THE TRENTON EXCHANGE. HOWEVER, IT IS MY OPINION THERE 9 WOULD NOT BE A COMMUNITY OF INTEREST BETWEEN THE ENTIRE 10 BRANFORD EXCHANGE AND THE TRENTON EXCHANGE, NOR THE HIGH 11 SPRINGS EXCHANGE AND THE TRENTON EXCHANGE. HOWEVER, THERE 12 WOULD LIKELY BE A COMMUNITY OF INTEREST BETWEEN THE 13

16

14

15

THE TRENTON EXCHANGE.

17 Q. ARE YOU FAMILIAR WITH THE REASONS BEHIND GILCHRIST COUNTY

18 BEING PROVIDED TELEPHONE SERVICES THROUGH SO MANY DIFFERENT

19 EXCHANGES?

GILCHRIST COUNTY POCKETS OF EACH OF THOSE EXCHANGES WITH

20

22 ACCESSIBILITY, THE NEAREST TELEPHONE EXCHANGE AND
23 TELEPHONE COMPANY. THE CRITERIA AT THAT PARTICULAR TIME
24 WAS NOT BASED ON THE PRESENT COMMUNITY OF INTEREST, AS
25 DEFINED BY THE RULES OF THE PUBLIC SERVICE COMMISSION, BUT
26 AN ALTOGETHER DIFFERENT CRITERIA. AS PREVIOUSLY POINTED
27 OUT, THE DIVISION OF GILCHRIST COUNTY INTO SMALL POCKET

21 A. HISTORICALLY THE AREA WAS DIVIDED UP YEARS AGO BASED UPON

- 1 AREAS WORKS AGAINST GILCHRIST COUNTY, OR THESE POCKET
- 2 EXCHANGES, EVER COMING UNDER THE CRITERIA AS SET FORTH IN
- THE RULE. THROUGH THE YEARS, THE TECHNOLOGY HAS BEEN
- 4 DEVELOPED TO THE EXTENT THAT POCKET EAS SHOULD PRESENT NO
- 5 TECHNICAL PROBLEMS AS A SOLUTION TO THE SITUATION. FOR
- 6 INSTANCE, THE SERVICE THAT IS NOW BEING PROVIDED AS AN
- 7 OPTION BETWEEN NEWBERRY AND TRENTON CONFIRMS THAT THE
- 8 TECHNOLOGY EXISTS. I MAKE SPECIFIC REFERENCE TO MS. SANDERS
- 9 TESTIMONY. BY OFFERING THE SERVICES REFERRED TO AS "EOEAS",
- 10 SOUTHERN BELL HAS IMPLEMENTED "POCKET EAS" ON A CUSTOMER BY
- 11 CUSTOMER BASIS. TO IMPLEMENT ON A COUNTY POCKET AREA BASIS
- 12 REOUIRES THE SAME TECHNOLOGY.
- 14 Q. AS A SUBSCRIBER OF THE EOEAS SERVICE DO YOU THINK IT IS A
- 15 FAIRLY PRICED SERVICE?

13

- 17 A. NO, I SUBSCRIBE TO THE SERVICE BECAUSE IT IS A BETTER DEAL
- 18 THAN PAYING TOLL CHARGES FOR ALL CALLS TO THE TRENTON
- 19 EXCHANGE. IT IS INTERESTING TO NOTE THAT MY NEWBERRY
- 20 SUBSCRIPTION WHICH IS A COST OF \$8.80 PROVIDES ACCESS FOR ME
- 21 TO 89,623 LINES UNDER MY BASIC RATE. WHEN I EXAMINE THE
- 22 BASIC RATE FOR THE TRENTON EXCHANGE, I FIND THAT THE BASE
- 23 RATE OF \$7.70 PROVIDES ACCESS TO AROUND 5,800 TOTAL LINES.
- LOOKING AGAIN AT EXHIBIT 5 OF MS. SANDERS TESTIMONY, THE
- DROP BACK OPTION FOR A RESIDENCE SERVICE WAS \$7.70
- 26 INDICATING THAT ACCESS TO 87,000 OF THOSE LINES WAS VALUED
- 27 AT \$1.10. I MAKE SPECIFIC REFERENCE TO EXHIBIT "A" ATTACHED

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1	HERETO WHICH WAS AN INFORMATIONAL DOCUMENT PROVIDED TO ME BY
2	SOUTHERN BELL AT THE TIME THAT SOUTHERN BELL OFFERED THE
3	OPTIONAL SERVICE BETWEEN TRENTON AND NEWBERRY. AS YOU CAN
4	SEE ON THAT EXHIBIT AT ITEM 4, MY MONTHLY BASIC CHARGE FOR
5	LOCAL SERVICE WOULD BE REDUCED TO \$7.70 FROM \$8.80
6	INDICATING THAT THE VALUE OF SERVICE FOR ACCESS TO ALACHUA,
7	ARCHER, GAINESVILLE AND HIGH SPRINGS FROM THE NEWBERRY
8	EXCHANGE IS \$1.10 A MONTH PER SUBSCRIBER. TO GAIN TWO-WAY
9	ACCESS TO THE 2500 LINES IN THE TRENTON EXCHANGE, IT WOULD
10	COST ME \$4.70 PER MONTH FOR ONE-WAY CALLING TO TRENTON AND
11	\$4.95 PER MONTH PLUS 50% OF THE NORMAL TOLL CHARGES FOR
12	PERSONS CALLING ME. SO, IF I GIVE UP 87,000 LINES IT'S
13	WORTH \$1.10 BUT IF I WANT ACCESS TO 2500 LINES IT WILL COST
14	\$9.65 PER MONTH PLUS 50% OF THE NORMAL TOLL CHARGE ON IN-
15	COMING CALLS. I DON'T CONSIDER THAT A FAIR TRADE. WHAT I
16	WOULD DO IS TRADE ACCESS TO ARCHER, ALACHUA AND HIGH SPRINGS
17	FOR TRENTON AND CHIEFLAND. THAT WOULD BE A MORE EVEN TRADE.

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