

1 BELL SOUTH TELECOMMUNICATIONS, INC.
2 REBUTTAL TESTIMONY OF NANCY H. SIMS
3 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
4 DOCKET NO. 920260-TL
5 DECEMBER 18, 1992

6
7
8 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

9
10 A. I AM NANCY H. SIMS. MY BUSINESS ADDRESS IS 675
11 WEST PEACHTREE STREET, N.E., ATLANTA, GEORGIA.

12
13 Q. BY WHOM ARE YOU EMPLOYED?

14
15 A. I AM EMPLOYED BY BELL SOUTH TELECOMMUNICATIONS, INC.
16 D/B/A SOUTHERN BELL (COMPANY OR SOUTHERN BELL).

17
18 Q. ARE YOU THE SAME NANCY H. SIMS THAT PREFILED DIRECT
19 TESTIMONY IN THIS DOCKET?

20
21 A. YES, I AM.

22
23 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

24
25 A. THE PURPOSE OF MY TESTIMONY IS TWO-FOLD. THE FIRST

1 PART OF MY TESTIMONY IS DEVOTED TO THE REBUTTAL OF
2 STATEMENTS MADE BY DAVID CHESSLER, DON WOOD, JOE
3 GILLAN, DOUP METCALF, EMERIC KAPKA, MIKE GUEDEL AND
4 MARK COOPER PERTAINING TO SOUTHERN BELL'S PROPOSED
5 RATE CHANGES. SECOND, SINCE THE ISSUES IN THIS
6 DOCKET WERE DETERMINED AFTER SOUTHERN BELL'S DIRECT
7 TESTIMONY WAS FILED, THERE ARE SOME ISSUES THAT
8 HAVE NOT BEEN ADDRESSED BY ANY PARTY WHICH FALL
9 WITHIN MY AREA OF RESPONSIBILITY. SPECIFICALLY, I
10 WILL PROVIDE THE COMPANY'S POSITION ON ISSUE
11 NUMBERS 14D, 32, 32A, 35C, 36, 38B, 38C, 40, 41,
12 42, 42A, 45A, 45B, AND 45C.

13
14

15 PART ONE: REBUTTAL

16

17 Q. MR. CHESSLER ASSERTS (P. 61) THAT THE SOUTHERN BELL
18 PROPOSAL WILL ELIMINATE FLAT RATE SERVICE TO NEW
19 CUSTOMERS. IS HE RIGHT IN CLAIMING THAT CUSTOMERS
20 WILL BE FORCED TO MIGRATE TO THE EXPANDED LOCAL
21 SERVICE (ELS) PLAN?

22

23 A. ABSOLUTELY NOT. MR. CHESSLER'S TESTIMONY ON THIS
24 MATTER IS COMPLETELY WRONG. AT NO TIME HAS
25 SOUTHERN BELL PROPOSED TO ELIMINATE FLAT RATE

1 SERVICE TO NEW CUSTOMERS. THE ELS PLAN IS ENTIRELY
2 OPTIONAL FOR NEW AS WELL AS EXISTING CUSTOMERS.
3 CUSTOMERS ARE NOT OBLIGATED OR FORCED INTO ANYTHING
4 DESPITE THE ALLEGATIONS OF SOME OF THE INTERVENORS.
5 ANY CUSTOMER, OLD OR NEW, WILL BE ABLE TO SUBSCRIBE
6 TO FLAT RATE SERVICE.

7

8 ADDITIONALLY, EVEN THOUGH SOUTHERN BELL PROPOSES TO
9 GRANDFATHER THE OPTIONAL LOCAL CALLING PLANS, THE
10 EXISTING FLAT RATE OPTIONS OF THESE PLANS WILL
11 CONTINUE TO BE AVAILABLE TO ALL EXISTING AND NEW
12 CUSTOMERS.

13

14 Q. WILL EXCHANGES BE RECLASSIFIED TO HIGHER RATE
15 GROUPS AS MR. CHESSLER ASSERTS ON P. 61 OF HIS
16 TESTIMONY?

17

18 A. NO. RATE GROUPS ARE CLASSIFIED ACCORDING TO THE
19 NUMBER OF LINES WITHIN THE BASIC LOCAL CALLING
20 AREA. THE ELS PLAN WILL HAVE NO IMPACT ON THESE
21 CLASSIFICATIONS FOR FLAT RATE CUSTOMERS.

22

23 Q. REFERRING TO P. 67 OF MR. CHESSLER'S TESTIMONY,
24 WILL THE EXPANDED LOCAL CALLING AREA RESULT IN
25 HIGHER TELEPHONE BILLS TO THE AVERAGE CUSTOMER?

1

2 A. NO. BECAUSE THE PLAN IS OPTIONAL, ONLY CUSTOMERS
3 THAT PERCEIVE VALUE IN THE ELS PLAN WILL TEND TO
4 MIGRATE TO IT. ATTACHMENT NUMBER 2 OF MY DIRECT
5 TESTIMONY SHOWS THAT THE AVERAGE SAVINGS PER LINE
6 WILL BE \$3.50 FOR CUSTOMERS SUBSCRIBING TO THE
7 OPTIONAL ELS PLAN.

8

9 Q. WILL ELS ELIMINATE ROUTES UNDER 40 MILES FROM THE
10 TOLL SCHEDULE AS MR. GUEDEL CLAIMS ON P. 11 OF HIS
11 TESTIMONY?

12

13 A. NO. AGAIN ELS IS OPTIONAL. THEREFORE, NO ROUTES
14 WILL BE ELIMINATED WHATSOEVER.

15

16 Q. PLEASE REFER TO PAGES 16 THROUGH 20 OF MR. WOOD'S
17 TESTIMONY. HE CITES EXPERIENCES WITH OTHER PLANS
18 IN TWO STATES TO CONCLUDE THAT THE IMPOSITION OF
19 USAGE CHARGES ON CALLS DIALED WITH SEVEN DIGITS
20 CREATES CUSTOMER CONFUSION. COULD YOU COMMENT ON
21 THIS?

22

23 A. I STRONGLY DISAGREE WITH MR. WOOD'S CONCLUSION.
24 FIRST, CUSTOMERS SUBSCRIBING TO MESSAGE OR MEASURED
25 RATE SERVICE INCUR USAGE CHARGES EVERY TIME THEY

1 DIAL A LOCAL CALL. THESE CUSTOMERS KNOW THAT THERE
2 IS A CHARGE ASSOCIATED WITH EVERY SEVEN-DIGIT
3 DIALED CALL THEY MAKE.

4
5 SECONDLY, MR. WOOD IGNORES THE FACT THAT, UNLIKE
6 THE PROPOSED OPTIONAL ELS PLAN, THE OTHER PLANS HE
7 MENTIONS APPLIED TO ALL CUSTOMERS, ON ALL CALLS
8 DIALED WITHIN A CERTAIN DISTANCE. IN OTHER WORDS,
9 THE "SIMILAR" LOUISIANA PLAN AND THE SOUTH CAROLINA
10 PLAN WITH "SIMILAR CHARACTERISTICS" ARE NOT SIMILAR
11 AT ALL TO THE OPTIONAL ELS PLAN. THOSE PLANS WERE
12 ACTUALLY MORE SIMILAR TO THE PLAN CURRENTLY IN
13 EFFECT IN THE TAMPA BAY AREA IN GENERAL TELEPHONE'S
14 SERVICE TERRITORY. AGAIN, THOSE PLANS REFERRED TO
15 BY MR. WOOD WERE MANDATORY FOR ALL CUSTOMERS; THE
16 ELS PLAN IS NOT. AN INDIVIDUAL WILL SUBSCRIBE TO
17 THE ELS PLAN BECAUSE SHE KNOWS WHAT CALLS HAVE BEEN
18 TOLL AND BECAUSE SHE PERCEIVES A BENEFIT FROM THE
19 NEW RATES FOR THOSE CALLS.

20
21 FURTHERMORE, MR. WOOD FAILED TO MENTION ANOTHER
22 VERY IMPORTANT REASON WHY THE EXPANDED CALLING PLAN
23 IN SOUTH CAROLINA (WHICH WAS NOT A SOUTHERN BELL
24 PLAN) WAS REJECTED; IT WOULD HAVE RESULTED IN AN
25 OVERALL INCREASE IN THE MONTHLY LINE CHARGES TO ALL

1 RESIDENTIAL AND BUSINESS CUSTOMERS. IN CONTRAST,
2 SOUTHERN BELL'S OPTIONAL ELS PLAN FOR FLORIDA
3 PROPOSES MONTHLY LINE CHARGE REDUCTIONS COMPARED TO
4 FLAT RATE SERVICE.

5
6 I MIGHT ADD THAT THERE ARE TWO OPTIONAL PLANS IN
7 EFFECT TODAY IN BELLSOUTH'S LOUISIANA SERVICE
8 TERRITORY WHICH IMPOSE USAGE CHARGES ON SEVEN-DIGIT
9 DIALED CALLS TO AN EXPANDED LOCAL CALLING AREA.
10 OTHER OPTIONAL EXPANDED LOCAL CALLING PLANS IN
11 BELLSOUTH'S TERRITORY WHICH IMPOSE USAGE CHARGES ON
12 SEVEN-DIGIT DIALED EXPANDED LOCAL CALLS ARE
13 AVAILABLE IN GEORGIA, ALABAMA, MISSISSIPPI,
14 KENTUCKY AND TENNESSEE. THESE PLANS HAVE NOT
15 CAUSED UNDUE CUSTOMER CONFUSION.

16
17 MY CONCLUSION IS THAT IT IS NOT CORRECT TO ASSUME
18 THAT THE IMPOSITION OF USAGE CHARGES ON SEVEN-DIGIT
19 DIALED CALLS CAUSES CUSTOMER CONFUSION OR
20 INCONVENIENCE.

21
22 Q. ON PAGES 8 AND 9 OF MR. WOOD'S TESTIMONY, HE
23 EQUATES FLAT RATE SERVICE WITH LOCAL SERVICE AND
24 USAGE CHARGES WITH LONG DISTANCE SERVICE. IS IT
25 CORRECT TO ASSUME THAT CUSTOMERS ALWAYS EXPECT

1 LOCAL SERVICE FOR A FLAT MONTHLY CHARGE?
2
3 A. NO. AS I MENTIONED EARLIER, THERE ARE OTHER
4 ALTERNATIVES TO FLAT RATE SERVICE AVAILABLE TO
5 CUSTOMERS FOR THEIR LOCAL CALLING. MESSAGE RATE
6 SERVICE HAS BEEN AVAILABLE TO BUSINESS CUSTOMERS IN
7 THE STATE OF FLORIDA FOR A NUMBER OF YEARS AND TO
8 RESIDENCE CUSTOMERS SINCE OCTOBER 1991. MEASURED
9 SERVICE, WHICH CHARGES FOR LOCAL USAGE IN A SIMILAR
10 MANNER AS MESSAGE TOLL SERVICE (MTS), HAS ALSO BEEN
11 AVAILABLE FOR MANY YEARS IN A NUMBER OF EXCHANGES.
12
13 IN FACT, THE DEFINITION OF "EXCHANGE SERVICE" FOUND
14 IN SECTION A1 OF OUR GENERAL SUBSCRIBER SERVICE
15 TARIFF (G.S.S.T.) STATES THAT "EXCHANGE SERVICE IS
16 A GENERAL TERM DESCRIBING AS A WHOLE THE FACILITIES
17 PROVIDED FOR LOCAL TELECOMMUNICATIONS, TOGETHER
18 WITH THE RIGHT TO ORIGINATE AND RECEIVE A SPECIFIED
19 OR UNLIMITED NUMBER OF MESSAGES IN ACCORDANCE WITH
20 THE PROVISIONS OF THIS TARIFF." THE DEFINITION
21 GOES ON TO DESCRIBE FLAT, MESSAGE AND MEASURED RATE
22 SERVICE AS CLASSIFICATIONS OF EXCHANGE (I.E. LOCAL)
23 SERVICE.
24
25 ADDITIONALLY, MOST OF THE OPTIONAL EXTENDED AREA

1 SERVICE PLANS FOUND IN THE "BASIC LOCAL EXCHANGE
2 SERVICE" SECTION OF SOUTHERN BELL'S FLORIDA
3 G.S.S.T. CHARGE FOR LOCAL USAGE TO CERTAIN
4 SPECIFIED EXCHANGES ON A MEASURED OR USAGE
5 SENSITIVE BASIS. EXAMPLES ARE TOLL PAC, BASIC
6 OPTIONAL EXTENDED AREA SERVICE (OEAS) AND THE
7 DISCOUNT OPTION OF ENHANCED OEAS.

8

9 Q. ON PAGE 11 OF HIS TESTIMONY MR. WOOD STATES THAT
10 THE ELS PLAN "IS SIGNIFICANTLY MORE COMPLEX THAN
11 THE LOCAL AND TOLL SERVICE ARRANGEMENTS THAT MOST
12 CUSTOMERS RECEIVE TODAY." DO YOU AGREE?

13

14 A. I MUST DISAGREE ONCE AGAIN WITH MR. WOOD. THIS IS
15 ACTUALLY A CUSTOMER FRIENDLY PLAN. FOR INSTANCE,
16 PROVISIONS UNDER THE PROPOSED ELS TARIFF ALLOW
17 CUSTOMERS TO SWITCH BACK AND FORTH BETWEEN FLAT
18 RATE SERVICE AND ELS AT NO CHARGE FOR A PERIOD OF
19 SIX MONTHS AFTER THE IMPLEMENTATION OF THE PLAN.
20 ADDITIONALLY, SOUTHERN BELL'S PROPOSED RESTRUCTURE
21 OF OUR SERVICE CHARGES ALLOWS CUSTOMERS TO CONVERT
22 BETWEEN FLAT AND MEASURED RATE SERVICE AT NO
23 CHARGE. IT WOULD BE VERY EASY AND INEXPENSIVE FOR
24 CUSTOMERS TO TRY ELS FOR A PERIOD OF A FEW MONTHS,
25 AND TO COMPARE THEIR BILLS FOR ELS WITH BILLS FOR

1 THEIR FORMER ARRANGEMENTS FOR LOCAL AND TOLL
2 SERVICE. THEREFORE, THERE IS NO MERIT IN MR.
3 WOOD'S ARGUMENT THAT CUSTOMERS WOULD NEED TO KNOW,
4 IN ADVANCE, INFORMATION ON THEIR ANTICIPATED
5 CALLING PATTERNS TO DETERMINE IF THEY ARE LIKELY TO
6 BENEFIT UNDER THE ELS PLAN.

7
8 MR. WOOD ADDS THAT THE PLAN IS FURTHER COMPLICATED
9 BECAUSE THE USAGE CAPS AND USAGE DISCOUNT OPTIONS
10 ONLY APPLY WITHIN THE BASIC CALLING AREA AND NOT
11 THE EXPANDED CALLING AREA. IN MY OPINION, THE
12 USAGE CAPS ACTUALLY ADD AN ELEMENT OF PROTECTION TO
13 CUSTOMERS IN THAT THE CHARGES FOR CALLS WITHIN THE
14 BASIC LOCAL CALLING AREA WILL NEVER BE FAR IN
15 EXCESS OF WHAT THEY WOULD PAY FOR FLAT RATE
16 SERVICE. THIS IS A FEATURE WHICH, FOR EXAMPLE, IS
17 NOT AVAILABLE WITH MESSAGE RATE SERVICE.

18
19 WHEN CUSTOMERS SELECT FLAT RATE SERVICE TODAY THEIR
20 CALLS TO THE BASIC LOCAL CALLING AREA ARE
21 EFFECTIVELY CAPPED AT THE FLAT MONTHLY RATE. THESE
22 ARE THE SAME CALLS CAPPED BY THE PROPOSED ELS PLAN.
23 TOLL SERVICE IS NOT OFFERED ON A FLAT RATE OR
24 CAPPED BASIS AND NEITHER ARE THE USAGE CHARGES FOR
25 EXPANDED (FORMERLY TOLL) CALLS. THUS, THERE ARE

1 MANY SIMILARITIES BETWEEN EXISTING LOCAL/TOLL
2 ARRANGEMENTS AND ELS.
3
4 ADDITIONALLY, CHARGES FOR TOLL OR LONG DISTANCE
5 SERVICE PROVIDED BY SOUTHERN BELL, AND I SUSPECT BY
6 MOST INTEREXCHANGES CARRIERS (IXC'S), DEPEND ON
7 CALL DURATION, MILEAGE, FREQUENCY, TIME OF DAY, AND
8 SOMETIMES VOLUME. IN CONTRAST, THE ELS PLAN IS
9 MUCH SIMPLER SINCE IT ELIMINATES TIME OF DAY
10 DISCOUNTS AND ALL MILEAGE BANDS IN THE EXPANDED
11 LOCAL CALLING AREA. ALL ELS PLAN USAGE FOR CALLS
12 TO THE 40 MILE EXPANDED LOCAL CALLING AREA IS RATED
13 AT EIGHT CENTS PER MINUTE REGARDLESS OF TIME OF DAY
14 OR DISTANCE.

15
16 IT IS HARD TO UNDERSTAND HOW MCI CAN ARGUE THAT THE
17 ELS PLAN IS MORE COMPLEX THAN EXISTING ARRANGEMENTS
18 FOR LOCAL AND TOLL SERVICE. MCI'S CUSTOMERS HAVE
19 TO KNOW THE SPECIFIC CHARACTERISTICS OF THEIR
20 INDIVIDUAL LONG DISTANCE PLANS, INCLUDING CHARGES
21 FOR CALL DURATION, MILEAGE, FREQUENCY, TIME OF DAY,
22 ETC. IN ORDER TO DETERMINE WHAT THEIR BILLS WILL BE
23 AT THE END OF THE MONTH. MCI ALSO OFFERS CALL
24 DISCOUNTS TO THEIR CUSTOMERS WHEN THEY CALL OTHER
25 MCI CUSTOMERS. THEREFORE, MCI'S CUSTOMERS NEED TO

1 KNOW NOT ONLY ALL OF THE ABOVE, BUT ALSO THE CALLED
2 PARTY'S PRIMARY LONG DISTANCE CARRIER IN ORDER TO
3 DETERMINE THE PRICE OF THEIR CALLS.

4
5 THE ELS USAGE DISCOUNT OPTIONS PROVIDE CUSTOMERS
6 DIFFERENT CHOICES TO ECONOMIZE ON CALLS WITHIN THE
7 BASIC LOCAL CALLING AREA ACCORDING TO THEIR OWN
8 USAGE CHARACTERISTICS. SOME CUSTOMERS WILL BENEFIT
9 FROM THOSE OPTIONS, SOME WILL NOT. BUT, THEY ARE
10 ALL OPTIONS THAT PROVIDE CHOICES TO CUSTOMERS, LIKE
11 THE IXC'S, INCLUDING MCI, OFFER CUSTOMERS MANY
12 CHOICES AMONG LONG DISTANCE PLANS.

13
14 Q. IN HIS TESTIMONY, MR. WOOD CLAIMS THAT THE NETWORK
15 HANDLES LOCAL CALLS AND LONG DISTANCE CALLS IN THE
16 SAME MANNER, AND THAT THE DIFFERENCE IS ONLY ONE OF
17 LABELING. IS THIS TRUE?

18
19 A. NO. THE SOUTHERN BELL NETWORK HANDLES MOST LOCAL
20 AND LONG DISTANCE CALLS IN A VERY DIFFERENT MANNER.
21 LOCAL AND LONG DISTANCE CALLS ARE HANDLED DEPENDING
22 ON THE MOST EFFICIENT MANNER TO HANDLE CALLS ALONG
23 A PARTICULAR ROUTE. FOR EXAMPLE, LONG DISTANCE
24 CALLS ARE USUALLY ROUTED THROUGH A TOLL TANDEM
25 OFFICE WHILE LOCAL CALLS ARE USUALLY SWITCHED END

1 OFFICE TO END OFFICE OR ROUTED THROUGH A LOCAL
2 TANDEM OFFICE.

3
4 Q. IS THE 40 MILE RADIUS PROPOSED IN THE ELS PLAN AN
5 OVER INCLUSIVE RESPONSE TO EAS PRESSURES?

6
7 A. NO. FOR INSTANCE, THE COMMISSION HAS ORDERED
8 SOUTHERN BELL TO CONDUCT TRAFFIC STUDIES ON A TOTAL
9 OF 147 TOLL ROUTES OVER THE LAST THREE YEARS IN
10 RESPONSE TO EAS PRESSURES. THE AVERAGE MILEAGE PER
11 ROUTE WAS 25 MILES. OF THESE ROUTES, ONLY TWO WERE
12 LESS THAN 10 MILES WHILE 35 WERE AT LEAST 30 MILES.

13
14 Q. SHOULD THE ELS EXPANDED LOCAL CALLING AREA (ELCA)
15 BOUNDARY MEET THE COMMISSION'S EAS STANDARD AS
16 DESCRIBED IN RULES 25-4.057 THROUGH 25-4.064?

17
18 A. NO. WHILE ONE OF THE OBJECTIVES OF THE ELS PLAN IS
19 TO RELIEVE EAS PRESSURES BY MINIMIZING THE NUMBER
20 OF EAS REQUESTS TO THE COMMISSION, THE PLAN IS NOT
21 INTENDED AS A REPLACEMENT FOR NON-OPTIONAL,
22 UNLIMITED, TWO-WAY FLAT RATE CALLING ADDRESSED IN
23 THESE RULES. THE ELS PLAN PRECISELY ADDRESSES
24 THOSE SITUATIONS WHEN THE CALLING RATES BETWEEN TWO
25 EXCHANGES DO NOT MEET THE COMMISSION'S CRITERIA.

1

2 I SHOULD MENTION THAT THE COMMISSION HAS WAIVED ITS
3 OWN RULES ON MANY OCCASIONS, UNDER THE
4 CIRCUMSTANCES I JUST MENTIONED, TO ORDER
5 ALTERNATIVES TO NON-OPTIONAL, UNLIMITED, TWO-WAY
6 FLAT RATE EAS. MANY OF THE ALTERNATIVES ORDERED IN
7 THE PAST HAVE BEEN OPTIONAL LOCAL CALLING PLANS,
8 SUCH AS TOLL PAC, BASIC OEAS AND ENHANCED OEAS AS
9 WELL AS THE NON-OPTIONAL \$.25 PLAN.

10

11 Q. WILL THE ELS PLAN ELIMINATE INTRALATA TOLL
12 COMPETITION WITHIN 40 MILES OR RE-MONOPOLIZE ANY OF
13 THE EXISTING TOLL MARKET, AS SOME OF THE PARTIES TO
14 THIS CASE CLAIM?

15

16 A. NO. ELS IS AN OPTIONAL PLAN DESIGNED TO OFFER
17 FLORIDA CUSTOMERS FLEXIBILITY AND CHOICES TO MEET
18 THEIR PARTICULAR CALLING NEEDS. WE WOULD EXPECT
19 CUSTOMERS WHO BENEFIT FROM THE PLAN TO SUBSCRIBE,
20 BUT IT IS OPTIONAL. FOR THIS REASON, INTRALATA
21 TOLL COMPETITION WILL CONTINUE TO EXIST FOR THOSE
22 CUSTOMERS NOT SELECTING ELS. EVEN ELS CUSTOMERS
23 WILL NOT BE EXCLUDED FROM COMPETITION AS CARRIERS
24 COULD PROVIDE LONG DISTANCE PACKAGES THAT WOULD
25 INDUCE THESE CUSTOMERS TO CANCEL THEIR

1 SUBSCRIPTIONS TO ELS.

2

3 Q. AT P. 23 OF MR. GILLAN'S TESTIMONY HE STATES THAT
4 SOUTHERN BELL WILL REALIZE THE SAME CONTRIBUTION
5 WHETHER THE CUSTOMER CHOOSES THE LOCAL TELEPHONE
6 COMPANY OR ITS COMPETITOR. IS THIS A TRUE
7 STATEMENT?

8

9 A. THIS IS A TRUE STATEMENT ONLY IF TOLL RATES ARE
10 DRIVEN TO THE SAME CONTRIBUTION LEVEL AS ACCESS
11 RATES. HOWEVER, SOUTHERN BELL WILL LOSE
12 CONTRIBUTION IF A CUSTOMER CHOOSES A COMPETITOR AS
13 LONG AS TOLL RATES HAVE HIGHER CONTRIBUTION THAN
14 ACCESS CHARGES.

15

16 Q. IS IT APPROPRIATE TO REQUIRE SOUTHERN BELL TO
17 IMPUTE ACCESS CHARGES ON EXPANDED ELS CALLS?

18

19 A. NO. THE PSC DOES NOT REQUIRE IMPUTATION OF ACCESS
20 CHARGES ON ANY OF THE OPTIONAL EXTENDED LOCAL
21 CALLING PLANS (E.G. TOLL PAC, BASIC OEAS, ENHANCED
22 OEAS, FLAT RATE OPTIONAL EXTENDED LOCAL PLANS,
23 ETC.) FOUND IN SECTION A3 OF THE G.S.S.T.. ELS IS
24 ALSO AN OPTIONAL EXTENDED LOCAL CALLING PLAN AND
25 SHOULD BE TREATED NO DIFFERENTLY.

1

2 Q. MR. METCALF STATES THAT BUSINESS LINE AND PBX TRUNK
3 RATES SHOULD BE DISAGGREGATED. DO YOU AGREE?

4

5 A. YES, BUT ONLY WHEN IT MAKES SENSE. FOR EXAMPLE, IT
6 MAKES SENSE TO DISAGGREGATE USAGE FROM THE LOOP
7 WHEN THE CUSTOMER'S BILL FOR LOCAL SERVICE IS BASED
8 ON THE CUSTOMER'S ACTUAL USAGE AND NOT ON AN
9 AVERAGE AMOUNT. SOUTHERN BELL'S ELS PROPOSAL
10 DISAGGREGATES BUSINESS LINE AND PBX TRUNK RATES
11 INTO THE THREE RATE ELEMENTS PROPOSED BY MR.
12 METCALF: THE LOCAL LOOP OR INTERCONNECTION ELEMENT,
13 THE FUNCTIONALITIES (I.E. HUNTING) ELEMENT AND THE
14 USAGE ELEMENT. SOUTHERN BELL'S EXISTING MESSAGE
15 RATE SERVICE ALSO CHARGES FOR USAGE SEPARATE FROM
16 THE MONTHLY LINE CHARGE.

17

18 ADDITIONALLY, SOUTHERN BELL PROPOSES TO
19 DISAGGREGATE HUNTING FROM THE FLAT MONTHLY PBX
20 TRUNK CHARGE BECAUSE ALL TRUNKS (I.E. OUTGOING
21 TRUNKS) DO NOT REQUIRE HUNTING. THEREFORE, IT
22 MAKES SENSE TO DISAGGREGATE HUNTING FROM THE PBX
23 TRUNK CHARGE BECAUSE IT IS BENEFICIAL TO THE
24 CUSTOMER.

25

1 ON THE OTHER HAND, ALL LINES AND TRUNKS REQUIRE AN
2 INTERCONNECTION ELEMENT AND A USAGE ELEMENT. IT
3 DOES NOT MAKE SENSE TO DISAGGREGATE THESE ELEMENTS
4 WHEN USAGE IS CHARGED ON A FLAT RATE BASIS SINCE
5 THE SUM OF THE PARTS WILL STILL EQUAL THE WHOLE
6 (I.E. THE FORMER FLAT RATE TOTAL).

7
8 WHILE THERE WILL BE NO APPARENT ECONOMIC BENEFIT TO
9 THE CUSTOMER FROM ADDITIONAL UNBUNDLING OF FLAT
10 RATE SERVICE, SUCH AN UNBUNDLING WOULD ADD
11 COMPLEXITIES TO OUR PROVISIONING AND BILLING
12 SYSTEMS. THIS PROPOSAL WOULD ADD EXPENSE IN
13 BILLING COSTS. ADDITIONAL EXPENDITURES FOR
14 TRAINING, AND REWRITING OF PRACTICES, METHODS AND
15 PROCEDURES WOULD BE REQUIRED.

16
17 ON PAGE 6 OF HIS TESTIMONY, MR. METCALF STATES THAT
18 THE THE LOCAL LOOP ELEMENT AND THE NETWORK USAGE
19 ELEMENT SHOULD COVER COSTS. LET ME NOTE THAT THIS
20 WOULD RESULT IN RATE INCREASES FOR BUSINESS LINES
21 IN AT LEAST ONE RATE GROUP SINCE THE PRESENT RATE
22 IN THAT RATE GROUP DOES NOT EVEN COVER THE SUM OF
23 INCREMENTAL LOOP AND USAGE COSTS.

24
25 AS A FINAL OBSERVATION ON THIS ISSUE, MANY OF

1 SOUTHERN BELL'S NEW DIGITAL SERVICES (E.G.
2 MEGALINK^R SERVICE, CHANNELIZED MEGALINK, LIGHTGATE^R
3 SERVICE AND MEGALINK ISDN) ALREADY DISAGGREGATE THE
4 LINE RATE ELEMENT FROM THE USAGE RATE ELEMENT.
5 TODAY, PRIVATE LINE CUSTOMERS, PBX CUSTOMERS AND
6 ESSX^R CUSTOMERS CAN BUY THEIR MEGALINK OR LIGHTGATE
7 CHANNELS (I.E. LOOP EQUIVALENTS) FROM THE SAME
8 TARIFF AT THE SAME RATES. THE USAGE ELEMENT OR NAR
9 IS ALSO PROVIDED AT THE SAME RATE TO PBX AND ESSX^R
10 CUSTOMERS.

11

12 Q. ON PAGE 15 OF MR. WOOD'S TESTIMONY, HE ASSERTS THAT
13 "... A GENERAL REDUCTION IN THE RATES FOR ALL
14 MILEAGE BANDS OF INTRALATA TOLL SERVICE WOULD
15 BENEFIT SUBSCRIBERS REGARDLESS OF THEIR CALLING
16 PATTERNS.AND FOR CUSTOMERS OF OTHER CARRIERS
17 THROUGH A REDUCTION IN LEVEL OF INTRASTATE SWITCHED
18 ACCESS CHARGES." DOES SOUTHERN BELL SUPPORT MCI'S
19 ASSERTIONS?

20

21 A. SOUTHERN BELL WOULD AGREE THAT IF TOLL RATE
22 REDUCTIONS ARE MADE IN ALL RATE BANDS, THOSE
23 CUSTOMERS WHO MAKE TOLL CALLS WILL BENEFIT.

24

25 ^RREGISTERED SERVICE MARK OF BELLSOUTH CORPORATION

1 HOWEVER, THIS DOES NOT ALLEVIATE FUTURE PRESSURES
2 FOR NEW EAS ROUTES TO THE EXTENT THAT SOUTHERN
3 BELL'S ELS PROPOSAL DOES.

4
5 SECONDLY, WITH SWITCHED ACCESS REDUCTIONS AND A
6 FLOW THROUGH BY THE INTEREXCHANGE CARRIERS, THERE
7 IS NO WAY OF GUARANTEEING THAT THE FOCUS IS GIVEN
8 TO THE APPROPRIATE MARKET SEGMENT. IN SOME CASES,
9 THE HIGH VOLUME BUSINESS CUSTOMER AND NOT THE
10 ORDINARY MTS CUSTOMER BENEFITS FROM THE SWITCHED
11 ACCESS FLOW THROUGH. THIS DOES LITTLE TO ADDRESS
12 THE EAS PRESSURES THAT ARE TARGETED WITH SOUTHERN
13 BELL'S OPTIONAL EXPANDED LOCAL SERVICE PLAN.

14
15
16 Q. ON PAGE 27 LINES 17 THROUGH 19, MR. GILLAN STATES,
17 "... SOUTHERN BELL IMPLICITLY ARGUES THAT ACCESS
18 CHARGES ARE TOO MUCH COMPENSATION WHEN PRICING ITS
19 OWN INTEREXCHANGE SERVICE TO CUSTOMERS WHICH
20 SUBSCRIBE TO LMS." IS THIS A CORRECT
21 CHARACTERIZATION BY MR. GILLAN?

22
23 A. NO. SINCE THIS IS A LOCAL PLAN, NOT A TOLL PLAN,
24 IT IS CONSISTENT WITH THE COMMISSION'S POLICY IN
25 THE PAST NOT TO IMPUTE SWITCHED ACCESS CHARGES IN

1 THE RATES FOR THE ELS PLAN. MR. GILLAN TOTALLY
2 IGNORES THE BENEFITS THAT ARE BROUGHT TO THE
3 CUSTOMERS IN THIS STATE FROM SOUTHERN BELL'S
4 PROPOSED ELS PLAN. THIS IS AN OPTIONAL LOCAL PLAN
5 THAT ADDRESSES NEEDS THAT ARE COMMONLY PRESENTED TO
6 THE COMMISSION.

7

8 Q. IN THE DIRECT TESTIMONY OF EMERIC KAPKA, ON PAGES 7
9 AND 8, HE DISCUSSES HOW CONSUMERS BENEFIT FROM
10 LOWER ACCESS PRICES. ON PAGE 8 HE STATES THAT, "IF
11 LEC ACCESS SERVICES, ESPECIALLY SWITCHED ACCESS
12 SERVICES, WERE PRICED CLOSER TO COST, COMPETITIVE
13 FORCES IN THE LONG-DISTANCE MARKET WOULD REQUIRE
14 DOWNWARD PRESSURE ON TOLL PRICES." HAS THIS BEEN
15 TRUE IN THE INTRALATA MARKET, WHEN SOUTHERN BELL
16 RATES ARE COMPARED WITH SPRINT'S MESSAGE TOLL
17 RATES?

18

19 A. NO. AN AVERAGE 3 MINUTE INTRASTATE CALL OF 30
20 MILES IN FLORIDA IS \$.57 FOR SOUTHERN BELL, AND
21 APPROXIMATELY \$.69 FOR AT&T, MCI AND SPRINT. IF
22 SPRINT WANTS TO BRING THE BENEFITS OF COMPETITION
23 TO THE CONSUMERS OF THE STATE OF FLORIDA, PERHAPS A
24 STARTING POINT WOULD BE TO REDUCE MTS RATES CLOSER
25 TO THOSE OF SOUTHERN BELL. SINCE SOUTHERN BELL'S

1 MTS RATES IMPUTE SWITCHED ACCESS RATES, THE
2 INTEREXCHANGE CARRIERS CAN REDUCE THEIR MTS RATES
3 AND STILL PROVIDE THEIR SERVICE ABOVE THEIR COST.
4

5 Q. WOULD SOUTHERN BELL SUPPORT THE IMPLEMENTATION OF
6 THE 1 PIC OPTION AS DESCRIBED IN THE TESTIMONY OF
7 MR. WOOD ON PAGES 33 AND 34?
8

9 A. NO. THE IMPLEMENTATION OF THE 1 PIC OPTION WILL
10 REQUIRE CUSTOMERS TO DIAL A FIVE-DIGIT ACCESS CODE
11 TO REACH SOUTHERN BELL. THIS OPTION WILL CLEARLY
12 DISADVANTAGE SOUTHERN BELL WHICH IS RESTRICTED TO
13 THE INTRALATA MARKET. SOUTHERN BELL CANNOT PROVIDE
14 INTERLATA SERVICES SUCH AS THOSE PROVIDED BY
15 INTEREXCHANGE CARRIERS (IXC'S) AT THIS TIME. IF
16 SOUTHERN BELL WERE REQUIRED TO SURRENDER THE 1+ AND
17 0+ DIALING EXCLUSIVITY PREVIOUSLY GRANTED TO THE
18 FLORIDA LOCAL EXCHANGE COMPANIES BY THE COMMISSION,
19 IT WOULD MEAN THE LOSS OF SUBSTANTIALLY ALL OF
20 SOUTHERN BELL'S TOLL TRAFFIC. ALLOWING IXC'S TO
21 HAVE BOTH 1+ INTRALATA DIALING AS WELL AS 1+
22 INTERLATA DIALING, WHILE SOUTHERN BELL IS
23 PROHIBITED FROM PROVIDING INTERLATA SERVICES, WOULD
24 GIVE THE IXC'S A CLEAR MARKET ADVANTAGE. CUSTOMERS
25 WOULD BE ABLE TO OBTAIN "ONE-STOP SHOPPING" FOR

1 BOTH INTRALATA AND INTERLATA TOLL SERVICES FROM THE
2 IXC'S, BUT NOT FROM SOUTHERN BELL.
3
4 SOUTHERN BELL COULD NOT EFFECTIVELY COMPETE WITH
5 THESE IXC'S IN THIS ENVIRONMENT AND WOULD LOSE A
6 SUBSTANTIAL PORTION OF ITS TOLL TRAFFIC. IN THESE
7 CIRCUMSTANCES, THE CONTRIBUTION CURRENTLY FOUND IN
8 SOUTHERN BELL'S INTRALATA TOLL RATES WOULD BE
9 SEVERELY DIMINISHED. OF COURSE, AS THE COMMISSION
10 HAS PREVIOUSLY NOTED, THE LECS ONLY HAVE CERTAIN
11 SOURCES OF REVENUES. IF ONE OF THOSE SOURCES, THE
12 INTRALATA TOLL MARKET, IS REDUCED SUBSTANTIALLY, IN
13 ORDER TO ALLOW THE LECS, AND SPECIFICALLY SOUTHERN
14 BELL, TO CONTINUE TO EARN A REASONABLE RATE OF
15 RETURN, THOSE REVENUES WOULD HAVE TO BE MADE UP
16 FROM ANOTHER SOURCE. CONSEQUENTLY, WHAT MAY APPEAR
17 TO BE SUPERFICIALLY ATTRACTIVE WILL ULTIMATELY
18 FORCE THE INCREASE OF RESIDUALLY PRICED LOCAL
19 EXCHANGE RATES. ADDITIONALLY, ANY CHANGE IN THE
20 TRADITIONAL 0+ DIALING TO ACCESS AN OPERATOR WOULD
21 CREATE UNWARRANTED CUSTOMER CONFUSION SINCE THE
22 CURRENT 0+ DIALING PATTERN IS WIDELY ACCEPTED,
23 UNDERSTOOD AND EXPECTED.
24
25 Q. SHOULD THE COMMISSION REQUIRE SOUTHERN BELL TO

1 REQUEST THE 2 PIC FEATURE DEVELOPMENT FROM SWITCH
2 VENDORS?

3

4 A. NO. PRIOR TO SOUTHERN BELL BEING REQUIRED TO
5 REQUEST THE 2 PIC FEATURE DEVELOPMENT, THE
6 COMMISSION MUST FIRST DETERMINE IF INTRALATA
7 PRESUBSCRIPTION IS IN THE PUBLIC INTEREST. AS
8 DISCUSSED PREVIOUSLY, SINCE SOUTHERN BELL IS
9 PROHIBITED FROM PROVIDING INTERLATA SERVICES,
10 INTRALATA PRESUBSCRIPTION SHOULD NOT BE PERMITTED
11 UNTIL A MORE LEVEL PLAYING FIELD IS ACHIEVED.

12

13 IF THE COMMISSION MAKES A DETERMINATION THAT IT IS
14 APPROPRIATE TO ADDRESS THE OVERALL SUBJECT OF
15 INTRALATA PRESUBSCRIPTION, THE COMMISSION SHOULD
16 ASSEMBLE A TASK FORCE TO DETERMINE THE COSTS
17 ASSOCIATED WITH 2 PIC AND THE POTENTIAL IMPACTS ON
18 SOUTHERN BELL AND THE OTHER LECS IN FLORIDA. A
19 TASK FORCE SIMILAR TO THE ONE ORDERED IN KENTUCKY,
20 WHERE SPECIFIC ISSUES WERE ADDRESSED, MAY BE
21 APPROPRIATE.

22

23 Q. WOULD YOU PLEASE COMMENT ON MR. COOPER'S PROPOSAL
24 CONCERNING LIFELINE SERVICE?

25

1 A. YES. BASICALLY SOUTHERN BELL AND MR. COOPER ARE
2 NOT AT ODDS ON THE CONCEPTS OF UNIVERSAL SERVICE
3 AND THE PROVISION OF LIFELINE SERVICE. WE DO
4 DISAGREE, HOWEVER, WITH THE EXPANSION OF THE
5 ELIGIBILITY REQUIREMENTS FOR LIFELINE TYPE SERVICE.
6
7 SOUTHERN BELL HAS SPECIFICALLY IDENTIFIED
8 ELIGIBILITY REQUIREMENTS THAT ARE RECOGNIZED BY THE
9 STATE AND FEDERAL GOVERNMENT AND THAT CAN BE MORE
10 EASILY MONITORED ON A GOING FORWARD BASIS. THE
11 EXPANSION OF ELIGIBILITY TO THOSE AT OR BELOW 125%
12 OF POVERTY LEVEL INCOME, WOULD PLACE SOUTHERN BELL
13 IN THE INAPPROPRIATE POSITION OF HAVING TO MONITOR
14 CUSTOMER'S INCOME LEVELS.
15
16 IN ADDITION, I BELIEVE MR. COOPER WOULD HAVE TO
17 AGREE THAT THERE IS ANOTHER ELEMENT TO SOUTHERN
18 BELL'S OVERALL RATE DESIGN PACKAGE THAT WILL BE
19 BENEFICIAL TO UNIVERSAL SERVICE. ONE OF THE
20 REASONS OFTEN GIVEN FOR NOT HAVING TELEPHONE
21 SERVICE IS THE "UP FRONT" ONE TIME FEE TO ESTABLISH
22 SERVICE. WE HAVE PROPOSED TO REDUCE THE CHARGE TO
23 ESTABLISH A RESIDENTIAL LINE FROM \$76.00 TO \$40.00.
24 THIS, ALONE OR COMBINED WITH THE CURRENT LINK-UP
25 PLAN, WILL AFFORD SIGNIFICANT RELIEF ON SERVICE

1 ESTABLISHMENT.

2

3 THE COMMISSION SHOULD NOTE THAT FLORIDA HAS THE
4 LOWEST BASIC LOCAL RESIDENTIAL SERVICE RATE IN THE
5 NINE STATE BELLSOUTH REGION AND ALMOST THE LOWEST
6 IN THE NATION. THIS, IN ADDITION TO THE EXISTING
7 LINK-UP PLAN, THE EXISTING MESSAGE RATE PLAN, THE
8 PROPOSED ELS PLAN, THE PROPOSED LIFELINE PLAN, AND
9 THE PROPOSED REDUCTIONS IN SERVICE CONNECTION
10 CHARGES WILL PROVIDE NUMEROUS OPTIONS TO THE
11 FLORIDA RESIDENT FROM WHICH TO CHOOSE THE SERVICE
12 THAT IS MOST AFFORDABLE.

13

14 PART TWO: DISCUSSION OF ISSUES

15

16 Q. HOW OFTEN SHOULD SOUTHERN BELL BE REQUIRED TO
17 PERFORM PIU AUDITS? (ISSUE 14D)

18

19 A. SOUTHERN BELL'S POSITION IS THAT PIU AUDITS SHOULD
20 BE CONDUCTED NO MORE FREQUENTLY THAN ONCE PER YEAR
21 EXCEPT IN EXTREME CIRCUMSTANCES.

22

23 Q. ARE SOUTHERN BELL'S TEST YEAR BILLING UNITS
24 APPROPRIATE? (ISSUE 32)

25

1 A. YES.

2

3 Q. HAVE BILLING UNITS FOR EMPLOYEE CONCESSIONS BEEN
4 PROPERLY ACCOUNTED FOR IN MFR SCHEDULE E-1A? (ISSUE
5 32A)

6

7 A. YES. EMPLOYEE CONCESSIONS HAVE BEEN ACCOUNTED FOR
8 IN THE BILLING UNITS; THEREFORE, REAL CHANGES IN
9 REVENUE ARE REFLECTED.

10

11 Q. SHOULD CUSTOMERS BE ALLOWED TO SUBSCRIBE TO CALL
12 FORWARD-BUSY IN LIEU OF ROTARY OR HUNTING SERVICES?
13 (ISSUE 35C)

14

15 A. NO. EVEN THOUGH IN LIMITED SITUATIONS THE CALL
16 FORWARD-BUSY FEATURE CAN BE A SUBSTITUTE FOR
17 HUNTING SERVICE, CALL FORWARD-BUSY AND HUNTING
18 SERVICE ARE TWO SEPARATE AND DISTINCT SERVICES THAT
19 ARE DESIGNED TO SATISFY DIFFERENT NEEDS. IN
20 ADDITION, HUNTING SERVICE PROVIDES A GREATER
21 CONTRIBUTION TO SUPPORT BASIC LOCAL SERVICE, THE
22 MAJORITY OF WHICH IS FROM BUSINESS APPLICATION.

23

24 CALL FORWARD-BUSY IS A SERVICE DESIGNED TO ALLOW
25 CALLS TO BE FORWARDED TO ANOTHER NUMBER THAT IS NOT

1 AT THE SAME LOCATION AS THE NUMBER BEING CALLED, IN
2 OTHER WORDS, A REMOTE LOCATION. THIS IS ESPECIALLY
3 USEFUL WITH VOICE MAIL SERVICE OR SINGLE LINE
4 RESIDENCE OR BUSINESS APPLICATION. CALL
5 FORWARD-BUSY IS LIMITED IN THAT IT CAN ONLY BE
6 PROGRAMMED TO FORWARD TO A MAXIMUM OF 5 LINES.

7
8 ROTARY OR HUNTING SERVICE IS DESIGNED FOR
9 MULTI-LINE OPERATION TO ALLOW CALLS TO OVERFLOW
10 FROM ONE LINE TO ANOTHER LINE WHERE THE LINES ARE
11 AT THE SAME LOCATION. THIS OVERFLOW CAN BE
12 DESIGNED AT THE REQUEST OF THE CUSTOMER TO STOP AT
13 A SPECIFIC NUMBER, OR IT CAN PERFORM A CIRCULAR OR
14 CONTINUOUS HUNTING APPLICATION. HUNTING SERVICE
15 CAN BE PROGRAMMED TO WORK ON OVER 2000 LINES.

16
17 Q. SHOULD SOUTHERN BELL BE REQUIRED TO PROVIDE BILLING
18 AND COLLECTION SERVICES FOR OTHERS ON THE SAME
19 TERMS AND CONDITIONS IT PROVIDES THOSE SERVICES TO
20 ITSELF OR TO ITS AFFILIATED COMPANIES? (ISSUE 36)

21
22 A. SOUTHERN BELL SHOULD OFFER BILLING AND COLLECTION
23 SERVICES WHERE IT IS DEEMED THAT THERE IS A MARKET
24 NEED FOR SUCH SERVICES. CURRENTLY SOUTHERN BELL IS
25 TAKING ACTION TO PERFORM THE APPROPRIATE MARKET

1 ANALYSES THROUGH: 1) MARKET RESEARCH AND CUSTOMER
2 INTERVIEWS, 2) PARTICIPATION IN THE INFORMATION
3 INDUSTRY LIAISON COMMITTEE, AND 3) FORMALIZED
4 PROCESSES FOR REQUESTING SERVICE CAPABILITIES.

5

6 Q. WHAT ALTERNATIVE TOLL RELIEF PLAN SHOULD BE
7 APPROVED FOR THE ROUTES IN DOCKET NO. 911034-TL
8 (BETWEEN FT. LAUDERDALE AND MIAMI; FT. LAUDERDALE
9 AND N. DADE; AND HOLLYWOOD AND MIAMI)? (ISSUE 38B)

10

11 A. SOUTHERN BELL'S PROPOSED ELS PLAN ADDRESSES THOSE
12 SITUATIONS WHEN THE CALLING RATES BETWEEN TWO
13 EXCHANGES DO NOT MEET THE COMMISSION'S CRITERIA FOR
14 NON-OPTIONAL, UNLIMITED, TWO-WAY FLAT RATE EAS.
15 FOR THAT REASON, SOUTHERN BELL BELIEVES THAT THE
16 ELS PLAN WILL PROVIDE APPROPRIATE TOLL RELIEF FOR
17 THESE ROUTES.

18

19 Q. SHOULD THE REVENUE LOSSES RESULTING FROM COMBINING
20 THE CALLING AREAS OF NORTH AND SOUTH PORT ST. LUCIE
21 BE OFFSET IN THIS PROCEEDING (DOCKET NO.
22 911011-TL), AND IF SO, HOW? (ISSUE 38C)

23

24 A. YES. THE REVENUE LOSS FROM COMBINING NORTH AND
25 SOUTH PORT ST. LUCIE SHOULD BE OFFSET IN THIS

1 PROCEEDING. THE COMMISSION ORDERED CUSTOMER CREDIT
2 SHOULD BE USED FOR THIS OFFSET. IF SOUTHERN BELL'S
3 PROPOSED USE OF THIS CREDIT (AS OUTLINED IN MY
4 PREFILED DIRECT TESTIMONY) DOES NOT LEAVE ENOUGH
5 CREDIT TO OFFSET THE PORT ST. LUCIE REVENUE LOSS,
6 THEN THE COMMISSION SHOULD DECIDE WHICH ITEMS OF
7 SOUTHERN BELL'S PROPOSED USE OF THE CREDIT SHOULD
8 BE ADJUSTED.

9

10 Q. OTHER THAN ELS, HAS SOUTHERN BELL INCLUDED
11 STIMULATION OR REPRESSION EFFECTS IN ITS PROPOSAL
12 THAT WAS FILED IN JULY? (ISSUE 40)

13

14 A. YES. SOUTHERN BELL HAS INCLUDED THE IMPACT OF
15 STIMULATION IN THE SWITCHED ACCESS PRICE-OUT THAT
16 REDUCES THE TRANSPORT RATE FROM \$.0160 TO \$.01328.
17 HOWEVER, THIS STIMULATION IS CONTINGENT ON THE
18 IXC'S FLOWING THROUGH THE ACCESS REDUCTION IN THEIR
19 TOLL RATES.

20

21 Q. SHOULD THE COMPANY BE REQUIRED TO IDENTIFY, NOTIFY,
22 AND IF APPROPRIATE, PROVIDE REFUNDS TO CUSTOMERS
23 THAT ARE BEING BILLED FOR NON-REQUIRED PROTECTIVE

24

25

1 CONNECTIVE ARRANGEMENT (PCA) DEVICES? (ISSUE NO.
2 41)
3
4 A. NO. CUSTOMERS WHO CURRENTLY HAVE PROTECTIVE
5 CONNECTIVE ARRANGEMENT DEVICES ARE RESPONSIBLE FOR
6 NOTIFYING THE COMPANY WHEN THEY NO LONGER HAVE A
7 NEED FOR THESE DEVICES.
8
9 Q. SHOULD SOUTHERN BELL BE REQUIRED TO ITEMIZE
10 CUSTOMER BILLS ON A MONTHLY BASIS? (ISSUE NO. 42)
11
12 A. NO. HOWEVER, DURING THE FIRST QUARTER OF 1993,
13 MANY SOUTHERN BELL CUSTOMERS WILL BEGIN TO RECEIVE
14 AN ITEMIZATION OF THEIR BILL EACH MONTH.
15
16 Q. IS SOUTHERN BELL COMPLYING WITH RULE 25-4.110
17 CONCERNING CUSTOMER BILLING? (ISSUE NO. 42A)
18
19 A. YES, SOUTHERN BELL IS IN COMPLIANCE.
20
21 Q. WHAT SHOULD BE THE EFFECTIVE DATE(S) OF ANY RATE
22 CHANGES APPROVED IN THIS DOCKET? (ISSUE 45A)
23
24 A. THE EFFECTIVE DATE FOR ANY RATE CHANGE WILL DEPEND
25 UPON THE TYPE OF CHANGE THAT IS ORDERED AND TO WHAT

1 DEGREE THE CHANGE DIFFERS FROM THAT PROPOSED IN
2 SOUTHERN BELL'S FILING. IF THE SIMPLE RATE CHANGES
3 AND THE STRUCTURAL CHANGES TO SERVICE ORDERING
4 CHARGES ARE APPROVED AS PROPOSED BY SOUTHERN BELL,
5 THEY SHOULD BECOME EFFECTIVE TWO MONTHS FOLLOWING
6 THE FINAL ORDER.

7
8 CHANGES TO THE RATES THAT ARE ASSOCIATED WITH THE
9 PROPOSED EXPANDED LOCAL SERVICE (ELS) PLAN SHOULD
10 BE EFFECTIVE UPON IMPLEMENTATION OF THE PLAN. IT
11 IS ANTICIPATED THAT IF THE PLAN IS APPROVED AS
12 FILED, IMPLEMENTATION WOULD OCCUR SIX MONTHS AFTER
13 THE ORDER BECOMES FINAL. IF A PLAN OTHER THAN THE
14 ONE PROPOSED BY SOUTHERN BELL IS ORDERED, THE
15 IMPLEMENTATION COULD TAKE AS LONG AS TWELVE TO
16 FIFTEEN MONTHS DEPENDING UPON THE PARAMETERS OF THE
17 PLAN.

18
19 Q. WHEN SHOULD CUSTOMERS BE NOTIFIED OF ANY RATE
20 CHANGES AND OTHER COMMISSION DECISIONS IN THIS
21 DOCKET? (ISSUE 45B)

22
23 A. WHEN RATE CHANGES ARE APPROVED BY THE COMMISSION,
24 CUSTOMERS SHOULD BE NOTIFIED A REASONABLE TIME
25 PRIOR TO IMPLEMENTATION. NOTIFICATION SHOULD BE

1 MADE USING BILL INSERTS.

2

3 Q. WHAT INFORMATION SHOULD BE CONTAINED IN THE BILL
4 INSERTS SENT TO CUSTOMERS? (ISSUE 45C)

5

6 A. THE BILL INSERT SHOULD CONTAIN AN EXPLANATION OF
7 THE CHANGES INCLUDING A COMPARISON OF PROPOSED AND
8 CURRENT RATES WHERE A CONCISE AND LOGICAL
9 COMPARISON CAN BE MADE. FOR INSTANCE, A COMPARISON
10 OF RATES COULD BE MADE FOR CHANGES IN CUSTOM
11 CALLING OR PBX OR HUNTING, BUT WOULD NOT BE
12 APPROPRIATE FOR THE ELS OPTION IN A GENERAL BILL
13 INSERT. NONETHELESS, A DESCRIPTION OF THE ELS PLAN
14 WOULD BE APPROPRIATE.

15

16 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

17

18 A. YES, IT DOES.

19

20

21

22

23

24

25