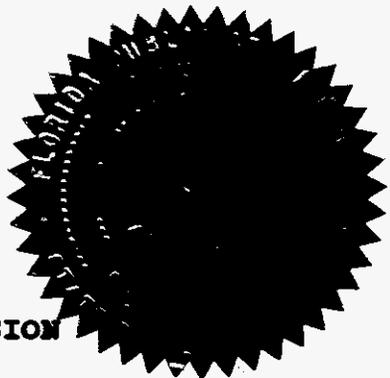


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BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

-----  
In the Matter of  
  
Comprehensive review of  
the revenue requirements and  
rate stabilization plan of  
SOUTHERN BELL TELEPHONE AND  
TELEGRAPH COMPANY.  
-----

DOCKET NO. 920260-TL



VOLUME 3 - EVENING SESSION

Pages 287 through 439

**FILED**

SID J. WHITE

MAR 18 1996

PROCEEDINGS: HEARING

BEFORE: CHAIRMAN SUSAN F. CLARK  
COMMISSIONER J. TERRY L. ~~CLARK~~  
COMMISSIONER JULIA L. JOHNSON  
COMMISSIONER DIANE K. KIESLING  
COMMISSIONER JOE GARCIA

DATE: Monday, July 31, 1995

TIME: Commenced at 9:30 a.m.  
Concluded at 6:20 p.m.

PLACE: The Betty Easley Conference Center  
Hearing Room 148  
4075 Esplanade Way  
Tallahassee, Florida

REPORTED BY: JOY KELLY, CSR, RPR  
Chief, Bureau of Reporting  
SYDNEY C. SILVA, CSR, RPR  
Official Commission Reporters

APPEARANCES:  
  
(As heretofore noted.)

DOCUMENT NUMBER-DATE

FLORIDA PUBLIC SERVICE COMMISSION 07403 AUG-3 95

FPSC-RECORDS/REPORTING

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19	(Gillan) JPG-1	291	342
20	(Composite) (Hendrix) Southern Bell's Response to FIXCA's Interrogatories Nos. 75 and 76	401	435
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## P R O C E E D I N G S

(Transcript follows in sequence from Volume 2.)

CHAIRMAN CLARK: We'll reconvene the hearing.

Ms. Kaufman?

MS. KAUFMAN: The Florida Interexchange Carriers Association would call Mr. Joseph Gillan.

JOSEPH P. GILLAN

was called as a witness on behalf of the Florida Interexchange Carriers Association and, having been duly sworn, testified as follows:

## D I R E C T E X A M I N A T I O N

BY MS. KAUFMAN:

Q Mr. Gillan, can you state your name and address for the record, please?

A Joseph Gillan, P.O. Box 541038, Orlando, Florida 32854.

Q On whose behalf are you appearing in this proceeding?

A The Florida Interexchange Carriers Association.

Q Mr. Gillan, did you file 19 pages of direct testimony in this docket?

A Yes.

Q Do you have any changes or corrections to your testimony?

A No.

1 MS. KAUFMAN: We would ask that Mr. Gillan's  
2 prefiled direct testimony be inserted into the record as  
3 though read.

4 CHAIRMAN CLARK: The prefiled direct testimony of  
5 Joseph Gillan will be inserted in the record as though read.

6 Q (By Ms. Kaufman) Mr. Gillan, do you have any  
7 exhibits to your testimony?

8 A Yes, I do.

9 MS. KAUFMAN: Commissioners, on Friday we  
10 distributed an exhibit for Mr. Gillan that we were able to  
11 produce only upon receipt of information in discovery from  
12 Southern Bell. I have additional copies if anybody didn't get  
13 one. We would ask for an exhibit number for that.

14 COMMISSIONER KIESLING: I don't have it.

15 CHAIRMAN CLARK: I don't have one either.

16 JPG-1 will be identified as Exhibit 19.

17 (Exhibit No. 19 marked for identification.)  
18  
19  
20  
21  
22  
23  
24  
25

1                   BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2                                   DIRECT TESTIMONY OF

3   JOSEPH GILLAN

4   ON BEHALF OF

5                   THE FLORIDA INTEREXCHANGE CARRIERS ASSOCIATION

6                                   DOCKET NO. 920260-TL

7                                   **I. Introduction**

8   **Q.   PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

9  
10   A.   My name is Joseph Gillan. My business address is P. O. Box 541038, Orlando,  
11       Florida 32854.

12  
13   **Q.   WHAT IS YOUR OCCUPATION?**

14  
15   A.   I am an economist with a consulting practice specializing in telecommunications.  
16       I have appeared before this Commission in over a dozen proceedings since 1987.

17  
18   **Q.   ON WHOSE BEHALF ARE YOU TESTIFYING?**

19  
20   A.   I am testifying on behalf of the Florida Interexchange Carriers Association  
21       (FIXCA), which is an industry group formed to advocate policies which foster  
22       interexchange competition before the Florida Public Service Commission.

23

1 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

2

3 A. The purpose of my testimony is to evaluate Southern Bell's proposed Extended  
4 Calling Service (ECS), particularly in light of the Company's new obligations  
5 under the recently revised telecommunications statute. This tariff filing represents  
6 a turning point in the Commission's regulation of Southern Bell. On one level,  
7 the filing is a continuation of the Commission's previous regulatory policies  
8 because it is intended to implement a scheduled revenue reduction required under  
9 the Stipulation that concluded the Commission's last rate investigation of Southern  
10 Bell (see Order No. PSC 94-0172-FOF-TL.) On another level, however, the filing  
11 marks the first time that the Commission will review a Southern Bell pricing  
12 proposal in the context of the recently revised Florida telecommunications law  
13 which will become effective shortly after the tariff is implemented.

14

15 Q. WHAT CONCLUSIONS HAVE YOU REACHED ABOUT SOUTHERN  
16 BELL'S ECS PROPOSAL?

17

18 A. My conclusions are:

19

20 1. Southern Bell's proposed ECS service cannot be implemented (as is)  
21 because it fails the imputation requirements for a non-basic service.

22

23 2. The Commission should only implement ECS if it is accompanied by

1 complementary actions that will assure continued competition.

2 Specifically, the Commission should require:

3

4 a. The introduction of a "wholesale" equivalent to ECS that is  
5 expressly designed to be resold by other providers, and

6

7 b. The adoption of an "interconnection" rate to apply to the  
8 origination/termination of ECS traffic.

9

10 The full development of these complementary policies is likely to extend beyond  
11 the October 1, 1995 revenue reduction date required by the Stipulation. Until  
12 these policies are implemented, the Commission should use the interim refund  
13 mechanism outlined in the Stipulation.

14

15 **Q. DO YOU SUPPORT THE INTRODUCTION OF AN ECS-LIKE SERVICE**  
16 **TO SATISFY THE SCHEDULED REVENUE REDUCTION?**

17

18 A. No. There are a number of inequities in Southern Bell's current price schedules  
19 (the relationship between PBX trunk and Centrex prices is one example) that  
20 should be corrected with the scheduled revenue reduction. However, the following  
21 testimony ignores the *relative* merits of an ECS-like service and, instead, addresses  
22 the complementary steps that the Commission must take, *assuming* that it  
23 concludes that an ECS-like arrangement is the appropriate way to implement the

1 revenue reduction.

2

3 **II. Southern Bell's ECS Proposal Cannot be**  
4 **Implemented as Structured**

5

6 **Q. DOES THE RECENTLY ENACTED FLORIDA STATUTE CLEARLY**  
7 **ARTICULATE THE POLICY DIRECTION THE COMMISSION MUST**  
8 **FOLLOW?**

9

10 **A. Yes. The clear objective of the revised statute is to promote competition in all**  
11 **telecommunication markets. The new law articulates legislative intent at section**  
12 **364.01(3):**

13 **The Legislature finds that the competitive provision**  
14 **of telecommunications services, including local**  
15 **exchange telecommunications service, is in the**  
16 **public interest and will provide customers with**  
17 **freedom of choice, encourage the introduction of**  
18 **new telecommunications service, encourage**  
19 **technological innovation, and encourage investment**  
20 **in telecommunications infrastructure.**

21 **As this statement of legislative intent emphasizes, the Legislature's basic policy**  
22 **goal is a competitive telecommunications industry in all of its submarkets. It is**  
23 **against this competitive standard that the Commission must judge Southern Bell's**  
24 **ECS proposal, and it may allow the tariff to become effective only if it is**  
25 **modified to ensure that competition on the routes in question may continue.**

26

27 **The procompetitive intent of the new law is particularly relevant in the market**

1           jeopardized by ECS -- i.e., the interexchange toll market -- where the Commission  
2           itself has already recognized the importance of competition by empowering  
3           customers with control of their 1+ dialing. (Order No. PSC-95-0203-FOF-TP,  
4           Docket No. 930330-TP (Feb. 13, 1995)). To *eliminate* competition here and now  
5           -- along some of the most heavily used toll routes in the state and on the eve of  
6           intraLATA presubscription -- would be an action completely at odds with the  
7           fundamental intent of the revised statute and this Commission's orders. If the  
8           ECS service is implemented "as is," without the other safeguards I discuss later  
9           in my testimony, it will have the effect of converting currently competitive toll  
10          routes to monopoly routes which only Southern Bell can viably serve.

11

12   **Q.   HOW SHOULD THE COMMISSION APPROACH ITS REVIEW OF**  
13   **SOUTHERN BELL'S ECS PROPOSAL UNDER THE NEW STATUTE?**

14

15   **A.   The Commission should review the proposed ECS service under the statutory**  
16   **standards contained in the revised law. Although it could be argued that the full**  
17   **application of the revised statute is not appropriate until after the statute becomes**  
18   **effective and Southern Bell has elected price cap regulation, it makes little sense**  
19   **to ignore these standards now and then revisit the entire ECS pricing issue again**  
20   **in a few short months. Under the new statute, the following key provisions apply:**

21

22           1.   As a non-basic service, ECS prices must exceed the imputed price of any  
23           monopoly component charged to a competitor in the provision of its same

1 or functionally equivalent service. (Section 364.051(6)(c), Florida  
2 Statutes).

3

4 2. ECS must be available for resale (absent a Commission finding to the  
5 contrary), at prices set below the retail price of ECS by an amount (at least  
6 sufficient) to adjust for unbundled marketing and other expenses unrelated  
7 to the wholesale-ECS service. (Section 364.161, Florida Statutes).

8

9 3. Southern Bell must introduce an interconnection service which provides  
10 other competitors the ability to originate or terminate ECS-like traffic.  
11 (Section 364.161, Florida Statutes).

12

13 **Q. DOES THE PROPOSED ECS SERVICE MEET THE STATUTORY TESTS**  
14 **DESCRIBED ABOVE?**

15

16 A. No, ECS fails each of the required tests. Therefore, the Commission must either  
17 reject Southern Bell's ECS proposal or implement it in such a way that the  
18 statutory requirements are met.

19

20

**A. Imputation**

21

22 **Q. WHAT IMPUTATION TEST MUST ECS SATISFY TO COMPLY WITH**  
23 **THE STATUTE?**

1 A. The revised statute's imputation provision for non-basic services is quite clear:

2 The price charged to a consumer for a non-basic  
3 service shall cover the direct costs of providing the  
4 service and shall, to the extent a cost is not included  
5 in the direct cost, include as an imputed cost the  
6 price charged by the [local telephone] company to  
7 competitors for any monopoly component used by  
8 a competitor in the provision of its same or  
9 functionally equivalent service.

10 Section 364.051(6)(c), Florida Statutes. The relevant charges to consider in the  
11 imputation test for ECS are switched access charges. For each and every call  
12 along these routes, Southern Bell imposes switched access charges on its  
13 interexchange competitors for the use of its monopoly local exchange network to  
14 originate and terminate this traffic.

15

16 Southern Bell itself recognizes that ECS is the functional equivalent of the toll  
17 services offered by it and its competitors when it computes the revenue reduction  
18 that ECS will provide. Only 22 of the 154 Phase I routes that Southern Bell  
19 proposes to move to ECS service have any other calling option other than MTS  
20 toll service today. And given the mandatory nature of ECS, these revenues  
21 disappear with its introduction.

22

23 **Q. HAVE YOU CONDUCTED AN IMPUTATION TEST FOR ECS SERVICE?**

24

25 A. Yes, I performed a simplified imputation test to determine if the ECS prices  
26 charged to end-users cover the tariffed price of the monopoly component used by

1 Southern Bell's interexchange carrier competitors, switched access service.

2  
3 Although detailed information is not currently available, even a superficial analysis  
4 indicates that ECS fails to cover the access charges that Southern Bell would (in  
5 the absence of an "interconnection rate") impose on its competitors. FIXCA has  
6 served Southern Bell with discovery requests for the information needed to  
7 perform a more thorough evaluation and reserves the right to supplement this  
8 testimony, if appropriate. Table 1 compares the average switched access charge  
9 imposed on a four minute call to the retail prices that Southern Bell proposes to  
10 impose on consumers.

11 Table 1

	<u>Average Per Minute</u>
12 Estimated Average ECS Revenue/Minute	\$0.0642
14 Estimated Access (Effective 10/1/95)	\$0.0745

15 Source: Average of Business and Residential ECS Revenue Per Minute Calculated  
16 Using Relative Business and Residence MTS Minutes (1st Q, 1994),  
17 Southern Bell's Response to FIXCA's First Set of Interrogatories, No. 1,  
18 Docket No. 930330-TP.

19  
20 **B. Other Anticompetitive Aspects of ECS**

21  
22 **Q. ARE THERE OTHER ELEMENTS OF THE ECS PROPOSAL THAT ARE**  
23 **ANTICOMPETITIVE?**

1 A. Yes. In addition to its below-cost pricing, there are three other factors which will  
2 act to prevent competition: (a) the change to a 7-digit dialing pattern, (b) the  
3 mandatory nature of the service, and (c) the preclusion of resale by subjecting  
4 ECS to a resale restriction and failing to introduce a wholesale-ECS service which  
5 can be resold.

6

7 **Q. HOW DOES THE CHANGE IN DIALING PATTERN AFFECT**  
8 **COMPETITION?**

9

10 A. Removing the 1+ dialing pattern from these routes shelters this traffic from the  
11 competitive pressures that will result with the introduction of 1+ presubscription.  
12 There is no reason to change the dialing pattern associated with these routes (even  
13 if the Commission changes its pricing). This traffic should remain subject to the  
14 Commission's intraLATA presubscription order, with the 1+ dialing pattern  
15 undisturbed.

16

17 **Q. WHAT IS THE EFFECT OF REQUIRING CUSTOMERS TO BUY ECS?**

18

19 A. Southern Bell proposes to make ECS mandatory -- effectively bundling this  
20 competitive interexchange service with the subscriber's local exchange service.  
21 Competitors would be unable to compete for this interexchange traffic unless they  
22 could also offer the subscriber a bundled local/ECS service. In this way, Southern  
23 Bell is attempting to shift this traffic from the more competitive interexchange

1 marketplace to the local market where competition is nascent (at best), or (more  
2 accurately) non-existent. The Commission should only permit ECS as an optional  
3 service.

4

5 **Q. DOES SOUTHERN BELL PROHIBIT THE RESALE OF ECS?**

6

7 A. Yes. Southern Bell appears to impose a general restriction on the resale of ECS  
8 service by its inclusion in the "local" section of its General Subscriber Service  
9 Tariff (Section A2.2.). This implicit resale restriction is in direct contravention  
10 of the statute's requirement that Southern Bell allow that its services be resold --  
11 with appropriate price reductions -- unless the Commission affirmatively decides  
12 otherwise.

13

14 Together, these actions -- the pricing below access-cost, the change in dialing  
15 pattern, its mandatory nature, and the restriction on resale -- all work to remove  
16 the ECS routes from competition.

17

18 **Q. WHERE ARE THE COMPETITIVE CONSEQUENCES OF THE**  
19 **PROPOSED ECS FILING CONCENTRATED?**

20

21 A. It appears that the competitive consequences of the proposed ECS filing are  
22 concentrated in the Southeast LATA. Over 85% of the revenue reduction  
23 anticipated from the introduction of ECS service occurs in this LATA.

1 Q. SHOULD THE COMMISSION BE PARTICULARLY SENSITIVE TO  
2 COMPETITIVE CONDITIONS IN THE SOUTHEAST LATA?

3  
4 A. Yes, the Southeast LATA owes its very existence to this Commission's  
5 commitment to competition. At divestiture, Southern Bell was granted a waiver  
6 of the MFJ's LATA-rules to combine a number of separate communities within  
7 a single Southeast LATA. The Court allowed the combination of these  
8 metropolitan areas into a single LATA based on its understanding that the Florida  
9 Commission was committed to the development of intraLATA competition:

10 With regard to intraLATA competition, the Court  
11 notes that Florida has already licensed an intrastate  
12 carrier, Microtel, Inc., to compete with Southern  
13 Bell for intercity intraLATA calls. The State Public  
14 Service Commission, in its filings with the Court,  
15 has persuaded the Court that it is a strong body and  
16 one committed to promoting competition.

17  
18 And, in a later section, the Court noted that:

19  
20 The Court allowed the consolidation of three  
21 SMSAs to form the Southeast LATA (Miami, West  
22 Palm Beach, and Ft. Pierce) with the understanding  
23 that there would be intra-LATA competition for  
24 calls between these cities.

25 United States v. Western Electric Co., Inc., 569 F. Supp. 990, 1032, 1109 (D.D.C.  
26 1983) (footnotes omitted).

27

28 Q. SOUTHERN BELL IMPLIES THAT THE COMMISSION COULD  
29 CONTINUE TO ALLOW COMPETITION ON THESE ROUTES SIMPLY  
30 BY INCLUDING THESE ROUTES UNDER A PREEXISTING

1           **AGREEMENT BETWEEN FIXCA AND SOUTHERN BELL. (SEE**  
2           **TESTIMONY OF JOSEPH A. STANLEY, JR. AT 10). DO YOU AGREE?**

3  
4    A.    No. The agreement referenced by Southern Bell *deferred* the debate over what  
5           actions are necessary for competition to continue along routes subject to "\$.25  
6           plan" pricing, it did not *resolve* it. Several of the actions that FIXCA has long  
7           endorsed as good policy -- in particular, establishing an appropriately priced  
8           "interconnection rate" and resale -- are now law. Further, due to the widespread  
9           nature of the proposed ECS, it is no longer reasonable for the Commission to  
10          delay addressing the competitive implications of the plan.

11  
12          The legislation is clear and unambiguous. The policy of the State of Florida is  
13          competition in telecommunications. The statute plainly prohibits the unilateral  
14          implementation of ECS because its prices are below the charges that Southern Bell  
15          imposes on other providers for use of its monopoly local network. Further, the  
16          statute prohibits restrictions on resale (absent a Commission determination to the  
17          contrary) and, in fact, affirmatively obligates Southern Bell to provide an  
18          appropriately priced interconnection service that would allow its interexchange  
19          competitors the opportunity to offer ECS-like services.

20  
21          If the Commission decides that an ECS-like pricing system is appropriate, then  
22          other complementary policies must be implemented in combination with ECS to  
23          assure the continued viability of competition along these routes.

1                   **III. Recommended Complementary Actions:**  
2                   **Resale and Interconnection**

3

4   **Q.   WHAT OTHER ACTIONS MUST THE COMMISSION TAKE IF IT**  
5   **CHOOSES TO APPROVE SOUTHERN BELL'S ECS PROPOSAL?**

6

7   A.   As noted, the new Florida statute is intended to promote an increasingly  
8       competitive telecommunications marketplace. The statute recognizes, however,  
9       that the incumbent local exchange carrier will continue to be the preeminent (if  
10      not monopoly) local network for some time. Accordingly, the statute establishes  
11      a number of mechanisms to assist in the transition to fuller competition.

12

13       These mechanisms are instructive because they are also the policies that the  
14       Commission should adopt here to enable competition to continue. Specifically,  
15       the Commission should require that Southern Bell introduce:

16

- 17       1.     a wholesale ECS-like service that is designed to be resold, and  
18  
19       2.     an interconnection rate to apply to the use of Southern Bell's local network  
20             for the origination and termination of ECS-like traffic.

21

22       In fact, such an interconnection rate is absolutely required by the statute so that  
23       ECS may satisfy the imputation test required for non-basic services.

1 Q. DOES THE STATUTE CONTEMPLATE WHOLESALE SERVICES  
2 EXPRESSLY DESIGNED FOR RESALE?

3  
4 A. Yes. The statute clearly requires that local telephone companies offer unbundled  
5 components of their retail services. A wholesale-ECS service is similar to the  
6 retail-ESC product with all retail support functions "unbundled" from its price.

7  
8 Further, the statute clearly contemplates a lower wholesale price that is at least  
9 reduced by the cost savings experienced by the local telephone company, but  
10 should not be below the cost to provide the service:

11 The commission shall ensure that, if the rate it sets  
12 for a service or facility to be resold provides a  
13 discount below the tariff rate for such service or  
14 facility which appropriately reflects the local  
15 exchange telecommunications company's avoidance  
16 of the expense and cost of marketing such service or  
17 facility to retail customers, such rate must not be  
18 below cost. The commission shall also assure that  
19 this rate is not set so high that it would serve as a  
20 barrier to competition.

21 Section 364.161(5), Florida Statutes.

22  
23 Thus, the revised statute establishes the basic parameters of the Commission's  
24 discretion in the pricing of the wholesale-equivalent to ECS. The price discount  
25 must at least reflect the cost savings experienced by the LEC, but should not be  
26 below the LEC's cost.

27

1 **Q. DO YOU HAVE A SPECIFIC PRICE RECOMMENDATION FOR THE**  
2 **WHOLESALE ECS SERVICE?**

3

4 **A.** No, not at this time. FIXCA has requested the appropriate cost information from  
5 Southern Bell and hopes to further articulate a specific price level after the  
6 information is received.

7

8 **Q. WILL A WHOLESALE-ECS SERVICE PROMOTE COMPETITION?**

9

10 **A.** Yes. Companies compete through pricing, but they also compete by differentiating  
11 their billing systems, customer support and other non-price elements of service.  
12 This type of competition can continue, so long as IXCs can obtain from Southern  
13 Bell the switching and transmission capabilities underlying ECS unbundled from  
14 other retail functions.

15

16 Further, with an appropriately reduced wholesale price, additional price  
17 competition is also possible. The key is requiring Southern Bell to introduce a  
18 wholesale-ECS service which interexchange carriers would resell -- with the  
19 interexchange carrier providing retail functions such as billing, collection and  
20 customer support. Under such a system, Southern Bell would continue to perform  
21 the transmission and switching of each subscriber's ECS call, but the  
22 interexchange carrier would handle billing and customer inquiries.

23

1 Q. ARE THERE OTHER CHANGES THAT SOUTHERN BELL WOULD  
2 NEED TO MAKE TO OFFER A WHOLESALE-ECS SERVICE?

3

4 A. Yes. Southern Bell would need to devise automated support systems for the  
5 transfer of billing and other account management information to the interexchange  
6 carrier that is reselling the ECS service and maintaining contact with the customer.

7

8 Q. SHOULD THE COMMISSION ALSO ESTABLISH AN  
9 "INTERCONNECTION RATE" FOR THE USE OF SOUTHERN BELL'S  
10 NETWORK TO ORIGINATE OR TERMINATE TRAFFIC?

11

12 A. Yes. Some competitors will want to provide their own switching of ECS-like  
13 services, perhaps to add new features or functions, such as account billing. In this  
14 case, the resale of a wholesale-ECS service will not meet their needs and an  
15 interconnection rate will need to be established to originate and terminate these  
16 calls on Southern Bell's network.

17

18 I would note also that such an interconnection rate is necessary for Southern Bell  
19 to satisfy the imputation standards of the statute.

20

21 Q. WHAT PROCESS SHOULD THE COMMISSION USE TO ESTABLISH AN  
22 ECS-INTERCONNECTION RATE?

23

1 A. The statute contains an unfortunate ambiguity in that it does not clearly contain  
2 a process to establish the interconnection charge (or resale price) paid by  
3 interexchange carriers (as opposed to alternative local exchange carriers). The  
4 section of the statute discussing the negotiaiton of interconnection rates is written  
5 to apply to discussions between local telephone companies and companies  
6 certificated as alternative local telephone companies. While the statute certainly  
7 contemplates a competitive interexchange *outcome* -- and, as noted above,  
8 expressly requires that the monopoly local exchange network continue to be priced  
9 in a manner consistent with this result -- there is no clearly defined *process* to  
10 arrive at the necessary interconnection rates.

11

12 The statute is clear, however, in that all disputes are to be resolved by the  
13 Commission -- irrespective of the path taken to the Commission's doorstep.  
14 (Section 364.162(2)). As a result, I recommend that the Commission adopt in this  
15 proceeding the interconnection rates that would underlie ECS-like services offered  
16 by other providers, including interexchange carriers (assuming that the  
17 Commission chooses the ECS alternative for the disposition of the stipulated  
18 revenue reduction).

19

20 **Q. HOW SHOULD THE INTERCONNECTION PRICE BE ESTABLISHED?**

21

22 A. A straightforward methodology could be to simply establish the relative ratio of  
23 ECS prices/interconnection rates to equal the same ratio of MTS prices/access-

1 charges. Such a methodology would assure consistent treatment between the retail  
2 prices and their respective interconnection/access rates.

3

4

#### IV. Summary

5

6 **Q. PLEASE SUMMARIZE YOUR TESTIMONY.**

7

8 A. The recently passed telecommunications legislation makes it clear that the  
9 overriding goal of the Legislature is to move to a competitive telecommunications  
10 environment. Such intent would be thwarted if Southern Bell's proposed ECS  
11 plan is approved as submitted -- particularly at price levels that would be unlawful  
12 the instant Southern Bell elects price regulation. The plan would prevent  
13 competition on important toll routes and fails to meet several criteria set out in the  
14 new law.

15

16 If the Commission does approve Southern Bell's ECS plan, it must first put in  
17 place the following policies: (1) it must require the service to meet the imputation  
18 requirements for a non-basic service; (2) it must make a wholesale ECS-like  
19 service available for resale; (3) it must provide an IXC interconnection rate to  
20 apply to ECS traffic; (4) it must retain 1+ dialing; and (5) it must make ECS  
21 optional.

22

23 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

1 A. Yes, at this time.

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1 Q (By Ms. Kaufman) Mr. Gillan, have you prepared a  
2 summary of your testimony?

3 A Yes, I have.

4 Q Would you proceed, please?

5 A Yes. Good afternoon, Commissioners. This docket is  
6 one of the most important policy dockets that the Commission  
7 will address, and it represents really a turning point in the  
8 Commission's regulation in that it is the first docket to  
9 address the pricing policies of Southern Bell under the new  
10 telecommunications statute.

11 That statute had a clear and unambiguous direction  
12 from the legislature that all telecommunications markets  
13 should be open to competition in exchange for granting  
14 Southern Bell substantial flexibility relative to its  
15 earnings.

16 Now this wasn't a blanket check -- a blank check to  
17 Southern Bell. The statute contains safeguards including the  
18 codification of the Commission's long-standing imputation  
19 requirement.

20 Against this backdrop of the legislation, the ECS  
21 proposal moves in a fundamentally opposite direction. ECS  
22 essentially targets the Southeast LATA, the largest toll  
23 market in the state, and effectively removes that market from  
24 competition -- in direct contravention of the legislative  
25 policy favoring competition; in direct contravention of the

1 Commission's long-standing policy requiring that Southern  
2 Bell's prices exceed its access prices; in direct  
3 contravention of the Commission's recent decision on 1+ where  
4 we stand on the eve of finally giving consumers the  
5 opportunity to choose who their long distance carrier will be;  
6 and, in fact, in contravention of this Commission's commitment  
7 to Judge Green at the time the Southeast LATA was formed,  
8 which effectively was a waiver of the MFJ's rules to not  
9 include more than one city in a LATA. This Commission  
10 represented and the judge agreed that that LATA could be  
11 consolidated under the presumption that competition would not  
12 be foreclosed by that action.

13           The basic conclusion of my testimony is that the ECS  
14 service is a nonbasic service under the language of the  
15 statute which requires that the Commission assure that the  
16 price Southern Bell charges consumers exceed the access  
17 charges that Southern Bell imposes on its rivals. My  
18 testimony shows that ECS clearly fails this standard when  
19 judged by the Commission's own imputation methodology.

20           Now despite having basically a negative opinion of  
21 ECS in respect to the current statute and its competition, I'm  
22 not actually here to recommend to the Commission that they  
23 adopt ECS or one of the alternatives. Rather, our testimony  
24 goes to the question of: If the Commission decides on its own  
25 that it wants to have an ECS-type pricing system implemented,

1 what other actions must the Commission take to bring ECS into  
2 compliance with the statute and enable competition to  
3 continue?

4           Assuming that the Commission decides to adopt an  
5 ECS-like pricing system, we have identified five associative  
6 actions which the Commission must take in order for ECS to  
7 comply with the statute and competition, viable competition,  
8 to continue in that LATA.

9           The first is that the Commission must adopt an  
10 interconnection rate that Southern Bell's rivals would pay  
11 Southern Bell for the use of its network to originate and  
12 terminate ECS traffic, and that that interconnection rate has  
13 to allow for viable competition and Southern Bell's ECS prices  
14 must pass an imputation test using those interconnection  
15 rates.

16           Second, that the Commission should require that a  
17 wholesale ECS service be introduced by Southern Bell that  
18 others may resell supported by their own marketing and  
19 customer account expertise to offer a competitive product.

20           Third, the Commission needs to confirm that Southern  
21 Bell has actually effected the necessary ordering and  
22 provisioning systems needed for other carriers to use this  
23 interconnection service and this wholesale ECS service.

24           Fourth, the Commission should retain the 1+ dialing  
25 of calls on the ECS routes to preserve the customer's

1 discretion in which carrier to choose.

2 And finally, that the Commission should implement  
3 ECS as an optional service so that subscribers can decide  
4 whether to subscribe to ECS, and, if so, whether to choose  
5 Southern Bell or one of its rival ECS-like products.

6 In effect, I believe these last two requirements are  
7 satisfied simply by retaining 1+ dialing and implementing the  
8 Commission's presubscription policies.

9 In my late-filed exhibit, we identified a proposed  
10 interconnection rate and wholesale ECS rate that would satisfy  
11 these first two concerns. The interconnection rate that we  
12 suggest would be 2.27 cents per minute of use on each end of  
13 an ECS call. And for a wholesale service, since the wholesale  
14 service effectively has both ends, it would be twice that  
15 amount, 0.0455.

16 If the Commission takes these actions at the same  
17 time and implements ECS, we believe that it would be brought  
18 into compliance with the statute and competition would be  
19 allowed to continue. In the event that these actions cannot  
20 be implemented between now and October 1st, we recommend that  
21 the Commission use the interim refund mechanism of the  
22 stipulation to partially implement the reduction and then move  
23 to ECS once these conditions are satisfied.

24 That concludes my summary.

25 MS. KAUFMAN: Thank you, Mr. Gillan. Mr. Gillan is

1 available for cross examination.

2 CHAIRMAN CLARK: Mr. Boyd?

3 MR. BOYD: No questions.

4 CHAIRMAN CLARK: Mr. Tye?

5 MR. TYE: Thank you, Chairman Clark.

6 CROSS EXAMINATION

7 BY MR. TYE:

8 Q Good afternoon, Mr. Gillan. Mr. Gillan, have you  
9 developed during the course of your practice in Florida over  
10 the years, you have developed an understanding of what  
11 Southern Bell's cost of intrastate access is?

12 A Yes.

13 Q Would it be safe to say that it's less than a penny  
14 a minute?

15 A Certainly, it would be very safe.

16 Q I'm sorry, I didn't --

17 A It would be very safe to say.

18 Q Now with respect to the proposals that you are  
19 making in this case regarding proposed ECS interconnection  
20 rates, would the cost of that, providing that interconnection,  
21 be roughly the same as the cost of intrastate access in your  
22 opinion?

23 A Yes, it would.

24 Q Okay. So then even if your proposal were adopted,  
25 Southern Bell would still have a markup in excess of 200% on

1 these interconnection rates; is that correct?

2 A Yes, that's correct.

3 Q And that's a healthy profit margin in your opinion?

4 A I don't believe that there's any commodity in the  
5 Free World that has the volumes and the markup that switched  
6 access has.

7 Q Okay.

8 A Markups like that are usually reserved for jewelers  
9 and things like that.

10 Q And would it also be safe to say that if ECS, if  
11 Southern Bell's proposal in this case were approved without  
12 taking the actions you have proposed, then there will be no  
13 competition on these 288 routes in question?

14 A Without a doubt.

15 It just don't make any sense at all for any  
16 interexchange carrier or any competitive firm to go in and try  
17 and attract customers and provide them a better service or a  
18 high quality service, whatever, charge those customers 6 cents  
19 a minute and turn around and pay Southern Bell 7.5 cents a  
20 minute. It just doesn't work. You can't take in 6 cents and  
21 send out 7.5 cents and do it very long.

22 MR. TYE: Thank you, Mr. Gillan, I have no further  
23 questions.

24 CHAIRMAN CLARK: Mr. Melson?

25 MR. MELSON: No questions.

1 CHAIRMAN CLARK: Mr. Self?

2 MR. SELF: No questions.

3 CHAIRMAN CLARK: Mr. Dickens?

4 MR. DICKENS: Thank you.

5 CROSS EXAMINATION

6 BY MR. DICKENS:

7 Q Mr. Gillan, good afternoon.

8 A Good afternoon, Mr. Dickens.

9 Q You talked about some elements you recommend if  
10 Southern Bell is permitted to implement ECS as it's proposed.  
11 What effect do you think will occur in terms of competition in  
12 the Southeast LATA if Southern Bell is permitted to implement  
13 ECS without those elements that you have recommended?

14 A Well, there would be a couple of impacts. The first  
15 most dramatic impact is that there would be no more  
16 competition or hope of competition in the Southeast LATA for  
17 these interexchange routes. Near as I can tell, using some  
18 round numbers, the toll revenue in the Southeast LATA after  
19 the last rate reduction is going to be about approximately  
20 \$120 million. The routes that Southern Bell proposes to  
21 remonopolize through ECS would take about \$100 million of that  
22 and take it out of competitive service and put it into the  
23 monopoly, so that you would basically be taking just one large  
24 market and effectively gutting it. That, as a practical  
25 matter, would foreclose any competitive development in the

1 Southeast LATA.

2 I think there's also a larger issue throughout the  
3 state in that my review of this indicates that the Commission  
4 fundamentally cannot implement ECS as Southern Bell's  
5 proposed. The prices simply don't comply with the law. So if  
6 the Commission were to allow this to go into effect  
7 notwithstanding that concern, there would be a chilling effect  
8 on competition throughout the entire state as people, you  
9 know, really reevaluate investment and other decisions based  
10 on what kind of competitive protections would exist.

11 MR. DICKENS: Thank you.

12 CHAIRMAN CLARK: Mr. Beck?

13 MR. BECK: No questions.

14 CHAIRMAN CLARK: Staff? I'm sorry, Mr. Carver?

15 MR. CARVER: I have just a few.

16 CROSS EXAMINATION

17 BY MR. CARVER:

18 Q Mr. Gillan, my name is Phil Carver, and I represent  
19 Southern Bell. And I just have a few questions for you.

20 On Page 2 of your testimony, you begin by saying  
21 that the purpose of your testimony is to evaluate Southern  
22 Bell's proposed extended calling service, particularly in  
23 light of the Company's new obligations under the recently  
24 revised telecommunications statute; is that correct?

25 A That's correct.

1 Q So basically, you're giving a legal opinion about  
2 the effect of the statute; is that correct?

3 A I'm giving an economic opinion as to whether the  
4 imputation requirements of that statute are being satisfied.  
5 Now, the imputation requirement is written into a statute. It  
6 seems to me that that's an economic question as to whether  
7 that's being satisfied or not.

8 Q Well, it's not from imputation. You have listed  
9 five things there. Are you giving legal opinions as to all  
10 five of those? Do you believe that all five of those as a  
11 matter of law have to be met?

12 A I believe that the first one is a matter of the  
13 statute has to be met in order --

14 Q I can't --

15 A -- for the imputation standard to be satisfied.

16 Q I'm sorry, I don't mean to interrupt, but I can't  
17 see it from here.

18 A Oh, I'm sorry.

19 Q So if you could just tell me which one it is,  
20 which -- substantively what the first one is? I mean, just  
21 read it to me. I just can't see it.

22 A Okay. Would you like a copy? I have one.

23 MR. CARVER: Sure that would be great.

24 CHAIRMAN CLARK: I'll take a copy, too. I can't see  
25 that far. (Laughter)

1 WITNESS GILLAN: And I have to retract my statement.

2 MR. CARVER: I'll read it before I go back.

3 WITNESS GILLAN: I apologize, Mr. Carver. In the  
4 old room, it would have been large enough.

5 COMMISSIONER GARCIA: Mr. Carver, would you have him  
6 read it anyway? Because we can't see it.

7 MR. CARVER: Okay.

8 COMMISSIONER GARCIA: So it might be easier that  
9 way.

10 MR. CARVER: Okay.

11 A The first item is that the Commission must adopt an  
12 interconnection rate for the use of Southern Bell's network  
13 that complies with the Commission's imputation test and allows  
14 competition on these routes.

15 The second is that it adopts a wholesale ECS service  
16 that others may resell that enables other carriers to provide  
17 an ECS-like service supported by their own market and customer  
18 account expertise.

19 The third would be the Commission would need to  
20 confirm that Southern Bell has actually activated the  
21 necessary back office support activities, ordering provisions  
22 and things likes that in order for people to really be able to  
23 use the interconnection service and the wholesale service.  
24 Sort of self-evident that if you don't have this back office  
25 system in effect, the availability of a price doesn't really

1 mean anything.

2           The fourth is that the Commission would retain 1+  
3 dialing to preserve customer choice and to continue to  
4 distinguish between measured ECS and flat rate of local calls.

5           And the final point is that ECS should be  
6 implemented as an optional service to the consumer. Which is  
7 actually, as I said in the summary, a consequence of really of  
8 retaining 1+ with interLATA presubscription.

9           Q     (By Mr. Carver) Okay. So we can get back to my  
10 other question. Of those five, which are you saying must be  
11 implemented as a matter of law in your opinion?

12           A     I believe the statute clearly indicates that the  
13 imputation test has to be satisfied. I don't believe it can  
14 be satisfied without the interconnection rate being  
15 established. It certainly cannot be satisfied under a system  
16 where you impose switched access rates on your rivals who are  
17 offering a service on those routes.

18           Q     Okay. Maybe I'm not making my question clear.  
19 Really all I'm asking you to do is just say one through five.  
20 I assume some of them are things that you believe are  
21 necessary as a matter of law. Are there that aren't, or are  
22 you saying all five of these things must be done legally, in  
23 other words, in order for the ECS plan to comply with the  
24 legal requirements of the statute?

25           A     I believe that the first point needs to be done.

1 Q That would be interconnection?

2 A Correct. I think that, under the statute, carriers  
3 have an entitlement to request a wholesale ECS service, but I  
4 don't know -- it doesn't appear to me in the statute that the  
5 Commission would necessarily have to reject ECS until the  
6 wholesale service is available. It is my opinion, however, as  
7 a matter of policy that that's as important or more important  
8 as the interconnection rate. So that issue is somewhat within  
9 the Commission's discretion; but as a matter of policy, I  
10 would recommend that they implement it at the same time as  
11 ECS.

12 I think the third point has to be satisfied that the  
13 Commission confirms that not only is an interconnection rate  
14 available, but that Southern Bell has instituted the necessary  
15 back office support functions for that to be viable offering.

16 And I think the last two points on having ECS be  
17 optional and retaining 1+ dialing are probably within the  
18 Commission's discretion. I don't know that there's something  
19 in the statute that actually requires that that be true.

20 Q Okay. Let's talk for just a moment about the point  
21 you made about wholesale ECS. Would you turn, please, to Page  
22 6 of your testimony.

23 I'm going to skip the parentheticals, but I think  
24 what you say here is, "ECS must be available for resale at  
25 prices set below the retail price of ECS by an amount to

1 adjust for unbundled marketing and other expenses unrelated to  
2 the wholesale ECS service." And then you cite 364.161 as if  
3 364.161 says that. Is your position now or are you modifying  
4 it that as a policy argument that you don't believe it's a  
5 legal requirement?

6 A No. There's a subtlety here that maybe I wasn't  
7 clear on. I don't know that 364 -- I haven't looked at it.  
8 My point was that there's some things, I think, that prevent  
9 the Commission from adopting ECS, like the fact that it  
10 violates the imputation requirements of the statute so,  
11 therefore, the Commission cannot let it go into effect whether  
12 they want to or not.

13 Then there are other things that the statute creates  
14 that don't really go to whether the Commission could implement  
15 ECS or not but go to entitlements that other carriers have  
16 once ECS exists; such as, in this situation, other carriers  
17 have the right to ask you to make available unbundled portions  
18 of your network. It doesn't go to whether the Commission  
19 approves ECS or not; but the minute they approve it, you're  
20 going to be faced with a request to unbundle your network, so  
21 they go hand-in-hand as a policy matter.

22 Is that more clear?

23 Q I think so. But you're not saying, are you, that as  
24 a matter of law 364.161 requires ECS to be wholesale to  
25 potential competitors, are you?

1 A Oh, yes.

2 Q You are?

3 A Yes, I am.

4 Q Do you have a copy of 364.161 there?

5 A Yes, I do.

6 Q Okay?

7 A And if you go to 364.161, it says, "Upon request,  
8 each local exchange telecommunications company shall unbundle  
9 all its network features, functions and capabilities,  
10 including access to signalling databases, systems and routing  
11 processes, and offer them to any other telecommunications  
12 provider requesting them."

13 And in my view, the wholesale ECS service that I  
14 have characterized is a request to you to offer the  
15 transmission and routing of an ECS call unbundled from its  
16 retail price, which includes customer support market and  
17 everything else. So you have an obligation under this statute  
18 to honor the request for an unbundling.

19 Q Well, so let me see if I've got this straight, then.  
20 The way you interpret the term "unbundling" is that if we  
21 unbundle it from its price but leave it bundled otherwise,  
22 that that's what the statute requires? That we sell you an  
23 entire service with all the components so that you can turn  
24 around and resell it?

25 A Yes. That's a partial unbundling of the service.

1 Q Okay. So if you have a service, even though the  
2 language refers to unbundled functionalities, your position is  
3 that if you just reprice it that constitutes unbundling?

4 A That's partially true, yes. I mean, if what you see  
5 here is when I go buy a service from you as a customer, what  
6 am I getting? I'm getting the use of your physical network  
7 but I'm also getting from you a bill, you have marketed it to  
8 me, if I have questions about it and I inquire of you -- you  
9 throw all that together in your service.

10 You don't just give people transmission, you give  
11 them a service that includes customer support and other items  
12 from Southern Bell.

13 Some people in a competitive environment are going  
14 to want to ask you to unbundle specific components of your  
15 network, but that isn't true of most people. In fact, I would  
16 say the majority of people aren't interested in obtaining  
17 unbundled network components from you as opposed to having you  
18 unbundle out the transmission capability and allowing them to  
19 offer other services on that platform. To me, that's an  
20 unbundling, yes.

21 In fact, if you go to New York, where the idea of a  
22 wholesale service is the furthestest along, that's actually I  
23 believe how Rochester described it to the New York Commission,  
24 an unbundling of the network transmission activity from all of  
25 the other things for retail service. Similarly, I think that

1 was the staff position in Illinois and Maryland, other states  
2 that have looked at the same question.

3 Q Okay. I have forgotten what your original answer to  
4 me question was, so let me try again. It is your position  
5 that the requirement of 364.161 to sell unbundled  
6 functionalities also requires that complete services be sold  
7 at a wholesale rate and that that repricing -- that in and of  
8 itself, if nothing more -- constitutes an unbundling?

9 A That is an unbundling, that is one type of  
10 unbundling --

11 Q Is that -- I'm sorry, is that a yes?

12 A Can you say the question specifically again? I  
13 believe the answer is yes, that that is one kind of  
14 unbundling.

15 Q Well, that's the only kind I'm asking about.

16 A Yes, that is an unbundling.

17 Q Okay. Now read a little bit further down. And on  
18 364.161, does the copy you have have line numbers on it?

19 A Yes.

20 Q Line 21 says, "The parties shall negotiate the  
21 terms, conditions and prices of any feasible unbundling  
22 request." You see that?

23 A Yes.

24 Q Okay. Well, then, if you believe that wholesaling  
25 ECS is selling an unbundled service, if Southern Bell were to

1 just roll this service out in the way that you advocate,  
2 wouldn't that violate the language here in the statute that  
3 these items are to be negotiated?

4 A No. Not necessarily.

5 Q Well, if it says that it is to be negotiated and  
6 Southern Bell were to just unilaterally offer it, that's not a  
7 negotiation, is it?

8 A Well, here's the problem --

9 Q I'm sorry. The problem is I don't really understand  
10 your answer. Is that a negotiation or not if one party --

11 A No.

12 Q Pardon?

13 A No, that is not a negotiation.

14 Q Okay. And what you are advocating is that Southern  
15 Bell simply offer that service -- not negotiate the products,  
16 but just say, "Here it is." Isn't that what you talk about on  
17 Page 6, Line 4, of your testimony?

18 A No, not really.

19 Q Okay.

20 A We have to step back. There's a problem in the  
21 statute having to do with the process with which people  
22 accomplish unbundling. Part of that problem is that it  
23 appears to articulate the process should apply only to LECs  
24 but not IXC's, even though this is clearly the bundling  
25 requirement goes to any telecommunications provider. So

1 there's an issue about process there.

2 But the larger question here is that there's no  
3 reason for people to sit down and negotiate with you how they  
4 should obtain a wholesale ECS service if there is no ECS  
5 service to request the wholesale equivalent to. So we find  
6 ourselves in this proceeding before the Commission having to  
7 ask the Commission, "Do you want this type of pricing system  
8 to go forward?"

9 Because if you want this type of pricing system to  
10 go forward, there's a couple of things that need to happen at  
11 roughly the same time or at the same or prior to it. One,  
12 absolutely clear in the statute there has to be an  
13 interconnection rate that Southern Bell's prices can satisfy.

14 Secondly, we know there are people who are going to  
15 want this but there's --

16 MR. CARVER: I am going to -- excuse me, I'm going  
17 to object at this point and move to strike. He's not  
18 answering my question. I think going back and talking for the  
19 fourth time about the interconnection rate is substantially  
20 beyond the scope of my question at this point. I would  
21 request an instruction to the witness to answer the question.

22 CHAIRMAN CLARK: Mr. Gillan, do you have anything  
23 further that is responsive?

24 WITNESS GILLAN: Yes. He asked me how we go about  
25 establishing the interconnection price and that's why I crept

1 back into my answer. And my next sentence was going to be to  
2 the Commission, You can tell us if you want --

3 MR. CARVER: I'm sorry, Mr. --

4 WITNESS GILLAN: -- that you approve ECS and we will  
5 go out and negotiate, if that's your interpretation. On the  
6 other hand, we have tried to structure our testimony to be as  
7 constructive as possible and not just lay at your doorstep a  
8 problem but also lay at your doorstep some potential  
9 solutions.

10 If you want to say, "We'll go forward with ECS;  
11 we're not going to implement it until 120 days after the  
12 60-day window goes by," that's within your discretion. But we  
13 want to put as much of this before you as possible. But the  
14 starting point to having this negotiation is you saying you  
15 want the service.

16 Q (By Mr. Carver) But you would agree, wouldn't  
17 you -- I'm sorry.

18 CHAIRMAN CLARK: Mr. Gillan, you do need to keep  
19 your answers more brief. Your attorney can conduct your  
20 redirect.

21 WITNESS GILLAN: I'm sorry.

22 COMMISSIONER DEASON: Let me ask a question about  
23 this point. Why is this service -- if we determine there  
24 should be an ECS plan, we basically make the decision that  
25 this is a service that should be offered as a local service.

1 Why is it any different than any local service that exists  
2 today? There's going to have to be a negotiated  
3 interconnection rate to implement the new law. So why should  
4 we delay this and label this a special local service which  
5 can't be implemented until there is a negotiated  
6 interconnection rate and a wholesale type of service so that  
7 can you negotiate it?

8 WITNESS GILLAN: The existing local exchange  
9 services are considered basic services under the statute.  
10 This is a new service; this is a nonbasic service; and because  
11 this is a nonbasic service, the imputation requirement --

12 COMMISSIONER DEASON: Let me interrupt you. Are  
13 existing EAS routes nonbasic services?

14 WITNESS GILLAN: No, existing EAS routes are basic  
15 services.

16 COMMISSIONER DEASON: All right. When we declare  
17 this, if we do so decide, why is it that these are not part of  
18 basic service?

19 WITNESS GILLAN: Because the statute's definition of  
20 basic service applies only to EAS routes that were in  
21 existence as of July 1. And I don't believe there's any  
22 disagreement that under the statute this qualifies as a  
23 nonbasic service --

24 COMMISSIONER DEASON: But I thought the statute did  
25 not apply to any open docket that existed prior to the

1 implementation of that statute, which would include all the  
2 EAS dockets we have under consideration, as well as this  
3 docket.

4 WITNESS GILLAN: No. It says here in basic  
5 telecommunications service, Commissioner, "For a local  
6 exchange telecommunications company, such terms shall include  
7 any extended area service routes and extended coin service in  
8 existence or ordered by the Commission on or before July 1,  
9 1995." Anything after that falls in as nonbasic. I believe,  
10 I -- certainly that was Mr. Hendrix's testimony in his  
11 deposition, as well, that Southern Bell agrees that this is a  
12 nonbasic service under the statute.

13 COMMISSIONER KIESLING: Since we've already  
14 interrupted your train of thought, and yours, Mr. Carver, let  
15 me ask one question that somewhat falls out of Commissioner  
16 Deason's question. I'm still trying to figure out whether you  
17 think we can do these five things in this docket. Isn't it  
18 going to take another docket? How can we do that in this  
19 docket?

20 WITNESS GILLAN: I haven't actually thought about  
21 that particular question, Commissioner. What I do know is  
22 that if you can't do at least the first of these five things,  
23 this service doesn't pass the imputation requirements of the  
24 statute. And that is my opinion --

25 COMMISSIONER KIESLING: I understand that --

1           WITNESS GILLAN: -- in which case you couldn't do  
2 the ECS. If you think you need to have a new proceeding to do  
3 ECS and all these things together, then I really don't have an  
4 opinion on that. But this docket does have as an issue, I  
5 believe, is, "What items does the Commission need for  
6 competition to continue on these routes?" I'm going off of  
7 memory here and I don't have the prehearing order in front of  
8 me.

9           COMMISSIONER KIESLING: I guess I missed something  
10 in your answer. Do you agree that we cannot do these things  
11 in this docket, or do you disagree with that? I'm just trying  
12 to figure out procedurally.

13           Let's say we agree with you that ECS can only be  
14 implemented if these five conditions precedent are also  
15 adopted. Do we do that in this docket? How do we have a  
16 record that is sufficient to do that in this docket?

17           This is a simple rate proceeding involving Southern  
18 Bell's obligation to refund \$25 million and our obligation to  
19 decide how that should be distributed. (Pause)

20           WITNESS GILLAN: I'm trying to choose, I'm trying to  
21 develop an answer thoughtfully.

22           COMMISSIONER KIESLING: Okay.

23           WITNESS GILLAN: Seems to me this is the fundamental  
24 problem. Southern Bell put on the table a pricing plan that  
25 doesn't give you a set of simple questions about, "How do we

1 implement a \$25 million rate reduction?" Instead, they put on  
2 the table a set of prices for a service that they agree is a  
3 nonbasic service whose prices do not cover the access charges  
4 that it would impose on its rivals. So they have put before  
5 you that problem.

6 Quite candidly, Commissioner, I don't believe that  
7 you can actually -- let me put it this way. I think there's a  
8 substantial question as to whether or not you can answer that  
9 question for them in this proceeding. But assuming you feel  
10 you can answer the ECS issue, you could answer these as well.

11 The question as to whether or not this docket could  
12 actually answer these questions would include the question,  
13 "Can we approve ECS, given its relationship to access charges  
14 in this proceeding and the issues that it raises?"

15 COMMISSIONER KIESLING: I don't want to interrupt  
16 you. If you are through, that's fine.

17 WITNESS GILLAN: I think I'm through. But I think  
18 the short answer is you may not be able to answer these or the  
19 fundamental question of ECS in this docket. We share with you  
20 that very real concern.

21 COMMISSIONER KIESLING: Thank you.

22 COMMISSIONER DEASON: Let me ask another question.

23 Assume for the moment that if ECS is implemented  
24 that it is by definition under the new law a nonbasic service  
25 and is different from all the EAS routes we have ordered in

1 the past. What's the significance of that? Is it still a  
2 local service, it's just that it's a nonbasic local service?

3 WITNESS GILLAN: Yes. I think as a general,  
4 Commissioner, in the old world you structured policies around  
5 a distinction of toll and local because the statute more or  
6 less in kind of a layman's description told you you are  
7 supposed to go out and have toll competition but you're  
8 supposed to go out and have local monopoly.

9 That world is gone under the new statute. The new  
10 statute tells you that your competitive obligations, your  
11 obligations to assure that viable competition can exist,  
12 transcend any distinction between toll and local.

13 The new set of obligations in the statute hinges on  
14 the definition of basic and nonbasic and interconnection,  
15 those are the relevant lines that lay out Commission  
16 responsibility.

17 COMMISSIONER DEASON: Is there going to be  
18 competition in the future in both basic local service and  
19 nonbasic local service?

20 WITNESS GILLAN: I do not believe -- well, it is  
21 unclear whether there is going to be competition for basic  
22 local service at all. The statute, however, does put in place  
23 a safeguard that applies to nonbasic local services that does  
24 not apply to basic local service, and that safeguard is the  
25 imputation requirement. That imputation requirement should go

1 along --

2 COMMISSIONER GARCIA: Wouldn't that argument follow  
3 along with everything else? In other words, wouldn't we be  
4 precluded from making any decisions following your argument on  
5 any issue until we solve that problem? So we will be stopped  
6 from acting as a Commission until we solve that problem to  
7 meet that statutory requirement which you have created?  
8 Because that issue would affect all other issues that come  
9 before us in a general rule --

10 WITNESS GILLAN: Which issue?

11 COMMISSIONER GARCIA: On telecommunications issues,  
12 that you want to solve the imputation problem that being a  
13 nonbasic service you could spread out to everything, couldn't  
14 you? In other words, the unbundling of this service, for  
15 example, that you say is required here, correct?

16 WITNESS GILLAN: Southern Bell is obligated to  
17 unbundle this service upon request, yes. But the imputation  
18 standard is a slightly different issue in that the statute  
19 clearly indicates that Bell may not charge price that fail  
20 that standard; and this is the first case you have before you  
21 where they are trying to cross that line.

22 It doesn't mean that existing prices are in jeopardy  
23 under the statute. The Commission has had an imputation  
24 standard that applied to most competitive services since 1982,  
25 I believe. So what you have here, though, is that imputation

1 standard is now codified and Southern Bell's proposed prices  
2 which fail to satisfy. I don't know that it requires that you  
3 open up everything, but it certainly requires that you make  
4 some judgment with respect to this pricing proposal.

5 COMMISSIONER DEASON: What is the imputation  
6 standard in the new law as you understand it?

7 WITNESS GILLAN: In the new law?

8 COMMISSIONER DEASON: Yes.

9 WITNESS GILLAN: Basically, Southern Bell or any  
10 local telephone company must charge a price for a service to a  
11 customer that is greater than the rates for the monopoly  
12 elements that it sells its rivals, which in this case would be  
13 access service or interconnection service which would  
14 substitute for access.

15 COMMISSIONER DEASON: Why would access even enter  
16 into it if we declared this a local service?

17 WITNESS GILLAN: Because until there's an  
18 interconnection rate, the rate that would apply to an  
19 interexchange carrier to provide calls on this route is  
20 access. There's no dispute on that, that's exactly Southern  
21 Bell's position.

22 COMMISSIONER DEASON: What prevents the  
23 interexchange carrier from getting a certificate to be a local  
24 carrier and provide this on a local basis?

25 WITNESS GILLAN: I would suggest or I would state,

1 Commissioner, that interexchange carriers already have a  
2 certificate to provide this service on these routes. The fact  
3 that Southern Bell decided to move this service from one  
4 section of its tariff to another section of its tariff doesn't  
5 appear to me to fundamentally alter the fact that this  
6 Commission has already authorized interexchange carriers to  
7 carry calls on this route.

8 COMMISSIONER DEASON: You're missing the point of my  
9 question. If we redefine it as a local service and it becomes  
10 part of local competition, which is envisioned in the new law,  
11 why is there any concern about imputation of access charges  
12 which only apply to long distance traffic?

13 WITNESS GILLAN: Because this is a nonbasic service,  
14 it has to cover the price of the rates that Southern Bell  
15 would impose on its rivals for carrying calls on these routes.  
16 And those rates are access charges, whether you call them  
17 local or don't.

18 Until you create an interconnection charge, the  
19 rates that are going to apply to anyone else providing a  
20 service are access tariffs, and those are the rates that  
21 Southern Bell must impute until there is some other  
22 alternative. But right now, that statute says, when you look  
23 at the service that your competitor offers and you look at  
24 what you sell to him for him to be able to offer that service,  
25 that's access. And then you add to that the other cost that

1 you as a local telephone company incur to offer the service  
2 over and above the access charges.

3           COMMISSIONER DEASON: I think there's going to be a  
4 very significant legal question in this docket perhaps and  
5 perhaps at some point it needs to be briefed, I don't know, as  
6 to whether what you are saying is legally correct: Whether  
7 this law would prevent this Commission from doing what we have  
8 been doing for years, looking at routes and saying these  
9 routes should be provided on a local service basis and that we  
10 cannot do that until there is an interconnection rate to allow  
11 for competition, whether it be local competition or  
12 interexchange competition.

13           I just think it is something we're going to have to  
14 address; and I as, one Commissioner, think there's -- I would  
15 have some doubt as to whether the legislature envisioned  
16 putting handcuffs on this Commission and preventing us from  
17 looking at EAS routes which were -- part of this docket was  
18 opened long before this law came into effect -- as to whether  
19 this is the appropriate way to dispose of overearnings in the  
20 public interest.

21           You may be right. I'm not saying you're wrong, I'm  
22 just saying this Commission is going to need some guidance as  
23 to how that law impacts our decision as to whether a route  
24 should be -- service on a route should be provisioned on a  
25 local basis and whether that's in the public interests.

1           CHAIRMAN CLARK: I think that, it seems to me,  
2 Issue 2 might cover that? I'm not sure. It's labeled the  
3 legal --

4           MR. ELIAS: Issue 2 is whether or not competition  
5 should be allowed on these extended calling service routes?  
6 And, if so, what additional actions the Commission should  
7 take.

8           COMMISSIONER DEASON: Maybe it's encompassed in  
9 there. But what I hear here is this witness is telling this  
10 Commission that doing something we've been doing for years we  
11 can no longer do under the new law; and that this is a docket  
12 that was opened before the new law came into effect, we can no  
13 longer do that until there is some type of either a negotiated  
14 interconnection or some type of interconnection mandated by  
15 this Commission.

16           And if he's correct and we're going to need --  
17 obviously, we are not going to do anything that's going to  
18 violate the law. I'm just not so sure that's what is in the  
19 law and I think it needs to be briefed somehow; and whatever  
20 guidance we can get from the parties, because this is going to  
21 be a very significant issue we're going to have to cross one  
22 way or another.

23           MR. ELIAS: Commissioner, I think your thoughts are  
24 well-taken and that those kinds of questions ought to be  
25 considered in the briefs that are filed as part of did

1 posthearing procedure in this docket.

2           WITNESS GILLAN: Commissioner, I would add to that  
3 or point out that we have tried to, going back to the question  
4 that provoked all this, the reason we are proposing  
5 interconnection rates and wholesale rates is so that the  
6 Commission can continue to do some of the things that it used  
7 to do in the past but in conformance with the new statute so  
8 that you could go forward with this if you chose to by  
9 proposing to you what the interconnection rate would look  
10 like, what the wholesale rate would look like.

11           COMMISSIONER DEASON: And I appreciate that. The  
12 problem I have with that, and I think Commissioner Kiesling  
13 kind of alluded to this some in her questions, is that you are  
14 looking at another massive undertaking, another docket,  
15 perhaps, another period for testimony and discovery and all  
16 that. And in the meantime, not weeks and days but months are  
17 going to be going by.

18           And there are going to be hundreds of thousands of  
19 customers out there who are wanting to know what happened to  
20 this plan that is going to give us some toll relief? We say,  
21 "Well, there's a new law and there's going to be competition."  
22 And they say, "That's all well and good, but why am I having  
23 to pay for the next six months or a year? I want some relief  
24 now."

25           That's what we are going to hear.

1           WITNESS GILLAN: Which is why we have tried to  
2 structure our testimony so I can tell you exactly how to go  
3 about these other steps so that you are not drawn into those  
4 other processes.

5           CHAIRMAN CLARK: Thank you, Mr. Gillan.

6           Mr. Carver, did you have any more questions?

7           MR. CARVER: No further questions.

8           CHAIRMAN CLARK: Staff?

9           MR. ELIAS: Very briefly.

10                           CROSS EXAMINATION

11 BY MR. ELIAS:

12           Q     Other than ECS plans currently approved by this  
13 Commission, are you aware of any instances where a Southern  
14 Bell residential customer could initiate a call on a  
15 seven-digit basis and be charged above what's included in  
16 basic local telecommunications service for that call?

17           A     No.

18           MR. ELIAS: That's all we have.

19           CHAIRMAN CLARK: Commissioners? Redirect.

20           MS. KAUFMAN: I just have one question, Mr. Gillan.

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## REDIRECT EXAMINATION

1  
2 BY MS. KAUFMAN:

3 Q There have been some questions asked to you about  
4 whether or not if we had to move to another phase of this  
5 docket there might be some delay in implementing the ECS  
6 proposal, if that's what the Commission chose to do.

7 Is there something else that the Commission could do  
8 in the interim in order to ensure that the terms of the  
9 settlement were carried out and the \$25 million was refunded  
10 until, if the Commission doesn't accept your numbers, we could  
11 come to agreement on some of the issues you have raised?

12 A Yes. There's an interim refund mechanism, if I  
13 recall, included in the original stipulation that was designed  
14 to address the circumstance that scheduled reductions could  
15 occur on the anticipated date.

16 MS. KAUFMAN: That's all I have. And FIXCA would  
17 move the admission of Exhibit 19.

18 CHAIRMAN CLARK: Without objection, Exhibit 19 is  
19 entered into the record.

20 (Exhibit No. 19 received in evidence.)

21 (Witness Gillan excused.)

22 - - - - -

23 CHAIRMAN CLARK: Mr. Boyd?

24 MR. BOYD: Sprint Communications Company Limited  
25 Partnership would call Mr. Tony Key.

1 TONY H. KEY  
2 was called as a witness on behalf of Sprint Communications  
3 Company Limited Partnership and, having been duly sworn,  
4 testified as follows:

5 DIRECT EXAMINATION

6 BY MR. BOYD:

7 Q Mr. Key, would you give your name and business  
8 address?

9 A My name is Tony H. Key. My business address is 3100  
10 Cumberland Circle, Atlanta, Georgia 30339.

11 Q By whom are you employed and what is your position?

12 A I'm employed by Sprint Communications Company  
13 Limited Partnership as Director of State Regulatory.

14 Q And have you prepared and caused to be filed in this  
15 docket direct testimony consisting of six pages?

16 A Yes.

17 Q And do you have any changes or corrections to be  
18 made in that testimony?

19 A No, I do not.

20 Q And if I were to ask you the questions set forth in  
21 the testimony today, would your answer be the same?

22 A Yes, they would.

23 MR. BOYD: Chairman Clark, I request that Mr. Key's  
24 testimony be inserted into the record.

25 CHAIRMAN CLARK: The direct testimony of Mr. Tony

1 Key will be inserted into the record as though read.

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DIRECT TESTIMONY OF TONY H. KEY  
ON BEHALF OF  
SPRINT COMMUNICATIONS COMPANY LIMITED PARTNERSHIP  
DOCKET NO. 920260-TL

1       **PLEASE STATE YOUR NAME, ADDRESS AND PRESENT**  
2       **EMPLOYMENT.**

3       My name is Tony H. Key. My business address is 3100 Cumberland Circle,  
4       Atlanta, Georgia 30339. I am employed as Director, State Regulatory - South with  
5       Sprint Communications Company Limited Partnership (Sprint).

6       **BRIEFLY DESCRIBE YOUR EDUCATIONAL BACKGROUND AND**  
7       **BUSINESS EXPERIENCE IN THE TELEPHONE INDUSTRY.**

8       I graduated from the University of North Carolina with a B.A. Degree. Following  
9       graduation, I entered U.S. Naval Aviation, completing active duty in 1971. In 1972,  
10      I joined Southern Bell and for 11 years held various marketing and rate and tariff  
11      positions. In 1980, I received an MBA Degree from Georgia State University. In  
12      1984, at the divestiture of the Bell System, I transferred to AT&T and held various  
13      marketing and regulatory positions. In September, 1987, I joined US Sprint as  
14      Regulatory Manager. In my present capacity, I am responsible for regulatory  
15      matters in the nine southeastern states, including Florida.

1 **HAVE YOU TESTIFIED IN FLORIDA OR ANY OTHER JURISDICTION?**

2 I have testified in Tennessee, North Carolina, South Carolina, Mississippi, Florida,  
3 Alabama, Kentucky, Georgia and Louisiana.

4 **WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

5 The purpose of my testimony is to provide Sprint Communications Company  
6 Limited Partnership's position on the issues identified in the Commission's Order  
7 Establishing Procedure dated May 24, 1995 regarding various proposals to dispose  
8 of the \$25 million for Southern Bell.

9 **SHOULD SBT'S PROPOSAL TO IMPLEMENT THE EXTENDED**  
10 **CALLING SERVICE (ECS) PLAN PURSUANT TO THE TARIFF FILED**  
11 **ON MAY 15, 1995 (T-95-304) BE APPROVED?**

12 This proposal should be rejected by the Commission. This is the characteristic case  
13 of Southern Bell (SBT) attempting to turn "Lemons Into Lemonade." On the one  
14 hand, SBT agrees to reduce rates because of an overearnings situation while on the  
15 other they use those overearnings to implement an anticompetitive calling plan that  
16 ensures that SBT retains the designated markets. This is a masterful marketing plan  
17 and will insure that SBT retains these customers albeit with lower revenue levels.  
18 Retention of this customer base will allow SBT to market a range of vertical

1 services in a competitive environment and make it easier to convert these customers  
2 to interLATA service when and if the MFJ restrictions are lifted.

3 **WHAT ARE THE INTRALATA RATE LEVELS PROPOSED IN THE SBT**  
4 **TARIFF FILED ON MAY 15, 1995?**

5 Residential customers will be billed a per message charge of \$.25 per call regardless  
6 of the duration of the call. Business customers will be billed a per minute charge of  
7 \$.10 for the initial minute and \$.06 for each additional minute per call.

8 **WHAT ARE THE SWITCHED ACCESS CHARGES FOR TWO ENDS OF**  
9 **SWITCHED ACCESS FOR CALLS INCLUDED IN THE EXTENDED**  
10 **CALLING SERVICE PROPOSED BY SBT?**

11 If an Interexchange Carrier (IXC) carried these calls the switched access that would  
12 apply is \$.09259 per access minute.

13 **DO THESE EXTENDED CALLING SERVICE PLANS MEET THE**  
14 **IMPUTATION TEST REQUIRED FOR FLORIDA TOLL CHARGES?**

15 They obviously do not and as such the plans are discriminatory and are subsidized  
16 by IXC access charges.

1       **IS SPRINT OPPOSED TO EXTENDED CALLING SERVICE PLANS IN**  
2       **GENERAL?**

3       *Sprint is not opposed to these plans when there is a true community of interest*  
4       *between the extended local calling areas. Further, customers receiving the benefit of*  
5       *the ECS plans should pay for the costs of these plans. However, the tariffs filed by*  
6       *SBT merely convert competitive intraLATA toll calling to monopoly local service*  
7       *in advance of 1+ intraLATA competition. The Commission should not allow SBT*  
8       *to remonopolize these markets.*

9       **SHOULD THE CWA'S PROPOSAL TO REDUCE EACH OF THE**  
10       **FOLLOWING BY \$5 MILLION BE APPROVED:**

- 11       ● BASIC "LIFELINE" SENIOR CITIZENS TELEPHONE SERVICE;  
12       ● BASIC RESIDENTIAL TELEPHONE SERVICE;  
13       ● BASIC TELEPHONE SERVICE TO ANY ORGANIZATION THAT IS NON-  
14       PROFIT WITH 501(C) TAX EXEMPT STATUS;  
15       ● BASIC TELEPHONE SERVICE OF ANY PUBLIC SCHOOL, COMMUNITY  
16       COLLEGE AND STATE UNIVERSITY;  
17       ● BASIC TELEPHONE SERVICE OF ANY QUALIFIED DISABLED  
18       RATEPAYER.

19       Generally it is not good public policy to reduce rates for services that are already  
20       being provided below cost. If you embrace the theory that local residential service  
21       is being provided below cost, then it stands to reason that reducing the rates for that  
22       service only makes matters worse from an economic efficiency standpoint. The  
23       reason it is poor public policy is due to the distortions on the marketplace that

1 subsidies cause. Customers paying the subsidies immediately begin to search for  
2 alternatives. Companies enter the market to provide competitive services because  
3 they see high margins. The incumbent company battles to keep the new entrants out  
4 or to load the new entrant with subsidy responsibilities as well. Then, at some point  
5 in the future, the subsidies fall and some companies are unable to compete because  
6 the business case they made to enter the market is no longer valid. This business  
7 cycle could be avoided if subsidies were identified, targeted only to necessary  
8 recipients and kept to a minimum.

9 **SHOULD ANY OTHER PLAN DEEMED APPROPRIATE BY THE**  
10 **COMMISSION BE APPROVED?**

11 If the Commission decides that intraLATA toll rates should be reduced, they should  
12 be reduced across the board and, further, pass the access imputation test as required  
13 in Commission Order Number PSC-92-0146-FOF-TL in Docket No. 900708 issued  
14 April 1, 1992.

15 **IF THE SOUTHERN BELL PROPOSAL IS APPROVED, SHOULD THE**  
16 **COMMISSION ALLOW COMPETITION ON THE EXTENDED SERVICE**  
17 **CALLING ROUTES? IF SO, WHAT ADDITIONAL ACTIONS, IF ANY,**  
18 **SHOULD THE COMMISSION TAKE?**

1 If the Commission approves the SBT plan there will be no competition for the  
2 routes in question. The SBT proposal mandates that these services be dialed on a 7  
3 or 10-digit basis like a local call. Further, the proposal is that these plans be non-  
4 optional in nature. If you are a customer of SBT for local service, the Extended  
5 Service Calling plan will be available. Therefore, these routes will essentially be  
6 treated as local and IXCs will not be able to compete for the traffic even with 1+  
7 intraLATA presubscription.

8 If the Commission finds that these routes have long distance competition, they  
9 should be preserved as toll routes and SBT should impute two ends of switched  
10 access in the rates for the services. If the Commission wants to establish very low  
11 rates for certain routes, likewise, a system should be developed to offer reduced  
12 access for IXCs carrying traffic on these routes.

13 **DOES THIS CONCLUDE YOUR TESTIMONY?**

14 Yes, it does.

1 Q (By Mr. Boyd) Mr. Key, do you wish to present a  
2 summary of your testimony?

3 A Yes. I have a very short summary.

4 It is Sprint Communications Company's position that  
5 Southern Bell's proposal to implement the extended calling  
6 service plan pursuant to the tariff filed on May 15, 1995, be  
7 rejected by the Commission.

8 The plan has two basic flaws. First, the proposal  
9 will essentially remonopolize the large part of the intraLATA  
10 toll market prior to 1+ dialing parity being implemented.  
11 Since the proposal is to implement ECS on a seven-digit dial,  
12 nonvoluntary basis, consumers will not be afforded the choice  
13 of carriers for this traffic.

14 Second, the rates that will be charged do not pass  
15 the implementation test for LEC toll prices that was finalized  
16 in the order dated April 1, 1992, in Docket 900708.

17 Further, the rates do not pass the imputation test  
18 as outlined in recently passed state legislation, as well.  
19 Therefore, there is a discrimination issue between end-user  
20 rates and access rates as charged by Southern Bell on these  
21 routes.

22 If the Commission finds that the rates -- excuse me,  
23 the routes outlined in the proposal are competitive, they  
24 should be preserved as toll routes and Southern Bell should be  
25 forced to pass the imputation test in their pricing. If the

1 Commission wants to establish very low, short haul toll rates,  
2 Sprint has no problem with that. We just feel we should be  
3 able to compete; and to be able to compete, the access prices  
4 would have to be reduced for these routes.

5 Thank you.

6 MR. BOYD: Thank you. Mr. Key is available for  
7 cross examination.

8 MR. TYE: No questions.

9 MR. MELSON: No questions.

10 MR. SELF: No questions.

11 CHAIRMAN CLARK: Mr. Dickens?

12 MR. DICKENS: No questions.

13 MS. WHITE: Southern Bell has no questions.

14 MS. KAUFMAN: No questions.

15 CHAIRMAN CLARK: Staff?

16 CROSS EXAMINATION

17 BY MR. ELIAS:

18 Q Mr. Key, do you see these routes as being local or  
19 toll?

20 A I see them as toll because my company would carry  
21 them as a toll call.

22 Q Your company is an interexchange carrier; is that  
23 correct?

24 A That's correct.

25 Q Do you see any other entities or types of

1 telecommunications companies being allowed to carry this type  
2 of traffic?

3 A Well, Southern Bell would probably see it as local,  
4 as a local call, since they would implement it on a  
5 seven-digit dial basis.

6 Q Are you aware of, other than ECS plans which may  
7 have already been ordered by the Commission, any instances  
8 where a customer, a residential customer of Southern Bell,  
9 could dial a call on a seven-digit basis and be charged an  
10 additional increment above what he pays for local service?

11 A No, I'm not personally aware of that.

12 Q Are you familiar with the settlement agreement that  
13 was entered in Docket No. 911104 involving the 25-cent plan  
14 for Broward and Dade Counties?

15 A I'm only familiar in that it was attached to one of  
16 the testimonies, I think it was Mr. Stanley. That's the only  
17 familiarity I have.

18 Q Did you review the testimony of any other witnesses?

19 A Yes.

20 Q Did you review Mr. Hendrix's rebuttal testimony?

21 A Yes, I did.

22 Q Do you agree his concept of combining all toll for  
23 purposes of developing the average revenue per minute for  
24 implementation requirements?

25 A No, I don't. I do not agree with that.

1 Q Why is that?

2 A Well, I think that as a competitor of Bell we're  
3 competing against this particular service, not an aggregate  
4 some sort of average.

5 Not only that, I'm not sure what kind of mix was  
6 used. But I would think once you implement ECS, your large  
7 majority of your terrific is going to flow to that because of  
8 seven-digit dialing. You're not going to have any toll  
9 traffic to speak of, so I would think that the average revenue  
10 per minute would drop the MTS traffic. I'm not sure what kind  
11 of forecast was used, but it seems to me like it would drop  
12 in the future.

13 Q Did you have occasion to review the supplemental  
14 exhibit Mr. Gillan filed has Friday?

15 A No, I did not.

16 MR. ELIAS: We have nothing further. Thank you.

17 CHAIRMAN CLARK: Redirect? -- excuse me,  
18 Commissioners? Redirect?

19 MR. BOYD: No, ma'am.

20 CHAIRMAN CLARK: Thank you, Mr. Key.

21 (Witness Key excused.)

22 - - - - -

23 MS. WHITE: Southern Bell calls Jerry Hendrix to the  
24 stand.

25 MS. KAUFMAN: Before Mr. Hendrix begins, would you

1 like to entertain FIXCA's motion to strike?

2 CHAIRMAN CLARK: Go ahead.

3 MS. KAUFMAN: Chairman Clark and Commissioners,  
4 FIXCA would move to strike -- let me tell you the lines and  
5 pages and then provide you with my argument on that.  
6 Beginning on Page 4, Lines 18 through 25; all of Page 5; all  
7 of Page 6; all of Page 7; all of Page 8; and then Line 1 on  
8 Page 9.

9 FIXCA's basis for its motion has two parts. The  
10 first is that, as we've heard some discussion, this is a  
11 proceeding to decide how to distribute the \$25 million refund  
12 that is part of the settlement that Southern Bell entered into  
13 as a result of its rate case.

14 We have two procedural problems and a due process  
15 problem with Mr. Hendrix's rebuttal testimony. First of all,  
16 I think it's clear from Mr. Hendrix's rebuttal, and as I  
17 pointed out earlier, he didn't file any direct testimony, he  
18 only filed rebuttal. It's clear from that testimony and even  
19 clearer after his deposition last week that he is suggesting  
20 that the Commission change its long-standing imputation policy  
21 that is codified in the order that I believe Ms. White asked  
22 Mr. Guedel about, Order No. 24859. He's proposing a change in  
23 that; and we think that's inappropriate in proceedings such as  
24 this where we are talking essentially about a tariff matter.

25 If the Commission wanted to undertake a generic

1 investigation of its imputation policies, I think it would  
2 have been the practice of the Commission to allow all parties  
3 the opportunity to comment on if or how such a change ought to  
4 take place.

5           As I mentioned, we learned for the first time that  
6 this was what Southern Bell had in mind and none of the  
7 parties have had any opportunity to provide any input as to  
8 whether or not this is an appropriate policy for the  
9 Commission because of the procedural posture that the case is  
10 in at this point.

11           Secondly, I think that there may well be a notice  
12 problem in that I don't believe that this proceeding was  
13 noticed in any way that it might involve some sort of change  
14 in what again is a long-standing policy of the Commission. I  
15 don't think that all IXCs or all LECs, for that matter, were  
16 put on notice that in this case the Commission was going to  
17 consider and perhaps change its imputation policy.

18           The lines and pages I mentioned deal with  
19 Mr. Hendrix's discussion of this new policy and why he  
20 believes the Commission ought to follow this course. We think  
21 it's inappropriate for the Commission to consider that in a  
22 proceeding such as this, and we would move to strike that  
23 testimony.

24           That concludes my argument.

25           CHAIRMAN CLARK: Ms. White.

1 MS. WHITE: Thank you.

2 First, I need to note that Ms. Kaufman is correct,  
3 Mr. Hendrix did not file direct testimony, he filed rebuttal  
4 testimony rebutting points of Mr. Gillan's testimony. I don't  
5 know that there's a rule that says you have to file direct and  
6 rebuttal. This is rebuttal testimony disputing certain pieces  
7 of Mr. Gillan's direct testimony.

8 Second of all, it was a direct response to  
9 Mr. Gillan's testimony that the ECS plan did not pass the  
10 imputation test. Mr. Hendrix is arguing in his testimony that  
11 it does. He is analyzing it under the new statute, much the  
12 same Mr. Gillan did, I believe, 100% of his testimony  
13 analyzing the ECS plan.

14 I believe Mr. Hendrix's testimony is very  
15 appropriate rebuttal testimony. FIXCA has been aware of this  
16 testimony every since it was filed on July 10, 1995. They  
17 were present at Mr. Hendrix's deposition. This is just not a  
18 surprise to them. It seems to me, again, that if they had  
19 this problem, it could have been raised earlier.

20 Be that as it may, it is appropriate rebuttal to  
21 Mr. Gillan's direct testimony as well as the testimony of some  
22 of the other parties; and, therefore, I believe that their  
23 motion to strike should be rejected.

24 CHAIRMAN CLARK: Ms. Kaufman, as I read the  
25 testimony, I see it in response to the suggestion of how you

1 would calculate imputation. He takes issue with Mr. Gillan's  
2 testimony and I see it as appropriate rebuttal.

3 MS. KAUFMAN: May I respond, Commissioner Clark?

4 CHAIRMAN CLARK: Go ahead.

5 MS. KAUFMAN: I would simply suggest to you that  
6 Mr. Gillan applied and used the Commission's imputation policy  
7 as a result of the docket that I'm sure most of you are  
8 familiar with. And I think that Mr. Hendrix is suggesting  
9 that that policy ought to be different. And as I stated  
10 earlier, I believe that, if the Commission is going to change  
11 a long-standing policy, the practice is that the parties have  
12 the opportunity to put their views on the table in that regard  
13 and that other parties not in this room have notice that this  
14 is an action that the Commission might take in this docket.

15 CHAIRMAN CLARK: Thank you very much.

16 Commissioners? Go ahead.

17 MS. WHITE: The only comment I would make is that I  
18 believe that Mr. --

19 CHAIRMAN CLARK: I have already ruled. I'm going to  
20 deny the motion to strike.

21 MS. WHITE: Thank you.

22 - - - - -

23

24

25

1 JERRY D. HENDRIX

2 was called as a witness on behalf of Southern Bell Telephone  
3 and Telegraph Company and, having been duly sworn, testified  
4 as follows:

5 DIRECT EXAMINATION

6 BY MS. WHITE:

7 Q Mr. Hendrix, would you please state your name and  
8 address for the record.

9 A My name is Jerry D. Hendrix. My address is 675 West  
10 Peachtree Street, Atlanta, Georgia.

11 Q By whom are you employed?

12 A By BellSouth.

13 Q And what is your title?

14 A Manager, Regulatory Affairs.

15 Q Have you previously caused to be prepared and  
16 prefiled in this case rebuttal testimony consisting of 14  
17 pages?

18 A Yes.

19 Q Do you have any substantive additions, corrections  
20 or changes to be made to that testimony at this time?

21 A No, I do not.

22 Q If I were to ask you the same questions that were  
23 posed in your prefiled rebuttal testimony today, would your  
24 answers to those questions be the same?

25 A Yes.

1 MS. WHITE: I would like to have the testimony  
2 inserted into the record as though read.

3 CHAIRMAN CLARK: The prefiled rebuttal testimony of  
4 Mr. Jerry D. Hendrix will be inserted into the record as  
5 though read.

6 Q (By Ms. White) Did you prepare any exhibits  
7 associated with your testimony?

8 A No, I did not.

9  
10  
11  
12  
13  
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15  
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21  
22  
23  
24  
25

1 SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

2 REBUTTAL TESTIMONY OF JERRY D. HENDRIX

3 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

4 DOCKET NO. 920260-TL

5 JULY 10, 1995

6

7

8 Q. WILL YOU PLEASE STATE YOUR NAME AND BUSINESS  
9 ADDRESS?

10

11 A. I am Jerry D. Hendrix. My business address is 675  
12 West Peachtree Street, Atlanta, Georgia.

13

14 Q. DID YOU FILE DIRECT TESTIMONY IN THIS DOCKET?

15

16 A. No, I did not.

17

18 Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

19

20 A. I am employed by BellSouth Telecommunications,  
21 Inc., d/b/a Southern Bell Telephone and Telegraph  
22 Company (Southern Bell), as a Manager in Regulatory  
23 and External Affairs.

24

25 Q. PLEASE GIVE A BRIEF DESCRIPTION OF YOUR BACKGROUND

1       **AND EXPERIENCE.**

2

3 **A.** I was graduated from Morehouse College in Atlanta,  
4 Georgia in 1975 with a Bachelor of Arts degree. I  
5 began employment with Southern Bell in 1979, and  
6 held various positions with the Company before  
7 joining the headquarters Regulatory organization in  
8 1985.

9

10 **Q.** **WHAT ARE YOUR JOB RESPONSIBILITIES?**

11

12 **A.** I am currently responsible for interstate and  
13 intrastate switched access service issues  
14 throughout the nine state BellSouth region. My  
15 primary job responsibilities include handling  
16 switched access tariffs and rate development as  
17 well as resolving other switched access issues. I  
18 handle specific toll issues as well.

19

20 In addition to daily management of issues connected  
21 with my responsibilities, I have either testified  
22 or participated in proceedings before each of the  
23 nine BellSouth state Commissions regarding toll  
24 and/or switched access matters and issues.

25

1 Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

2

3 A. The purpose of my testimony is to rebut certain  
4 issues raised by Mr. Gillan on behalf of the  
5 Florida Interexchange Carriers Association (FIXCA),  
6 and by Mr. Guedel on behalf of AT&T.

7

8 First, I will rebut Mr. Gillan's allegation that  
9 Southern Bell's proposed ECS (Extended Calling  
10 Service) rates do not meet the imputation  
11 requirements of the new Florida Statute section 364  
12 et seq. Second, I will also briefly discuss the  
13 issues of interconnection and resale.

14

15 Q. WHAT IS YOUR FIRST POINT OF REBUTTAL?

16

17 A. At page 2, lines 20 through 21, and page 6, line 22  
18 through page 8, line 18, Mr. Gillan argues that the  
19 proposed ECS service rates fail the imputation  
20 requirements of the new statute. Mr. Guedel  
21 apparently agrees with Mr. Gillan. Mr. Gillan and  
22 Mr. Guedel are both incorrect.

23

24 Q. WHAT IMPUTATION TEST DID MR. GILLAN USE?

25

1 A. Mr. Gillan's test is shown below.

2 -----  
3 Average  
4 Per Minute  
5 Estimated Average ECS Revenue/Minutes | \$0.0642  
6 -----  
7 Estimated Access (Effective 10/1/95) | \$0.0745

8  
9 Source: Average of Business and Residential ECS  
10 Revenue Per Minute Calculated Using  
11 Relative Business and Residence MTS  
12 (Message Telecommunications Service)  
13 Minutes (1st Q, 1994), Southern Bell's  
14 Responses to FIXCA's First Set of  
15 Interrogatories, No. 1, Docket No.  
16 930330-TP.

17  
18 This is not the appropriate test for the reasons I  
19 mention later. Southern Bell's proposed ECS rates  
20 satisfy the imputation requirements of the new  
21 statute.

22

23 Q. HAVE YOU CONDUCTED THE CORRECT IMPUTATION TEST TO  
24 DETERMINE THAT THE IMPUTATION REQUIREMENTS ARE MET  
25 FOR ECS SERVICES?

1

2 A. Yes I have. I have performed an appropriate  
 3 simplified imputation test to determine if the  
 4 proposed ECS rates meet the imputation requirements  
 5 of the new statute. This test is shown below.

6

7

Average Per Minute of Use

8

ECS/intraLATA toll | \$0.1350

9

10 Applicable Switched Access | \$0.0574

11

(Includes Carrier Common Line

12

(CCL) and Local Switching,

13

and reflects rates to be

14

effective 10/1/95.)

15

16

Clearly, , contrary to the allegations of Mr.

17

Gillan and Mr. Guedel, Southern Bell satisfies the

18

imputation requirements of the statute as it

19

applies to non-basic service.

20

21 Q.

THE AVERAGE RATES FOR ECS/INTRALATA TOLL AND

22

APPLICABLE SWITCHED ACCESS ARE SIGNIFICANTLY

23

DIFFERENT FROM THOSE USED BY MR. GILLAN IN HIS

24

TEST. WHY IS THAT THE CASE?

25

- 1 A. In my calculations, I used Southern Bell's average  
2 per minute of use rate for ECS/intraLATA toll which  
3 includes all toll services, except for 800 and  
4 WATS. In his calculation, Mr. Gillan developed an  
5 estimate of the average ECS revenue per minute.  
6
- 7 Q. WHY IS THE AGGREGATION OF EXPANDED LOCAL AND TOLL  
8 SERVICES THE APPROPRIATE METHOD TO CALCULATE THE  
9 AVERAGE PER MINUTE OF USE RATE, AS OPPOSED TO ECS  
10 REVENUE PER MINUTE?  
11
- 12 A. The aggregation of expanded local and toll services  
13 is appropriate because Southern Bell is aggregating  
14 functionally equivalent services.  
15
- 16 Q. HAS THE AGGREGATION OF ALL TOLL SERVICES, EXCEPT  
17 800 AND WATS, TO CALCULATE AN AVERAGE PER MINUTE OF  
18 USE RATE BEEN USED IN ANY OTHER BELLSOUTH STATE?  
19
- 20 A. Yes. In North Carolina, AT&T and Mr. Gillan argued  
21 that the aggregation of various LEC toll services  
22 as a part of the imputation standard was not  
23 appropriate. The Commission, however, concluded in  
24 its Order issued June 30, 1995 in Docket Nos.  
25 P-100, Sub 126 and 65, that it is appropriate to

1 aggregate functionally equivalent toll services in  
2 North Carolina for the purpose of the imputation  
3 test.

4

5 Q. WHY IS THERE A DIFFERENCE IN THE APPLICABLE  
6 SWITCHED ACCESS RATE PER MINUTE OF USE THAT IS USED  
7 BY SOUTHERN BELL AND BY MR. GILLAN IN THE  
8 RESPECTIVE IMPUTATION TESTS?

9

10 A. The difference is that Mr. Gillan is using all  
11 switched access elements in calculating a per  
12 minute of use rate (CCL, Local Switching, and Local  
13 Transport). This is inappropriate. The  
14 appropriate switched access rate elements to use in  
15 determining if the requirements of the statute is  
16 satisfied are CCL and Local Switching. At the  
17 present time, the rates for these elements are  
18 assessed to all purchasers of switched access  
19 regardless of their transport vendor.

20

21 Q. WHY IS IT INAPPROPRIATE TO INCLUDE LOCAL TRANSPORT  
22 IN CALCULATING A SWITCHED ACCESS PER MINUTE OF USE  
23 RATE?

24

25 A. To include Local Transport would be contrary to the

1 new statute. Revised Section 364.051 (6)(c) states  
2 that:

3  
4 The price charged to a consumer for a  
5 non-basic service shall cover the direct  
6 costs of providing the service and shall,  
7 to the extent a cost is not included in  
8 the direct cost, include as an imputed  
9 cost the price charged by the company to  
10 competitors for any monopoly component  
11 used by a competitor in the provision of  
12 its same or functionally equivalent  
13 service.

14  
15 Local Transport is not a monopoly component for  
16 switched access. There are several alternatives to  
17 Southern Bell's Local Transport services through  
18 Alternate Access Providers (AAVs). AAVs are active  
19 in Florida (Teleport, MFS, AlterNet, Intermedia,  
20 IntelCom) and have targeted major cities such as  
21 Miami, Fort Lauderdale, and West Palm to displace  
22 Local Transport services offered by Southern Bell.  
23 These AAVs are active and are aggressively seeking  
24 customers. Therefore, it is inappropriate to  
25 include transport in the average per minute of use

1 rate.

2

3 Q. IN HIS TESTIMONY, MR. GILLAN TALKS ABOUT THE NEED  
4 FOR AN INTERCONNECTION RATE FOR ACCESS TO SOUTHERN  
5 BELL'S NETWORK. WOULD YOU PLEASE COMMENT?

6

7 A. Yes. First, it is inappropriate at this time to  
8 discuss interconnection. Under the new statute,  
9 the parties are required to negotiate  
10 local interconnection rates, and to subsequently  
11 petition the Commission to set rates only if these  
12 negotiations are not successful. Revised Section  
13 364.162 of the Florida Statute clearly states:

14

15 (1) Any party who, on July 1, 1995, has an  
16 application on file with the commission to  
17 become an alternative local exchange  
18 telecommunications company shall have until  
19 August 31, 1995, to negotiate with a local  
20 exchange telecommunications company mutually  
21 acceptable prices, terms, and conditions of  
22 interconnection and for the resale of services  
23 and facilities.

24

25 (2) If a negotiated price is not established

1           by August 31, 1995, either party may petition  
2           the commission to establish nondiscriminatory  
3           rates, terms and conditions of interconnection  
4           and for the resale of services and facilities.

5  
6           Mr. Gillan advocates abandoning the process in  
7           favor of this Commission setting rates without  
8           allowing the parties an opportunity to negotiate.  
9           The process proposed by Mr. Gillan is clearly  
10          contrary to the statute and is improper.

11  
12          Second, the attempt to make interconnection a part  
13          of this proceeding is simply an "around-the-elbow"  
14          way of requesting that switched access rates be  
15          lowered. As I explain later in my testimony, FIXCA  
16          is one of the parties that expressly agreed to the  
17          access reductions listed in the testimony of Mr.  
18          Stanley. Mr. Gillan's proposal is simply an  
19          attempt to lower switched access, and this is  
20          improper.

21  
22 Q.   MR. GILLAN ALSO REQUESTS THAT THE COMMISSION  
23        AUTHORIZE RESALE OF ECS. IS IT APPROPRIATE TO  
24        ADDRESS RESALE IN THIS DOCKET?

25

1 A. No. This too is contrary to the new statute and is  
2 improper. As is the case with interconnection,  
3 this is an attempt by Mr. Gillan to abandon the  
4 process laid out in the statutes.

5

6 Q. MR. GILLAN BELIEVES THAT ECS WILL PRECLUDE  
7 COMPETITION. DO YOU AGREE?

8

9 A. No. Competition will not be harmed with the  
10 approval of ECS. The IXCs enjoy, and will continue  
11 to enjoy, a number of competitive advantages over  
12 the local exchange companies in the intraLATA  
13 market. First, IXCs can provide complete toll  
14 services--intraLATA, interLATA, interstate, and  
15 international-while the LECs are limited to the  
16 provision of toll services within the LATA. The  
17 provision, therefore, of "one stop shopping" for  
18 toll services is a benefit that the IXCs enjoy that  
19 is not available to the LECs.

20

21 Moreover, IXCs can and do use "melded" access  
22 rates, blending both intrastate and interstate  
23 rates as a basis for establishing their toll floor.  
24 Given the pricing flexibility that the IXCs have  
25 with respect to the use of "melded" intrastate and

1 interstate access rates, it is clear that IXCs can  
2 effectively compete on an intraLATA basis.  
3 Therefore, it is clear that ECS will not preclude  
4 competition.

5

6 Q. MR. METCALF, IN HIS TESTIMONY FILED ON BEHALF OF AD  
7 HOC SUGGESTED THAT THE \$25 MILLION UNSPECIFIED RATE  
8 REDUCTION BE APPLIED TO SWITCHED ACCESS IN THE LESS  
9 THAN 40 MILE BANDS. PLEASE COMMENT ON THIS  
10 SUGGESTION.

11

12 A. I am perplexed and bewildered by Mr. Metcalf's  
13 proposal since there are no banded switched access  
14 rates in Florida.

15

16 Moreover, switched access rates will be reduced by  
17 \$55 million, effective October 1, 1995, and an  
18 additional \$35 million effective October 1, 1996.  
19 These are the second and third steps of a three  
20 step reduction stipulated to with AT&T, MCI,  
21 Sprint, and FIXCA. These reductions total \$140  
22 million. Parties to this stipulation agreed that  
23 they would make no proposal to the Commission that  
24 would require the use of the unspecified remainder  
25 (\$25 million) to further reduce switched access

1 rates during 1995.

2

3 Also, under the new statute, Southern Bell must  
4 reduce its intrastate switched access rates by 5¢  
5 annually beginning October 1, 1996, until the rates  
6 are at parity with December 31, 1994 interstate  
7 switched access rates.

8

9 This is not a proceeding to discuss reductions in  
10 switched access charges and Mr. Metcalf's proposal  
11 should be rejected.

12

13 Q. PLEASE SUMMARIZE YOUR TESTIMONY?

14

15 A. First, Southern Bell satisfies the imputation  
16 requirements of the statute, contrary to the  
17 allegations of Mr. Gillan and Mr. Guedel.  
18 Furthermore, competition will not be harmed with  
19 the approval of ECS.

20

21 Second, it is inappropriate at this time to discuss  
22 interconnection and resale. Under the new statute,  
23 the parties are required to negotiate  
24 interconnection rates and resale, and to  
25 subsequently petition the Commission if these

1 negotiations are not successful.

2

3 Finally, this is not a proceeding to discuss  
4 reductions in switched access charges, and this is  
5 especially inappropriate for parties that agreed to  
6 the stipulated switched access reductions.

7

8 Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

9

10 A. Yes.

11

12

13

14

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24

25

1 Q (By Ms. White) Have you prepared a summary of your  
2 testimony?

3 A Yes, I have a short summary.

4 Q Would you please give that?

5 A Yes, thank you.

6 In May 1995, Southern Bell filed to introduce ECS.  
7 While this filing is in the public interest and our customers  
8 want it, intervenors have complained about the routes, saying  
9 that they would first not be able to compete on these routes.  
10 That simply is not true.

11 The carriers can provide intraLATA, interLATA,  
12 interstate and international services. In other words,  
13 provide one-stop shopping. Further, they can meld their  
14 access rates combining both inter and intrastate rates.

15 They have also complained about the ECS rates not  
16 meeting imputation guidelines. That is not true. As I  
17 demonstrated on Page 5, we do in fact meet those guidelines.

18 They have also raised the issues of resale and  
19 interconnection. That is really putting the cart before the  
20 horse. There are appropriate steps that must be taken to  
21 address those issues and this docket is not the appropriate  
22 place.

23 Finally, one carrier has even -- well, one  
24 intervenor, rather, has stated that we need to reduce the  
25 access charges by \$25 million. Ending 10-1996, access charges

1 would have been reduced by \$140 million. It is not  
2 appropriate to deal with that issue here, either.

3 That concludes my summary.

4 MS. WHITE: Thank you Mr. Hendrix.

5 Madam Chairman, the witness is available for cross  
6 examination.

7 MR. BECK: No questions,

8 MR. DICKENS: No questions.

9 MS. KAUFMAN: Thank you.

10 CROSS EXAMINATION

11 BY MS. KAUFMAN:

12 Q Good afternoon, Mr. Hendrix.

13 A Good afternoon.

14 Q Could you agree with me that the ECS service that  
15 Southern Bell has proposed must pass an imputation test?  
16 Whether it be the test you suggested or the test Mr. Gillan  
17 suggested, the service must pass an imputation test; is that  
18 correct?

19 A It should pass an imputation test, that is correct.

20 Q Are you familiar with the imputation test this  
21 Commission prescribed in Order 24859, Docket 900708-TL, which  
22 was the access imputation methodology docket?

23 A Yes, I was intimately involved in that docket.

24 Q I thought you were. I believe the Commission has  
25 already taken official recognition of that order.

1           The order that resulted from that proceeding, what  
2 preceded it was a series of industry workshops, is that true?

3           A     I worked on it about a year, maybe a year and a  
4 half, yes.

5           Q     And the guidelines that were ultimately presented  
6 and somewhat modified by the Commission represented at least  
7 an industry consensus of what ought to occur in regard to this  
8 issue?

9           A     For the most part. But that was then, and if I may  
10 expound on that answer?

11          Q     Mr. Hendrix, I'm sure your counsel will have the  
12 opportunity to ask you on redirect if they feel the need to  
13 clarify.

14          MS. WHITE: Excuse me, I would object only to the  
15 extent that Mr. Hendrix has answered his question with a yes  
16 or no and now he should be allowed to explain it.

17          CHAIRMAN CLARK: The witness is allowed to answer  
18 yes or no and then explain but it is to be in response to the  
19 question asked.

20          A     Okay. Could you repeat the question again?

21          Q     (By Ms. Kaufman) If I could recall, I think my  
22 question was I was asking you if the guidelines that the  
23 Commission adopted in that docket were the result of industry  
24 consensus, and I think you agreed with me that that was the  
25 case. I believe that was the pending case.

1 A I believe I said for the most, the most part.

2 Q Do you have a copy of the order in front of you? Or  
3 perhaps you are familiar enough with it. If you need a copy,  
4 I have one available. I just have one question about it.

5 It's the case, isn't it, that that order required  
6 that toll revenues cover access by service; is that correct?

7 A In that order, that is correct.

8 Q And the test that you are suggesting in your  
9 testimony, I guess beginning on Page 4, Line 2, is not the  
10 same test that is applied in this Commission Order 24859; is  
11 that correct?

12 A That is correct. And at the appropriate time I  
13 would like to explain why it is not the same test. Is it  
14 appropriate?

15 Q I don't think so. I'm sure you'll have that  
16 opportunity.

17 And I want to explore with you the ways in which  
18 what you have proposed is different than what the Commission  
19 adopted in that order.

20 And the way I look at it, I think there are  
21 basically two differences. The first is that you have  
22 averaged your proposed local ECS with other toll services.  
23 Would you agree that that's one way that your methodology  
24 differs from the Commission methodology?

25 A To make it clear, what I have done is look at

1 equivalent services, ECS along with other toll services that  
2 are equivalent in nature. I have taken those revenues and  
3 divided by minutes to come up with an average per-minute rate.

4 Q But you would agree that you have averaged your ECS  
5 service with other toll services; is that correct?

6 A That's correct. I said that.

7 Q I just wanted to get your yes or no here, I just  
8 want be the clear.

9 And the other way that I see that it differs is that  
10 you have excluded from your calculation the local transport  
11 rate that is imposed on IXCs because you believe there's some  
12 sort of competition for that service; is that right?

13 A Well, it is fact. So I excluded because it is in  
14 fact other alternatives here and according to the statute it  
15 is not appropriate to include that.

16 Q So you have excluded the local transport rate from  
17 your calculation?

18 A That's correct.

19 Q I'm going to talk to you about this in reverse  
20 order, if that's all right with you. So we're going to talk  
21 about local transport rates first.

22 Would you agree with me that the function of local  
23 transport is to carry a call from the IXC's network to a  
24 Southern Bell central office?

25 A Basically, yes.

1 Q I think the competitive alternative that I recall  
2 you talking about for the most part were AAVs, is that right?

3 A That's correct. But you have a number that have  
4 been certified, 17 I believe is the current number that's  
5 actually been certified to operate in this state. And most of  
6 them are in the Southeast LATA.

7 Q For an IXC to get local transport, someone else like  
8 an AAV, the way you postulate it in your testimony, it's true,  
9 isn't it, that the AAV would have to connect to your central  
10 office and then purchase switched access cross-connection from  
11 you?

12 A That's correct. And we have some 86 of those  
13 pending at this moment, mostly in the Southeast LATA. I  
14 believe in my data request response I mentioned only 20; but  
15 since that time, we've grown by 66 in that a major carrier,  
16 one of the big three carriers, will be cutting over to another  
17 carrier to provide their transport.

18 Q Okay, I'm sorry, I was distracted for a minute.  
19 From the central offices from which ECS is provided, which is  
20 not all the central offices, isn't it true that -- let me back  
21 up, I didn't state that correctly.

22 There are three central offices from which ECS is  
23 provided where there have been such requests; is that correct?

24 A Is that in response to a data request?

25 Q I think it was.

1 A I think I may have given you three cities.

2 Q But that would be equivalent to three central  
3 offices?

4 A No, it is not.

5 Q Mr. Hendrix, I believe it's Interrogatory No. 81 in  
6 FIXCA's 11th set. Do you have that?

7 A Yes, I do.

8 Q Okay. Mr. Hendrix, you have the interrogatory  
9 before you?

10 A Yes, I do.

11 Q The first question asks you to identify each  
12 Southern Bell central office in which Southern Bell is  
13 providing switched accesses colocation; is that correct?

14 A That's correct.

15 Q Could you tell us what the answer to that question  
16 is?

17 A I have listed the cities where those offices were  
18 but there are multiple offices in those cities. For instance,  
19 Miami -- let me get to my list, please. (Pause)

20 Okay, I'm there. Miami would have multiple offices.  
21 Grande would be one; Palmetto would be a different office;  
22 Fort Lauderdale would have a main as one of the offices. And  
23 so it is not a one-for-one. Being that you have multiple  
24 offices, you may have a secondary office, a main office as  
25 well as a secondary office in some of the cities.

1 Q Do you know how many central offices ECS will be  
2 offered from? I mean, how many central offices are included  
3 in the routes covered by ECS?

4 A No, I do not.

5 Q So you can't tell us how many central offices have  
6 competitive alternatives, you don't know from how many, how  
7 many central offices are going to be involved or covered by  
8 the ECS plan? Is that right?

9 A I think that's two different questions. Do you want  
10 me to answer the first or the second?

11 The first question is, how many CAPs do you have out  
12 there in those various offices? I would say in the Southeast  
13 LATA, you have offices in the Miami area, your Fort Lauderdale  
14 area, your West Palm Beach areas. You may have multiple  
15 offices where the CAPs would situate themselves in those  
16 cities.

17 The second part of your question is as to the  
18 offices where ECS would come out of, I can't answer that one.

19 Q Mr. Hendrix, I think in the beginning of your  
20 testimony you described your job at Southern Bell. Would I be  
21 correct that basically you are responsible for interstate and  
22 interstate switched access issues in the nine BellSouth  
23 regions?

24 A As well as federal.

25 Q As well as federal?

1 A That's correct.

2 Q And as part of your job --

3 A I'm sorry, as well as some toll issues. I do handle  
4 certain toll issues for the nine states, also.

5 Q Let's focus on access. As part of what you do every  
6 day at Southern Bell, is it part of your responsibility to  
7 keep on top of what your competitors are doing in the way of  
8 access tariffs and access provisions --

9 A That's part.

10 Q -- access offerings?

11 A That's part of what I do.

12 Q Can you tell us which competitors' access tariffs  
13 you have reviewed in connection with your duties at Southern  
14 Bell?

15 A It depends on what the issues are. But I would say  
16 mostly the big three carriers, MCI, AT&T, Sprint, and even  
17 WillTel as well as the CAPs, your MFS, your Teleport, your  
18 Intermedia. Just go right down the list. I try to keep tabs  
19 on as many of them as I can.

20 Q Mr. Hendrix, what I'm asking is which competitors'  
21 access provider tariffs have you reviewed, if any?

22 A I reviewed several. Not only do I review tariffs  
23 from the --

24 Q Mr. Hendrix?

25 A If I may finish?

1 Q Excuse me, I don't mean to interrupt you, but this  
2 will go a lot quicker if you answer the question that I asked  
3 you.

4 MS. WHITE: Chairman --

5 CHAIRMAN CLARK: Excuse me, just a minute.  
6 Ms. Kaufman, it wasn't clear to me if you were asking what

7 access tariffs he reviewed in preparation for this docket.

8 MS. KAUFMAN: I'm sorry, Commissioner Clark. if it  
9 wasn't clear, what I meant to ask Mr. Hendrix is:

10 Q (By Ms. Kaufman) What competitive access provider  
11 tariffs have you reviewed in connection with your job?

12 A I reviewed tariffs from MFS, Intermedia, ITI, TCG.  
13 If there is a CAP in Florida and they filed a tariff, I've  
14 seen it. If there was a CAP that was filed at the federal  
15 level and they filed a tariff, I've seen it.

16 Q Can you tell us which tariffs, if any, you reviewed  
17 that involve the provision of local transport?

18 A If it is a CAP tariff and that is their job and that  
19 is their offering, then I've seen it. I believe what CAPs are  
20 in to do is to provide an alternative transport option to the  
21 local company's transport. So if in fact they are filing  
22 tariffs to do that and they have filed the tariffs in Florida,  
23 I've seen the tariffs, I'm on to the tariffs.

24 Q Have you seen a switched access local transport  
25 tariff filed by anybody to your knowledge?

1           A     I know MFS has filed one in Georgia.

2           Q     In Florida, I'm sorry.

3           A     You just asked throughout the BellSouth states.

4                     In Florida, I have not seen a switched access tariff  
5 but what I have seen is in the transport order just issued on  
6 June 6, I believe, in that order was it Teleport or one of the  
7 CAPs mentioned that they are in fact carrying interstate  
8 switched access. Well, to me, since switched access is a PIU  
9 service, if you are a carrying the interstate, you have got to  
10 carry the intrastate. So they are carrying access. And they  
11 are saying they are carrying that on an interstate basis; so  
12 that's in the water, it's in the record.

13                     Many of the CAPs, what they actually do is to  
14 provide interstate services. For instance, we have a CAP that  
15 has come to us from one of the big three services that will be  
16 cutting over in the Southeast LATA and ordered 66 DS3/DS1 type  
17 services to cut over to that CAP.

18                     And the percent interstate uses that they have given  
19 us for that switched traffic is 100% interstate and that's not  
20 accurate. If they are carrying switched traffic from their  
21 carrier that has a PIU of 75, then at least 25% of that  
22 traffic should be shown as intrastate; but to get around the  
23 order, they're showing that as 100% interstate traffic.

24                     So if they have filed a tariff, if they have filed  
25 to operate in this state, I have seen it, I monitor it.

1 Q You just mentioned the local transport docket. You  
2 participated in that docket, didn't you?

3 A Yes. I was a witness and I actually filed the  
4 tariff.

5 Q Southern Bell has already filed their tariffs in  
6 that docket?

7 A We filed the first tariff; the order was issued, I  
8 believe on June 6, requiring us to file a tariff within 90  
9 days. We're planning to file the tariff on September 5 -- the  
10 second, the second tariff. But we did file the first tariff.

11 Q Now it is true, isn't it, that all IXCs will be  
12 required to pay an interconnection charge to Southern Bell  
13 regardless of whether or not they buy transport from you?

14 A No, that's not true. Do you want me to expound on  
15 that one?

16 Q Go ahead, yes, sir.

17 A I was just waiting. Sometimes you don't, sometimes  
18 you do.

19 But whether they go to a CAP or whether they use  
20 Bell does not mean that they would pay us what is referred to  
21 as direct. The main reason for going to a CAP is that they  
22 can get the transport cheaper. If I can go to a CAP and  
23 convert from switched to special access, I do not pay the  
24 carrier common line, I do not pay the local switching, I do  
25 not pay the RIC or any of your other transport rates. If I

1 maintain switched but eliminate the transport, then I will pay  
2 your carrier common line and your local switching rate.  
3 That's the whole purpose of the CAP coming in, to provide  
4 alternatives where they do not have to pay the full access  
5 rates.

6 Q Let's go back now to the thing I mentioned first  
7 about the differences between the methodology that Southern  
8 Bell has proposed and the Commission's order. And that has to  
9 do with your averaging of ECS with other toll services.

10 On Page 8 of your testimony, let's get there first.  
11 You have a quotation from the new statute. And am I correct  
12 in understanding that it is your position or opinion that this  
13 is the portion of the new statute that requires you to compute  
14 access the way you have shown it in your testimony?

15 A Yes, it is. I think the key thing in that statute,  
16 in that language, is on Line 10, "monopoly component." And  
17 for that reason, the standard that I used here is quite  
18 different from the other standard because that was not  
19 language that was in the previous order setting up the  
20 guidelines. It is totally, totally different. Different now.  
21 There are CAPs that can provide access; and since there are  
22 alternatives, it is not appropriate to include any portions of  
23 the transport. And for that reason, we cover the rates of  
24 ECS, we more than cover the rates.

25 Q Let's look at that language you have on Page 8,

1 Lines 4 through 13. You would agree with me, wouldn't you,  
2 that the language says, "The price charged to a consumer,"  
3 singular, "for a nonbasic service," singular, "shall cover the  
4 direct cost of providing the service," singular.

5 A Are you asking me whether those are singular words?

6 Q Yes. That's what the language states, does it not?

7 A Yes. But I think you need to go back and look  
8 further in the statute. In the statute -- let me see if I can  
9 find it for you -- there are other places where the singular  
10 term is used also and in other places it is a plural term. If  
11 I may find a couple, I have them tabbed here.

12 For instance, on Page 25, Line 8, of the statute,  
13 starting at -- well, I will start at Line 6. But if you were  
14 to read that sentence in context, on Line 8, the first word is  
15 "service," that's a singular word. If you go down to Line 12  
16 on that same Page 25, you have the word "services," and that's  
17 plural.

18 Q Mr. Hendrix?

19 A If you go down -- if I may finish?

20 Q Go ahead.

21 A If you go down on Page 25, Line 19, same page, you  
22 have to words "service prices," that's plural. If you come  
23 down to Line 25 on Page 25, you have the word "service,"  
24 that's singular.

25 Q The section you have referred us to, which actually

1 begins on Page 24, is a section that deals with basic  
2 telecommunications service, right?

3 A That's correct.

4 Q So that doesn't really have anything to do with what  
5 we are talking about?

6 A No. I think it points out the fact you have taken  
7 something that may be out of context and want to show it as a  
8 singular service; and I'm saying there is singular and plural  
9 used throughout this that perhaps you can argue, "Well, this  
10 should be plural but this should be singular."

11 And I'm saying that if you were to look at it, you  
12 have to look at the statute in total before concluding that  
13 that section that is referenced with "service" being singular  
14 that it is talking about a singular, single service. And when  
15 I went back and read through this, that's not the case.

16 Q Let me ask you two questions about that. First of  
17 all, you have quoted this section in your testimony as the  
18 basis for your imputation methodology; is that correct?

19 A That's correct.

20 Q And you're suggesting that when the legislature used  
21 the singular they meant that one could substitute the plural  
22 for that in this particular section?

23 A No. The only thing I'm saying is to drive or to key  
24 on the word being a singular word, you know, it is not  
25 consistent with the way the term is used throughout the

1 statute.

2 Q The other point I think you have made about this  
3 passage that you quoted deals with the term that's on Line 10  
4 about "monopoly component."

5 A Yes.

6 Q Let me see if I can state what your position is on  
7 that. Well, I'm sorry, not "monopoly component," but on Line  
8 12, "functionally equivalent service." It is your view I  
9 guess that if they are functionally equivalent services then  
10 one can average them together as you have done; is that  
11 correct?

12 A I think it's appropriate to do so, yes.

13 Q But is it your testimony that's what the language of  
14 the statute requires?

15 A Well, the words are here on Lines 12 and 13; and I  
16 would say yes, that is appropriate.

17 Q Doesn't that language refer to the services that are  
18 provided by your competitors and have to do with what you will  
19 charge to them?

20 A Well, I think what it is saying in the proper  
21 context is a service that I used to compete with you for the  
22 functional -- for an equivalent service.

23 Q Would you look with me on Line 8, admittedly this is  
24 in the middle of a sentence. But it says that you shall  
25 "include as an imputed cost the price charged by the company,"

1 which we can agree in this case that would be Southern Bell,  
2 "to competitors," which I guess we could agree would be  
3 perhaps the IXCs, "for any monopoly component used by a  
4 competitor in the provision of its same or functionally  
5 equivalent service."

6 So are you suggesting that that phrase,  
7 "functionally equivalent service," refers to Southern Bell and  
8 not to the competitors of Southern Bell?

9 A I think those three words are very general words.  
10 But in general, it talks about my service that I would use to  
11 compete with you as a carrier that is providing an equivalent  
12 service.

13 Q Now when you did your imputation calculation, you  
14 included intraLATA toll with your ECS service because you  
15 believe they are functionally equivalent; is that correct?

16 A That's correct.

17 Q I see you have the statute right there in front of  
18 you. Could you turn to Section 364.0516?

19 A What page is that on?

20 Q I will try and tell you that. It's on Page 28,  
21 beginning at Line -- well, I'm going to direct your attention  
22 to the sentence beginning at Line 22 there. Do you see where  
23 I am?

24 A I'm on Page 28, Line 22.

25 Q Okay. And we are in the section of the statute

1 dealing with nonbasic services; is that right?

2 A That is correct.

3 Q And that line says that a LEC, a local exchange  
4 company, "shall not engage in any anticompetitive act or  
5 practice or unreasonably discriminate among similarly situated  
6 customers"; is that correct?

7 A That is correct.

8 Q Now if, as you tell us, intraLATA toll and this ECS  
9 service are essentially the same service, shouldn't you be  
10 charging your customers the same price so as to not  
11 unreasonably discriminate among them?

12 A Sure if you want to pay 25 cents -- I mean 10 and 6  
13 cents, that's your business, I have no problem at all with  
14 your paying that rate. Is that what you are asking me? Those  
15 are my ECS rates.

16 Q No. What I'm asking you is, it's been your view, as  
17 I understand it, that intraLATA toll and ECS are essentially  
18 the same service?

19 A Yes.

20 Q And what I'm asking you is shouldn't you be charging  
21 your customers the same price so that you don't unreasonably  
22 discriminate among them? The same price for ECS as you're  
23 charging for intraLATA toll.

24 A Which customers are you talking about?

25 Q I'm talking about Southern Bell's customers versus

1 one or the other.

2 A The carriers are my customers, too; and first we  
3 were talking about carriers. Now we're talking about the  
4 end-user customer.

5 Q That's right.

6 A Okay. And should we be charging them the same  
7 price?

8 Q Right.

9 A It would probably be appropriate if the carriers  
10 charge those customers the same, the same price. If you'd  
11 look at your tariffs or WilTel's --

12 Q Excuse me, a second, I'm talking about Southern  
13 Bell. I'm not talking about the --

14 A Yeah, but this is a competitive market --

15 CHAIRMAN CLARK: Excuse me just a minute. If I  
16 understand Ms. Kaufman's question correctly, she is suggesting  
17 if you implement ECS on some of your routes, if it is  
18 equivalent to all inter/intraLATA toll, it ought be 25 cents  
19 on all of your routes. Is that what you are trying to say?

20 MS. KAUFMAN: Yes, ma'am.

21 A I'm sorry, I didn't understand that.

22 Q (By Ms. Kaufman) Is that the case, then --

23 A No --

24 Q -- that you would need to charge all your customers,  
25 ECS customers and intraLATA toll customers, 25 cents --

1 THE REPORTER: Ms. Kaufman, I'm sorry, I'm having  
2 difficulty understanding, did you say "interLATA" or --

3 MS. KAUFMAN: IntraLATA toll.

4 THE REPORTER: -- "intraLATA"? I'm not  
5 understanding you.

6 MS. KAUFMAN: Let me try it one more time here.

7 Q (By Ms. Kaufman) We looked at this  
8 nondiscrimination provision and my question is: So that you  
9 are not in violation of that provision, if the services are  
10 functionally equivalent, wouldn't you need to be charging the  
11 same price to your ECS route customers as to your intraLATA  
12 toll customers?

13 A I would say no. I do not believe we do any harm to  
14 that language in the schedules that we propose in the ECS  
15 filing. And even when you look at the market, the rates that  
16 are offered by the carriers, you do not offer similarly  
17 situated customers the same rates. And the local companies  
18 are doing no harm to this language by offering ECS in one case  
19 and other customers paying a message toll while other  
20 customers may choose to use the WATS Saver offerings.

21 COMMISSIONER KIESLING: I'm sorry, I'm confused by  
22 that answer. It still didn't seem to me that you answered  
23 Ms. Kaufman's question about your ECS customers and your  
24 intraLATA toll customers.

25 WITNESS HENDRIX: I thought I did, I'm sorry. I

1 believe my answer was no.

2 COMMISSIONER KIESLING: Then you elaborated.

3 WITNESS HENDRIX: Yes, I did.

4 COMMISSIONER KIESLING: Then I don't understand the  
5 elaboration. You're talking about your competitors' charges  
6 in your answer, not your charges.

7 WITNESS HENDRIX: I'm sorry if I didn't, but I  
8 intended to say that we do no harm to the language by charging  
9 our customers, certain customers, ECS rates, and other  
10 customers the message toll rates, and other customers a WATS  
11 Saver rates; and those are services that are offered by Bell.

12 COMMISSIONER KIESLING: Do any of the services you  
13 just named include intraLATA toll?

14 WITNESS HENDRIX: Yes, ma'am. The WATS Saver as  
15 well as the MTS are intraLATA toll.

16 COMMISSIONER KIESLING: And what about your average  
17 customer? Let's say an average residential customer who  
18 doesn't live within these three counties and is an intraLATA  
19 toll customer?

20 WITNESS HENDRIX: Yes, there are other options  
21 available to those customers. We have Saver Service options,  
22 which are toll discount options, available to those customers.  
23 I believe there is a, it's been a couple of years, I believe  
24 Toll-PAC is still out there that would allow for discounted  
25 tolls for a modest buy-in. So there are other options for

1 those customers that may be in areas that are not on those  
2 routes to use.

3 COMMISSIONER KIESLING: Okay.

4 Q (By Ms. Kaufman) Mr. Hendrix, I think that we  
5 started early in our questioning with a comparison of the  
6 Commission's current policy and what Southern Bell has  
7 proposed. Did Southern Bell seek a waiver from the Commission  
8 in regard to using a different imputation methodology than the  
9 one approved in the order we discussed?

10 A No. I think the statute is very clear that it is a  
11 change from the current order that was in place prior to the  
12 statute being issued.

13 Q Is that a no? Did you mean that as a no?

14 A I believe I said "No" up front. And then I went on  
15 to say I think the statute is very clear there is a change  
16 from the current order that is in place relative to the  
17 imputation.

18 Q Have you discussed the methodology you're proposing  
19 here with any of the other LECs, United, GTE? What else do we  
20 have?

21 A No, other than I believe I faxed a copy of my  
22 testimony once it was filed to one of the LECs.

23 Q The statute that you quote still here on Page 8  
24 requires, doesn't it, that the price for a nonbasic service  
25 cover the direct costs of providing that service? And I

1 believe that's on Line 8.

2 A Yes, that is correct.

3 Q It's true, isn't it, that Southern Bell hasn't done  
4 a cost study for ECS? Is that correct?

5 A I'm not an appropriate person to ask about the ECS,  
6 I do not know.

7 MS. KAUFMAN: Well, if you will hang on a second, I  
8 believe we asked you that in discovery.

9 Commissioner Clark, if I could have an exhibit  
10 number, please?

11 CHAIRMAN CLARK: What is it that you want marked as  
12 an exhibit?

13 MS. KAUFMAN: If you will just give me a moment?

14 CHAIRMAN CLARK: While she is looking for that,  
15 Mr. Hendrix, do you consider ECS a toll or local service?

16 WITNESS HENDRIX: I would consider it to be a local  
17 service but, under the new statute, a nonbasic local service.

18 CHAIRMAN CLARK: If that's true, how can you meld  
19 together that with your other intraLATA toll service?

20 WITNESS HENDRIX: The reason being is that most of  
21 those routes at one time were in fact toll; and in reading the  
22 statute, the statute requires that you meet the imputation  
23 standard that is in the statute for a nonbasic service. So it  
24 is simply the melding of what was a toll service with other  
25 toll services along with the ECS.

1           CHAIRMAN CLARK: But if we implement ECS, it is no  
2 longer a toll service. So why should you incorporate the  
3 access charges for other toll services in your melding to get  
4 an appropriate imputation charge?

5           WITNESS HENDRIX: It is mainly because we view them  
6 as being equivalent services.

7           If you look at the provisioning of the ECS compared  
8 to the Message Toll service, compared to your WATS Saver  
9 offerings, you're talking essentially the same, the same  
10 service. The difference is the dialing arrangement that is  
11 being used by the end-user customers.

12           I realize it may not have any relevance here, but  
13 when this issue came up, it surfaced in another state. And in  
14 that state, it had a similar offering, which was a design  
15 radius offering that went out 40 miles. As a part of a  
16 stipulated agreement, MCI and Sprint, along with the other  
17 local companies, agreed to an imputation standard in that  
18 state. That's very much the same here. They only --

19           CHAIRMAN CLARK: They agreed to an imputation  
20 standard --

21           WITNESS HENDRIX: On an aggregate basis.

22           CHAIRMAN CLARK: On an aggregate of all their  
23 intraLATA toll?

24           WITNESS HENDRIX: Except for WATS and 800, yes.

25           CHAIRMAN CLARK: Go ahead.

1 MS. KAUFMAN: I would like to approach the witness.

2 WITNESS HENDRIX: The only difference -- if I may  
3 continue to answer that while Ms. Kaufman comes?

4 CHAIRMAN CLARK: Go ahead.

5 WITNESS HENDRIX: The only difference is that we  
6 reduced access charges in that state. But it was not to a  
7 level that was below those area plan rates; the access charges  
8 are still much higher.

9 CHAIRMAN CLARK: Okay.

10 Q (By Ms. Kaufman) Mr. Hendrix, I have provided to  
11 you FIXCA's request for production and I would like to address  
12 your attention to No. 21, which asks Southern Bell to provide  
13 "all cost studies and documents supporting such cost data  
14 which support Southern Bell's proposed ECS service."

15 Could you read us what Southern Bell's response was  
16 to that request?

17 A "Southern Bell has no documents responsive to this."

18 Let me say I believe my answer to you was that I was  
19 not the person to ask relative to the cost. I'm not a cost  
20 person, I'm a price person. I look at the cost in setting  
21 rates; I believe Mr. Stanley talked or addressed the rate  
22 levels for ECS, and I'm here speaking on the issues that  
23 were -- that are addressed in the testimony.

24 Q You don't have any reason to think that Southern  
25 Bell has some ECS cost studies that they didn't provide, do

1 you?

2 A No. Because unlike perhaps some of the others,  
3 we're very honest and very straightforward when customers or  
4 when clients come and ask and we give you that data.

5 Q I'm sure we all appreciate that.

6 A I thank you. But let me go on and answer your  
7 question further.

8 Q Mr. Hendrix, my question was simply --

9 CHAIRMAN CLARK: I thought the question was simply  
10 whether you provided -- that you had a cost study. You said  
11 no.

12 WITNESS HENDRIX: Thank you.

13 Q (By Ms. Kaufman) Since we have established that  
14 Southern Bell is honest and truthfully answered it has no cost  
15 study relating to ECS, how do we know that it covers even your  
16 direct cost?

17 A I'm glad you asked that follow-up question because  
18 that's what I was about to answer.

19 I think when you look at ECS, since we have not  
20 performed any cost studies, I think as a surrogate perhaps  
21 your toll costs would be a really good surrogate to look at.  
22 I do not have those costs, but I would think that the ECS  
23 rates that we have here more than adequately cover those  
24 costs.

25 MS. KAUFMAN: Chairman Clark, now I need an exhibit

1 number.

2 Q (By Ms. Kaufman) Mr. Hendrix, we're distributing  
3 Southern Bell's response to FIXCA's Interrogatories Nos. 75  
4 and 76.

5 CHAIRMAN CLARK: They will be marked as Composite  
6 Exhibit 20.

7 (Composite Exhibit No. 20 marked for  
8 identification.)

9 Q (By Ms. Kaufman) Do you have those in front of you?

10 A Yes, I do.

11 Q You provided the answers to these two  
12 interrogatories; is that correct?

13 A Yes, I did.

14 Q Are they still true and correct today to the best of  
15 your knowledge and belief?

16 A Yes, they are.

17 Q I have just got one last line of questions, and they  
18 relate to your access calculations back on Page 5 of your  
19 testimony, Lines 6 through 9 -- 6 through 10.

20 Do you have Southern Bell's responses to FIXCA's  
21 seventh set of production documents, No. 20?

22 A Not with me.

23 MS. KAUFMAN: Well, I have one copy; and the reason  
24 is because the information on here is confidential. I'm not  
25 intending to get into the particular numbers that are on the

1 sheet, but I don't have additional copies to distribute. So I  
2 think, if it is all right, I will go over there and talk to  
3 Mr. Hendrix so we can share the same copy.

4 CHAIRMAN CLARK: I hope the rest of us can hear it.  
5 You are not intending to enter that as an exhibit?

6 MS. KAUFMAN: No, I want to ask him some questions  
7 about it. Counsel, do you have a copy he can use?

8 MS. WHITE: It will take a little bit.

9 CHAIRMAN CLARK: Go ahead and walk over there and  
10 ask your questions.

11 Q (By Ms. Kaufman) Mr. Hendrix, I'm showing you the  
12 confidential copy of Item No. 20 to FIXCA's PODs. And without  
13 revealing anything that's confidential on there, what this  
14 exhibit is is for the month of November you have provided us  
15 with the MTS and OCP revenue for residential and you provided  
16 us with the minutes of use. Is that correct?

17 A Uh-huh.

18 Q And then you have provided us -- well, I'm showing  
19 you backwards, but you provided us that same information for  
20 business?

21 A That's correct.

22 Q Do you have a calculator?

23 A Yes. How far do you need for it to go out? It's a  
24 small one.

25 Q We'll try it and see. You're going to need it, not



1 dialing purposes as well, will they not?

2 A Will be on a seven-digit basis.

3 CHAIRMAN CLARK: That's a yes?

4 WITNESS HENDRIX: Well, usually you don't think  
5 of -- I suppose I have a problem equating seven-digit always  
6 with local. I mean, there are a lot of gadgets that are out  
7 there in the marketplace that would allow a customer to input  
8 only seven digits or even fewer digits, and that is my problem  
9 as opposed to simply giving a yes, you can't always equate  
10 local with seven-digit dialing.

11 CHAIRMAN CLARK: Assuming they are not using  
12 customer premise equipment or other equipment that allows you  
13 to do that, is your answer yes then for seven-digit dialing?

14 WITNESS HENDRIX: In that case, yes.

15 CHAIRMAN CLARK: Some of us just dial one.

16 WITNESS HENDRIX: That's true. Very true. Some, in  
17 my case, when I dial from the office I may just dial four  
18 digits to reach other people.

19 MR. BOYD: The only other thing I have, Commissioner  
20 Clark, is an exhibit which is a Southern Bell interrogatory  
21 answer that was provided by Mr. Hendrix, I would like to get  
22 identified and have him just verify. May I have a number for  
23 that?

24 CHAIRMAN CLARK: 21. And what's the title?

25 MR. BOYD: It is Southern Bell's response to McCaw's

1 Second Set of Interrogatories, Item No. 28.

2 COMMISSIONER KIESLING: Could you give me the  
3 question numbers again?

4 CHAIRMAN CLARK: 28. Second set, Item 28.

5 MR. BOYD: Second set of Interrogatories, Item  
6 No. 28. (Pause)

7 (Exhibit No. 21 marked for identification.)

8 Q (By Mr. Boyd) Mr. Hendrix, this interrogatory  
9 response was provided by you or under your direction, was it  
10 not?

11 A Yes, it was.

12 Q And it is still accurate and correct?

13 A That is correct.

14 MR. BOYD: Thank you. That's all I have, Madam  
15 Chairman.

16 CHAIRMAN CLARK: Thank you, Mr. Boyd. Mr. Tye?

17 MR. TYE: I will try to be brief, Madam Chairman, I  
18 know it's late in the day.

19 CROSS EXAMINATION

20 BY MR. TYE:

21 Q Good afternoon, Mr. Hendrix.

22 A Good afternoon.

23 Q Did I understand you to say in response to one of  
24 Ms. Kaufman's questions that you have reviewed competitive  
25 access provider tariffs filed with this Commission?

1 A I said if they filed it, I would have.

2 Q Excuse me?

3 A I said if they have filed tariffs, then I have.

4 Q Well, do you remember whether you have or you have  
5 not reviewed any AAV tariffs filed with this Commission, I  
6 guess is the question.

7 A Mr. Tye, I review a lot of tariffs in the course of  
8 a week. And my remark is not one of being cocky; but the only  
9 thing I know is that we have a monitoring process and if a  
10 tariff has been filed, the marketing people or the regulatory  
11 people here, we usually get those. So if a tariff has been  
12 filed, chances are I have looked at the tariff.

13 Q Then it was not your testimony that you have  
14 reviewed such a tariff or such tariffs in preparation for this  
15 hearing; is that correct?

16 A Not strictly for this hearing. But if it has been  
17 filed, then I have reviewed the tariff.

18 Q But you cannot remember a specific instance where  
19 you have reviewed a tariff of an AAV that's been filed in this  
20 Commission; is that a fair statement?

21 A Let me see if I have one in my backup here. (Pause)

22 Well, I do not have a tariff in my backup, I only  
23 have the proposals that have been made to people like you all  
24 from various CAPs.

25 Q So you haven't seen any tariffs --

1           A     I do not have one with me. But I have reviewed the  
2 tariffs; if they have been filed in this state, then chances  
3 are I have reviewed the tariff.

4           Q     Did you base any portion of your testimony on an AAV  
5 tariff that you have seen filed in this state?

6           A     Not a tariff strictly for this hearing, no.

7           Q     Now, sir, I think you testified that ECS is above  
8 its direct cost; is that correct?

9           A     Using MTS as a surrogate, yes, I did.

10          Q     Okay. Now if ECS is above its direct cost, that  
11 means that Southern Bell covers its costs and makes a profit  
12 on that service when it sells it; is that correct?

13          A     That is correct.

14          Q     Given that fact, if AT&T or another IXC came to you  
15 and asked you to buy ECS service at the same price you charged  
16 the end user for that service, would you be willing to sell it  
17 at that price to the IXC?

18          A     At 10 and 6 cents, those being the ECS rates?

19          Q     Yeah.

20          A     My answer, which is not the gospel answer for the  
21 Company, I would personally probably say yes.

22          Q     Would you be willing to sell the residential  
23 service, which is at a quarter a call, at that same rate to an  
24 IXC?

25          A     I would have to think twice about that. I don't

1 believe my answer would be yes on that one.

2 Q Does Southern Bell incur certain costs in respect to  
3 billing these costs?

4 A Yes, definitely.

5 Q If you made the service available for resale, would  
6 those costs be avoided?

7 A Perhaps some of them.

8 Q Mr. Hendrix, you were Southern Bell's witness in the  
9 local transport restructure docket, were you not?

10 A Yes, I was.

11 Q And that was about a year ago, wasn't it?

12 A September of '94, I believe.

13 Q I thought it was August of '94.

14 A It may. I might be wrong.

15 Q Seems like less than a year, doesn't it?

16 A Seems like just yesterday.

17 Q One of the things that you did, that Southern Bell  
18 proposed in that docket that the Commission approved, was to  
19 restructure local transport charges to go to a method where  
20 the interexchange carrier pays for a facility between Southern  
21 Bell's end office and the IXC's POP and then pays a charge  
22 called the residual interconnection charge; is that correct?

23 A That was what was ordered. The tariff, as I  
24 indicated earlier, will not be filed until September 5.

25 Q Okay. Let's focus a minute on the residual

1 interconnection charge, which I think has been referred to  
2 using the acronym the RIC; is that correct?

3 A That's correct.

4 Q Okay. Now, the RIC was a charge that was designed  
5 to recover subsidies; is that a fair statement?

6 A No, it is not.

7 Q Let's go back and determine how the RIC was  
8 developed. What you did was you rated out the facilities that  
9 were used between the end office and the POP at cost or  
10 something like cost; is that a correct statement?

11 A No, that's not.

12 Q You rated it out using a market rate; is that  
13 correct?

14 A Well, let me tell you what I did, maybe that would  
15 be easier.

16 Q Why don't you tell us how you did it. I'm sure  
17 we'll agree. (Laughter)

18 A We did it consistent with the order that was issued  
19 in the docket. And what we did was to mirror the interstate  
20 special access rates -- not costs, but the rates. And any  
21 revenue shortfall after mirroring those rates or any other  
22 costs that were not recovered in those rates were then covered  
23 in the residual charge or the interconnection charge.

24 Q Would it be safe to say then that the residual  
25 interconnection charge is a charge that is not set to cover a

1 specific cost?

2 A There are multiple costs covered by that.

3 Q Do you know what your residual interconnection  
4 charge is going to be when you file your tariff on  
5 September 5?

6 A No, I do not. I believe it will be very close, be  
7 very close to the interstate rate, if I remember correctly. I  
8 do not have the number here.

9 Q How much is the interstate rate?

10 A On 8-1, I believe it would be .0049, somewhere in  
11 that neighborhood.

12 Q The residual interconnection charge then is a charge  
13 that is imposed on every minute of switched access; is that  
14 correct?

15 A That is correct.

16 Q Okay. And that would be the case whether the  
17 switched access -- whether the local transport component of  
18 that switched access is carried by an AAV or is carried by  
19 Southern Bell; isn't that correct?

20 A For the switched access portion, yes, that's  
21 correct.

22 Q Okay. Now, when you prepared your analysis in this  
23 case -- and I'm referring specifically to the analysis on  
24 Page 5, Line 10 of your testimony, the applicable switched  
25 access rate you use there does not include the RIC; is that

1 correct?

2 A That is correct, it's not included there.

3 Q Okay. And if the RIC were included, then that rate  
4 would be higher, would it not?

5 A Yes. But it is not appropriate to include the RIC.  
6 But if it was made a part of that rate, then it would be  
7 higher; but it simply is inappropriate to do that.

8 Q But the RIC is a charge that is imposed on every  
9 minute of switched access traffic whether or not the IXC uses  
10 a competitive access provider or Southern Bell; isn't that  
11 correct?

12 A Well, If I may answer the question and then go on?

13 Q Yes, please answer the question.

14 A If it is switched access totally, yes. But when a  
15 carrier chooses to use a CAP, it is not simply to displace the  
16 transport piece with switched access, it may also be used and  
17 in many cases may be used to migrate from switched over to  
18 special access. And so, when you have special access -- the  
19 fact is that I probably have been very generous here by  
20 including the carrier common line in the local switching.  
21 Perhaps there should be some weighted rate. Because when they  
22 migrate from switched to special, you are not looking at  
23 carrier common line, you are not looking at the local switched  
24 rate. So perhaps this needed to be a weighted rate and I  
25 inflated the rate.

1 Q Mr. Hendrix, the services at issue here use switched  
2 access, do they not? The ECS services?

3 A I don't believe that's what the statute requires us  
4 to do.

5 Q We're not talking about the statute. Does your  
6 tariff require an IXC to provide service -- a switched service  
7 from Key West to Miami? Does it require that IXC to provide  
8 switched access service?

9 A I think you have to look at the statute in order to  
10 understand what I've got here.

11 CHAIRMAN CLARK: Mr. Hendrix, would you just answer  
12 his question as to whether or not it was included?

13 WITNESS HENDRIX: I think I did.

14 CHAIRMAN CLARK: Okay.

15 Q (By Mr. Tye) Mr. Hendrix, let's go back to the MTS  
16 type services at issue here. We agree we're talking about MTS  
17 type services, do we not?

18 A For Southern Bell, that's correct.

19 Q Okay. Now, when an IXC carries that type of  
20 service, your tariff requires the IXC to buy switched access;  
21 isn't that correct?

22 A If you are carrying switched access, then you will  
23 purchase switched access.

24 Perhaps I don't understand the question. I'm not  
25 trying to be difficult, I'm having a problem understanding the

1 question.

2 Q Okay. Let me make it real simple.

3 Let's say I live in Key West and I place an MTS call  
4 over AT&T's network to Miami. Does your tariff require AT&T  
5 to pay switched access charges on each end of that call or  
6 not?

7 A If you are using switched access, then you would pay  
8 switched access. But you have other means of completing that  
9 call from Key West to Miami and it may not be switched access.  
10 You can complete a very --

11 Q For a residential subscriber?

12 A You didn't say residential, Mr. Tye.

13 Q Excuse me. For the residential subscribers that  
14 utilize the services on these routes, doesn't your tariff  
15 require AT&T or any other IXC to pay you switched access on  
16 each end of those calls?

17 A For most residential customers, yes.

18 Q Okay. And the RIC is a charge that applies to each  
19 minute of switched access; is that correct?

20 A If it is switched access, that is correct.

21 Q Okay. Now you got some questions I think from  
22 Commissioner Clark about whether or not you consider ECS to be  
23 a local service or a toll service. Do you remember when you  
24 and I talked about those questions in deposition?

25 A Yes, I do.

1 Q Wasn't it your testimony then that you didn't know  
2 what it was but you considered it to be a nonbasic service; is  
3 that correct?

4 A I think what I mentioned was that to me it probably  
5 didn't really matter, but it was a nonbasic service and a  
6 local toll. And there wasn't a clear line between what was  
7 local or toll.

8 Q And your arguments you've made in your testimony are  
9 centered around the imputation part of the statute that  
10 applies to nonbasic services; is that correct?

11 A That's correct.

12 Q Mr. Hendrix, when Southern Bell comes under price  
13 regulation, won't it be able to raise the rates on those  
14 nonbasic services without having to come to this Commission  
15 and seek authority?

16 A I believe that there are some guidelines that will  
17 allow that perhaps.

18 Q As much as 20% a year, isn't that a fact?

19 A I don't recall exactly how much, Mr. Tye.

20 Q Now, I think you have also argued that ECS is  
21 functionally equivalent with the intraLATA toll services  
22 offered by IXCs; is that correct?

23 A For some of the services offered by the IXCs, that  
24 is correct.

25 Q And that's your testimony even though ECS is

1 provided on a seven-digit dialing basis whereas the IXCs'  
2 competitive services, even after intraLATA presubscription is  
3 effected, will be on a ten-digit dialing basis; is that  
4 correct?

5 A That is right. And it is not only based on the data  
6 that I have in this docket but also what was agreed to in one  
7 of the other states.

8 Q Excuse me, agreed to in one of the other states?

9 A Yes. I thought one of your design radius and design  
10 area plans were in the seven-digit dialing aggregated with  
11 toll services; and the ruling from the PSC in that case was  
12 that we're talking equivalent services here.

13 Q And that was in North Carolina?

14 A Yes, it was. The order was issued on June 30.

15 Q But that's contrary to the findings of this  
16 Commission in the past, is it not?

17 A Well, I'm speaking strictly from the statute. I  
18 don't know if it's contrary or not.

19 Q It's contrary to the pronouncements of this  
20 Commission of which you're aware, isn't it?

21 A I'm not sure I?

22 Q It's contrary to this Commission's imputation  
23 guidelines; is that a correct statement?

24 A No, I do not agree with that.

25 Q You indicated, I think, in the deposition that you

1 thought that ECS ought to be lumped together with your  
2 intraLATA toll for the purposes of computing the average  
3 revenue per minute of use because ECS is something that was  
4 formerly on toll routes and IXC is still carried on toll  
5 routes. Is that a correct statement?

6 A I would say that's close to what I said, yes.

7 Q Okay. It's a way of getting from one exchange to  
8 another, isn't that pretty much what we agreed to?

9 A That's correct.

10 Q Now, sir, if that's the standard we're going to look  
11 at, doesn't EAS also provide one way of getting from one  
12 exchange to another?

13 A I think I commented yes, that yes, it does. But the  
14 basis for my comment was in reviewing the new statute that  
15 requires nonbasic services to meet an imputation test.

16 Q But you haven't made any attempt to include all the  
17 EAS minutes out there on your network in Florida, have you,  
18 sir, in this computation?

19 A I believe that may be a basic service. I have only  
20 looked at it consistent with the statute on nonbasic service.

21 Q But if it were a functionally equivalent service to  
22 intraLATA toll because it's a way to get from one exchange to  
23 another, then you have a lot of minutes out there that haven't  
24 been included in your computation; would you agree with that?

25 A It's not appropriate to include those and they have

1 not been included because I was looking at --

2 Q Okay. It's appropriate to include it if you say  
3 it's a functionally equivalent service; but if we use the  
4 standard definition, then it is not. Would that be a fair  
5 statement?

6 A No, it is not. I think what I have stated is  
7 consistent with the nonbasic service requirement of the  
8 statute. I included the ECS along with the toll.

9 Q You have a service called WATS Saver, don't you,  
10 Mr. Hendrix?

11 A Yes, we do.

12 Q WATS Saver is a high capacity service, is it not?

13 A It depends on the option that is purchased by the  
14 customer. There are options that must meet under the order,  
15 the imputation order, that must meet the standard of two ends  
16 of switched access. There are other options that will allow  
17 the local companies to use a crossover; in other words, one  
18 end is switched, one end is special.

19 Q WATS Saver rates are generally -- excuse me. The  
20 per minute of use rate for WATS Saver is generally below the  
21 per minute of use rate for intraLATA toll; is that correct?

22 A Yes.

23 Q You haven't included WATS Saver in your calculation  
24 on Page 5, have you?

25 A Yes, I have.

1 Q You have included WATS Saver?

2 A Yes, I have. I have included all optional calling  
3 plans.

4 Q You have not included WATS and 800, though, have  
5 you?

6 A No, I have not.

7 Q And WATS and 800 are also a means of getting from  
8 one exchange to another on Southern Bell's network?

9 A It is a means, yes. But the services are different  
10 in that for an 800 service in some of the cases you would use  
11 a dedicated WATS access line and for your outward WATS  
12 services you would use a dedicated WATS access line. So the  
13 services are different.

14 Q Sort of like the differences between dialing seven  
15 digits and dialing ten digits?

16 A No. I would say we're not talking that type of  
17 difference. Because there are many customers, as I mentioned  
18 earlier, that may not have to dial seven digits, they may use  
19 carrier services.

20 Q If we were to include WATS and 800 minutes in your  
21 computation on Page 5, the average revenue per minute would go  
22 down; is that correct?

23 A I don't believe that's the case. I believe it may  
24 go up.

25 Q Do you think that WATS and 800 minutes are rated out

1 at higher rates than the total of intraLATA toll?

2 A I believe that to be the case.

3 Q Why would a big usage customer buy WATS service and  
4 pay you more than he would pay just to use your regular old  
5 intraLATA toll service?

6 A Well, at one time -- you have to remember WATS is  
7 probably an offering that has seen better days. And what is  
8 happening is as you reduce your -- as you come in with new  
9 options, such as your WATS Saver high volume options, that has  
10 displaced some of your outward WATS service.

11 In other words, WATS is a dying service; and we've  
12 had major losses in that service going over to carriers, so  
13 many of our WATS customers are no longer really the high  
14 volume usage customers that you would see. And also you have  
15 to add into WATS the WATS access line.

16 Q Let me understand this. To use WATS, you have to  
17 get a dedicated access line; is that correct?

18 A For an outward WATS, that's correct.

19 Q And there's a rate for that, \$50 a month; is that  
20 correct?

21 A I don't believe it's that high. Probably in the \$25  
22 range.

23 Q Let's say it's \$25 a month. And then on top of that  
24 you pay a usage charge for WATS; is that correct?

25 A That is correct.

1 Q And it's your testimony that there are customers out  
2 there that are paying you this \$25 a month, or whatever it is,  
3 and then paying a higher usage charge to use WATS than they  
4 would pay you if they just dialed 1 and used your intraLATA  
5 toll traffic?

6 A No. I said it would be higher than your WATS Saver  
7 offerings. I said if you rolled out your new offerings, the  
8 WATS Saver offerings with lower rates, some customers have not  
9 migrated over. And then we have lost many of our WATS  
10 customers to carriers that have come in that may be using  
11 Sprint's Ultra WATS service, or MCI's Prism service, or maybe  
12 using your Megacom service.

13 Q The way we got into this, Mr. Hendrix, was I asked  
14 you: If you included WATS and 800 minutes, wouldn't the  
15 average revenue per minute shown on Page 5 of your testimony,  
16 Line 8, go down?

17 A I said no, it likely would go up.

18 Q So it's your testimony that there are customers out  
19 there that are paying you for a dedicated access line every  
20 month and are also paying you a minute of use charge that is  
21 higher than what they could get by using your plain old toll  
22 service?

23 A That wasn't what I said, Mr. Tye. I tied it back to  
24 my WATS Saver offering.

25 Let me see if I can get it right this time perhaps

1 to make it clear. What I have stated was that customers, as  
2 we introduce new services, WATS Saver, high volume type  
3 services customers have not migrated over to the WATS Saver  
4 offerings. And other customers have chosen to go to MCI's  
5 Prism or Sprint's Ultra WATS or your Megacom offering.

6 Q Let's see if we can get this one right. If a  
7 customer uses WATS on any of the ECS routes that you have  
8 proposed here, that's a stupid business decision; wouldn't you  
9 agree?

10 A It is not wise. I don't call our customers stupid.

11 Q Imprudent? Would you agree with that?

12 A It is not wise.

13 MR. TYE: Okay. Thank you, Mr. Hendrix, I have no  
14 further questions.

15 CHAIRMAN CLARK: Mr. Melson?

16 CROSS EXAMINATION

17 BY MR. MELSON:

18 Q Mr. Hendrix, Rick Melson representing MCI.

19 Could you turn to Page 4 of your testimony just a  
20 minute, please? At the top of the page, you show Mr. Gillan's  
21 test for determining whether ECS revenues cover access  
22 charges. And I don't want to ask you about his methodology, I  
23 just want to ask you about his numbers. Do you agree that his  
24 6.4 cents per minute for estimated average ECS revenue per  
25 minute is actually a slight overstatement of that average

1 revenue?

2                   You might take a look at your Deposition Exhibit  
3 No. 2.

4           A     Yes.

5           Q     And what would you calculate that number to be,  
6 estimated average ECS revenue per minute?

7           A     Well, let me go back, let me take my answer back,  
8 I'm not sure that the answer is yes. Because if you were to  
9 weight the res and the business together, I think you would  
10 come up with a different number than the six-and-seven-eighths  
11 you have here. I think I may have done that. (Pause)

12                   So I'm not sure that he's, what did you say,  
13 overstated the number? I think he's taken an average of the  
14 number. I think perhaps he has understated the number. I  
15 think he may have understated the number. I believe if you  
16 were to take a weighted average, based on the distribution  
17 that I have, it would be somewhere around 6.6 cents as opposed  
18 to 6.42.

19           Q     Let me ask this question. You calculate per  
20 residence 6 cents per minute even; is that correct?

21           A     Yes. That's just simply taking the 25 cents divided  
22 by the 4.2 and rounding it up.

23           Q     And then you calculate business at 7.8 cents per  
24 minute; is that correct?

25           A     That is correct, applying 10 cents on the first

1 minute, 6 cents on each additional minute.

2 Q So that the average is going to be somewhere between  
3 the six-and-seven-eighths depending on the weight of the  
4 business and the residence?

5 A That is correct. And I equate that, my ballpark  
6 estimate is around 6.6.

7 Q In calculating the residence, what -- residence  
8 revenues of 6 cents per minutes, what did you use as the  
9 number of minutes per residential ECS call?

10 A I'm not sure I can give you that information.  
11 Wasn't that proprietary data provided?

12 Q Well, if you divided 25 cents by 4.2 minutes? Is  
13 4.2 minutes the --

14 A That's the average length of a call.

15 Q That's the average length of a call?

16 A That's correct.

17 Q Would you expect that average length of a call to go  
18 up once you are offering those calls on a flat 25 cents per  
19 message basis?

20 A I'm not sure the duration of the call would go up.  
21 It may. Obviously, we're hopeful some stimulation would  
22 actually occur. How much 1+, I'm just not sure. But you  
23 could see some change in that number, I'm not sure how great  
24 of a change.

25 Q So to the extent that it did go up because people

1 stayed on the phone longer since they were paying a flat rate  
2 per call, that would drive down the average per minute ECS  
3 rate; is that correct?

4 A That could, yes.

5 Q One of the routes on which you are proposing to  
6 offer ECS is Marathon to North Key Largo; is that correct?

7 A I'm assuming you are looking at something, I do not  
8 have that before me.

9 Q Well, let's assume that that's one of your  
10 proposals.

11 A Okay.

12 Q In your methodology of determining whether revenues  
13 cover cost for the service, you do not impute any local  
14 transport; is that correct?

15 A That's correct.

16 Q And that's because there are competitive  
17 alternatives available for local transport?

18 A Exactly.

19 Q If MCI is offering an intraLATA service and has a  
20 customer in Marathon that calls North Key Largo, isn't it true  
21 that MCI has no alternative local transport available for that  
22 call?

23 A I do not know. I really don't. I mean, you all are  
24 rolling out companies, you know, that, so I don't know. It  
25 may be your own company, I don't know.

1 Q If I were to go through this on a route-by-route  
2 basis, would you know for any route whether there was  
3 alternative access actually available for local transport?

4 A Perhaps I would know some, but I'm not sure that we  
5 want to do that. But let me just say in general, based on the  
6 data that I have from where the CAPs are choosing to collocate  
7 with us, that in your Dade County and Broward County areas  
8 that you are -- Dade being Miami, Flagler, those areas, Miami  
9 Main, I mean Lauderdale Main, Hollywood, West Palm Beach,  
10 Boca, those areas -- that you would likely have CAPs in those  
11 areas because of the traffic volume in those areas.

12 Q Would you have a CAP in either Archer or Chiefland?

13 A Where are they? (Laughter) I mean, I'm from  
14 Florida, I lived here in Florida and worked in outside plant  
15 here in Florida, but I can honestly say I don't know where  
16 they are.

17 Q The point is -- and let me ask this question. Your  
18 methodology assumes that local transport is available in any  
19 of those exchanges. And would you agree with me that in fact  
20 there are many of those exchanges in which a competitive local  
21 transport is not available?

22 A I would agree, yes, that you would have some where  
23 there are no alternatives. But in general, when you look at  
24 the makeup of Southern Bell's toll market and our access  
25 market and the amount of traffic that is in the Southeast LATA

1 that is the subject of CAPs coming in, that it is appropriate,  
2 even on a statewide basis, not to include transport in any  
3 imputation standard that you come up with.

4 Q When you calculate on Page 5 of your testimony what  
5 you call the applicable switched access, it includes carrier  
6 common line and local switching, it excludes local transport,  
7 correct?

8 A That is correct.

9 Q Does Southern Bell incur some local transport cost  
10 on an ECS call?

11 A As a part of the underlying cost of providing ECS --  
12 which, as I mentioned earlier, MTS costs may be a surrogate --  
13 the answer is yes.

14 Q So the answer is yes. Do you incur billing and  
15 collection costs?

16 A As a part of providing ECS service, yes.

17 Q Do you incur interexchange transport costs?

18 A I would say yes.

19 Q Did you take any of those costs into account in  
20 determining, even under your methodology, the costs that needs  
21 to be covered?

22 A As a matter of fact, I took them all. Because the  
23 first sentence of the statute -- well, now that I look at it,  
24 it's all one sentence. But on Page 8 of my testimony it  
25 states that the price charged to a consumer for a nonbasic

1 service should cover the direct cost of providing the service.  
2 So I did in fact cover all of those costs because those are my  
3 underlying costs for providing ECS; and using MTS as a  
4 surrogate, I do in fact cover those costs.

5 Q And what is the sum of those costs plus the switched  
6 access? Have you presented that number to us?

7 A No. And it's not appropriate for me to give you  
8 that number. It is not a relevant number relative to whether  
9 I meet the test, that isn't what the statute calls for.

10 Q So it is your position that the statute requires you  
11 to cover the rates that you charged competitors for the  
12 monopoly components but that it does not require you to cover  
13 any direct costs that are not reflected in those rates. Is  
14 that your testimony?

15 A Let me say it a different way just to ensure that  
16 I'm clear to ensure that I answer your question. One, the  
17 first thing that it does is to require me to cover the costs  
18 of the service that I offer. That's ECS. So I cover that  
19 cost. Okay?

20 The second portion is that I cover in my toll rates  
21 for the service that I offer -- in this case, ECS -- the  
22 services that I will provide to a carrier that is provided in  
23 the equivalent service, and that would be your carrier common  
24 line and your local switching. Transport is not a part of  
25 that because it says it excludes monopoly components of the

1 service that you offer to other carriers to provide their  
2 service.

3 Q I guess I now understand your position. I guess we  
4 have an additional issue to brief on the meaning of that  
5 section.

6 One final question. Are you aware that AAVs in  
7 Florida are not required by Commission rule to file tariffs?

8 A That's why I said if they -- no, I was not aware.  
9 That's why I said if they have filed, then I have seen it.

10 Q If they haven't filed, then you haven't seen it?

11 A You've got it.

12 MR. MELSON: Thank you.

13 CHAIRMAN CLARK: Mr. Self.

14 MR. SELF: No questions.

15 CROSS EXAMINATION

16 BY MR. ELIAS:

17 Q Mr. Hendrix, do you recall being deposed  
18 approximately a week ago in this docket?

19 A Yes. I was on vacation.

20 Q Have you had an opportunity to review the transcript  
21 of that deposition?

22 A Yes, I have.

23 Q At the time the questions were posed you were not  
24 under oath; is that correct?

25 A That's correct.

1 Q Having had the opportunity to review the deposition  
2 transcript and recognizing that you are now under oath, are  
3 the questions and answers -- are the answers posed in that  
4 deposition true and correct to the best of your knowledge?

5 A Yes, they are.

6 Q Have you had an opportunity to review Mr. Gillan's  
7 supplemental exhibit?

8 A Yes, I have.

9 Q Let me ask one question. What's wrong with it?

10 A Well, one thing I think is getting the cart before  
11 the horse. I think it is appropriate to sit down and  
12 negotiate resale as well as the interconnection rates.

13 I don't know that you would want to look at the  
14 relationship between access and your message toll. This is  
15 only one person's view of what the interconnection rate could  
16 actually be or should actually be; I think there are many  
17 other factors that you would probably need to enter into this.  
18 I'm not really sure that his basis, his starting basis, is  
19 appropriate.

20 I've just got it, so I have not had a chance to go  
21 back and really give a lot of thought to it but I don't  
22 believe the basis is right. I don't believe you simply  
23 compare access to toll and, whatever that relationship is,  
24 then that's what you charge. Perhaps you need to factor in  
25 some other items; and I'm not exactly sure what those items

1 are, but I don't believe that's the right basis to start with.  
2 You need to have the benefit of other parties.

3 Q Other than the extended calling service offerings  
4 previously approved by this Commission, are you aware of any  
5 instance where a residential subscriber in Southern Bell's  
6 territory can dial a call on a seven-digit basis and incur an  
7 additional charge on his phone bill?

8 A I think it goes back to how I answered the question  
9 earlier, and that is, I am personally not aware but I believe  
10 that you have cases where a large apartment complex may have a  
11 PBX that will allow customers to dial abbreviated numbers.  
12 That is possible. I'm personally not aware of it. And there  
13 are other service offerings for dialers that may be available  
14 to certain customers.

15 MR. ELIAS: We have one other bit of business, which  
16 is to assign an exhibit number to the late-filed exhibit that  
17 was previously passed out.

18 CHAIRMAN CLARK: Is that the Hendrix Late-Filed  
19 Exhibit Item No. 1?

20 MR. ELIAS: And 2.

21 CHAIRMAN CLARK: And 2. It will be Composite  
22 Exhibit 22.

23 MR. ELIAS: Thank you Mr. Hendrix, that's all we  
24 have.

25 (Exhibit No. 22 marked for identification.)

1 CHAIRMAN CLARK: Commissioners?

2 COMMISSIONER DEASON: I have a few questions.

3 We've discussed to some degree whether ECS is local  
4 or toll. And I just want to clarify, do you believe ECS is a  
5 local or toll service?

6 WITNESS HENDRIX: Commissioner Deason, I believe --  
7 I mean, I have sort of thrown out local-toll and I have just  
8 looked at it as a nonbasic service.

9 COMMISSIONER DEASON: Are you saying it's irrelevant  
10 whether it is toll or local, the fact is that it is a nonbasic  
11 service?

12 WITNESS HENDRIX: I'm not sure that it is  
13 irrelevant. But my reading of the statute would put it under  
14 the nonbasic, so I have really not thought much about whether  
15 it was local or a toll service option.

16 I believe that the Company is looking at the  
17 revenues as local, but I have not given a lot of thought as to  
18 whether it was a local or toll service.

19 COMMISSIONER DEASON: But you are basing your  
20 opinion that there needs to be an imputation based upon the  
21 fact that it is a nonbasic service?

22 WITNESS HENDRIX: Yes, sir.

23 COMMISSIONER DEASON: What we're trying to do here  
24 is we're trying to address how we're going to dispose of \$25  
25 million worth of stipulation, correct?

1 WITNESS HENDRIX: Yes, sir.

2 COMMISSIONER DEASON: There's various alternative  
3 ways of doing that. One way which could be done -- which has  
4 not been proposed but it could be done -- is to identify  
5 routes which the Commission believes should be offered on a  
6 flat rate basis to the tune of \$25 million. That could be an  
7 option; is that correct?

8 WITNESS HENDRIX: Yes, sir, that is an option, yes,  
9 sir.

10 COMMISSIONER DEASON: So just hypothetically, let's  
11 say that the Commission decided to do just that and just  
12 identified certain of the routes that you have identified and  
13 decided that they need to be implemented on a flat rate basis.  
14 Would there need to be any imputation in that situation?

15 In fact, it couldn't meet an imputation test because  
16 there would be no revenue associated with that other than what  
17 is already included into basic R1 and B1 service; is that  
18 correct?

19 WITNESS HENDRIX: It would be very difficult, that  
20 is correct, to even quantify or even come up with a standard.  
21 Clearly, Southern Bell would rather not see a flat rate  
22 option. But I think --

23 COMMISSIONER DEASON: I'm trying to understand why  
24 there needs to be imputation. We start talking about EAS,  
25 there's the flat rate option, there's the 25-cent plan. What

1 you're doing is you're taking a hybrid of the 25-cent plan and  
2 calling it ECS and saying there needs to be this  
3 implementation standard which needs to be met. But if it were  
4 flat rated, would there be a need for some type of an  
5 imputation standard and would it even make sense to try to  
6 apply an imputation standard in that situation?

7 WITNESS HENDRIX: I don't believe it would make  
8 sense to apply a standard. But I think one thing that's sort  
9 of talked about today is that we meet the test. Granted,  
10 someone else, you know, higher than me would have to interpret  
11 the language of the statute. But if you look at what carriers  
12 pay in access and if you look at blended access rates, I mean,  
13 clearly what is to be charged on 10-1 here and what will be in  
14 the interstate as of 8-1, the carriers' access rates are lower  
15 than the ECS rates, even if you were to weight the ECS rates.

16 If I look at what a typical carrier, his traffic is  
17 75% interstate, 25% intrastate. And when I look at the rates  
18 that are going to be in place on 10-1, those weighted rates is  
19 5.5 cents. ECS, on my late-filed, showed rates for res being  
20 at 6 and business at 7, 7.8.

21 When you go back and look at the imputation order,  
22 it was clear that the Staff realized that LDS, WilTel, ATC,  
23 got the state bid based on weighted traffic. That's in the  
24 order. Carriers can do that melding. It is not something  
25 difficult to do, it is very simple when you look at total

1 cost.

2 COMMISSIONER DEASON: I understand that's your  
3 position as far as the calculation and I guess the basis of my  
4 question goes to whether there's even a need to do imputation.  
5 And your testimony is that since it is a nonbasic service you  
6 interpret the statute to mean there should be an imputation.

7 WITNESS HENDRIX: Yes, sir.

8 COMMISSIONER DEASON: I guess I'm having some  
9 difficulty looking at it in terms of basic and nonbasic  
10 services. It's just something I'm going to have to grow  
11 accustomed to because that is the new law. I guess I'm  
12 accustomed to looking at it in terms of is something a toll  
13 service or is it a local service? And you are saying  
14 regardless of whether we classify it as local or toll, that is  
15 still nonbasic and that's the key.

16 WITNESS HENDRIX: That's my reading of it.

17 CHAIRMAN CLARK: Ms. White, how much redirect do you  
18 have?

19 MS. WHITE: I have no redirect.

20 CHAIRMAN CLARK: Great. (Laughter)

21 MS. WHITE: And that's why I don't have any  
22 redirect.

23 CHAIRMAN CLARK: I have been reminded I have gone  
24 too long without a break. Are there exhibits to be moved into  
25 the record?

1 MS. KAUFMAN: FIXCA would move Exhibit 20, Chairman  
2 Clark.

3 CHAIRMAN CLARK: Okay.

4 MR. BOYD: And Sprint would move Exhibit 21.

5 CHAIRMAN CLARK: All right. Exhibit 20 will be  
6 entered without objection. Exhibit 21 will be entered into  
7 the record without objection.

8 MR. ELIAS: Staff would move Exhibits 7 and 22.

9 CHAIRMAN CLARK: Without objection, Exhibits 7 and  
10 22 are moved into the record.

11 MR. SELF: I have no objection to Exhibit 7 but I do  
12 have a question about it. This exhibit contains a number of  
13 deposition transcripts. I don't know if any of the parties  
14 have filed errata sheets for the transcripts. I would simply  
15 request if they have that those be served on the parties and  
16 be incorporated into the exhibit.

17 CHAIRMAN CLARK: I think that's an appropriate  
18 request. If there are any errata sheets, would you please  
19 serve them on the parties.

20 (Exhibit Nos. 7 and 20 through 22 received in  
21 evidence.)

22 CHAIRMAN CLARK: Anything further to take up at the  
23 time?

24 MR. ELIAS: Just the question of identifying issues  
25 to be briefed if the Commission believes that that's

1 appropriate. In addition to the issues that have been  
2 identified for resolution, I think they might focus the  
3 Commission on some of the issues that have been raised on  
4 cross examination. We have --

5 CHAIRMAN CLARK: Do you have a suggestion of issues?

6 MR. ELIAS: Yes.

7 CHAIRMAN CLARK: Okay.

8 MR. ELIAS: The first would be: If approved, would  
9 Southern Bell's' ECS plan become part of basic local  
10 telecommunications service as defined in Section 364.022,  
11 Florida Statutes?

12 The second would be: If not a part of basic local  
13 telecommunications service, does Southern Bell's ECS plan  
14 violate the imputation requirement of Section 364.051(6)(c),  
15 Florida Statutes?

16 And the third would be: Excluding those previously  
17 identified in the positions on the issues identified in the  
18 prehearing order, does Southern Bell's ECS proposal violate  
19 any other provision of the revised Chapter 364, Florida  
20 Statutes?

21 MS. KAUFMAN: Mr. Elias, could we hear the first one  
22 again, please?

23 MR. ELIAS: Certainly. "If approved, would Southern  
24 Bell's ECS proposal become part of basic local  
25 telecommunications service as defined in Section 364.022,

1 Florida Statutes?"

2 MS. KAUFMAN: Thank you. I didn't get the last one.

3 MR. ELIAS: "Excluding those previously identified  
4 positions on the issues as stated in the prehearing order,  
5 does Southern Bell Telephone's ECS proposal violate any other  
6 provisions of the revised Chapter 364, Florida Statutes?"

7 CHAIRMAN CLARK: And Staff is proposing they be  
8 added as legal issues?

9 MR. ELIAS: Yes, ma'am.

10 CHAIRMAN CLARK: Any objection?

11 COMMISSIONER DEASON: Let me ask the question: Has  
12 it already been resolved during the prehearing process as to  
13 whether the new law is applicable at all to the Commission or  
14 whether the Commission is constrained at all by the new law  
15 since this is a docket pending before the new law took effect?

16 MR. ELIAS: I don't think the question has been  
17 resolved.

18 CHAIRMAN CLARK: I think it is correct that it was  
19 not specifically identified in that one.

20 COMMISSIONER DEASON: Well, then, the next question  
21 is, should that be a legal issue as to whether the Commission  
22 is even constrained by the new law, or whether, since this was  
23 a docket opened prior to the new law, whether we process it  
24 under the old law?

25 MR. ELIAS: I think that's a fair issue.

1 CHAIRMAN CLARK: Is there any objection to that? So  
2 there will be four legal issues.

3 MS. WHITE: Bob, would you mind faxing out a copy to  
4 everybody?

5 MR. ELIAS: I'll do that first things in the  
6 morning.

7 CHAIRMAN CLARK: Is there anything further to come  
8 before the Commission?

9 MR. ELIAS: Not that we're aware of.

10 CHAIRMAN CLARK: Mr. Hendrix, you are excused and  
11 this hearing is concluded.

12 (Witness Hendrix excused.)

13 - - - - -

14 (Thereupon, the hearing concluded at 6:20 p.m.)

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1 STATE OF FLORIDA)  
2 COUNTY OF LEON )

CERTIFICATE OF REPORTERS

3 We, JOY KELLY, CSR, RPR, and SYDNEY C. SILVA, CSR,  
4 RPR, Official Commission Reporters.

5 DO HEREBY CERTIFY that the Hearingin Docket No.  
6 920260-TL was heard by the Florida Public Service Commission  
7 at the time and place herein stated; it is further.

8 CERTIFIED that we stenographically reported the said  
9 proceedings; that the same has been transcribed under our  
10 direct supervision; and that this transcript, consisting of  
11 438 pages, Volumes 1 through 3 inclusive, constitutes a true  
12 transcription of our notes of said proceedings.

13 DATED this 3rd day of August, 1995.

14   
15 JOY KELLY, CSR, RPR

16 Chief, Bureau of Reporting

17   
18 SYDNEY C. SILVA, CSR, RPR  
19 Official Commission Reporter  
20  
21  
22  
23  
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25

Case No. 86,957  
Docket No. 920260-TL  
#  
1054

A. M. Lombardo  
Vice President - Regulatory Relations



Southern Bell Tel. & Tel. Co.  
FPSC Docket No. 920260-TL  
Witness: Stanley  
Exhibit No. \_\_\_\_\_ (JAS-1)  
Page 1 of 77

**Southern Bell**

Suite 400  
150 S. Monroe Street  
Tallahassee, Florida 32301-1556  
904 224-7798  
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May 15, 1995

**FILED**

SID J. WHITE

MAR 18 1996

**CLERK, SUPREME COURT**

**Deputy Clerk**

Mr. Walter D'Haeseleer  
Director, Division of Communications  
Florida Public Service Commission  
101 East Gaines Street  
Tallahassee, Florida 32301

Dear Mr. D'Haeseleer:

Pursuant to Florida Statute 364.05, we are filing herewith revisions to our General Subscriber Service Tariff. A list of the affected pages is contained in Attachment A.

The purpose of these revisions is to satisfy the outstanding revenue reduction commitment in accordance with the Stipulation and Agreement between the Office of Public Counsel and Southern Bell Telephone and Telegraph Company, and with the Implementation Agreement between Southern Bell and all other parties to Dockets 900960-TL, 910163-TL, 910727-TL, and 920260-TL, by introducing Extended Calling Service on routes with a demonstrated demand or community of interest.

Additional information is included in the following attachments:

- Attachment A - List of Revised Tariff Pages
- Attachment B - Executive Summary
- Attachment C - Revenue Information

The estimated annual revenue effect as a result of this filing is (\$42.9 million).

**FLORIDA PUBLIC SERVICE COMMISSION**  
DOCKET NO. 920260-TL EXHIBIT NO. 1  
COMPANY: So Bell  
WITNESS: \_\_\_\_\_  
DATE: 7/31/95

A BELL<sup>®</sup> Company

DOCUMENT NUMBER-DATE

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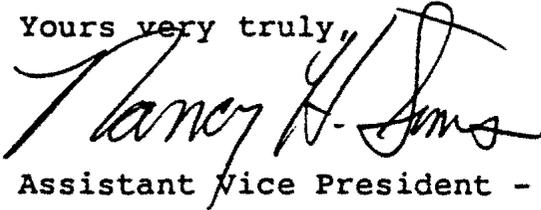
FPSC-RECORDS/REPORTING

D'Haeseleer  
May 15, 1995  
Page 2

Acknowledgment, date of receipt and authority number of this filing are requested. A duplicate letter of transmittal is attached for this purpose.

Your consideration and approval will be appreciated.

Yours very truly,

A handwritten signature in cursive script, appearing to read "Nancy H. Sims". The signature is written in dark ink and is positioned over the typed name.

Assistant Vice President - Regulatory Relations

Attachments

cc: Parties of Record

General Subscriber Service Tariff

- Section A3 - Contents - Fifteenth Revised Page 1  
- Contents - Thirty Eighth Revised Page 2.1  
- Fifth Revised Page 1  
- Thirteenth Revised Page 6  
- Seventh Revised Page 6.1  
- Eighteenth Revised Page 7  
- Ninth Revised Page 7.1  
- Twenty Third Revised Page 8  
- Original Page 8.1  
- Twenty First Revised Page 9  
- Seventh Revised Page 10  
- Ninth Revised Page 28  
- Ninth Revised Page 29  
- Second Revised Page 29.1  
- Thirty Fifth Revised Page 30  
- Twenty Eighth Revised Page 30.1  
- Thirty Seventh Revised Page 31  
- Thirty Eighth Revised Page 31.1  
- Sixth Revised Page 35  
- Tenth Revised Page 36  
- Seventh Revised Page 36.1  
- Seventh Revised Page 36.2  
- Twelfth Revised Page 37  
- Eighth Revised Page 37.1  
- Seventh Revised Page 39.1  
- First Revised Page 39.1.1  
- Sixth Revised Page 39.2  
- Fourth Revised Page 39.4  
- Fourth Revised Page 39.5  
- Sixth Revised Page 39.6  
- Eighth Revised Page 39.7  
- Fourth Revised Page 39.8  
- Second Revised Page 39.9  
- Second Revised Page 39.10  
- First Revised Page 39.11  
- First Revised Page 39.12  
- Seventh Revised Page 39.13  
- Third Revised Page 39.13.1  
- Third Revised Page 39.14  
- Fourth Revised Page 39.15  
- Fifth Revised Page 39.16  
- Third Revised Page 39.17  
- Second Revised Page 39.18  
- Fifth Revised Page 39.19  
- Third Revised Page 39.20  
- Fourth Revised Page 39.21  
- Fifth Revised Page 39.22  
- Fourth Revised Page 39.23  
- Sixth Revised Page 40  
- Second Revised Page 44  
- Ninth Revised Page 47

- Fifth Revised Page 51
- Second Revised Page 64
- Ninth Revised Page 67
- Second Revised Page 72
- Fourth Revised Page 76.1
- Ninth Revised Page 81
- Eleventh Revised Page 83
- Sixth Revised Page 83.1
- Seventh Revised Page 83.2.13
- Third Revised Page 83.2.14
- Twenty Seventh Revised Page 83.2.15
- First Revised Page 83.2.15.0.0.1
- First Revised Page 83.2.15.0.1
- Third Revised Page 83.2.15.1

## EXECUTIVE SUMMARY

### Introduction

These tariff revisions are being filed in accordance with the "Stipulation and Agreement" dated January 5, 1994, and the "Implementation Agreement" dated January 12, 1994.

With these reductions, Southern Bell will more than fulfill the requirements specified in Paragraph 5, Section C of the "Stipulation and Agreement" as modified in Paragraph 1, Section B of the "Implementation Agreement" to reduce its revenues by approximately \$25 million.

The purpose of this filing is to introduce Extended Calling Service on the following intracompany routes: 1) routes with optional extended area services, 2) routes with a demonstrated community of interest and 3) routes where Local Calling Plus is offered. By introducing ECS on these routes and routes to intermediate locations, Southern Bell can standardize statewide the expanded local service that we offer to our customers. Routes which terminate in exchanges served by other local exchange companies are not affected by this filing.

### Description of Present Tariff

The tariff currently contains several offerings which have been developed over time to respond to customers' desires for economical calling to locations outside the standard local calling area. These offerings satisfy to varying degrees the calling needs which arise due to economic development which creates a growing community of interest for customers. However, the number of different offerings currently available creates confusion for customers as they become more mobile within the community of interest and within the state.

### Description of the Proposed Tariff

The proposed tariff will establish ECS as the standard offering for expanded local calling. By converting many of the existing services and routes to ECS, customers will better understand the services available to them throughout the state. The tariff specifies implementation dates of 60 and 120 days after receiving final approval from the Commission to allow adequate time for customer notification and network modifications. With the exception of the EOEAS residence premium option, the following services will be discontinued on routes where ECS is implemented: Basic Optional Extended Area Service (BOEAS), Enhanced Optional Extended Area Service (EOEAS), Optional Calling Service (OCs/Toll-Pac), and Local Calling Plus (LCP).

### Service Description

Extended Calling Service is an enhancement of local exchange service. As such, local dialing arrangements apply to all ECS additional exchanges, i.e. seven-digit dialing to ECS exchanges in the same area code and ten-digit dialing to ECS exchanges in another area code. Residential customers are billed a per message charge of \$.25 regardless of call duration. Business customers are billed a per minute charge of \$.10 for the initial minute and \$.06 for each additional minute per call. The service applies automatically to all Southern Bell local exchange customers. Billing for calls to the traditional local calling area are not affected by ECS.

### Market Information

This service will provide benefits to a broad cross-section of Southern Bell customers who currently or potentially would place toll calls to the ECS exchanges. As communities of interest expand throughout the state an increasing number of customers will benefit from the service. Conversely, the lower rates for ECS calls should facilitate economic development in many areas of the state.

### Revenue Information

The estimated annual revenue reduction associated with introducing ECS on the additional routes proposed in this filing is approximately \$42.9 million. A breakdown of this revenue effect is shown in Attachment C.

### Conclusion

Because this service will satisfy the needs of a broad base of Southern Bell customers and because the revenue impact exceeds the commitment made in the "Stipulation and Agreement" and the "Implementation Agreement" in Dockets 900960-TL, 910163-TL, 910727-TL, and 920260-TL this filing can be very beneficial to residence and business customers alike.

REVENUE INFORMATION

<u>Originating Exchange</u>	<u>Terminating Exchange</u>	<u>Monthly MTS/OCP/LCP Revenue</u>	<u>Monthly ECS Revenue</u>	<u>Services Displaced</u>
Phase 1				
Belle Glade	West Palm Beach	\$35,746	\$18,897	MTS, EOEAS
Big Pine	Homestead	\$775	\$333	MTS
Big Pine	Islamorada	\$508	\$315	MTS
Big Pine	Key Largo	\$1,783	\$880	MTS
Big Pine	Key West	\$16,783	\$7,208	MTS, EOEAS
Big Pine	Miami	\$5,794	\$2,853	MTS
Big Pine	North Key Largo	\$18	\$14	MTS
Big Pine	Perrine	\$1,196	\$454	MTS
Boca Raton	Boynton Beach	\$85,004	\$65,419	LCP
Boca Raton	Fort Lauderdale	\$417,043	\$269,178	MTS, EOEAS
Boca Raton	Hollywood	\$128,424	\$64,929	MTS
Boca Raton	Miami	\$243,795	\$137,309	MTS
Boca Raton	North Dade	\$81,190	\$39,315	MTS
Boca Raton	West Palm Beach	\$378,613	\$217,168	MTS, BOEAS
Boynton Beach	Boca Raton	\$57,856	\$44,526	LCP
Coral Springs	Delray Beach	\$36,607	\$16,145	MTS
Coral Springs	Hollywood	\$95,590	\$49,815	MTS
Coral Springs	Homestead	\$2,453	\$1,228	MTS
Coral Springs	Miami	\$115,912	\$63,567	MTS
Coral Springs	North Dade	\$40,000	\$18,959	MTS
Coral Springs	Perrine	\$10,187	\$5,017	MTS
Deerfield Beach	Hollywood	\$59,134	\$41,678	MTS
Deerfield Beach	Homestead	\$3,731	\$854	MTS
Deerfield Beach	Miami	\$82,779	\$46,345	MTS
Deerfield Beach	North Dade	\$27,878	\$11,905	MTS
Deerfield Beach	Perrine	\$6,598	\$2,563	MTS
Delray Beach	Coral Springs	\$33,631	\$14,106	MTS
Delray Beach	Fort Lauderdale	\$112,292	\$60,991	MTS
Delray Beach	Pompano Beach	\$89,453	\$42,566	MTS
Delray Beach	West Palm Beach	\$198,480	\$117,420	MTS, EOEAS
Fort Lauderdale	Boca Raton	\$416,792	\$236,767	MTS, BOEAS
Fort Lauderdale	Delray Beach	\$110,620	\$52,923	MTS
Fort Lauderdale	Homestead	\$28,480	\$10,504	MTS
Fort Lauderdale	Perrine	\$91,821	\$41,096	MTS
Fort Pierce	Jensen Beach	\$17,781	\$10,317	MTS, BOEAS
Fort Pierce	Vero Beach	\$61,688	\$40,820	MTS, EOEAS
Hobe Sound	West Palm Beach	\$21,067	\$12,685	MTS, EOEAS
Hollywood	Boca Raton	\$91,847	\$45,340	MTS
Hollywood	Coral Springs	\$74,698	\$35,802	MTS
Hollywood	Deerfield Beach	\$49,869	\$27,093	MTS
Hollywood	Homestead	\$13,102	\$5,180	MTS
Hollywood	Perrine	\$45,974	\$21,227	MTS
Hollywood	Pompano Beach	\$195,387	\$101,470	MTS
Homestead	Big Pine	\$878	\$371	MTS
Homestead	Coral Springs	\$2,747	\$1,261	MTS

REVENUE INFORMATION

<u>Originating Exchange</u>	<u>Terminating Exchange</u>	<u>Monthly MTS/OCP/LCP Revenue</u>	<u>Monthly ECS Revenue</u>	<u>Services Displaced</u>
Homestead	Deerfield Beach	\$1,733	\$791	MTS
Homestead	Fort Lauderdale	\$24,088	\$11,404	MTS
Homestead	Hollywood	\$11,188	\$4,593	MTS
Homestead	Islamorada	\$1,373	\$894	MTS
Homestead	Key Largo	\$13,746	\$8,153	MTS
Homestead	Key West	\$3,585	\$1,561	MTS
Homestead	Marathon	\$1,697	\$869	MTS
Homestead	North Dade	\$27,987	\$13,784	MTS
Homestead	North Key Largo	\$1,884	\$1,387	MTS
Homestead	Pompano Beach	\$6,628	\$3,098	MTS
Homestead	Sugarloaf Key	\$330	\$189	MTS
Islamorada	Big Pine	\$532	\$289	MTS
Islamorada	Homestead	\$1,282	\$800	MTS
Islamorada	Key West	\$1,813	\$1,037	MTS
Islamorada	Miami	\$9,452	\$5,539	MTS
Islamorada	North Key Largo	\$360	\$196	MTS
Islamorada	Perrine	\$1,728	\$897	MTS
Islamorada	Sugarloaf Key	\$344	\$178	MTS
Jensen Beach	Fort Pierce	\$17,881	\$10,277	MTS, BOEAS
Jensen Beach	Jupiter	\$5,746	\$3,196	MTS
Jensen Beach	West Palm Beach	\$19,101	\$10,880	MTS
Jupiter	Jensen Beach	\$6,320	\$3,264	MTS
Jupiter	Port St. Lucie	\$17,700	\$8,108	MTS
Jupiter	Stuart	\$45,102	\$23,741	MTS
Key Largo	Big Pine	\$1,488	\$792	MTS
Key Largo	Homestead	\$9,891	\$5,944	MTS, EOEAS
Key Largo	Key West	\$6,465	\$3,460	MTS
Key Largo	Marathon	\$7,336	\$4,342	MTS
Key Largo	Miami	\$31,130	\$19,286	MTS, EOEAS
Key Largo	Perrine	\$8,749	\$4,930	MTS, EOEAS
Key Largo	Sugarloaf Key	\$760	\$406	MTS
Key West	Big Pine	\$19,220	\$8,074	MTS
Key West	Homestead	\$3,281	\$1,588	MTS
Key West	Islamorada	\$1,608	\$1,041	MTS
Key West	Key Largo	\$6,270	\$3,261	MTS
Key West	Marathon	\$10,326	\$6,061	MTS
Key West	Miami	\$48,756	\$24,566	MTS
Key West	North Key Largo	\$110	\$61	MTS
Key West	Perrine	\$4,613	\$2,111	MTS
Marathon	Homestead	\$1,779	\$936	MTS
Marathon	Key Largo	\$7,133	\$4,069	MTS
Marathon	Key West	\$11,995	\$7,034	MTS
Marathon	Miami	\$18,084	\$9,722	MTS
Marathon	North Key Largo	\$142	\$96	MTS
Marathon	Perrine	\$2,185	\$1,187	MTS
Marathon	Sugarloaf Key	\$1,910	\$1,152	MTS
Miami	Big Pine	\$5,176	\$2,215	MTS

REVENUE INFORMATION

<u>Originating Exchange</u>	<u>Terminating Exchange</u>	<u>Monthly MTS/OCP/LCP Revenue</u>	<u>Monthly ECS Revenue</u>	<u>Services Displaced</u>
Miami	Boca Raton	\$206,006	\$100,561	MTS
Miami	Coral Springs	\$103,018	\$47,081	MTS
Miami	Deerfield Beach	\$65,959	\$36,431	MTS
Miami	Islamorada	\$9,086	\$4,648	MTS
Miami	Key Largo	\$41,744	\$22,760	MTS
Miami	Key West	\$37,538	\$17,972	MTS
Miami	Marathon	\$14,298	\$6,669	MTS
Miami	North Key Largo	\$4,590	\$2,437	MTS
Miami	Pompano Beach	\$247,344	\$119,631	MTS
Miami	Sugarloaf Key	\$3,381	\$1,713	MTS
North Dade	Boca Raton	\$73,679	\$33,573	MTS
North Dade	Coral Springs	\$39,415	\$16,160	MTS
North Dade	Deerfield Beach	\$27,009	\$12,075	MTS
North Dade	Homestead	\$22,386	\$11,198	MTS
North Dade	Pompano Beach	\$95,120	\$45,549	MTS
North Key Largo	Big Pine	\$27	\$16	MTS
North Key Largo	Homestead	\$2,610	\$1,922	MTS, EOEAS
North Key Largo	Islamorada	\$597	\$306	MTS
North Key Largo	Key West	\$222	\$125	MTS
North Key Largo	Marathon	\$244	\$152	MTS
North Key Largo	Miami	\$4,895	\$2,839	MTS, EOEAS
North Key Largo	Perrine	\$1,612	\$960	MTS
North Key Largo	Sugarloaf Key	\$21	\$11	MTS
Pahokee	West Palm Beach	\$10,046	\$6,134	MTS, EOEAS
Perrine	Big Pine	\$913	\$367	MTS
Perrine	Coral Springs	\$10,458	\$4,484	MTS
Perrine	Deerfield Beach	\$5,333	\$2,685	MTS
Perrine	Fort Lauderdale	\$93,370	\$42,653	MTS
Perrine	Hollywood	\$45,771	\$17,913	MTS
Perrine	Islamorada	\$1,629	\$881	MTS
Perrine	Key Largo	\$11,141	\$6,145	MTS
Perrine	Key West	\$4,247	\$1,817	MTS
Perrine	Marathon	\$2,345	\$1,094	MTS
Perrine	North Key Largo	\$1,257	\$727	MTS
Perrine	Pompano Beach	\$26,926	\$9,582	MTS
Perrine	Sugarloaf Key	\$552	\$207	MTS
Pompano Beach	Delray Beach	\$95,426	\$45,149	MTS
Pompano Beach	Hollywood	\$259,088	\$134,924	MTS
Pompano Beach	Homestead	\$7,013	\$3,408	MTS
Pompano Beach	Miami	\$269,435	\$152,003	MTS
Pompano Beach	North Dade	\$99,167	\$48,697	MTS
Pompano Beach	Perrine	\$20,459	\$9,873	MTS
Port St. Lucie	Jupiter	\$17,450	\$8,589	MTS
Port St. Lucie	West Palm Beach	\$72,457	\$35,931	MTS
Stuart	Jupiter	\$40,773	\$22,455	MTS
Stuart	West Palm Beach	\$83,798	\$48,622	MTS, EOEAS
Sugarloaf Key	Homestead	\$356	\$168	MTS

REVENUE INFORMATION

<u>Originating Exchange</u>	<u>Terminating Exchange</u>	<u>Monthly MTS/OCP/LCP Revenue</u>	<u>Monthly ECS Revenue</u>	<u>Services Displaced</u>
Sugarloaf Key	Islamorada	\$351	\$176	MTS
Sugarloaf Key	Key Largo	\$609	\$335	MTS
Sugarloaf Key	Marathon	\$2,262	\$1,443	MTS
Sugarloaf Key	Miami	\$3,481	\$1,698	MTS
Sugarloaf Key	North Key Largo	\$15	\$10	MTS
Sugarloaf Key	Perrine	\$503	\$218	MTS
Vero Beach	Fort Pierce	\$67,392	\$42,784	MTS, EOEAS
West Palm Beach	Belle Glade	\$48,763	\$23,219	MTS
West Palm Beach	Boca Raton	\$322,739	\$180,064	MTS, BOEAS
West Palm Beach	Delray Beach	\$226,919	\$127,865	MTS, BOEAS
West Palm Beach	Hobe Sound	\$26,663	\$13,015	MTS
West Palm Beach	Jensen Beach	\$24,797	\$9,121	MTS
West Palm Beach	Pahokee	\$19,367	\$6,688	MTS
West Palm Beach	Port St. Lucie	\$76,664	\$32,231	MTS
West Palm Beach	Stuart	\$95,263	\$48,160	MTS

ANNUAL REVENUE EFFECT FOR PHASE 1 ROUTES: (\$39,712,967)

Phase 2

Archer	Cedar Key	\$95	\$57	MTS
Archer	Chiefland	\$602	\$270	MTS
Bronson	Cedar Key	\$190	\$146	LCP
Bronson	Newberry	\$1,283	\$652	MTS
Bunnell	Daytona Beach	\$10,607	\$7,136	MTS, EOEAS
Bunnell	Pierson	\$723	\$373	MTS
Cedar Key	Archer	\$102	\$57	MTS
Cedar Key	Bronson	\$885	\$681	LCP
Cedar Key	Chiefland	*	*	LCP
Cedar Key	Gainesville	\$2,107	\$1,139	MTS
Chiefland	Archer	\$495	\$230	MTS
Chiefland	Cedar Key	\$599	\$461	LCP
Chiefland	Gainesville	\$9,734	\$5,530	MTS
Chiefland	Old Town	\$3,662	\$1,828	MTS
Chipley	Panama City	\$7,842	\$3,965	MTS
Chipley	Youngstown-Fountain	\$503	\$210	MTS
Daytona Beach	Bunnell	\$26,291	\$14,760	MTS, BOEAS
Daytona Beach	Deland	\$88,859	\$68,386	LCP
Daytona Beach	DeLeon Springs	*	*	LCP
Daytona Beach	Flagler Beach	\$16,628	\$9,253	MTS, BOEAS
Daytona Beach	New Smyrna Beach	**	**	LCP
Daytona Beach	Oak Hill	**	**	LCP
Daytona Beach	Palm Coast	\$38,165	\$20,970	MTS, BOEAS
Daytona Beach	Pierson	**	**	LCP
DeBary	Orlando	\$42,258	\$22,944	MTS
Deland	Daytona Beach	\$48,133	\$37,043	LCP
Deland	New Smyrna Beach	*	*	LCP

REVENUE INFORMATION

<u>Originating Exchange</u>	<u>Terminating Exchange</u>	<u>Monthly MTS/OCP/LCP Revenue</u>	<u>Monthly ECS Revenue</u>	<u>Services Displaced</u>
Deland	Oak Hill	*	*	LCP
DeLeon Springs	Daytona Beach	\$1,249	\$961	LCP
DeLeon Springs	New Smyrna Beach	*	*	LCP
DeLeon Springs	Oak Hill	*	*	LCP
Eau Gallie	Titusville	\$21,328	\$11,764	MTS, BOEAS
Fernandina Beach	Fort George	\$782	\$259	MTS
Fernandina Beach	Jacksonville	\$44,028	\$26,351	MTS, EOEAS
Flagler Beach	Daytona Beach	\$9,151	\$6,124	MTS, EOEAS
Flagler Beach	Pierson	\$113	\$44	MTS
Fort George	Fernandina Beach	\$721	\$394	MTS
Fort George	Jacksonville Beach	\$506	\$283	MTS, EOEAS
Gainesville	Cedar Key	\$1,671	\$772	MTS
Gainesville	Chiefland	\$7,750	\$3,910	MTS
Gainesville	Keystone Heights	\$14,942	\$11,500	LCP
Green Cove Springs	Palatka	\$5,313	\$2,616	MTS
Holley-Navarre	Milton	\$4,329	\$2,428	MTS, EOEAS
Holley-Navarre	Pace	\$2,193	\$958	MTS, BOEAS
Jacksonville	Fernandina Beach	\$54,994	\$29,958	MTS
Jacksonville	Palatka	\$31,392	\$13,276	MTS
Jacksonville	St. Augustine	\$112,866	\$58,770	MTS
Jacksonville Beach	Fort George	\$682	\$353	MTS, OCS
Jacksonville Beach	St. Augustine	\$9,677	\$5,013	MTS, EOEAS
Julington	Palatka	\$608	\$261	MTS
Keystone Heights	Gainesville	\$3,495	\$2,690	LCP
Lynn Haven	Sunny Hills	\$27	\$21	LCP
Lynn Haven	Vernon	\$1,135	\$418	MTS
Melbourne	Titusville	\$23,103	\$10,972	MTS, BOEAS
Milton	Holley-Navarre	\$4,822	\$2,345	MTS, OCS
New Smyrna Beach	Daytona Beach	\$31,637	\$24,347	LCP
New Smyrna Beach	Deland	*	*	LCP
New Smyrna Beach	DeLeon Springs	*	*	LCP
New Smyrna Beach	Pierson	*	*	LCP
Newberry	Bronson	\$1,153	\$530	MTS
Newberry	Trenton	\$781	\$601	LCP
Oak Hill	Daytona Beach	\$725	\$558	LCP
Oak Hill	Deland	*	*	LCP
Oak Hill	DeLeon Springs	*	*	LCP
Oak Hill	Pierson	*	*	LCP
Old Town	Chiefland	\$4,480	\$2,894	MTS
Orange Park	Palatka	\$4,420	\$1,958	MTS
Orlando	DeBary	\$38,138	\$15,859	MTS
Pace	Holley-Navarre	\$2,081	\$891	MTS
Palatka	Green Cove Springs	\$4,132	\$2,090	MTS
Palatka	Jacksonville	\$33,357	\$16,330	MTS
Palatka	Julington	\$392	\$155	MTS
Palatka	Orange Park	\$4,906	\$2,402	MTS
Palm Coast	Daytona Beach	\$31,610	\$19,069	MTS, EOEAS

REVENUE INFORMATION

<u>Originating Exchange</u>	<u>Terminating Exchange</u>	<u>Monthly MTS/OCP/LCP Revenue</u>	<u>Monthly ECS Revenue</u>	<u>Services Displaced</u>
Panama City	Chipley	\$7,685	\$3,175	MTS
Panama City	Sunny Hills	\$1,546	\$1,190	LCP
Panama City	Vernon	\$4,001	\$1,557	MTS
Panama City Beach	Sunny Hills	\$831	\$364	MTS
Pierson	Bunnell	\$930	\$436	MTS
Pierson	Daytona Beach	\$1,470	\$1,131	LCP
Pierson	Flagler Beach	\$146	\$60	MTS
Pierson	New Smyrna Beach	#	#	LCP
Pierson	Oak Hill	#	#	LCP
Ponte Vedra Beach	St. Augustine	\$3,929	\$3,024	LCP
St. Augustine	Jacksonville	\$91,823	\$51,877	MTS, EOEAS
St. Augustine	Jacksonville Beach	\$5,982	\$3,221	MTS, EOEAS
St. Augustine	Ponte Vedra Beach	\$3,392	\$2,611	LCP
Sunny Hills	Lynn Haven	\$594	\$457	LCP
Sunny Hills	Panama City	*	*	LCP
Sunny Hills	Panama City Beach	\$756	\$402	MTS, EOEAS
Sunny Hills	Youngstown-Fountain	##	##	LCP
Titusville	Eau Gallie	\$18,589	\$9,226	MTS, BOEAS
Titusville	Melbourne	\$23,121	\$11,536	MTS, BOEAS
Trenton	Newberry	\$1,388	\$1,068	LCP
Vernon	Lynn Haven	\$950	\$430	MTS
Vernon	Panama City	\$3,874	\$2,231	MTS
Youngstown-Fountain	Chipley	\$803	\$350	MTS
Youngstown-Fountain	Sunny Hills	\$41	\$31	LCP

ANNUAL REVENUE EFFECT FOR PHASE 2 ROUTES: (\$4,988,512)

ANNUAL REVENUE EFFECT FOR PHASES 1 AND 2 (\$44,701,479)

ANNUAL REVENUE EFFECT DUE TO LOSS OF TOLL VOLUME DISCOUNT \$1,331,532

NET ANNUAL REVENUE EFFECT (\$43,369,947)

Notes:

- \* Revenue included on preceding line.
- \*\* Revenue included on the line for Daytona Beach to DeLeon Springs.
- # Revenue included on the line for Pierson to Daytona Beach.
- ## Revenue included on the line for Sunny Hills to Lynn Haven.

BELLSOUTH  
TELECOMMUNICATIONS, INC.\*  
FLORIDA  
ISSUED: May 15, 1995  
BY: Joseph P. Lacher, President - FL  
Miami, Florida

GEN: Southern Bell Tel. & Tel. Co.  
FPSC Docket No. 920260-TL  
Witness: Stanley  
Exhibit No. \_\_\_\_\_ (JAS-1)  
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EFFECTIVE: October 1, 1995

## A3. BASIC LOCAL EXCHANGE SERVICE

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\* d/b/a SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

BELLSOUTH  
TELECOMMUNICATIONS, INC.\*  
FLORIDA  
ISSUED: May 15, 1995  
BY: Joseph P. Lacher, President - FL  
Miami, Florida

GE Southern Bell Tel. & Tel. Co. **TARIFF**  
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### A3. BASIC LOCAL EXCHANGE SERVICE

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\* Service Mark of BellSouth Corporation

# d/b/a SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.1 General

- A. Basic local exchange service as offered in this Tariff, is comprised of exchange access lines defined as follows:
  - Exchange Access Line - The serving central office line equipment and all the Company plant facilities up to and including the Company-provided Standard Network Interface. These facilities are Company-provided and maintained and provide access to and from the telecommunications network for message toll service and for local calling appropriate to the tariffed use offering selected by the customer.
- B. Exchange access lines are subject to the nonrecurring charges specified in Section A4 of this Tariff.
- C. Rates for basic local exchange service are applied on the basis of statewide groupings according to the total number of exchange access lines, PBX trunks *and network access registers* in the local *calling area excluding the Extended Calling Service exchanges*. (T)
- D. Exchange Service Areas for each exchange are identified on maps filed as a supplement to this Tariff.
- E. The rates for service and equipment not specifically shown in this section are presented in other sections of this Tariff.
- F. Pursuant to passage of the Telecommunications Access System Act of 1991 by the Florida Legislature during the 1991 session, a monthly surcharge shall be imposed on all local exchange telecommunications company subscribers on an individual access line basis, except that such surcharge shall not be imposed upon more than 25 basic telecommunications access lines per account bill rendered. The Commission shall determine the amount of the surcharge; however, in no case shall the amount exceed 25 cents per line per month. The surcharge shall appear on the initial bill to the subscriber and itemized at least once annually.

#### A3.2 Statewide Rate Groups

##### A3.2.1 Rate Group Descriptions

The statewide rate schedules in this Tariff section are applicable to exchange access lines. The groupings are based on exchange access lines, PBX trunks *and network access registers* in the local *calling areas* specified in A3.3.1 *excluding exchange access lines in the Extended Calling Service additional exchanges or in the expanded local calling area of any other service in this Tariff*. (T)

Group	Total Exchange Access Lines and PBX Trunks-Upper Limits
1	2,000
2	7,000
3	22,000
4	55,000
5	120,000
6	195,000
7	280,000
8	375,000
9	450,000
10	550,000
11	700,000
12	Unlimited

GEN:

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 TELECOMMUNICATIONS, INC.\*  
 FLORIDA  
 ISSUED: May 15, 1995  
 BY: Joseph P. Lacher, President - FL  
 Miami, Florida

### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.2 Statewide Rate Groups (Cont'd)

##### A3.2.5 Regrouping Procedures

- A. Whenever the number of exchange access lines, PBX trunks and *network access registers* in the local calling area of an exchange *excluding the Extended Calling Service (ECS) additional exchanges* increases or decreases to the extent that such exchange would fall into a different rate group, a revised tariff sheet shall be filed for authority to reclassify the exchange to its appropriate group. Such excess or deficit will be considered to have been established, for reclassification purposes, as follows:
1. When the number of exchange access lines, PBX trunks and *network access registers* in the local calling area of the exchange *excluding the ECS additional exchanges* falls into a different rate group from that currently authorized; or (T)
  2. When the local calling area of an exchange is revised as a result of a change of extended area service as approved by the Commission and the number of exchange access lines, PBX trunks and *network access registers* in the revised local calling area *excluding the ECS additional exchanges* falls into a different rate group than that in which the exchange is currently classified. (T)
  3. The effective date of the proposed rate change shall be the effective date of the next directory for the affected exchange or sixty days after the date of filing the tariff whichever is later. (T)
- The rate groups in which an exchange falls shall be determined by the peak number of access lines in the exchange's local calling area *excluding the ECS additional exchanges* since the effective date of the preceding directory. (T)

#### A3.3 Local Calling Areas

##### A3.3.1 Flat Rate Service and Message Rate Service Local Calling Areas

The rates specified in A3.4.2.B. or A3.5.2 entitle subscribers to access all exchange access lines bearing the central office designations of the exchange or additional exchanges as shown below. The local calling area of the exchange in the left hand column also includes the exchanges listed in the *two* right hand columns. These exchanges may be accessed on a flat rate or *usage* rate basis. (T)

Exchange	Extended Area Service Additional Exchanges	Extended Calling Service <sup>1</sup> Additional Exchanges	(C)
Archer <sup>2</sup>	Bronson, Gainesville, Micanopy, Newberry	Cedar Key <sup>3</sup> , Chiefland <sup>3</sup> , Williston <sup>4</sup>	(C)
Baldwin <sup>2</sup>	Jacksonville, Maxville	MacClenny <sup>4</sup> , Sanderson <sup>4</sup>	(C)
Belle Glade	Pahokee	West Palm Beach <sup>5</sup>	(C)
Big Pine	Marathon, Sugarloaf Key	Homestead <sup>5</sup> , Islamorada <sup>5</sup> , Key Largo <sup>5</sup> , Key West <sup>5</sup> , Miami <sup>5</sup> , North Key Largo <sup>5</sup> , Perrine <sup>5</sup>	(C)
Boca Raton <sup>2</sup>	Coral Springs, Deerfield Beach, Delray Beach, Pompano Beach	Boynton Beach <sup>5</sup> , Fort Lauderdale <sup>5</sup> , Hollywood <sup>5</sup> , Miami <sup>5</sup> , North Dade <sup>5</sup> , West Palm Beach <sup>5</sup>	(C)
Boynton Beach <sup>2</sup>	Delray Beach, West Palm Beach	Boca Raton <sup>5</sup>	(C)

- Note 1: See A3.7.3 for Extended Calling Service regulations and rates. (M)  
 Note 2: See A3.8.50 for Local Calling Plus (LCP) regulations and rates. (N)  
 Note 3: Effective 120 days after the order in Docket 920260-TL becomes final. (T)  
 Note 4: LCP regulations and rates apply to this terminating exchange indefinitely. (N)  
 Note 5: Effective 60 days after the order in Docket 920260-TL becomes final. (N)

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FLORIDA  
ISSUED: May 15, 1995  
BY: Joseph P. Lacher, President - FL  
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G FPSC Docket No. 920260-TL TARIFF  
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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.3 Local Calling Areas (Cont'd)

Exchange	Extended Area Service Additional Exchanges	Extended Calling Service <sup>1</sup> Additional Exchanges	(C)
Bronson <sup>2</sup>	Archer, Chiefland, Williston	Cedar Key <sup>3</sup> , Newberry <sup>3</sup>	(C)(M)
Brooksville <sup>2</sup>	Weekiwachee Springs	Dade City <sup>4</sup> , San Antonio <sup>4</sup> , Trilacoochee <sup>4</sup>	(C)(M)
Bunnell	Flagler Beach, Palm Coast	Daytona Beach <sup>3</sup> , Pierson <sup>3</sup>	(C)(M)
Cantonment (Including Clear Springs and Gateswood, Alabama)	Century, Gulf Breeze, Molino, Pensacola, Walnut Hill		(T)(M)
Cedar Key <sup>2</sup>		Archer <sup>3</sup> , Bronson <sup>3</sup> , Chiefland <sup>3</sup> , Gainesville <sup>3</sup>	(C)
Century	Brewton, Alabama, Cantonment, Flomaton, Alabama, Molino, Pensacola, Walnut Hill		(T)
Chiefland <sup>2</sup>	Bronson, Trenton	Archer <sup>3</sup> , Cedar Key <sup>3</sup> , Gainesville <sup>3</sup> , Old Town <sup>3</sup>	(C)
Chipley <sup>2</sup>	Graceville, Sunny Hills, Vernon	Bonifay <sup>4</sup> , Cottondale <sup>4</sup> , Panama City <sup>3</sup> , Youngstown-Fountain <sup>3</sup>	(C)
Cocoa	Cocoa Beach, Eau Gallie, Melbourne, Titusville		
Cocoa Beach	Cocoa, Eau Gallie, Melbourne, Titusville		
Coral Springs	Boca Raton, Deerfield Beach, Fort Lauderdale, Pompano Beach	Delray Beach <sup>5</sup> , Hollywood <sup>5</sup> , Homestead <sup>5</sup> , Miami <sup>5</sup> , North Dade <sup>5</sup> , Perrine <sup>5</sup>	(C)
Cross City	Oldtown		
Daytona Beach <sup>2</sup>		Bunnell <sup>3</sup> , Deland <sup>3</sup> , DeLeon Springs <sup>3</sup> , Flagler Beach <sup>3</sup> , New Smyrna Beach <sup>3</sup> , Oak Hill <sup>3</sup> , Palm Coast <sup>3</sup> , Pierson <sup>3</sup>	(C)(M)
DeBary	Deland, Orange City, Sanford	Orlando <sup>3</sup>	(C)(M)
Deerfield Beach	Boca Raton, Coral Springs, Delray Beach, Fort Lauderdale, Pompano Beach	Hollywood <sup>5</sup> , Homestead <sup>5</sup> , Miami <sup>5</sup> , North Dade <sup>5</sup> , Perrine <sup>5</sup>	(C)(M)
			(M)
<b>Note 1:</b>	See A3.7.3 for Extended Calling Service regulations and rates.		(N)
<b>Note 2:</b>	See A3.8.50 for Local Calling Plus (LCP) regulations and rates.		(T)
<b>Note 3:</b>	Effective 120 days after the order in Docket 920260-TL becomes final.		(N)
<b>Note 4:</b>	LCP regulations and rates apply to this terminating exchange indefinitely.		(N)
<b>Note 5:</b>	Effective 60 days after the order in Docket 920260-TL becomes final.		(N)

\* d/b/a SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

BELLSOUTH  
TELECOMMUNICATIONS, INC.\*  
FLORIDA  
ISSUED: May 15, 1995  
BY: Joseph P. Lacher, President - FL  
Miami, Florida

Southern Bell Tel. & Tel. Co.  
GP FPSC Docket No. 920260-TL  
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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.3 Local Calling Areas (Cont'd)

##### A3.3.1 Flat Rate Service and Message Rate Service Local Calling Areas (Cont'd)

Exchange	Extended Area Service Additional Exchanges	Extended Calling Service <sup>1</sup> Additional Exchanges	(C)
Deland <sup>2</sup>	DeBary, DeLeon Springs, Orange City, Pierson	Daytona Beach <sup>3</sup> , New Smyrna Beach <sup>3</sup> , Oak Hill <sup>3</sup>	(C)(M)
DeLeon Springs <sup>2</sup>	Deland, Orange City, Pierson	Daytona Beach <sup>3</sup> , New Smyrna Beach <sup>3</sup> , Oak Hill <sup>3</sup>	(C)(M)
Delray Beach	Boca Raton, Boynton Beach, Deerfield Beach	Coral Springs <sup>4</sup> , Fort Lauderdale <sup>4</sup> , Pompano Beach <sup>4</sup> , West Palm Beach <sup>4</sup>	(C)(M)
Dunnellon <sup>2</sup>	Belleview, Forest, Ocala, Oklawaha, Salt Springs, Silver Springs Shores, Yankeetown	Beverly Hills <sup>5</sup>	(C)
East Orange	Apopka, Lake Buena Vista, Monteverde, Orlando, Oviedo, Reedy Creek, Windermere, Winter Garden, Winter Park		
Eau Gallie	Cocoa, Cocoa Beach, Melbourne	Titusville <sup>3</sup>	(C)
Fernandina Beach	Yulee	Fort George <sup>3</sup> , Jacksonville <sup>3</sup>	(C)
Flagler Beach	Bunnell, Palm Coast	Daytona Beach <sup>3</sup> , Pierson <sup>3</sup>	(C)
Ft. George	Jacksonville	Fernandina Beach <sup>3</sup> , Jacksonville Beach <sup>3</sup>	(C)
Ft. Lauderdale <sup>1</sup>	Coral Springs, Deerfield Beach, Hollywood, Pompano Beach	Boca Raton <sup>4</sup> , Delray Beach <sup>4</sup> , Homestead <sup>4</sup> , Miami, North Dade, Perrine <sup>4</sup>	(C)
Ft. Pierce	Port St. Lucie	Jensen Beach <sup>4</sup> , Vero Beach <sup>4</sup>	(C)
Gainesville <sup>2</sup>	Alachua, Archer, Brooker, Hawthorne, High Springs, Lake Butler, Melrose, Micanopy, Newberry, Waldo	Cedar Key <sup>3</sup> , Chiefland <sup>3</sup> , Keystone Heights <sup>3</sup> , Williston <sup>5</sup>	(C)
Geneva <sup>1</sup>	Oviedo, Sanford, Winter Park	Orlando	(C)
Graceville <sup>2</sup>	Chipley	Alford <sup>5</sup> , Bonifay <sup>5</sup> , Cottondale <sup>5</sup> , Grand Ridge <sup>5</sup> , Greenwood <sup>5</sup> , Malone <sup>5</sup> , Marianna <sup>5</sup> , Reynolds Hill <sup>5</sup> , Sneads <sup>5</sup> , Westville <sup>5</sup>	(C)
Green Cove Springs <sup>1</sup>		Palatka <sup>3</sup> , St. Augustine	(C)
Gulf Breeze	Cantonment, Holley-Navarre, Pace, Pensacola		(T)
Havana	Chattahoochee, Greensboro, Gretna, Quincy, Tallahassee		(T)

- Note 1: See A3.7.3 for Extended Calling Service regulations and rates. (T)
- Note 2: See A3.8.50 for Local Calling Plus (LCP) regulations and rates. (T)
- Note 3: Effective 120 days after the order in Docket 920260-TL becomes final. (N)
- Note 4: Effective 60 days after the order in Docket 920260-TL becomes final. (N)
- Note 5: LCP regulations and rates apply to this terminating exchange indefinitely. (N)

\* d/b/a SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.3 Local Calling Areas (Cont'd)

##### A3.3.1 Flat Rate Service and Message Rate Service Local Calling Areas (Cont'd)

Exchange	Extended Area Service Additional Exchanges	Extended Calling Service <sup>1</sup> Additional Exchanges	(C)
Hawthorne	Gainesville, Melrose, Micanopy		(M)
Hobe Sound	Jensen Beach, Jupiter, Port St. Lucie, Stuart	West Palm Beach <sup>2</sup>	(C)(M)
Holley-Navarre	Fort Walton Beach, Gulf Breeze, Pensacola	Milton <sup>3</sup> , Pace <sup>3</sup>	(C)(M)
Hollywood <sup>1</sup>	Fort Lauderdale, North Dade	Boca Raton <sup>2</sup> , Coral Springs <sup>2</sup> , Deerfield Beach <sup>2</sup> , Homestead <sup>2</sup> , Miami, Perrine <sup>2</sup> , Pompano Beach <sup>2</sup>	(C)(M)
Homestead	Miami, Perrine	Big Pine <sup>2</sup> , Coral Springs <sup>2</sup> , Deerfield Beach <sup>2</sup> , Fort Lauderdale <sup>2</sup> , Hollywood <sup>2</sup> , Islamorada <sup>2</sup> , Key Largo <sup>2</sup> , Key West <sup>2</sup> , Marathon <sup>2</sup> , North Dade <sup>2</sup> , North Key Largo <sup>2</sup> , Pompano Beach <sup>2</sup> , Sugarloaf Key <sup>2</sup>	(C)(M)
Islamorada	Key Largo, Marathon	Big Pine <sup>2</sup> , Homestead <sup>2</sup> , Key West <sup>2</sup> , Miami <sup>2</sup> , North Key Largo <sup>2</sup> , Perrine <sup>2</sup> , Sugarloaf Key <sup>2</sup>	(C)
Jacksonville <sup>4</sup>	Baldwin, Callahan, Fort George, Jacksonville Beach, Julington, Maxville, Middleburg, Orange Park, Ponte Vedra Beach, Yulee	Fernandina Beach <sup>3</sup> , Hilliard <sup>5</sup> , MacClenny <sup>3</sup> , Palatka <sup>3</sup> , Sanderson <sup>3</sup> , St. Augustine <sup>3</sup>	(C)
Jacksonville Beach	Jacksonville, Ponte Vedra Beach	Fort George <sup>3</sup> , St. Augustine <sup>3</sup>	(C)
Jay	Milton, Munson, Pace, Pensacola		
Jensen Beach	Hobe Sound, Port St. Lucie, Stuart	Fort Pierce <sup>2</sup> , Jupiter <sup>2</sup> , West Palm Beach <sup>2</sup>	(C)
Julington <sup>1</sup>	Jacksonville, Orange Park	Palatka <sup>3</sup> , St. Augustine	(C)
Note 1:	See A3.7.3 for <i>Extended Calling Service</i> regulations and rates.		(T)
Note 2:	Effective 60 days after the order in Docket 920260-TL becomes final.		(N)
Note 3:	Effective 120 days after the order in Docket 920260-TL becomes final.		(T)
Note 4:	See A3.8.50 for <i>Local Calling Plus (LCP)</i> Regulations and Rates.		(N)
Note 5:	LCP regulations and rates apply to this terminating exchange indefinitely.		(N)

\* d/b/a SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.3 Local Calling Areas (Cont'd)

##### A3.3.1 Flat Rate Service and Message Rate Service Local Calling Areas (Cont'd)

Exchange	Extended Area Service Additional Exchanges	Extended Calling Service <sup>1</sup> Additional Exchanges	(C)
Jupiter	Hobe Sound, West Palm Beach	Jensen Beach <sup>2</sup> , Port St. Lucie <sup>2</sup> , Stuart <sup>2</sup>	(C)
Key Largo	Islamorada, North Key Largo	Big Pine <sup>2</sup> , Homestead <sup>2</sup> , Key West <sup>2</sup> , Marathon <sup>2</sup> , Miami <sup>2</sup> , Perrine <sup>2</sup> , Sugarloaf Key <sup>2</sup>	(C)
Keystone Heights <sup>3</sup>	Melrose, Starke, that portion of Florahome located in Clay County	Gainesville <sup>4</sup> , Waldo <sup>5</sup>	(C)
Key West	Sugarloaf Key	Big Pine <sup>2</sup> , Homestead <sup>2</sup> , Islamorada <sup>2</sup> , Key Largo <sup>2</sup> , Marathon <sup>2</sup> , Miami <sup>2</sup> , North Key Largo <sup>2</sup> , Perrine <sup>2</sup>	(C)
Lake City <sup>3</sup>	Branford, Fort White, Wellborn, White Springs	Lake Butler <sup>5</sup>	(C)
Lynn Haven <sup>3</sup>	Panama City, Panama City Beach, Youngstown-Fountain	Sunny Hills <sup>4</sup> , Vernon <sup>4</sup>	(C)
Marathon	Big Pine, Islamorada	Homestead <sup>2</sup> , Key Largo <sup>2</sup> , Key West <sup>2</sup> , Miami <sup>2</sup> , North Key Largo <sup>2</sup> , Perrine <sup>2</sup> , Sugarloaf Key <sup>2</sup>	(C)
Maxville <sup>3</sup>	Baldwin, Jacksonville, Middleburg, Orange Park	MacClenny <sup>5</sup> , Sanderson <sup>5</sup>	(C)
Melbourne	Cocoa, Cocoa Beach, Eau Gallie, Sebastian	Titusville <sup>4</sup>	(C)
Miami <sup>1</sup>	Homestead, North Dade, Perrine	Big Pine <sup>2</sup> , Boca Raton <sup>2</sup> , Coral Springs <sup>2</sup> , Deerfield Beach <sup>2</sup> , Fort Lauderdale, Hollywood, Islamorada <sup>2</sup> , Key Largo <sup>2</sup> , Key West <sup>2</sup> , Marathon <sup>2</sup> , North Key Largo <sup>2</sup> , Pompano Beach <sup>2</sup> , Sugarloaf Key <sup>2</sup>	(C)
Micanopy	Archer, Gainesville, Hawthorne		
Middleburg	Jacksonville, Maxville, Orange Park		(T)
Milton	Jay, Munson, Pace, Pensacola	Holley-Navarre <sup>4</sup>	(C)
Munson	Jay, Milton, Pace, Pensacola		(M)
Note 1:	See A3.7.3 for <i>Extended Calling Service</i> regulations and rates.		(T)
Note 2:	Effective 60 days after the order in Docket 920260-TL becomes final.		(N)
Note 3:	See A3.8.50 for <i>Local Calling Plus (LCP)</i> regulations and rates.		(T)
Note 4:	Effective 120 days after the order in Docket 920260-TL becomes final.		(N)
Note 5:	LCP regulations and rates apply to this terminating exchange indefinitely.		(N)

\* d/b/a SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.3 Local Calling Areas (Cont'd)

##### A3.3.1 Flat Rate Service and Message Rate Service Local Calling Areas (Cont'd)

Exchange	Extended Area Service Additional Exchanges	Extended Calling Service <sup>1</sup> Additional Exchanges	(C)
Newberry <sup>2</sup>	Alachua, Archer, Gainesville, High Springs	Bronson <sup>3</sup> , Trenton <sup>3</sup>	(C)
New Smyrna Beach <sup>2</sup>	Oak Hill	Daytona Beach <sup>3</sup> , Deland <sup>3</sup> , DeLeon Springs <sup>3</sup> , Pierson <sup>3</sup>	(C)
North Dade <sup>1</sup>	Hollywood, Miami, Perrine	Boca Raton <sup>4</sup> , Coral Springs <sup>4</sup> , Deerfield Beach <sup>4</sup> , Fort Lauderdale, Homestead <sup>4</sup> , Pompano Beach <sup>4</sup>	(C)
North Key Largo	Key Largo	Big Pine <sup>4</sup> , Homestead <sup>4</sup> , Islamorada <sup>4</sup> , Key West <sup>4</sup> , Marathon <sup>4</sup> , Miami <sup>4</sup> , Perrine <sup>4</sup> , Sugarloaf Key <sup>4</sup>	(C)
Oak Hill <sup>2</sup>	New Smyrna Beach	Daytona Beach <sup>3</sup> , Deland <sup>3</sup> , DeLeon Springs <sup>3</sup> , Pierson <sup>3</sup>	(C)
Old Town	Cross City	Chiefland <sup>3</sup>	(C)
Orange Park	Jacksonville, Julington, Maxville, Middleburg	Palatka <sup>3</sup>	(C)
Orlando <sup>1,2</sup>	Apopka, Clermont, East Orange, Lake Buena Vista, Monteverde, Oviedo, Reedy Creek, Windermere, Winter Garden, Winter Park	DeBary <sup>3</sup> , Geneva, Kissimmee <sup>3</sup> , Sanford, St. Cloud <sup>3</sup> , West Kissimmee <sup>3</sup>	(C)
Oviedo	East Orange, Geneva, Orlando, Sanford, Winter Park		(T)
Pace	Gulf Breeze, Jay, Milton, Munson, Pensacola	Holley-Navarre <sup>3</sup>	(C)
Pahokee	Belle Glade	West Palm Beach <sup>4</sup>	(C)
Palatka <sup>2</sup>	Florahome, Hastings Interlachen, Pomona Park, Welaka	Crescent City <sup>3</sup> , Green Cove Springs <sup>3</sup> , Jacksonville <sup>3</sup> , Julington <sup>3</sup> , Orange Park <sup>3</sup>	(C)
Palm Coast	Bunnell, Flagler Beach	Daytona Beach <sup>3</sup>	(C)
Panama City <sup>2</sup>	Lynn Haven, Panama City Beach, Tyndall Air Force Base, Youngstown-Fountain	Chipley <sup>3</sup> , Sunny-Hills <sup>3</sup> , Vernon <sup>3</sup>	(C)
Panama City Beach	Lynn Haven, Panama City	Sunny Hills <sup>3</sup>	(C)
Note 1:	See A3.7.3 for Extended Calling Service regulations and rates.		(T)
Note 2:	See A3.8.50 for Local Calling Plus (LCP) regulations and rates.		(T)
Note 3:	Effective 120 days after the order in Docket 920260-TL becomes final.		(N)
Note 4:	Effective 60 days after the order in Docket 920260-TL becomes final.		(N)
Note 5:	LCP regulations and rates apply to this terminating exchange indefinitely.		(N)

\* d/b/a SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

BELLSOUTH  
TELECOMMUNICATIONS, INC.\*  
FLORIDA  
ISSUED: May 15, 1995  
BY: Joseph P. Lacher, President - FL  
Miami, Florida

Southern Bell Tel. & Tel. Co.  
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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.3 Local Calling Areas (Cont'd)

##### A3.3.1 Flat Rate Service and Message Rate Service Local Calling Areas (Con'td)

Exchange	Extended Area Service Additional Exchanges	Extended Calling Service <sup>1</sup> Additional Exchanges	(C)
Pensacola	Cantonment, Century, Gulf Breeze, Holley-Navarre, Jay, Milton, Molino, Munson, Pace, Walnut Hill		
Perrine	Homestead, Miami, North Dade	Big Pine <sup>2</sup> , Coral Springs <sup>2</sup> , Deerfield Beach <sup>2</sup> , Fort Lauderdale <sup>2</sup> , Hollywood <sup>2</sup> , Islamorada <sup>2</sup> , Key Largo <sup>2</sup> , Key West <sup>2</sup> , Marathon <sup>2</sup> , North Key Largo <sup>1</sup> , Pompano Beach <sup>2</sup> , Sugarloaf Key <sup>2</sup>	(C)
Pierson <sup>3</sup>	Crescent City, Deland, DeLeon Springs	Bunnell <sup>4</sup> , Daytona Beach <sup>4</sup> , Flagler Beach <sup>4</sup> , New Smyrna Beach <sup>4</sup> , Oak Hill <sup>4</sup>	(C)
Pomona Park Pompano Beach	Palatka, Welaka, Crescent City Boca Raton, Coral Springs, Deerfield Beach, Fort Lauderdale	Delray Beach <sup>2</sup> , Hollywood <sup>2</sup> , Homestead <sup>2</sup> , Miami <sup>2</sup> , North Dade <sup>2</sup> , Perrine <sup>2</sup>	(C)
Ponte Vedra Beach <sup>3</sup>	Jacksonville, Jacksonville Beach	St. Augustine <sup>4</sup>	(C)
Port St. Lucie	Fort Pierce, Hobe Sound, Jensen Beach, Stuart	Jupiter <sup>2</sup> , West Palm Beach <sup>2</sup>	(C)
St. Augustine <sup>1,3</sup>	Hastings	Green Cove Springs, Jacksonville <sup>4</sup> , Jacksonville Beach <sup>4</sup> , Julington, Ponte Vedra Beach <sup>4</sup>	(C)
Sanford <sup>1,3</sup>	DeBary, Geneva, Oviedo, Winter Park	Orange City <sup>5</sup> , Orlando	(C)
Sebastian Stuart	Melbourne, Vero Beach Hobe Sound, Indiantown, Jensen Beach, Port St. Lucie	Jupiter <sup>2</sup> , West Palm Beach <sup>2</sup>	(C)
Sugarloaf Key	Big Pine, Key West	Homestead <sup>2</sup> , Islamorada <sup>2</sup> , Key Largo <sup>2</sup> , Marathon <sup>2</sup> , Miami <sup>2</sup> , North Key Largo <sup>2</sup> , Perrine <sup>2</sup>	(C)
Sunny Hills <sup>3</sup>	Chipley, Vernon	Lynn Haven <sup>4</sup> , Panama City <sup>4</sup> , Panama City Beach <sup>4</sup> , Youngstown-Fountain <sup>4</sup>	(C)
Titusville Trenton <sup>3</sup>	Cocoa, Cocoa Beach Chiefland	Eau Gallie <sup>4</sup> , Melbourne <sup>4</sup> Newberry <sup>4</sup>	(C) (C)
Note 1:	See A3.7.3 for <i>Extended Calling Service</i> regulations and rates.		(T)
Note 2:	Effective 60 days after the order in Docket 920260-TL becomes final.		(N)
Note 3:	See A3.8.50 for Local Calling <i>Plus</i> (LCP) regulations and rates.		(T)
Note 4:	Effective 120 days after the order in Docket 920260-TL becomes final.		(N)
Note 5:	LCP regulations and rates apply to this terminating exchange indefinitely.		(N)

\* d/b/a SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

BELLSOUTH  
TELECOMMUNICATIONS, INC.\*  
FLORIDA  
ISSUED: May 15, 1995  
BY: Joseph P. Lacher, President - FL  
Miami, Florida

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.3 Local Calling Areas (Cont'd)

##### A3.3.1 Flat Rate Service and Message Rate Service Local Calling Areas (Cont'd)

Exchange	Extended Area Service Additional Exchanges	Extended Calling Service <sup>1</sup> Additional Exchanges	
Vernon <sup>2</sup>	Chipley, Sunny Hills	Bonifay <sup>4</sup> , Lynn Haven <sup>3</sup> , Panama City <sup>3</sup> , Westville <sup>4</sup>	(C)(M)
Vero Beach	Sebastian	Fort Pierce <sup>5</sup>	(C)(M)
Weekiwachee Springs	Brooksville		(M)
Welaka	Crescent City, Palatka, Pomona Park		(T)(M)
West Palm Beach	Boynton Beach, Jupiter	Belle Glade <sup>5</sup> , Boca Raton <sup>5</sup> , Delray Beach <sup>5</sup> , Hobe Sound <sup>5</sup> , Jensen Beach <sup>5</sup> , Pahokee <sup>5</sup> , Port St. Lucie <sup>5</sup> , Stuart <sup>5</sup>	(C)(M)
Yankeetown	Crystal River, Dunnellon		(T)(M)
Youngstown-Fountain <sup>2</sup>	Lynn Haven, Panama City	Chipley <sup>3</sup> , Sunny Hills <sup>3</sup>	(C)(M)
Yulee	Fernandina Beach, Jacksonville		(M)

#### A3.4 Flat Rate Service

##### A3.4.1 General

- A. Monthly exchange rates shown in A3.4.2 are applicable in each exchange for classes of basic local exchange service offered.

##### A3.4.2 Monthly Rates

- A. The rates specified herein entitle subscribers to an unlimited number of messages to all exchange access lines bearing the designation of central offices within the serving exchange and *extended area service* additional exchanges or portions of exchanges as shown in A3.3.1 of this Tariff. (T)

##### B. Residence and Business Exchange Access Line Rates

###### 1. Flat Rate Service

###### a. Residence Service

###### (1) Rate Groups 1-6

	1	2	Group 3	4	5	6	USOC
(a) Individual service	\$7.30	\$7.70	\$8.10	\$8.40	\$8.80	\$9.15	1FR++

###### (2) Rate Groups 7 - 12

	7	8	Group 9	10	11	12	USOC
(a) Individual service	\$9.50	\$9.80	\$10.05	\$10.30	\$10.45	\$10.65	1FR++

Note 1: See A3.7.3 for *Extended Calling Service* regulations and rates. (T)(M)

Note 2: See A3.8.50 for *Local Calling Plus (LCP)* regulations and rates. (T)(M)

Note 3: Effective 120 days after the order in Docket 920260-TL becomes final. (N)

Note 4: LCP regulations and rates apply to this terminating exchange indefinitely. (N)

Note 5: Effective 60 days after the order in Docket 920260-TL becomes final. (N)

\* d/b/a SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

BELLSOUTH  
TELECOMMUNICATIONS, INC.\*  
FLORIDA  
ISSUED: May 15, 1995  
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Miami, Florida

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.4 Flat Rate Service (Cont'd)

##### A3.4.2 Monthly Rates (Cont'd)

###### F. Auxiliary Line Service (Inward Service) (Cont'd)

2. The auxiliary line must terminate on the same premises as that in which the two-way service is located.
3. The auxiliary line is to be used for one way (inward to the subscriber) service only.
4. Auxiliary line service may or may not be arranged for rotary, hunting or similar service which allows completion of an incoming call from a line that is called but is in use, by means of an arrangement of central office equipment on a full time basis.
5. Auxiliary line service is furnished at a rate for each line equal to the rate applicable for business individual line flat rate service for that exchange. Where the lines are arranged for rotary, hunting or similar service, the rotary charge will apply as specified in A3.6.

###### a. Rates

###### (1) Rate Groups 1-6

	1	2	Group 3	4	5	6	USOC
(a) Per Auxiliary line	\$19.80	\$20.80	\$21.90	\$22.90	\$23.85	\$24.90	7FB

###### (2) Rate Groups 7-12

	7	8	Group 9	10	11	12	USOC
(a) Per Auxiliary line	\$25.75	\$26.60	\$27.40	\$28.00	\$28.60	\$29.10	7FB

###### G. Mobile Service Exchange Charge

1. See Section A17. for Rates.

###### H. Outgoing Only Service

1. See A3.29 for regulations and rates.

#### A3.5 Message Rate Service

##### A3.5.1 General

- A. Business and residence individual line message rate service is offered in all exchanges except where noted in the Local Exceptions A3.8 of this Tariff. Residence individual line message rate service is offered in all exchanges where facilities permit. The rates specified entitle subscribers to the number of messages specified to all exchange access lines bearing the designation of central offices of the serving exchange and *extended area service* additional exchanges as shown in A3.3.1 of this Tariff.
- B. Subscribers to message rate service are regularly billed monthly in advance. Messages in excess of the monthly message allowance are billed monthly in arrears. Local messages not used in one month's allowance are not credited to the subscriber's account for any other month service is rendered.

BELLSOUTH  
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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.5 Message Rate Service (Cont'd)

##### A3.5.1 General (Cont'd)

- C. Where a subscriber contracts for two or more individual message rate lines on the same premises and agrees to grouped billing, the number of monthly message allowances per line, as specified preceding, will be multiplied by the number of such message rate lines and messages in excess of this product will be billed at the additional local message charge as indicated following. All lines included for such allowance must have the same central office designation.
- D. Message charges will not apply to calls to the Company Business Office, Repair Service, Directory Assistance, Emergency 911 Service or 976 Dial-It Service.
- E. Message rate service will not be provided in connection with the provision of Foreign Exchange or Foreign Central Office services.
- F. Generally, any combination of message rate and flat rate service will not be allowed on the same premises. See A2.3.2 of this Tariff for specific exceptions to this rule.
- G. A message rate outgoing only line is also available to business and residence customers. See A3.29 for regulations and rates.
- H. Extended Calling Service (ECS) supersedes Message Rate Service for calls to ECS additional exchanges listed in A3.3.1, Local Calling Areas. See A3.7.3 for ECS regulations and rates. (N)

##### A3.5.2 Monthly Rates and Message Charges

###### A. Residence Individual Line Message Rates

###### 1. Monthly Rates - Rate Groups 1-6

		1	2	Group 3	4	5	6	USOC
(a)	Per line	\$4.38	\$4.62	\$4.86	\$5.04	\$5.28	\$5.49	1MR

###### 2. Monthly Rates - Rate Groups 7-12

		7	8	Group 9	10	11	12	USOC
(a)	Per line	\$5.70	\$5.88	\$6.03	\$6.18	\$6.27	\$6.39	1MR

###### 3. Message Allowance and Message Charges

- a. The monthly message allowance, per line, is 30 outgoing local messages (to the Local Calling Area specified in A3.3.1 *excluding the Extended Calling Service (ECS) additional exchanges*). (T)

- (1) Additional outgoing local messages to the Local Calling Area *excluding the ECS additional exchanges* in excess of the allowance (T)

		Price	USOC
(a)	Each	-\$10	NA

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Miami, Florida

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**A3. BASIC LOCAL EXCHANGE SERVICE**

**A3.5 Message Rate Service (Cont'd)**

**A3.5.2 Monthly Rates and Message Charges (Cont'd)**

**B. Business Individual Line Message Rates**

1. Monthly Rates - Rate Groups 1-6

	1	2	Group 3	4	5	6	USOC
(a) Per line	\$14.71	\$15.46	\$16.29	\$17.04	\$17.75	\$18.54	1MB

2. Monthly Rates - Rate Groups 7-12

	7	8	Group 9	10	11	12	USOC
(a) Per line	\$19.18	\$19.81	\$20.41	\$20.86	\$21.31	\$21.69	1MB

3. Message Allowance and Message Charges

a. The monthly message allowance, per line, is 75 local messages (to the Local Calling Area specified in A3.3.1 *excluding the Extended Calling Service (ECS) additional exchanges*) (T)

(1) Additional local messages to the Local Calling Area *excluding the ECS additional exchanges* in excess of allowance (T)

(a) Each	Price \$12	USOC NA
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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.5 Message Rate Service (Cont'd)

##### A3.5.2 Monthly Rates and Message Charges (Cont'd)

###### C. Residence and Business Individual Line Monthly Rates by Exchange for Message Rate Service<sup>1</sup>

Exchange	Residence	Business
Archer	\$5.28	\$17.75
Baldwin	6.03	20.41
Belle Glade	4.86	16.29
Big Pine Key	4.86	16.29
Boca Raton	6.18	20.86
Boynton Beach	6.18	20.86
Bronson	4.86	16.29
Brooksville	5.28	17.75
Bunnell	4.86	16.29
Cantonment	5.49	18.54
Cedar Keys	4.38	14.71
Century	5.49	18.54
Chiefland	4.86	16.29
ChIPLEY	4.86	16.29
Cocoa	5.70	19.18
Cocoa Beach	5.70	19.18
Coral Springs	6.39	21.69
Cross City	4.62	15.46
Daytona Beach	5.49	18.54
DeBary	5.28	17.75
Deerfield Beach	6.39	21.69
Deland	5.28	17.75
DeLeon Springs	5.04	17.04
Delray Beach	5.88	19.81
Dunnellon	5.49	18.54

Note 1: For Business Message Rate, the monthly local message allowance per line is 75 with an additional message charge of \$.12 for each *outgoing* local message over the allowance. (T)  
For Residence Message Rate, the monthly local message allowance per line is 30 with an additional message charge of \$.10 for each outgoing local message over the allowance.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.5 Message Rate Service (Cont'd)

##### A3.5.2 Monthly Rates and Message Charges (Cont'd)

###### C. Residence and Business Individual Line Monthly Rates by Exchange for Message Rate Service<sup>1</sup> (Cont'd)

Exchange	Residence	Business
East Orange	\$6.27	\$21.31
Eau Gallie		
Eau Gallie-East <sup>2</sup>	5.70	19.18
Eau Gallie-West <sup>2</sup>	5.70	19.18
Fernandina Beach	4.86	16.29
Flagler Beach	4.86	16.29
Fort George	6.03	20.41
Fort Lauderdale	6.39	21.69
Fort Pierce	5.28	17.75
Gainesville	5.49	18.54
Geneva	5.70	19.18
Graceville	4.86	16.29
Green Cove Springs	4.86	16.29
Gulf Breeze	5.49	18.54
Havana	5.49	18.54
Hawthorne	5.28	17.75
Hobe Sound	5.49	18.54
Holley-Navarre	5.49	18.54
Hollywood	6.39	21.69
Homestead	6.39	21.69
Islamorada	5.04	17.04
Jacksonville	6.18	20.86

Note 1: For Business Message Rate, the local monthly message allowance per line is 75 with an additional message charge of \$.12 for each *outgoing* local message over the allowance. For Residence Message Rate, the monthly local message allowance per line is 30 with an additional message charge of \$.10 for each outgoing local message over the allowance. (T)

Note 2: Business Message Rate Service is not offered to new customers during local exception in A3.8 of this Tariff.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.5 Message Rate Service (Cont'd)

##### A3.5.2 Monthly Rates and Message Charges (Cont'd)

###### C. Residence and Business Individual Line Monthly Rates by Exchange for Message Rate Service<sup>1</sup> (Cont'd)

Exchange	Residence	Business
Jacksonville Beach	\$6.03	20.41
Jay	5.04	17.04
Jensen Beach	5.28	17.75
Julington	6.03	20.41
Jupiter	6.03	20.41
Key Largo	5.04	17.04
Key West	5.04	17.04
Keystone Heights	4.86	16.29
Lake City	5.04	17.04
Lynn Haven	5.28	17.75
Marathon	4.86	16.29
Maxville	6.03	20.41
Melbourne <sup>2</sup>	5.70	19.18
Miami	6.39	21.69
Micanopy	5.28	17.75
Middleburg	6.03	20.41
Milton	5.49	18.54
Munson	5.49	18.54
Newberry	5.28	17.75
New Smyrna Beach	5.04	17.04
North Dade	6.39	21.69
North Key Largo	4.86	16.29
Oak Hill	5.04	17.04
Old Town	4.62	15.46
Orange Park	6.03	20.41
Orlando	6.27	21.31
Oviedo	6.27	21.31

**Note 1:** For Business Message Rate, the monthly local message allowance per line is 75 with an additional message charge of \$.12 for each *outgoing* local message over the allowance. For Residence Message Rate, the monthly local message allowance per line is 30 with an additional message charge of \$.10 for each outgoing local message over the allowance. (T)

**Note 2:** Business Message Rate Service is not offered to new customers served from the Melbourne exchange during local exception in A3.8.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.5 Message Rate Service (Cont'd)

##### A3.5.2 Monthly Rates and Message Charges (Cont'd)

###### C. Residence and Business Individual Line Monthly Rates by Exchange for Message Rate Service<sup>1</sup>

Exchange	Residence	Business
Pace	\$5.49	\$18.54
Pahokee	4.86	16.29
Palatka	5.04	17.04
Palm Coast	4.86	16.29
Panama City	5.28	17.75
Panama City Beach	5.28	17.75
Pensacola	5.49	18.54
Perrine	6.39	21.69
Pierson	5.04	17.04
Pomona Park	5.04	17.04
Pompano Beach	6.39	21.69
Ponte Vedra Beach	6.03	20.41
Port St. Lucie	5.49	18.54
St. Augustine	5.04	17.04
Sanford	5.88	19.81
Sebastian	5.49	18.54
Stuart	5.49	18.54
Sugarloaf Key	5.04	17.04
Sunny Hills	4.86	16.29
Titusville <sup>2</sup>	5.28	17.75
Trenton	4.86	16.29
Vernon	4.86	16.29
Vero Beach	5.28	17.75
Weekiwachee Springs	5.28	17.75
Welaka	5.04	17.04
West Palm Beach	6.03	20.41
Yankeetown	5.04	17.04
Youngstown-Fountain	5.28	17.75
Yulee	5.88	19.81

**Note 1:** For Business Message Rate, the local monthly message allowance per line is 75 with an additional message charge of \$.12 for each *outgoing* local message over the allowance. For Residence Message Rate, the monthly local message allowance per line is 30 with an additional message charge of \$.10 for each outgoing local message over the allowance. (T)

**Note 2:** Business Message Rate Service is not offered to new customers during local exception in A3.8.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.6 Reserved for Future Use

#### A3.7 Extended Local Service

##### A3.7.1 Basic Optional Extended Area Service

This service will be deleted coincident with the effective date of Extended Calling Service on the affected routes. (C)

###### A. General (N)

1. Basic Optional Extended Area Service (OEAS) provides for optional measured calling on customer dialed station-to-station calls to locations outside of a subscriber's Local Calling Area, but within the same LATA. Basic OEAS is offered under the following three plan types:
  - a. Point-to-Point Service - This option provides for measured calling from one exchange to one other exchange outside of its Local Calling Area, but within the same LATA.
  - b. Multi-Point Service - This option provides for measured calling from one exchange to two or more exchanges normally contiguous to the calling exchange, located outside of its Local Calling Area, but within the same LATA.
  - c. All Points in a Rate Band - This option provides for measured calling from one exchange to one or more exchanges located outside of its Local Calling Area and within a specified Rate Band, but within the same LATA.
2. Basic OEAS is available to all business and residence subscribers except for Semi-Public Telephone Service or those lines terminated in hotel, motel or hospital PBX's which serve guests or patients. As covered in A2.2.1.B. of this Tariff, the resale of this service is not permitted.
3. Minimum billing per month equivalent to one hour for business and one-half hour for residence as specified in B. following is applicable for each account which may be one line or a group billed multi-line system. The above minimum billing requirement may be fulfilled by subscribing to two Basic OEAS plans on the same account. Each plan will be billed independent of other plans and any unused minimum period time on one plan may not be used as a credit against overtime on another plan. All eligible lines for which message tolls are group billed may use the service, provided they are within the same exchange; however, there can be no mixing of classes of service between residence and business.
4. The usage, in minutes, for messages originated after 5:00 p.m. on weekdays or on a Saturday, Sunday or holiday will be discounted at the prevailing Long Distance Message Telecommunications Service discount rate except as provided in 5. following.
5. Basic OEAS calling is not in effect for messages originated from 10:00 a.m. to 11:00 a.m. or from 7:00 p.m. to 9:00 p.m. on weekdays except weekday holidays as specified in Section A18. of this Tariff. Messages originated during these hours will be billed at the prevailing Long Distance rates.
6. A minimum of one minute per message is applicable except that the minimum is discounted as specified in 4. preceding. Messages of more than one minute are measured in units of 1/10 minute or fraction thereof; however, the billing of usage for messages originated in the Evening Rate Period and the Night and Weekend Rate Period is discounted as specified in 4. preceding. Therefore, the minimum billing rate allows a subscriber more usage when calls are originated during the Evening or Night and Weekend Rate Periods except as specified in 5. preceding.

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**A3. BASIC LOCAL EXCHANGE SERVICE**

**A3.7 Extended Local Service (Cont'd)**

(C)

**A3.7.1 Basic Optional Extended Area Service (Cont'd)**

**B. Plans**

Route and Plan Type	Rate Band	USOC			
		Residence		Business	
		1/2 Hour	1/4 Hour	1 Hour	1/2 Hour
Boca Raton to West Palm Beach (Point-to-Point) <sup>1</sup>	23-30	OS132	OS120	OS133	OS131
Daytona Beach to Bunnell and Flagler Beach (Multi-Point) <sup>1</sup>	17-22	OS284	OS2B4	OS28C	OS2BC
Daytona Beach to Palm Coast (Multi-Point) <sup>1</sup>	23-30	OS262	OS26A	OS282	OS28A

(C)

(C)

(C)

**Note 1:** Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this/these route/routes.

(N)

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**A3. BASIC LOCAL EXCHANGE SERVICE**

**A3.7 Extended Local Service (Cont'd)**

(C)

**A3.7.1 Basic Optional Extended Area Service (Cont'd)**

**B. Plans (Cont'd)**

Route and Plan Type	Rate Band	USOC			
		Residence		Business	
		1/2 Hour	1/4 Hour	1 Hour	1/2 Hour
Eau Gallie to Titusville (Point-to-Point) <sup>1</sup>	31-40	OS125	NA	OS145	NA
Ft. Lauderdale to Boca Raton (Point-to-Point) <sup>1</sup>	17-22	OS16F	NA	OS17F	NA

(C)

(C)

Note 1: Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route.

(N)

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**A3. BASIC LOCAL EXCHANGE SERVICE**

**A3.7 Extended Local Service (Cont'd)**

**A3.7.1 Basic Optional Extended Area Service (Cont'd)**

**B. Plans (Cont'd)**

Route and Plan Type	Rate Band	USOC			
		Residence 1/2 Hour	1/4 Hour	Business 1 Hour	1/2 Hour
Ft. Pierce to Jensen Beach (Point to Point) <sup>1</sup>	11-16	OS264	NA	OS286	NA
Holley-Navarre to Pace <sup>1</sup> and Shalimar (All Points in Rate Band)	17-22	OS241	OS242	OS243	OS244
Jensen Beach to Ft. Pierce (Point-to-Point) <sup>1</sup>	11-16	OS117	NA	OS166	NA

**Note 1:** Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this/these route/routes.

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**A3. BASIC LOCAL EXCHANGE SERVICE**

**A3.7 Extended Local Service (Cont'd)**

**A3.7.1 Basic Optional Extended Area Service (Cont'd)**

**B. Plans (Cont'd)**

Route and Plan Type	Rate Band	USOC			
		Residence		Business	
		1/2 Hour	1/4 Hour	1 Hour	1/2 Hour
Melbourne to Titusville (Point-to-Point) <sup>1</sup>	31-40	OS135	NA	OS155	NA

Note 1: Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

(C)

##### A3.7.1 Basic Optional Extended Area Service (Cont'd)

###### B. Plans (Cont'd)

Route and Plan Type	Rate Band	USOC			
		Residence 1/2 Hour	1/4 Hour	Business 1 Hour	1/2 Hour
Titusville to Eau Gallie and Melbourne (Multi-Point) <sup>1</sup>	31-40	OS255	NA	OS22E	NA
West Palm Beach to Boca Raton (Point-to-Point) <sup>1</sup>	23-30	OS151	OS134	OS152	OS130
West Palm Beach to Delray Beach (Point-to-Point) <sup>1</sup>	17-22	OS161	OS141	OS162	OS143

(C)

(C)

(C)

Note 1: Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this/these route/routes.

(N)

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

(C)

##### A3.7.2 Enhanced Optional Extended Area Service

This service except the Residence Premium option will be deleted coincident with the effective date of Extended Calling Service on the affected routes.

(N)

###### A. General

1. Enhanced Optional Extended Area Service (EOEAS) provides alternative billing for customer dialed station-to-station calls to or from locations outside a subscriber's local calling area, but within the same LATA. As an additional option, customers are allowed to reduce their unlimited calling area to their home exchange at a reduced flat rate. EOEAS is available in the following configurations:
  - a. Premium - This option permits residence subscribers to increase their unlimited local calling area by allowing the subscriber to make unlimited outgoing direct dialed calls to a specified exchange or exchanges outside the subscriber's existing local calling area but within the same LATA. Premium customers will not be billed Local Calling Plus rates. See A3.8.50 for Rates and Regulations. Customers in the Bunnell, Flagler Beach, Palm Coast, Geneva and Sanford exchanges pay a fixed monthly charge, which includes the Individual Residence Line rate plus an EOEAS additive to subscribe to this option; in other exchanges customers pay a fixed monthly additive.
  - b. Discount - This option provides a fifty percent discount from the prevailing long distance rates specified in Section A18. for DDD calls from the subscriber's location to a specified exchange or exchanges outside the subscriber's local calling area but within the same LATA. As specified in B. following, there is a minimum monthly charge per account to subscribe to this service. Customers whose total discounted toll charges to the specified exchange or exchanges less than the minimum monthly charge will be billed only the minimum monthly charge. Customers whose total discounted toll charges to the specified exchange or exchanges are equal to or greater than the minimum monthly charge will be billed the total discounted toll charges.
  - c. Incoming Discount - This option permits a subscriber to pay for calls received at the subscriber's location and placed from a specified exchange or exchanges outside the subscriber's local calling area but within the same LATA. With this option a subscriber receives an assigned telephone number in the specified other exchange or exchanges with an associated directory listing if desired. (This number can be non-published at no additional charge.) Calls to this number will be forwarded to the subscriber's location. The subscriber would pay a rate equal to fifty percent of the prevailing long distance rates specified in Section A18. for each call received in addition to a fixed monthly charge as specified in B. following. The Incoming Discount option is only available to customers who subscribe to either of the above described Discount or Premium options.
  - d. Drop-back - This option permits customers to reduce their unlimited local calling area to their exchange at a reduced flat rate as specified in B.2 following. With this option a subscriber would still be able to receive local calls from the local calling area described in A3.3. However, any calls placed from the subscriber's location to exchanges in the local calling area but not in the subscriber's exchange would be billed at the rates specified in Section A18. Such calls will be summary billed based on minutes, discount period and toll rate band mileage. On the customer's bills Band 1 designates calls in the 0-10 mileage bracket; Band 2, 11-22 mileage bracket; and Band 3, 23-55 mileage bracket.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

(C)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

This service except the Residence Premium option will be deleted coincident with the effective date of Extended Calling Service on the affected routes. (Cont'd)

(N)

###### A. General (Cont'd)

2. These services are offered in the exchanges specified in B.2 following subject to the availability of facilities and billing capabilities. These services are available to all business and residence subscribers except as specified herein. Customers who subscribe to Semi-Public Telephone Service, Public Telephone Access Service for Customer Provided Equipment, Public Telephone Service, Sharing and Resale of Basic Local Exchange Service, or lines which terminate in hotels, motels, nursing homes or hospitals to serve guests or patients may not subscribe to this service. EOEAS is not available to users of Dormitory Communications Service. Business customers and Residence Message Rate customers may not subscribe to the Premium option. The Drop-back option is not available to PBX or ESSX® service customers. The Drop-back option is not applicable in those exchanges that have no other exchanges in their local calling areas. The Drop-back option is not offered in exchanges that would remain in the same rate group if the rate group determination were based on the number of lines in the exchange instead of the number of lines in the local calling area.

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FLORIDA  
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BY: Joseph P. Lacher, President - FL  
Miami, Florida

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

(C)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

This service except the Residence Premium option will be deleted coincident with the effective date of Extended Calling Service on the affected routes. (Cont'd)

(N)

###### A. General (Cont'd)

3. EOEAS is intended for the personal use or business use of the subscriber and may not be resold to others or used on a planned and continuing basis to intentionally avoid the payment in whole or in part of message toll charges by others.
4. If a customer subscribes to the Drop-back option, that option must apply to every line on the customer's premises.
5. Suspension of EOEAS is allowed subject to the terms and conditions specified in A2.3.16 of this Tariff. During the suspension period, the monthly recurring rates for the service are rated at one-half their normal amounts.
6. During the six month period following the effective date of each authorized EOEAS plan, the normal service order charge will be waived for the initial selection of one of the options and for one subsequent change (to a different option or back to original service). Following this six month period the appropriate service order charge as specified in Section A4. will apply to EOEAS activity. Customers selecting the Incoming Discount option who do not at that time request a non-published number (for the line assigned in the added exchange) will pay a secondary service order charge if they later order non-published number service. Note that as stated above in A3.7.1, there will be no monthly recurring charge for this non-published number service.
7. The rates for the Premium options in the Bunnell, Flagler Beach, Palm Coast, Geneva, and Sanford exchanges and for the Drop-back option in all exchanges are basic local exchange service rates as these options may be selected instead of other existing basic local exchange access line options. The rates for the Premium options in all exchanges not listed above and for the Discount and Incoming Discount options are in addition to rates for basic local exchange service.
8. The Premium option monthly rates are per residence subscriber line. The Discount option monthly rates are per subscriber account. The Incoming Discount option monthly rates are per line number assigned in the added exchange. The Drop-back option monthly rates are per subscriber line.
9. For each exchange that has an EOEAS offering, the access lines in the specified added exchange or exchanges will be recalculated yearly to determine if the residence Premium option monthly rate needs to be adjusted based on the rate matrix provided in B.1. following. Similarly, the access lines in each exchange that has an EOEAS offering will be recalculated yearly to determine if the Drop-back option monthly rate needs to be adjusted. If a rate adjustment is required, it will be made effective within two months of the issuance of a new directory and will be preceded by an appropriate customer notification.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### 2. Authorized Plans

###### a. Bunnell to Daytona Beach

###### (1) Residence Options

	Monthly Rate	USOC	
(a) Premium (per line) <sup>1</sup>	\$13.90	1OE	
(b) Discount (minimum per account) <sup>2</sup>	2.20	TT83S	(C)
(c) Incoming Discount (additive per line) <sup>2,3</sup>	4.95	TT85S	(C)
(d) Drop-back (per line) <sup>2</sup>	7.70	1KV	(C)
(2) Business Line Options <sup>2</sup>			(C)
(a) Discount (minimum per account) <sup>2</sup>	4.40	TT93S	(C)
(b) Incoming Discount (additive per line) <sup>2,3</sup>	10.80	TT95S	(C)
(c) Drop-back (per line) <sup>2</sup>	20.80	1EK	(C)
(3) PBX Trunk Options <sup>2</sup>			(C)
(a) Discount (minimum per account) <sup>2</sup>	8.80	TT9PS	(C)
(b) Incoming Discount (additive per line) <sup>2,3</sup>	16.20	TT98S	(C)
(4) ESSX <sup>®</sup> service Options <sup>2</sup>			(C)
(a) Discount (minimum per account) <sup>2</sup>	8.80	TT9QS	(C)
(b) Incoming Discount (additive per line) <sup>2,3</sup>	16.20	TT99S	(C)

###### b. Flagler Beach to Daytona Beach

###### (1) Residence Options

(a) Premium (per line) <sup>1</sup>	13.90	1OE	
(b) Discount (minimum per account) <sup>2</sup>	2.20	TT83T	(C)
(c) Incoming Discount (additive per line) <sup>2,3</sup>	4.95	TT85T	(C)
(d) Drop-back (per line) <sup>2</sup>	7.70	1KV	(C)

**Note 1:** The Premium option monthly rate includes the Individual Residence Line rate plus an EOEAS additive.

**Note 2:** Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route. (N)

**Note 3:** The Incoming Discount option monthly additive is per line number assigned in the added exchange.

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ISSUED: May 15, 1995  
BY: Joseph P. Lacher, President - FL  
Miami, Florida

Southern Bell Tel. & Tel. Co.  
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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

(C)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### 2. Authorized Plans (Cont'd)

###### b. Flagler Beach to Daytona Beach (Cont'd)

###### (2) Business Line Options<sup>1</sup>

(C)

	Monthly Rate	USOC	
(a) Discount (minimum per account) <sup>1</sup>	\$4.40	TT93T	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	10.80	TT95T	(C)
(c) Drop-back (per line) <sup>1</sup>	20.80	1EK	(C)
(3) PBX Trunk Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	8.80	TT9PT	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT98T	(C)
(4) ESSX <sup>®</sup> service Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	8.80	TT9QT	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT99T	(C)
c. Palm Coast to Daytona Beach			
(1) Residence Options			
(a) Premium (per line) <sup>3</sup>	17.35	1TC	
(b) Discount (minimum per account) <sup>1</sup>	3.80	TT83U	(C)
(c) Incoming Discount (additive per line) <sup>1,2</sup>	4.95	TT85U	(C)
(d) Drop-back (per line) <sup>1</sup>	7.70	1KV	(C)
(2) Business Line Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	7.60	TT93U	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	10.80	TT95U	(C)
(c) Drop-back (per line) <sup>1</sup>	20.80	1EK	(C)
Note 1:	Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route.		(N)
Note 2:	The Incoming Discount option monthly additive is per line number assigned in the added exchange.		
Note 3:	The Premium option monthly rate includes the Individual Residence Line rate plus an EOEAS additive.		(N)

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 Miami, Florida

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**A3. BASIC LOCAL EXCHANGE SERVICE**

**A3.7 Extended Local Service (Cont'd)**

(C)

**A3.7.2 Enhanced Optional Extended Area Service (Cont'd)**

**B. Rates and Charges (Cont'd)**

**2. Authorized Plans (Cont'd)**

**c. Palm Coast to Daytona Beach (Cont'd)**

**(3) PBX Trunk Options<sup>1</sup>**

(C)

	Monthly Rate	USOC	
(a) Discount (minimum per account) <sup>1</sup>	\$15.20	TT9PU	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT98U	(C)
(4) ESSX <sup>®</sup> service Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	15.20	TT9QU	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT99U	(C)

**d. Geneva to Orlando**

**(1) Residence Options**

(a) Premium (per line) <sup>3</sup>	16.00	1KO	(T)
-------------------------------------	-------	-----	-----

**Note 1:** Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route. (N)

**Note 2:** The Incoming discount option monthly additive is per number assigned in the added exchange. (N)

**Note 3:** The Premium option monthly rate includes the Individual Residence Line rate plus an EOEAS additive.

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BY: Joseph P. Lacher, President - FL  
Miami, Florida

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

(C)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### 2. Authorized Plans (Cont'd)

###### e. Sanford to Orlando

###### (1) Residence Options

	Monthly Rate	USOC	
(a) Premium (per line) <sup>1</sup>	\$16.00	1KM	
f. Ft. Pierce to Vero Beach			
(1) Residence Options			
(a) Premium (additive per line)	5.40	TT81X	
(b) Discount (minimum per account) <sup>2</sup>	2.20	TT83X	(C)
(c) Incoming Discount (additive per line) <sup>2,3</sup>	4.95	TT85X	(C)
(d) Drop-back (per line) <sup>2</sup>	8.40	1KA	(C)
(2) Business Line Options <sup>2</sup>			(C)
(a) Discount (minimum per account) <sup>2</sup>	4.40	TT93X	(C)
(b) Incoming Discount (additive per line) <sup>2,3</sup>	10.80	TT95X	(C)
(c) Drop-back (per line) <sup>2</sup>	22.90	1KD	(C)

**Note 1:** The Premium option monthly rate includes the Individual Residence Line rate plus an EOEAS additive.

**Note 2:** Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route. (N)

**Note 3:** The Incoming Discount option monthly additive is per line number assigned in the added exchange.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### 2. Authorized Plans (Cont'd)

###### f. Ft. Pierce to Vero Beach (Cont'd)

###### (3) PBX Trunk Options<sup>1</sup>

(a) Discount (minimum per account)<sup>1</sup>

Monthly  
Rate

USOC

\$8.80

TT9PX

(b) Incoming Discount (additive per line)<sup>1,2</sup>

16.20

TT98X

###### (4) ESSX<sup>®</sup> service Options<sup>1</sup>

(a) Discount (minimum per account)<sup>1</sup>

8.80

TT9QX

(b) Incoming Discount (additive per line)<sup>1,2</sup>

16.20

TT99X

###### g. Vero Beach to Ft. Pierce

###### (1) Residence Options

(a) Premium (additive per line)

5.40

TT81Y

(b) Discount (minimum per account)<sup>1</sup>

2.20

TT83Y

(c) Incoming Discount (additive per line)<sup>1,2</sup>

4.95

TT85Y

(d) Drop-back (per line)<sup>1</sup>

8.40

1VR

###### (2) Business Line Options<sup>1</sup>

(a) Discount (minimum per account)<sup>1</sup>

4.40

TT93Y

(b) Incoming Discount (additive per line)<sup>1,2</sup>

10.80

TT95Y

(c) Drop-back (per line)<sup>1</sup>

22.90

1FP

###### (3) PBX Trunk Options<sup>1</sup>

(a) Discount (minimum per account)<sup>1</sup>

8.80

TT9PY

(b) Incoming Discount (additive per line)<sup>1,2</sup>

16.20

TT98Y

###### (4) ESSX<sup>®</sup> service Options<sup>1</sup>

(a) Discount (minimum per account)<sup>1</sup>

8.80

TT9QY

(b) Incoming Discount (additive per line)<sup>1,2</sup>

16.20

TT99Y

###### h. Holley-Navarre to Milton

###### (1) Residence Options

(a) Premium (additive per line)

5.10

TT81Z

(b) Discount (minimum per account)<sup>1</sup>

2.20

TT83Z

(c) Incoming Discount (additive per line)<sup>1,2</sup>

4.95

TT85Z

(d) Drop-back (per line)<sup>1</sup>

7.70

1KX

Note 1: Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route.

Note 2: The Incoming Discount option monthly additive is per line number assigned in the added exchange.

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Miami, Florida

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### 2. Authorized Plans (Cont'd)

###### h. Holley-Navarre to Milton (Cont'd)

###### (2) Business Line Options<sup>1</sup>

	Monthly Rate	USOC	
(a) Discount (minimum per account) <sup>1</sup>	\$4.40	TT93Z	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	10.80	TT95Z	(C)
(c) Drop-back (per line) <sup>1</sup>	20.80	1EV	(C)
(3) PBX Trunk Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	8.80	TT9PZ	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT98Z	(C)
(4) ESSX <sup>®</sup> service Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	8.80	TT9QZ	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT99Z	(C)
i. Bronson to Gainesville			
(1) Residence Options <sup>3</sup>			
(a) Incoming Discount (additive per line) <sup>1,2</sup>	4.95	TT65A	(C)
(b) Drop-back (per line) <sup>1</sup>	7.30	1GR	(C)
(2) Business Line Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	7.60	TT73A	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	10.80	TT75A	(C)
(c) Drop-back (per line) <sup>1</sup>	19.80	1GB	(C)
(3) PBX Trunk Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	15.20	TT7PA	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT78A	(C)

**Note 1:** Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route. (N)

**Note 2:** The Incoming Discount option monthly additive is per line number assigned in the added exchange. For Bronson Residence Customers, the Incoming Discount Option is only available if the customer selects the Bronson OEAS flat rate option referenced in A3.8.24 of this Tariff.

**Note 3:** Premium and Discount options for Residence Customers not available since Bronson OEAS rates in A3.8.24 of this Tariff are lower.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

(C)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### 2. Authorized Plans (Cont'd)

###### i. Bronson to Gainesville (Cont'd)

###### (4) ESSX® service Options<sup>1</sup>

(C)

	Monthly Rate	USOC	
(a) Discount (minimum per account) <sup>1</sup>	\$15.20	TT7QA	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT79A	(C)
j. Fernandina Beach to Jacksonville			
(1) Residence Options			
(a) Premium (additive per line)	10.85	TT61B	
(b) Discount (minimum per account) <sup>1</sup>	3.80	TT63B	(C)
(c) Incoming Discount (additive per line) <sup>1,2</sup>	4.95	TT65B	(C)
(2) Business Line Options <sup>1</sup>			
(a) Discount (minimum per account) <sup>1</sup>	7.60	TT73B	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	10.80	TT75B	(C)
(3) PBX Trunk Options <sup>1</sup>			
(a) Discount (minimum per account) <sup>1</sup>	15.20	TT7PB	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT78B	(C)
(4) ESSX® service Options <sup>1</sup>			
(a) Discount (minimum per account) <sup>1</sup>	15.20	TT7QB	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT79B	(C)
k. Belle Glade to West Palm Beach			
(1) Residence Options			
(a) Premium (additive per line)	10.85	TT61E	
(b) Discount (minimum per account) <sup>1</sup>	3.80	TT63E	(C)
(c) Incoming Discount (additive per line) <sup>1,2</sup>	4.95	TT65E	(C)
(2) Business Line Options <sup>1</sup>			
(a) Discount (minimum per account) <sup>1</sup>	7.60	TT73E	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	10.80	TT75E	(C)

Note 1: Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route. (N)

Note 2: The Incoming Discount option monthly additive is per line number assigned in the added exchange.

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Miami, Florida

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

(C)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### 2. Authorized Plans (Cont'd)

###### k. Belle Glade to West Palm Beach (Cont'd)

###### (3) PBX Trunk Options<sup>1</sup>

(C)

	Monthly Rate	USOC	
(a) Discount (minimum per account) <sup>1</sup>	\$15.20	TT7PE	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT78E	(C)
(4) ESSX <sup>®</sup> service Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	15.20	TT7QE	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT79E	(C)
i. Stuart to West Palm Beach			
(1) Residence Options			
(a) Premium (additive per line)	10.85	TT61F	
(b) Discount (minimum per account) <sup>1</sup>	3.80	TT63F	(C)
(c) Incoming Discount (additive per line) <sup>1,2</sup>	4.95	TT65F	(C)
(d) Drop-back (per line) <sup>1</sup>	8.40	1SU	(C)
(2) Business Line Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	7.60	TT73F	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	10.80	TT75F	(C)
(c) Drop-back (per line) <sup>1</sup>	22.90	1S1	(C)
(3) PBX Trunk Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	15.20	TT7PF	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT78F	(C)
(4) ESSX <sup>®</sup> service Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	15.20	TT7QF	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT79F	(C)
m. Pahokee to West Palm Beach			
(1) Residence Options			
(a) Premium (additive per line)	10.85	TT61G	
(b) Discount (minimum per account) <sup>1</sup>	3.80	TT63G	(C)
(c) Incoming Discount (additive per line) <sup>1,2</sup>	4.95	TT65G	(C)
Note 1:	Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for		(N)
	this route.		
Note 2:	The Incoming Discount option monthly additive is per line number assigned in the added exchange.		

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FLORIDA  
ISSUED: May 15, 1995  
BY: Joseph P. Lacher, President - FL  
Miami, Florida

GEI

### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

(C)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### 2. Authorized Plans (Cont'd)

###### m. Pahokee to West Palm Beach (Cont'd)

###### (1) Residence Options (Cont'd)

(d) Drop-back (per line)<sup>1</sup>

Monthly  
Rate

USOC

\$7.70

1PU

(C)

###### (2) Business Line Options<sup>1</sup>

(a) Discount (minimum per account)<sup>1</sup>

7.60

TT73G

(C)

(b) Incoming Discount (additive per line)<sup>1,2</sup>

10.80

TT75G

(C)

(c) Drop-back (per line)<sup>1</sup>

20.80

1KB

(C)

###### (3) PBX Trunk Options<sup>1</sup>

(a) Discount (minimum per account)<sup>1</sup>

15.20

TT7PG

(C)

(b) Incoming Discount (additive per line)<sup>1,2</sup>

16.20

TT78G

(C)

###### (4) ESSX<sup>®</sup> service Options<sup>1</sup>

(a) Discount (minimum per account)<sup>1</sup>

15.20

TT7QG

(C)

(b) Incoming Discount (additive per line)<sup>1,2</sup>

16.20

TT79G

(C)

###### n. Hobe Sound to West Palm Beach

###### (1) Residence Options

(a) Premium (additive per line)

10.85

TT61H

(b) Discount (minimum per account)<sup>1</sup>

3.80

TT63H

(C)

(c) Incoming Discount (additive per line)<sup>1,2</sup>

4.95

TT65H

(C)

(d) Drop-back (per line)<sup>1</sup>

8.10

1WR

(C)

###### (2) Business Line Options<sup>1</sup>

(a) Discount (minimum per account)<sup>1</sup>

7.60

TT73H

(C)

(b) Incoming Discount (additive per line)<sup>1,2</sup>

10.80

TT75H

(C)

(c) Drop-back (per line)<sup>1</sup>

21.90

1WB

(C)

###### (3) PBX Trunk Options<sup>1</sup>

(a) Discount (minimum per account)<sup>1</sup>

15.20

TT7PH

(C)

(b) Incoming Discount (additive per line)<sup>1,2</sup>

16.20

TT78H

(C)

Note 1: Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route. (N)

Note 2: The Incoming Discount option monthly additive is per line number assigned in the added exchange.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

(C)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### 2. Authorized Plans (Cont'd)

###### n. Hobe Sound to West Palm Beach (Cont'd)

###### (4) ESSX® service Options<sup>1</sup>

(C)

	Monthly Rate	USOC	
(a) Discount (minimum per account) <sup>1</sup>	\$15.20	TT7QH	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT79H	(C)
o. St. Augustine to Jacksonville, Jacksonville Beach, Julington and Ponte Vedra Beach			(C)
(1) Residence Options			
(a) Premium (additive per line)	10.85	TT41Z	
p. St. Augustine to Jacksonville and Jacksonville Beach <sup>3</sup>			(C)
(1) Residence Options			
(a) Premium (See o. preceding)	-	NA	
(b) Discount (minimum per account) <sup>3</sup>	3.80	TT43Z	(C)
(c) Incoming Discount (additive per line) <sup>2,3</sup>	4.95	TT45Z	(C)
(2) Business Line Options <sup>3</sup>			(C)
(a) Discount (minimum per account) <sup>3</sup>	7.60	TT53Z	(C)
(b) Incoming Discount (additive per line) <sup>2,3</sup>	10.80	TT55Z	(C)
(3) PBX Trunk Options <sup>3</sup>			(C)
(a) Discount (minimum per account) <sup>3</sup>	15.20	TT5PZ	(C)
(b) Incoming Discount (additive per line) <sup>2,3</sup>	16.20	TT58Z	(C)

Note 1: Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route. (N)

Note 2: The Incoming Discount option monthly additive is per line number assigned in the added exchange.

Note 3: Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for these routes. (N)

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd) (C)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### 2. Authorized Plans (Cont'd)

###### p. St. Augustine to Jacksonville and Jacksonville Beach<sup>1</sup> (C)

###### (4) ESSX<sup>®</sup> service Options<sup>1</sup> (C)

	Monthly Rate	USOC	
(a) Discount (minimum per account) <sup>1</sup>	\$15.20	TT5QZ	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT59Z	(C)

###### q. North Dade to Ft. Lauderdale

###### (1) Residence Options

(a) Premium (additive per line)	6.80	TT61C	
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**Note 1:** Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for these routes. (N)

**Note 2:** The Incoming Discount option monthly additive is per line number assigned in the added exchange.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

(C)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### 2. Authorized Plans (Cont'd)

###### r. Boca Raton to Ft. Lauderdale

###### (1) Residence Options

	Monthly Rate	USOC	
(a) Premium (additive per line)	\$6.80	TT61J	
(b) Discount (minimum per account) <sup>1</sup>	2.20	TT63J	(C)
(c) Incoming Discount (additive per line) <sup>1,2</sup>	4.95	TT65J	(C)
(d) Drop-back (per line) <sup>1</sup>	8.80	1KE	(C)
(2) Business Line Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	4.40	TT73J	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	10.80	TT75J	(C)
(c) Drop-back (per line) <sup>1</sup>	23.85	1KF	(C)
(3) PBX Trunk Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	8.80	TT7PJ	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT78J	(C)
(4) ESSX <sup>®</sup> service Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	8.80	TT7QJ	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT79J	(C)

**Note 1:** Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route. (N)

**Note 2:** The Incoming Discount option monthly additive is per line number assigned in the added exchange.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Area Service (Cont'd)

(C)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### 2. Authorized Plans (Cont'd)

###### s. Hollywood to Miami

###### (1) Residence Options

	Monthly Rate	USOC	
(a) Premium (additive per line)	\$7.65	TT61L	
t. Delray Beach to West Palm Beach			
(1) Residence Options			
(a) Premium (additive per line)	6.80	TT61P	
(b) Discount (minimum per account) <sup>1</sup>	2.20	TT63P	(C)
(c) Incoming Discount (additive per line) <sup>1,2</sup>	4.95	TT65P	(C)
(d) Drop-back (per line) <sup>1</sup>	8.80	1KP	(C)
(2) Business Line Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	4.40	TT73P	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	10.80	TT75P	(C)
(c) Drop-back (per line) <sup>1</sup>	23.85	1OP	(C)

Note 1: Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route. (N)

Note 2: The Incoming Discount option monthly additive is per line number assigned in the added exchange.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### 2. Authorized Plans (Cont'd)

###### t. Delray Beach to West Palm Beach (Cont'd)

###### (3) PBX Trunk Options<sup>1</sup>

	Monthly Rate	USOC	
(a) Discount (minimum per account) <sup>1</sup>	\$8.80	TT7PP	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT78P	(C)
(4) ESSX <sup>®</sup> service Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	8.80	TT7QP	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT79P	(C)

Note 1: Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route. (N)

Note 2: The Incoming Discount option monthly additive is per line number assigned in the added exchange.

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Miami, Florida

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

(C)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### u. Big Pine to Key West

###### (1) Residence Options

	Monthly Rate	USOC	
(a) Premium (additive per line)	\$8.15	TT61M	
(b) Discount (minimum per account) <sup>1</sup>	3.80	TT63M	(C)
(c) Incoming Discount (additive per line) <sup>1,2</sup>	4.95	TT65M	(C)
(d) Drop-back (per line) <sup>1</sup>	7.70	1KT	(C)
(2) Business Line Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	7.60	TT73M	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	10.80	TT75M	(C)
(c) Drop-back (per line) <sup>1</sup>	20.80	10M	(C)
(3) PBX Trunk Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	15.20	TT7PM	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT78M	(C)
(4) ESSX <sup>®</sup> service Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	15.20	TT7QM	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT79M	(C)

Note 1: Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route. (N)

Note 2: The Incoming Discount option monthly additive is per line number assigned in the added exchange.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### 2. Authorized Plans (Cont'd)

###### v. North Key Largo to Miami

###### (1) Residence Options

	Monthly Rate	USOC	
(a) Premium (additive per line)	\$12.20	TT61K	
(b) Discount (minimum per account) <sup>1</sup>	3.80	TT63K	(C)
(c) Incoming Discount (additive per line) <sup>1,2</sup>	4.95	TT65K	(C)
(d) Drop-back (per line) <sup>1</sup>	7.30	1KR	(C)
(2) Business Line Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	7.60	TT73K	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	10.80	TT75K	(C)
(c) Drop-back (per line) <sup>1</sup>	19.80	1OK	(C)
(3) PBX Trunk Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	15.20	TT7PK	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT78K	(C)
(4) ESSX <sup>®</sup> service Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	15.20	TT7QK	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT79K	(C)

###### w. North Key Largo to Homestead

###### (1) Residence Options

(a) Premium (additive per line)	5.40	TT61D	
(b) Discount (minimum per account) <sup>1</sup>	2.20	TT63D	(C)
(c) Incoming Discount (additive per line) <sup>1,2</sup>	4.95	TT65D	(C)
(d) Drop-back (per line) <sup>1</sup>	7.30	1KR	(C)
(2) Business Line Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	4.40	TT73D	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	10.80	TT75D	(C)
(c) Drop-back (per line) <sup>1</sup>	19.80	1OK	(C)
(3) PBX Trunk Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	8.80	TT7PD	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT78D	(C)

Note 1: Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route. (N)

Note 2: The Incoming Discount option monthly additive is per line number assigned in the added exchange.

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**A3. BASIC LOCAL EXCHANGE SERVICE**

**A3.7 Extended Local Service (Cont'd)**

(C)

**A3.7.2 Enhanced Optional Extended Area Service (Cont'd)**

**B. Rates and Charges (Cont'd)**

**2. Authorized Plans (Cont'd)**

**w. North Key Largo to Homestead (Cont'd)**

**(4) ESSX® service Options<sup>1</sup>**

(C)

	<b>Monthly Rate</b>	<b>USOC</b>	
(a) Discount (minimum per account) <sup>1</sup>	<b>\$8.80</b>	<b>TT7QD</b>	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	<b>16.20</b>	<b>TT79D</b>	(C)
<b>x. Ft. George to Jacksonville Beach</b>			(T)
<b>(1) Residence Options</b>			
(a) Premium (additive per line)	<b>5.40</b>	<b>TT41B</b>	
(b) Discount (minimum per account) <sup>1</sup>	<b>2.20</b>	<b>TT43B</b>	(C)
(c) Incoming Discount (additive per line) <sup>1,2</sup>	<b>4.95</b>	<b>TT45B</b>	(C)
(d) Drop-back (per line) <sup>1</sup>	<b>7.30</b>	<b>2AR</b>	(C)
<b>(2) Business Line Options<sup>1</sup></b>			(C)
(a) Discount (minimum per account) <sup>1</sup>	<b>4.40</b>	<b>TT53B</b>	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	<b>10.80</b>	<b>TT55B</b>	(C)
(c) Drop-back (per line) <sup>1</sup>	<b>19.80</b>	<b>2AB</b>	(C)

**Note 1:** Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route.

(N)

**Note 2:** The Incoming Discount option monthly additive is per line number assigned in the added exchange.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### 2. Authorized Plans (Cont'd)

###### x. Ft. George to Jacksonville Beach (Cont'd)

###### (3) PBX Trunk Options<sup>1</sup>

(a) Discount (minimum per account)<sup>1</sup>

Monthly  
Rate

\$8.80

USOC

TT5PB

(b) Incoming Discount (additive per line)<sup>1,2</sup>

16.20

TT58B

###### (4) ESSX<sup>®</sup> service Options<sup>1</sup>

(a) Discount (minimum per account)<sup>1</sup>

8.80

TT5QB

(b) Incoming Discount (additive per line)<sup>1,2</sup>

16.20

TT59B

###### y. Key Largo to Miami, Perrine and Homestead

###### (1) Residence Options

(a) Premium (additive per line)

12.20

TT41C

(b) Discount (minimum per account)<sup>1</sup>

3.80

TT43C

(c) Incoming Discount (additive per line)<sup>1,2</sup>

4.95

TT45C

###### (2) Business Line Options<sup>1</sup>

(a) Discount (minimum per account)<sup>1</sup>

7.60

TT53C

(b) Incoming Discount (additive per line)<sup>1,2</sup>

10.80

TT55C

###### (3) PBX Trunk Options<sup>1</sup>

(a) Discount (minimum per account)<sup>1</sup>

15.20

TT5PC

(b) Incoming Discount (additive per line)<sup>1,2</sup>

16.20

TT58C

###### (4) ESSX<sup>®</sup> service Options<sup>1</sup>

(a) Discount (minimum per account)<sup>1</sup>

15.20

TT5QC

(b) Incoming Discount (additive per line)<sup>1,2</sup>

16.20

TT59C

###### z. Sunny Hills to Panama City Beach and Lynn Haven

###### (1) Residence Options

(a) Premium (additive per line)

8.60

TT41D

Note 1: Deleted coincident with the effective date of Extended Calling Service (se A3.7.3) for this route.

Note 2: The Incoming Discount option monthly additive is per line number assigned in the added exchange.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### 2. Authorized Plans (Cont'd)

###### aa. Sunny Hills to Panama City Beach<sup>1</sup>

###### (1) Residence Options<sup>1</sup>

	Monthly Rate	USOC	
(a) Premium (See z. preceding)	\$-	NA	(T)
(b) Discount (minimum per account) <sup>1</sup>	3.80	TT43D	(C)
(c) Incoming Discount (additive per line) <sup>1,2</sup>	4.95	TT45D	(C)
(d) Drop-back (per line) <sup>1</sup>	7.30	2ER	(C)
(2) Business Line Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	7.60	TT53D	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	10.80	TT55D	(C)
(c) Drop-back (per line) <sup>1</sup>	19.80	2EB	(C)
(3) PBX Trunk Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	15.20	TT5PD	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT58D	(C)
(4) ESSX <sup>®</sup> service Options <sup>1</sup>			(C)
(a) Discount (minimum per account) <sup>1</sup>	15.20	TT5QD	(C)
(b) Incoming Discount (additive per line) <sup>1,2</sup>	16.20	TT59D	(C)

###### ab. Keystone Heights to Gainesville

###### (1) Residence Options

(a) Premium (additive per line)	5.80	TT41E	
---------------------------------	------	-------	--

**Note 1:** Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route. (N)

**Note 2:** The Incoming Discount option monthly additive is per line number assigned in the added exchange.

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BY: Joseph P. Lacher, President - FL  
Miami, Florida

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

##### A3.7.2 Enhanced Optional Extended Area Service (Cont'd)

###### B. Rates and Charges (Cont'd)

###### 2. Authorized Plans (Cont'd)

###### ac. Oak Hill to Daytona Beach

###### (1) Residence Options

###### (a) Premium (additive per line)

Monthly Rate	USOC
\$9.25	TT41F

###### ad. Newberry to Trenton

###### (1) Residence Options

###### (a) Premium (additive per line)

4.70	TT41G
------	-------

###### ae. Trenton to Gainesville and Newberry

###### (1) Residence Options

###### (a) Premium (additive per line)

9.25	TT41H
------	-------

###### af. Trenton to Gainesville<sup>1</sup>

###### (1) Residence Options<sup>1</sup>

###### (a) Discount (minimum per account)<sup>1</sup>

3.80	TT43H
------	-------

###### (b) Incoming Discount (additive per line)<sup>1,2</sup>

4.95	TT45H
------	-------

###### (2) Business Line Options<sup>1</sup>

###### (a) Discount (minimum per account)<sup>1</sup>

7.60	TT53H
------	-------

###### (b) Incoming Discount (additive per line)<sup>1,2</sup>

10.80	TT55H
-------	-------

###### (3) PBX Trunk Options<sup>1</sup>

###### (a) Discount (minimum per account)<sup>1</sup>

15.20	TT5PH
-------	-------

###### (b) Incoming Discount (additive per line)<sup>1,2</sup>

16.20	TT58H
-------	-------

###### (4) ESSX<sup>®</sup> service Options<sup>1</sup>

###### (a) Discount (minimum per account)<sup>1</sup>

15.20	TT5QH
-------	-------

###### (b) Incoming Discount (additive per line)<sup>1,2</sup>

16.20	TT59H
-------	-------

**Note 1:** Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route. (N)

**Note 2:** The Incoming Discount option monthly additive is per line number assigned in the added exchange.

Material appearing on this page previously appeared on page(s) 39.23 of this section

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.7 Extended Local Service (Cont'd)

(C)

##### A3.7.3 Extended Calling Service (ECS)

(C)

###### A. General

(T)(M)

1. Extended Calling Service (ECS) provides usage based pricing for customer dialed or operator assisted calls to *selected exchanges within the customer's LATA.* (C)(M)
2. ECS is provided by the Company between exchanges specified in *A3.3.1 preceding.* Provision of ECS is subject to the availability of facilities and billing capabilities. (C)(M)
3. ECS applies to all business and residence individual lines; PBX Trunk lines; ESSX® service/other NARS; Foreign Exchange Service and Remote Call Forwarding lines *within the exchanges where it is available.* (C)(M)
4. Calls placed from Company Owned Public and Semi-Public Telephones *are* billed as specified in A7.1.4.A and A7.2.4.B. (T)(M)
5. Access lines from Non-Local Exchange Company Pay Telephone Service (NPATS) *are* provided and billed as specified in A7.4.5.A.1.c. (T)(M)
6. Enhanced Optional Extended Area Service (EOEAS) customers with the *Residence Premium* option will not be billed Extended Calling Service *usage charges.* *Optional Extended Local Calling customers in the Daytona Beach and New Smyrna Beach exchanges will not be billed Extended Calling Service usage charges.* (C)(M)

###### B. Usage Charges

(T)(M)

1. Station-to-Station rates for calls to the Extended Calling Service exchanges. (T)(M)

		<b>Price</b>	<b>USOC</b>	
(a)	Residential - per message charge	<b>\$25</b>	<b>NA</b>	<b>(M)</b>
		<b>Initial Minute or Fraction Thereof</b>	<b>Additional Minute, Each or Fraction Thereof</b>	<b>USOC</b>
(b)	Business - per minute charge	<b>\$10</b>	<b>\$06</b>	<b>NA (C)(M)</b>

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.8 Local Exceptions

The rates and regulations for the classes of service following are specified in this Tariff with the exceptions indicated.

(M)

(M)

##### A3.8.1 Cantonment

###### A. Clear Springs and Gateswood, Alabama

1. Exchange service for Clear Springs and Gateswood, Alabama is provided from the Cantonment Exchange. Regulations and rates are as specified for the Cantonment Exchange.

##### A3.8.2 Reserved for Future Use

##### A3.8.3 Cocoa

###### A. Optional Measured Service

1. Application and Regulations
  - a. Subscribers in the Cocoa exchange may subscribe to optional measured service, where facilities permit.
  - b. Residence and business telephone subscribers may select flat-rate service or optional measured service.
  - c. Optional measured service usage charges will not apply to calls to the Company Business Office, Repair Service, 911 Emergency Service, or Directory Assistance.
  - e. The residence offering will not be available with rotary, or line hunting, features.
  - f. Optional measured service will not be provided on the same premises with any other service offering, such as semipublic coin telephone service, foreign exchange service, message rate or flat rate service, except for nonadministrative inward terminations at a telephone answering bureau.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.8 Local Exceptions (Cont'd)

##### A3.8.7 Delray Beach (Cont'd)

###### A. Measured Service (Cont'd)

###### 1. Application and Regulations (Cont'd)

- b. Normal service charge application will not apply for one customer conversion from a measured service offering. All other regular tariff charges will apply as appropriate except for those measured service exceptions listed herein.
- c. Measured service usage charges will not apply to calls to the Company Business Office, Repair Service, 911 Emergency Service, or for Directory Assistance.
- d. Any combinations of measured rate, flat rate, or message rate services will not be allowed on the same premises, with the exception of:
  - (1) The nonadministrative, inward terminations at a Telephone Answering Bureau.
  - (2) A flat rate Foreign Exchange line which is switched at a location outside the local calling area of the normal serving exchange.
  - (3) The selection of either flat rate service, message rate service, or measured rate service for all administrative lines of a Miscellaneous Common Carrier or Radio Common Carrier.
  - (4) Premises where semipublic or public telephones may be located.
  - (5) The termination of both Low Use Measured and Basic Measured Service at the same premises.
- e. The following services are not offered the option of subscribing to measured local exchange service:
  - (1) Hotel/Motel
  - (2) Hospital
  - (3) Nonadministrative lines of Miscellaneous Common Carriers and Radio Common Carriers.
  - (4) Centrex
  - (5) Foreign exchange
  - (6) Foreign central office
- f. Extended Calling Service (ECS) supersedes Measured Service for calls to ECS additional exchanges listed in A3.3.1, Local Calling Areas. See A3.7.3 for ECS regulations and rates. (N)

###### 2. Rates

- a. The Delray Beach local calling area will be subdivided into two tiers for measured service calling. Tier one will include the Delray Beach, Boynton Beach, and Boca Raton exchanges. Tier two will be the Deerfield Beach exchange.
- b. For purposes of this measured service offering, the maximum measured service monthly billing will not exceed 125 percent of the current flat rate charges for the comparable service.
- c. The low use offering will not be available with rotary, or line hunting, service features.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.8 Local Exceptions (Cont'd)

##### A3.8.8 Eau Gallie -

A. Private line services and channels between the Eau Gallie exchange and the Melbourne exchange will be provided under the regulations and at the rates specified in the Florida Private Line Service Tariff for intraexchange arrangements.

B. Optional Measured Service

1. Application and Regulations

- a. Subscribers in the Eau Gallie exchange may subscribe to optional measured service, where facilities permit.
- b. Residence and business telephone subscribers will have the option of selecting flat-rate service or optional measured service.
- c. Optional measured service usage charges will not apply to calls to the Company Business Office, Repair Service, 911 Emergency Service, or Directory Assistance.
- d. The residence offering will not be available with rotary, or line hunting, features.
- e. Optional measured service will not be provided on the same premises with any other service offering, such as semipublic coin telephone service, foreign exchange service, message rate or flat rate service, except for nonadministrative inward terminations at a telephone answering bureau.
- f. Optional measured service will not be offered in connection with foreign exchange and/or foreign central office service.
- g. Individual business line message rate service will no longer be offered to new customers in the Eau Gallie exchange. Existing customers may retain this service at their present location.
- h. Extended Calling Service (ECS) supersedes Optional Measured Service for calls to ECS additional exchanges listed in A3.3.1, Local Calling Areas. See A3.7.3 for ECS regulations and rates. (N)

2. Rates: Eau Gallie - East

- a. The local calling area of that part of the Eau Gallie exchange which is east of the Indian River will be subdivided into two bands for optional measured service calling. Band one will include the Eau Gallie, Cocoa Beach, and Melbourne exchanges and that part of the Cocoa exchange which is east of the Indian River. Band two will be that part of the Cocoa exchange which is west of the Indian River.
- b. The following monthly rates are applicable to individual line optional measured rate service.

(1) Residence Measured

	Monthly Rate	USOC
(a) Per two-way line	\$5.30	1MS++
(b) Per outgoing only line <sup>1</sup>	5.30	OMS
(2) Business Measured		
(a) Per two-way line	14.65	1MG++
(b) Per two-way line with rotary or line hunting service	19.90	1MH++
(c) Per outgoing only line <sup>1</sup>	14.65	OMH

c. Usage Allowance associated with measured service

(1) Residence Measured

	Usage Allowance	USOC
(a) Per month	\$3.00	NA

Note 1: See A3.29 for Outgoing Only Service regulations.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.8 Local Exceptions (Cont'd)

##### A3.8.11 Green Cove Springs (Cont'd)

###### A. Measured Service (Cont'd)

###### 1. Application and Regulations (Cont'd)

###### h. (Cont'd)

- (3) The selection of either flat rate service, message rate service, or measured rate service for all administrative lines of a Miscellaneous Common Carrier or Radio Common Carrier.
- (4) Premises where semipublic or public telephones may properly be located.
- (5) The termination of both Low Use Measured and Basic Measured Service at the same premise. Under no circumstances will Combination Unmeasured and Measured Service be permitted at the same premises as Low Use Measured, Basic Measured, or Unlimited Service.

###### i. The following services are not offered the option of subscribing to measured local exchange service: calling will be unmeasured to Tier 1 locations and intrastate toll rates will apply to calls to Tier 2 and 3 locations.

- (1) Hotel/Motel
- (2) Hospital
- (3) Nonadministrative lines of Miscellaneous Common Carriers and Radio Common Carriers.
- (4) Centrex
- (5) Coin

###### j. Extended Calling Service (ECS) supersedes Measured Service for calls to ECS additional exchanges listed in A3.3.1, Local Calling Areas. See A3.7.3 for ECS regulations and rates.

(N)

###### 2. Rates and Charges

- a. The Green Cove Springs local calling area will be subdivided into three tiers for measured service calling. Tier one will include the Green Cove Springs<sup>1</sup> exchange. Tier 2 will be the Middleburg, Orange Park, and Julington<sup>2</sup> exchanges. Tier three will be the Jacksonville and Maxville exchanges.
- b. For purposes of this pilot measured service offering, the monthly local exchange service bill for residence or business measured services cannot exceed a maximum bill equal to 125% of the comparable Unlimited basic exchange service rate. Specifically, a local usage maximum will apply to Combination service, as well as the fully measured options.
- c. The low use offering will not be available with rotary, or line hunting, service features.
- d. Where a subscriber contracts for two or more individual measured rate lines on the same premises and agrees to grouped billing, the amount of monthly measured rate allowance per line, as specified following, will be multiplied by the number of such measured rate lines and measured usage in excess of this product will be billed at the measured charges as indicated following. PBX trunks serving the same PBX and group billed will also have the allowance multiplied by the number of trunks so billed in determining the measured charges. All lines or trunks included for such allowances must have the same central office designation and be of the same class of service.

**Note 1:** Penney Farms is combined with the Green Cove Springs exchange effective October 24, 1988.

**Note 2:** The Mandarin exchange area will be subdivided; a portion becoming part of the Jacksonville exchange area, the remainder is renamed the Julington exchange, effective June 27, 1987.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.8 Local Exceptions (Cont'd)

##### A3.8.14 Jupiter (Cont'd)

###### A. Measured Service (Cont'd)

###### 1. Application and Regulations (Cont'd)

###### d. (Cont'd)

- (3) The selection of either flat rate service, message rate service, or measured rate service for all administrative lines of a Miscellaneous Common Carrier or Radio Common Carrier.
- (4) Premises where semi-public or public telephones may be located.
- (5) The termination of both Low Use Measured and Basic Measured Service at the same premise.

###### e. The following services are not offered the option of subscribing to measured local exchange service:

- (1) Hotel/Motel
- (2) Hospital
- (3) Nonadministrative lines of Miscellaneous Common Carriers and Radio Common Carriers
- (4) Centrex
- (5) Foreign exchange
- (6) Foreign central office

###### f. Extended Calling Service (ECS) supersedes Measured Service for calls to ECS additional exchanges listed in A3.3.1, Local Calling Areas. See A3.7.3 for ECS regulations and rates.

(N)

###### 2. Rates

- a. The Jupiter local calling area will be subdivided into three tiers for measured service calling. Tier one will include the Jupiter, Hobe Sound exchanges and the north zone of the West Palm Beach exchange (Riviera and Gardens wire centers). Tier two will be the central zone of the West Palm Beach exchange (Haverhill, Royal Palm Beach, and W.P.B. - Main wire centers). Tier three will be the south zone of the West Palm Beach exchange (Greenacres and Lake Worth wire centers).
- b. For purposes of this measured service offering, the maximum measured service monthly billing will not exceed 125 percent of the current flat rate charges for the comparable service.
- c. The low use offering will not be available with rotary, or line hunting, service features.
- d. Where a subscriber contracts for two or more individual measured rate lines on the same premises and agrees to grouped billing, the amount of monthly measured rate allowance per line, as specified following, will be multiplied by the number of such measured rate lines and measured usage in excess of this product will be billed at the measured charges as indicated following. PBX trunks serving the same PBX and group billed will also have the allowance multiplied by the number of trunks so billed in determining the measured charges. All lines or trunks included for such allowances must have the same central office designation and be of the same class of service.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.8 Local Exceptions (Cont'd)

##### A3.8.16 Melbourne

A. Private line services and channels between the Melbourne exchange and the Eau Gallie exchange will be provided under the regulations and at the rates specified in the Florida Private Line Service Tariff for intraexchange arrangements.

B. Optional Measured Service

1. Application and Regulations

- a. Subscribers in the Melbourne exchange may subscribe to optional measured service, where facilities permit.
- b. Residence and business telephone subscribers may select flat-rate service or optional measured service.
- c. Optional measured service usage charges will not apply to calls to the Company Business Office, Repair Service, 911 Emergency Service, or Directory Assistance.
- d. The residence offering will not be available with rotary, or line hunting, features.
- e. Optional measured service will not be provided on the same premises with any other service offering, such as semipublic coin telephone service, foreign exchange service, message rate or flat rate service, except for nonadministrative inward terminations at a telephone answering bureau.
- f. Optional measured service will not be offered in connection with foreign exchange and/or foreign central office service.
- g. Individual business line message rate service will no longer be offered to new subscribers in the Melbourne exchange. Existing customers may retain this service at their present location.
- h. Extended Calling Service (ECS) supersedes Measured Service for calls to ECS additional exchanges listed in A3.3.1, Local Calling Areas. See A3.7.3 for ECS regulations and rates. (N)

2. Rates

- a. The Melbourne local calling area will be subdivided into two bands for optional measured service calling. Band one will include the Melbourne, Eau Gallie, and Sebastian exchanges. Band two will be the Cocoa and Cocoa Beach exchanges.
- b. The following monthly rates are applicable to individual line optional measured rate service.
  - (1) Residence Measured

	Monthly Rate	USOC
(a) Per two-way line	\$5.30	1MS++
(b) Per outgoing only line <sup>1</sup>	5.30	OMS
(2) Business Measured		
(a) Per two-way line	14.65	1MG++
(b) Per two-way line with rotary or line hunting service	19.90	1MH++
(c) Per outgoing only line <sup>1</sup>	14.65	OMH

Note 1: See A3.29 for Outgoing Only Service regulations.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.8 Local Exceptions (Cont'd)

##### A3.8.17 Miami (Cont'd)

###### A. Aircom Service for Miami International Airport (Cont'd)

###### 5. Rates (Cont'd)

- k. A special AIRCOM directory will be provided based on estimated costs for each issue. The total estimated costs will be prorated to each customer on the basis of the ratio of directory copies ordered by that customer to the total copies printed for all customers combined.

###### B. Measured Service - Metro Central Office

###### 1. Application and Regulations

- a. The Metro Central Office of the Miami exchange is a pilot location of the measured service pricing concept and the subscribers in the Miami-Metro office having one of the local measured service options as of December 1, 1981, may retain that same service as long as this Tariff is in effect. New connections of the residence low use measured or residence or business measured options will not be permitted after this date. The combination option will continue to be available as long as this Tariff is in effect.
- b. Normal service charge application will not apply for one customer conversion from a measured service offering. All other regular tariff charges will apply as appropriate except for those measured service exceptions listed herein.
- c. Measured service usage charges will not apply to calls to the Company Business Office, Repair Service, 911 Emergency Service, or for Directory Assistance.
- d. Any combinations of measured rate, flat rate, or message rate services will not be allowed on the same premises, with the exception of:
  - (1) The nonadministrative, inward terminations at a Telephone Answering Bureau.
  - (2) A flat rate Foreign Exchange line which is switched at a location outside the local calling area of the normal serving exchange.
  - (3) The selection of either flat rate service, message rate service, or measured rate service for all administrative lines of a Miscellaneous Common Carrier or Radio Common Carrier.
  - (4) Premises where semi-public or public telephones may properly be located.
  - (5) The termination of both Low Use Measured and Basic Measured Service at the same premise. Under no circumstances will a Combination Unmeasured and Measured Service be permitted at the same premise as a Low Use Measured, Basic Measured, or Unlimited Service.
- e. The following services are not offered the option of subscribing to measured local exchange service:
  - (1) Hotel/Motel
  - (2) Hospital
  - (3) Nonadministrative lines of Miscellaneous Common Carriers and Radio Common Carriers
  - (4) Centrex
  - (5) Foreign Exchange
  - (6) Foreign central office
- f. Extended Calling Service (ECS) supersedes Measured Service for calls to ECS additional exchanges listed in A3.3.1, Local Calling Areas. See A3.7.3 for ECS regulations and rates. (N)

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.8 Local Exceptions (Cont'd)

##### A3.8.18 Orange Park (Cont'd)

###### A. Measured Service (Cont'd)

###### 1. Application and Regulations (Cont'd)

c. The following services will retain exactly the same service arrangements and rate treatments as are in effect immediately prior to the initial effective date of the measured service offering in this exchange, that is, unmeasured calling to Tier 1 locations and intrastate toll rates to Tier 2 locations:

- (1) Hotel/Motel
- (2) Hospital
- (3) Nonadministrative lines of Miscellaneous Common Carriers and Radio Common Carriers.
- (4) Centrex
- (5) Foreign Exchange
- (6) Coin

f. Extended Calling Service (ECS) supersedes Measured Service for calls to ECS additional exchanges listed in A3.3.1, Local Calling Areas. See A3.7.3 for ECS regulations and rates. (N)

###### 2. Rates

a. The Orange Park local calling area will be subdivided into two tiers for measured service calling. Tier one will include the Jacksonville, Middleburg, Julington, Maxville and Orange Park exchanges. Tier two will be the Green Cove Springs exchange.

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.8 Local Exceptions (Cont'd)

##### A3.8.22 Reserved for Future Use

##### A3.8.23 Titusville

###### A. Optional Measured Service

###### 1. Application and Regulations

- a. Subscribers in the Titusville exchange may subscribe to optional measured service where facilities permit.
- b. Residence and business telephone subscribers may select flat-rate service or optional measured service.
- c. Optional measured service usage charges will not apply to calls to the Company Business Office, Repair Service, 911 Emergency Service, or Directory Assistance.
- d. The residence offering will not be available with rotary, or line hunting, features.
- e. Optional measured service will not be provided on the same premises with any other service offering, such as semipublic coin telephone service, foreign exchange service, message rate or flat-rate service, except for nonadministrative inward terminations at a telephone answering bureau.
- f. Optional measured service will not be offered in connection with foreign exchange and/or foreign central office service.
- g. Individual business line message rate service will no longer be offered to new subscribers in the Titusville exchange. Existing customers may retain this service at their present location.
- h. Extended Calling Service (ECS) supersedes Optional Measured Service for calls to ECS additional exchanges listed in A3.3.1, Local Calling Areas. See A3.7.3 for ECS regulations and rates. (N)

###### 2. Rates

- a. The Titusville local calling area will be subdivided into two bands for optional measured service calling. Band one will include the Titusville and Cocoa exchanges. Band two will be the Cocoa Beach exchange.
- b. The following monthly rates are applicable to individual line optional measured rate service.

###### (1) Residence Measured

	Monthly Rate	USOC
(a) Per two-way line	\$5.10	1MS++
(b) Per outgoing only line <sup>1</sup>	5.10	OMS

###### (2) Business Measured

(a) Per two-way line	14.15	1MG++
(b) Per two-way line with rotary or line hunting service	19.22	1MH++
(c) Per outgoing only line <sup>1</sup>	14.15	OMH

Note 1: See A3.29 for Outgoing Only Service regulations.

<sup>#</sup> d/b/a SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

## A3. BASIC LOCAL EXCHANGE SERVICE

### A3.8 Local Exception (Cont'd)

#### A3.8.25 Jensen Beach

##### A. Theoretical Central Offices

Determination of charges where such determination is based on the location of the central office, will be from either the actual switching central office or from the following theoretical central office locations.

For customers with 225 or 334 numbers, Skyline Drive and Commercial Street.

For customers with 692 numbers, Britt Road and Highway U.S. No. 1.

#### A3.8.26 Daytona Beach

##### A. Optional Extended Local Calling Between Daytona Beach and New Smyrna Beach

###### 1. General

- a. Optional Extended Local Calling (OELC) provides for optional 2-way flat rate service for customer dialed station-to-station calls between telephones served from the Daytona Beach exchange and those served from the New Smyrna Beach exchange. OELC customers will not be billed Local Calling Plus or Extended Calling Service rates. See A3.8.50 or A3.7.3 for rates and regulations. (C)
- b. A customer who subscribes to OELC may dial 7-digit calls to New Smyrna Beach on a flat rate basis and 7-digit calls to his number from New Smyrna Beach will be at no charge to the calling party.
- c. Credit card calls and calls that require the assistance of an operator for completion are not eligible under the OELC plan. Such calls will be charged for at the appropriate long distance rate except that an operator will reestablish an eligible call that is interrupted due to facilities or poor transmission.
- d. OELC is available on all individual line residence, individual line business, residence and business trunks exchange service except those specifically excluded in 1.e. following. All lines with originating service capability in the account terminating in the same system or the same premises must subscribe to the option.
- e. OELC is not available with either Message Rate Service, Semi-Public Telephone Service or Public Telephone Access Lines. Resale of this service is prohibited as set forth in A2.2.1 of this Tariff.
- f. OELC is not subject to suspension.
- g. The minimum service period is one month.
- h. OELC will be made effective or disconnected on the service date requested with fractional billing applied if applicable.
- i. OELC is furnished subject to all applicable regulations in Section A2. of this Tariff except as stated in 1.a. through 1.h. preceding.

###### 2. Directory Listings

- a. Subscribers to OELC are entitled to one listing in the New Smyrna Beach directory at no charge.
- b. The listing will contain sufficient wording to advise New Smyrna Beach callers that the Daytona Beach OELC subscriber can be called toll free.
- c. Subscribers to OELC who are listed in the New Smyrna Beach exchange directory will have their telephone number changed with no referral of calls if the OELC service is discontinued for other than a complete disconnect of exchange service. Once disconnected, the number will not be reassigned to the same subscriber unless OELC is reinstated.

\* d/b/a SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

BELLSOUTH  
TELECOMMUNICATIONS, INC.\*  
FLORIDA  
ISSUED: May 15, 1995  
BY: Joseph P. Lacher, President - FL  
Miami, Florida

GEN Southern Bell Tel. & Tel. Co.  
FPSC Docket No. 920260-TL  
Witness: Stanley  
Exhibit No. \_\_\_\_\_ (JAS-1)  
Page 71 of 77

Sixth Revised Page 83.1  
Cancels Fifth Revised Page 83.1

EFFECTIVE: October 1, 1995

### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.8 Local Exception (Cont'd)

##### A3.8.26 Daytona Beach (Cont'd)

###### A. Optional Extended Local Calling Between Daytona Beach and New Smyrna Beach (Cont'd)

2. Directory Listings (Cont'd)
- c. (Cont'd)

Calls will be referred if the subscriber transfers and continues the service.

###### 3. Rates

- a. Monthly rates listed following are subject to change if either exchange is reclassified based on a change in the number of access lines.
- b. Nonrecurring service charges are applicable to this service offering as described in Section A4. of this Tariff.
- c. The following rates apply for Daytona Beach subscribers of OELC to New Smyrna Beach. These rates are in addition to the applicable local exchange service flat rates with which OELC is associated.

###### (1) Two-Way Service

	Monthly Rate	USOC
(a) Residence individual line, each	\$7.52	OSIFA
(b) Business individual line, each	17.96	OSIFB
(c) Residence PBX Trunk, each	16.54	OSIFC
(d) Business PBX Trunk, each	39.51	OSIFD
(e) Network Access Registers (NAR)	18.18	OSIFF

##### A3.8.27 New Smyrna Beach

###### A. Optional Extended Local Calling Between New Smyrna Beach and Daytona Beach

###### 1. General

- a. Optional Extended Local Calling (OELC) provides for optional 2-way flat rate service for customer dialed station-to-station calls between telephones served from the New Smyrna Beach exchange and those served from the Daytona Beach exchange. OELC customers will not be billed Local Calling Plus or Extended Local Calling rates. See A3.8.50 or A3.7.3 for rates and regulations. (C)
- b. A customer who subscribes to OELC may dial 7-digit calls to Daytona Beach on a flat rate basis and 7-digit calls to his number from Daytona Beach will be at no charge to the calling party.
- c. Credit card calls and calls that require the assistance of an operator for completion are not eligible under the OELC plan. Such calls will be charged for at the appropriate long distance rate except that an operator will reestablish an eligible call that is interrupted due to facilities or poor transmission.
- d. OELC is available on all individual line residence, individual line business, residence and business trunks exchange service except those specifically excluded in 1.e. following. All lines with originating service capability in the account terminating in the same system or the same premises must subscribe to the option.
- e. OELC is not available with either Message Rate Service, Semi-Public Telephone Service or Public Telephone Access Lines. Resale of this service is prohibited as set forth in A2.2.1 of this Tariff.
- f. OELC is not subject to suspension.

\* d/b/a SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

BELLSOUTH  
TELECOMMUNICATIONS, INC.\*  
FLORIDA  
ISSUED: May 15, 1995  
BY: Joseph P. Lacher, President - FL  
Miami, Florida

Southern Bell Tel. & Tel. Co.  
FPSC Docket No. 920260-TL  
GENE Witness: Stanley  
Exhibit No. \_\_\_\_\_ (JAS-1)  
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DIFF

Seventh Revised Page 83.2.13  
Cancels Sixth Revised Page 83.2.13

EFFECTIVE: October 1, 1995

### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.8 Local Exception (Cont'd)

A3.8.45 Reserved for Future Use

A3.8.46 Reserved for Future Use

A3.8.47 Milton

A. Optional Calling Service from Milton to Holley-Navarre<sup>1</sup>

(C)

1. General

This calling plan allows Milton subscribers the option of placing toll calls to Holley-Navarre with a discount of 30 percent applied to the direct dial rate appropriate for the period in which the call was made.

Note 1: Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route.

(N)

\* d/b/a SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

BELLSOUTH  
TELECOMMUNICATIONS, INC. #  
FLORIDA  
ISSUED: May 15, 1995  
BY: Joseph P. Lacher, President - FL  
Miami, Florida

GEI Southern Bell Tel. & Tel. Co. ARIFF  
FPSC Docket No. 920260-TL  
Witness: Stanley  
Exhibit No. \_\_\_\_\_ (JAS-1)  
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Third Revised Page 83.2.14  
Cancels Second Revised Page 83.2.14  
EFFECTIVE: October 1, 1995

### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.8 Local Exception (Cont'd)

##### A3.8.47 Milton (Cont'd)

###### A. Optional Calling Service from Milton to Holley-Navarre<sup>1</sup> (Cont'd)

###### 1. General (Cont'd)

When a customer subscribes to this service, the rate remains in effect for a minimum of one billing cycle period for that customer. Thereafter, it will remain in effect until discontinued by the customer with such ending period coinciding with the customer's billing cycle.

The service is available only to individual line Residence and Business services. It is not available on semipublic, Public Access Telephone or FX services.

As covered in A2.2.1.B. of this Tariff, the resale of this service is not permitted.

###### 2. Rates

Service charges as applicable in Section A4. of this Tariff will apply on a per account basis for changes to and from the service.

Minimum monthly rates as indicated following will apply.

###### a. Minimum Rate Per Month

###### (1) Per Account

	Monthly Rate	USOC
(a) Residence	\$3.25	OC181
(b) Business	5.85	OC182

##### A3.8.48 Jacksonville Beach

###### A. Optional Calling Service from Jacksonville Beach to Ft. George<sup>1</sup>

###### 1. General

This calling plan allows Jacksonville Beach subscribers the option of placing toll calls to Ft. George with a discount of 30% applied to the direct dial rate appropriate for the period in which the call was made.

When a customer subscribes to this service, the rate remains in effect for a minimum of one billing cycle period for that customer. Thereafter, it will remain in effect until discontinued by the customer with such ending period coinciding with the customer's billing cycle.

The service is available only to individual line Residence and Business services. It is not available on semipublic, Public Access Telephone or FX services.

As covered in A2.2.1.B. of this Tariff, the resale of this service is not permitted.

###### 2. Rates

Service charges as applicable in Section A4. of this Tariff will apply on a per account basis for changes to and from the service.

Minimum monthly rates as indicated following will apply.

###### a. Minimum Rate Per Month

###### (1) Per Account

(a) Residence	3.25	OC158
(b) Business	5.85	OC159

Note 1: Deleted coincident with the effective date of Extended Calling Service (see A3.7.3) for this route.

BELLSOUTH  
TELECOMMUNICATIONS, INC.\*  
FLORIDA  
ISSUED: May 15, 1995  
BY: Joseph P. Lacher, President - FL  
Miami, Florida

Southern Bell Tel. & Tel. Co.  
FPSC Docket No. 920260-TL  
GE Witness: Stanley  
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Page 74 of 77

TARIFF Twenty Seventh Revised Page 83.2.15  
Cancels Twenty Sixth Revised Page 83.2.15

EFFECTIVE: October 1, 1995

### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.8 Local Exception (Cont'd)

A3.8.49 Reserved For Future Use

(T)  
(M)

BELLSOUTH  
TELECOMMUNICATIONS, INC.\*  
FLORIDA  
ISSUED: May 15, 1995  
BY: Joseph P. Lacher, President - FL  
Miami, Florida

Southern Bell Tel. & Tel. Co.  
FPSC Docket No. 920260-TL  
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First Revised Page 83.2.15.0.0.1  
Cancels Original Page 83.2.15.0.0.1  
EFFECTIVE: October 1, 1995

### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.8 Local Exception (Cont'd)

##### A3.8.49 Reserved For Future Use (Cont'd)

(T)  
(M)

BELLSOUTH  
TELECOMMUNICATIONS, INC.\*  
FLORIDA  
ISSUED: May 15, 1995  
BY: Joseph P. Lacher, President - FL  
Miami, Florida

GEN

Southern Bell Tel. & Tel. Co.  
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First Revised Page 83.2.15.0.1  
Cancels Original Page 83.2.15.0.1

EFFECTIVE: October 1, 1995

### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.8 Local Exception (Cont'd)

##### A3.8.50 Local Calling Plus Exchanges

Archer, Baldwin, Boca Raton, Boynton Beach, Bronson, Brooksville, Cedar Key, Chiefland, Chipley, Daytona Beach, Deland, DeLeon Springs, Dunnellon, Gainesville, Graceville, Jacksonville, Keystone Heights, Lake City, Lynn Haven, Maxville, Newberry, New Smyrna Beach, Oak Hill, Orlando, Palatka, Panama City, Pierson, Ponte Vedra Beach, Sanford, St. Augustine, Sunny Hills, Trenton, Vernon, Youngstown-Fountain

#### A. Local Calling Plus (LCP)

##### 1. General

- a. Local Calling Plus (LCP) provides message based pricing for customer dialed or operator assisted calls to exchanges outside a customer's basic local calling area but within the same LATA.
- b. LCP is provided by the Company between exchanges specified in c. following. Provision of LCP is subject to the availability of facilities and billing capabilities.
- c. The Local Calling Areas for Archer, Baldwin, Boca Raton, Boynton Beach, Bronson, Brooksville, Cedar Key, Chiefland, Chipley, Daytona Beach, Deland, DeLeon Springs, Dunnellon, Gainesville, Graceville, Jacksonville, Keystone Heights, Lake City, Lynn Haven, Maxville, Newberry, New Smyrna Beach, Oak Hill, Orlando, Pierson, Palatka, Panama City, Ponte Vedra Beach, Sanford, St. Augustine, Sunny Hills, Trenton, Vernon and Youngstown-Fountain are expanded beyond the basic Local Calling Areas, described in A3.3, to include the following Local Calling Plus exchanges:

Exchange	LCP Exchanges	
Archer	Williston <sup>1</sup>	
Baldwin	MacClenny <sup>1</sup> , Sanderson <sup>1</sup>	
Boca Raton <sup>2</sup>	Boynton Beach	(C)
Boynton Beach <sup>2</sup>	Boca Raton	(C)
Bronson <sup>3</sup>	Cedar Key	(C)
Brooksville	Dade City <sup>1</sup> , San Antonio <sup>1</sup> , Trillacoochee <sup>1</sup>	
Cedar Key <sup>3</sup>	Bronson, Chiefland	(C)
Chiefland <sup>3</sup>	Cedar Key	(C)
Chipley	Bonifay <sup>1</sup> , Cottondale <sup>1</sup>	
Daytona Beach <sup>3</sup>	Deland, DeLeon Springs, New Smyrna Beach, Oak Hill Pierson	(C)
Deland <sup>3</sup>	Daytona Beach, New Smyrna Beach, Oak Hill	(C)
DeLeon Springs <sup>3</sup>	Daytona Beach, New Smyrna Beach, Oak Hill	(C)
Dunnellon	Beverly Hills <sup>1</sup>	
Gainesville	Keystone Heights <sup>3</sup> , Williston <sup>1</sup>	(C)
Graceville	Alford <sup>1</sup> , Bonifay <sup>1</sup> , Cottondale <sup>1</sup> , Grand Ridge <sup>1</sup> , Greenwood <sup>1</sup> , Malone <sup>1</sup> , Marianna <sup>1</sup> , Reynolds Hill <sup>1</sup> , Sneads <sup>1</sup> , Westville <sup>1</sup>	
Jacksonville	MacClenny <sup>1</sup> , Sanderson <sup>1</sup> , Hilliard <sup>1</sup>	
Keystone Heights	Gainesville <sup>3</sup> , Waldo <sup>1</sup>	(C)
Lake City	Lake Butler <sup>1</sup>	
Lynn Haven <sup>3</sup>	Sunny Hills	(C)
Maxville	MacClenny, <sup>1</sup> Sanderson <sup>1</sup>	

Note 1: Independent Company Exchange

Note 2: Converted to Extended Calling Service effective 60 days following the final order in Docket 920260-TL. (N)

Note 3: Converted to Extended Calling Service effective 120 days following the final order in Docket 920260-TL. (N)

\* d/b/a SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

**BELLSOUTH**  
**TELECOMMUNICATIONS, INC.\***  
**FLORIDA**  
ISSUED: May 15, 1995  
BY: Joseph P. Lacher, President - FL  
Miami, Florida

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### A3. BASIC LOCAL EXCHANGE SERVICE

#### A3.8 Local Exception (Cont'd)

##### A3.8.50 Local Calling Plus Exchanges (Cont'd)

###### A. Local Calling Plus (LCP) (Cont'd)

###### 1. General (Cont'd)

###### c. (Cont'd)

Exchange	LCP Exchanges	
Newberry <sup>1</sup>	Trenton	(C)
New Smyrna Beach <sup>1</sup>	Daytona Beach, Deland, DeLeon Springs, Pierson	(C)
Oak Hill <sup>1</sup>	Daytona Beach, Deland, DeLeon Springs, Pierson	(C)
Orlando	Kissimmee <sup>2</sup> , St. Cloud <sup>2</sup> , West Kissimmee <sup>2</sup>	
Palatka	Crescent City <sup>2</sup>	
Panama City <sup>1</sup>	Sunny Hills	(C)
Pierson <sup>1</sup>	Daytona Beach, New Smyrna Beach, Oak Hill	(C)
Ponte Vedra Beach <sup>1</sup>	St. Augustine	(C)
Sanford	Orange City <sup>2</sup>	
St. Augustine <sup>1</sup>	Ponte Vedra Beach	(C)
Sunny Hills <sup>1</sup>	Lynn Haven, Panama City, Youngstown-Fountain	(C)
Trenton <sup>1</sup>	Newberry	(C)
Vernon	Bonifay <sup>2</sup> , Westville <sup>2</sup>	
Youngstown-Fountain <sup>1</sup>	Sunny Hills	(C)

**Note 1:** Converted to Extended Calling Service effective 120 days following the final order in Docket 920260-TL. (N)

**Note 2:** Independent Company Exchange

Case No. 86,957  
Docket No. 920260-TL

Southern Bell Tel. & Tel. Co.  
FPSC Docket No. 920260-TL  
Witness: Stanley  
Exhibit No. 2 (JAS-2)  
Page 1 of 6

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request by Broward Board of ) Docket No. 911034-TL  
County Commissioners for extended area )  
service between Fort Lauderdale, )  
Hollywood, North Dade and Miami ) Filed: March 31, 1994

STIPULATION AND AGREEMENT BETWEEN  
BELLSOUTH TELECOMMUNICATIONS, INC. AND  
THE FLORIDA INTEREXCHANGE CARRIERS ASSOCIATION

COME NOW BellSouth Telecommunications, Inc. d/b/a/ Southern Bell Telephone and Telegraph Company ("Southern Bell") and the Florida Interexchange Carriers Association ("FIXCA") (Southern Bell and FIXCA hereinafter sometimes collectively referred to as the "Parties") and agree and covenant as follows:

WHEREAS, there has been considerable demand for some form of toll relief between the following exchanges: Fort Lauderdale and Miami, Hollywood and Miami, and Ft. Lauderdale and North Dade (the "Toll Routes"); and

WHEREAS, on June 7, 1993, the Florida Public Service Commission (the "Commission") issued its Order No. PSC-93-0842-FOF-TL (the "Order") in the above captioned docket, wherein the Commission ordered toll relief in both directions of the Toll Routes in the form of a hybrid \$.25 plan; and

WHEREAS, on June 25, 1993, FIXCA filed its Petition on Proposed Agency Action Order No. PSC-93-0842-FOF-TL and Request for Evidentiary Hearing, wherein FIXCA protested the Commission's decision to implement the hybrid \$.25 plan on the Toll Routes and requested a hearing so that the "Commission can comprehensively

FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 920260-TL EXHIBIT NO. 2  
COMPANY/ Sobell Stanley  
WITNESS: Stanley  
DATE: 7/31/93

evaluate the ramifications of the proposed \$.25 plan." Id. at p. 4; and

WHEREAS, the Commission has scheduled hearings in the above captioned docket on May 11 and 12, 1994; and

WHEREAS, the Commission has indicated its intent to review in a generic docket the various issues inherent in toll relief being provided in the form of extended area service; and

WHEREAS, the Parties believe that settlement of the issues in dispute in the above-captioned docket without the expenditure of any further time, money and other resources in litigating these issues before the Commission in this docket is desirable;

NOW, THEREFORE, the Parties do hereby agree and covenant as follows:

1. The Parties agree that a hybrid \$.25 plan shall be implemented on the Toll Routes in the same fashion as ordered by the Commission in Order No. PSC-93-0842-FOF-TL. Under such hybrid \$.25 plan, residential calls shall be rated at \$.25 per call in both directions regardless of the call duration, while calls made by business customers in either direction shall be rated at a per minute rate of \$.10 for the initial minute and \$.06 for each additional minute. Calls made over the Toll Routes and carried by Southern Bell shall be made on a seven digit basis and revenues received by Southern Bell for such calls shall be booked by Southern Bell as local revenues. Pay telephone providers shall charge end users who make calls on the Toll Routes on a local call basis and shall pay the standard measured

usage rate to Southern Bell. Calls on the Toll Routes made on a 1+ basis reaching Southern Bell's switch shall be blocked by Southern Bell and the caller shall receive a message stating that the call should be made on a seven digit basis. Except for the premium flat rate option, the EOEAS plan presently in place in the North Dade to Ft. Lauderdale and the Hollywood to Miami routes shall be cancelled. The point to point plan presently offered on the Miami to Hollywood route shall also be cancelled. Except for current customers who subscribe to the unlimited unmeasured option of the Pembroke Pines Pilot local measured service plan (the "Pilot Plan") as of January 23, 1995, the Pilot Plan shall also be cancelled.

2. The Parties agree that because of the time that it will take Southern Bell to prepare for the initiation of the hybrid \$.25 plan on the Toll Routes, which preparation includes identification and resolution of programming, trunking and billing issues, among others, the hybrid \$.25 plan shall be implemented beginning on January 23, 1995.

3. The Parties agree that, after implementation of the hybrid \$.25 plan, interexchange carriers ("IXCs") may continue to carry the same types of traffic on the Toll Routes that they are now or hereafter authorized to carry.

4. The Parties agree that Southern Bell shall recover the revenue losses and costs resulting from implementation of the hybrid \$.25 plan on the Toll Routes as outlined in Paragraphs 1 and 3 of this Stipulation and Agreement, in the manner set forth

in Paragraph 8 of the Stipulation and Agreement between the Office of Public Counsel and Southern Bell Telephone and Telegraph Company, dated January 5, 1994 (attached hereto as Exhibit "A") as approved by the Commission in its Order No. PSC-94-0172-FOF-TL, dated February 11, 1994 in Docket Nos. 920260-TL, 910727-TL, 910163-TL, 900960-TL and 911034-TL. It is anticipated by Southern Bell that the revenue losses and costs will be approximately \$11,800,00.

5. The Parties agree that they may each present their respective positions regarding the form in which future toll relief should be granted in Florida in the Commission's planned generic investigation into extended area service ("EAS") issues. By entering into this Stipulation and Agreement, the parties do not waive their rights to seek reconsideration of or appeal any order that the Commission may enter in such generic investigation into EAS issues.

6. The Parties agree that the final order of the Commission in its generic investigation into EAS issues, following any requests for reconsideration or appeals, shall be applied on a prospective basis to the Toll Routes. If such final order is different from the hybrid \$.25 plan as set forth in Paragraph 1 of this Stipulation and Agreement, Southern Bell may seek authority from the Commission to recover its additional lost revenues and costs, if any, resulting from implementation of such alternative toll relief plan.

7. FIXCA and Southern Bell further agree that any dispute as to the meaning of any portion of this Stipulation and Agreement shall be addressed to the Commission in the first instance, but that each party reserves any rights it may have to seek judicial review of any ruling concerning this Stipulation and Agreement made by the Commission.

8. Any failure by FIXCA or Southern Bell to insist upon the strict performance by the other of any of the provisions of this Stipulation and Agreement shall not be deemed a waiver of any of the provisions of this Stipulation and Agreement, and FIXCA or Southern Bell, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Stipulation and Agreement.

9. The Parties agree that in the event the Commission does not adopt this Stipulation and Agreement in its entirety, the Stipulation and Agreement shall become null and void and be of no effect.

10. This Stipulation and Agreement shall be governed by, and construed and enforced in accordance with the laws of the State of Florida, without regard to its conflict of laws principles.

11. This Stipulation and Agreement was executed after arm's length negotiations between the Parties and reflects the conclusion of the Parties that this Stipulation and Agreement is preferable to litigating the disputed issues in this docket.

12. The Parties participated jointly in the drafting of this Stipulation and Agreement, and therefore the terms of this Stipulation and Agreement are not intended to be construed against either Party by virtue of draftsmanship.

13. This Stipulation and Agreement may be executed in several counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Stipulation and Agreement has been executed as of the 31 day of March, 1994, by the undersigned counsel of record for the Parties hereto and/or by the Parties themselves.

FLORIDA INTEREXCHANGE CARRIERS  
ASSOCIATION

By Vicki Gordon Kaufman  
Vicki Gordon Kaufman, Esq.

BELLSOUTH TELECOMMUNICATIONS,  
INC. D/B/A SOUTHERN BELL  
TELEPHONE AND TELEGRAPH COMPANY

By Harris R. Anthony  
Harris R. Anthony, Esq.

CASE No. 86,957

Docket No. 920260-TL

Southern Bell Tel. & Tel. Co.  
FPSC Docket No. 920260-TL ('95 Rate Red.)  
Witness: Stanley  
Rebuttal Exhibit No. 3 (JAS-

**FILED**

SID J. WHITE

MAR 19 1996

RESIDENCE CALLS CHEAPER WITH IXC TOLL ~~CLERK~~ SUPREME COURT

~~Chief Deputy Clerk~~

<u>CARRIER</u>	<u>DISTANCE</u>	<u>RATE PERIOD</u>	<u>MAXIMUM BILLED MINUTES*</u>
AT&T/MCI/SPRINT	1 - 10 MILES	DAY EVENING N/W	1 2 4
AT&T/MCI/SPRINT	11 - 22 MILES	EVENING N/W	1 2
AT&T/MCI/SPRINT	23 - 55 MILES	EVENING N/W	1 1
AT&T/MCI/SPRINT	56 - 124 MILES	EVENING N/W	1 1

\*ECS IS LESS EXPENSIVE THAN IXC TOLL ONLY WHEN A CALL IS BILLED FOR MORE THAN THE NUMBER OF MINUTES SHOWN

FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 920260-TL EXHIBIT NO. 3  
COMPANY: Southern Bell  
WITNESS: Stanley  
DATE: 7/31/95

DOCUMENT NUMBER-DATE

06518 JUL 10 95

FPSC-RECORDS/REPORTING

CASE No. 86,957  
Docket No. 920260-TL

Southern Bell Tel. & Tel. Co.  
FPSC Docket No. 920260-TL ('95 Rate Red)  
Witness: Stanley  
Rebuttal Exhibit No. 4 (JAS-4)  
Page 1 of 5

MFS Intelenet of Georgia, Inc.

Ga. P.S.C. No. 3  
Section 5 - Original Page 7

**FILED**  
SID J. WHITE  
MAR 18 1996

EXCHANGE ACCESS SERVICE

5.7 Centrex Service

~~CLERK SUPREME COURT~~  
Chief Deputy Clerk

Centrex Service provides the Customer with multiple individual voice-grade telephone communications channels, each of which can be used to place or receive one call at a time. Centrex Station Lines are provided for connection of Centrex-compatible Customer-provided station sets to the public switched telecommunications network. Centrex Service standard and optional features are described in the Definitions Section of this tariff. Centrex Service is provided with a minimum of five Centrex Station Lines. Each Centrex Station Line is provided in combination with other Company-provided services. Centrex Services are offered as Centrex Basic and Centrex Select.

5.7.1 Centrex Basic

The standard features as follows:

- Touch Tone
- Call Transfer
- Call Hold
- Three-Way Conference Calling

\* Some features may not be available in all locations.

5.7.2 Centrex Select

The standard features are as follows:

- |                           |                       |
|---------------------------|-----------------------|
| Touch Tone                | Call Forward/Variable |
| Call Transfer             | System Speed Dial     |
| Call Hold                 | Call Pick-up          |
| Three-Way Conferencing    | Call Hunting          |
| Call Forward/Busy         | Call Waiting          |
| Call Forward/Don't Answer |                       |

\* Some features may not be available in all locations.

Additional non-recurring and monthly recurring Centrex Service charges are listed in Section 5.7.5.

Issued: May 17, 1995

Issued By: Joseph O. Kahl, Director of Regulatory Affairs  
6 Century Drive, Suite 300  
Parsippany, New Jersey 07054

Effective Date: **FLORIDA PUBLIC SERVICE COMMISSION**

**DOCKET**  
NO. 920260-TL EXHIBIT NO 4  
COMPANY/  
WITNESS: Southern Bell / Stanley  
DATE: 2/27/95

MFS Intelenet of Georgia, Inc.

Ga. P.S.C. No. 3  
Section 5 - Original Page 8

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Issued: May 17, 1995

Effective: July 1, 1995

Issued By: Joseph O. Kahl, Director of Regulatory Affairs  
6 Century Drive, Suite 300  
Parsippany, New Jersey 07054

MFS Intelenet of Georgia, Inc.

Ga. P.S.C. No. 3  
Section 5 - Original Page 9

EXCHANGE ACCESS SERVICE

5.7 Centrex Service (cont'd)

5.7.3 Station Line Charges

The Centrex Station Lines are charged on a monthly recurring and non-recurring basis.

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
Centrex Basic -Per Station Line	\$X.XX	\$X.XX
Centrex Select -Per Station Line	\$X.XX	\$X.XX

5.7.4 Usage Charges

A) Local Service Rates

Refer to the Rate Schedule located in Section

B) IntraLATA Rates

Refer to the Rate Schedule located in Section 9.3.

Issued: May 17, 1995

Effective: July 1, 1995

Issued By: Joseph O. Kahl, Director of Regulatory Affairs  
6 Century Drive, Suite 300  
Parsippany, New Jersey 07054

MFS Intelenet of Georgia, Inc.

Ga. P.S.C. No. 3  
Section 5 - Original Page 10

EXCHANGE ACCESS SERVICE

5.7 Centrex Service (cont'd)

5.7.5 Rate Elements

The following Rate Elements are in addition to the standard features located in Section 5.7.1 and 5.7.2. These rates are applied on a non-recurring and monthly recurring basis.

	<u>Rate</u>
Number Retention	
-Per Number	
Recurring	\$X.XX
Non-Recurring	\$X.XX
Order Processing Charge	
-Per Order	
Non-Recurring	\$X.XX
Additional Directory Listing	
-Per Listing	
Recurring	\$X.XX
Remote Call Forwarding	
-Per Path	
Recurring	\$X.XX
Account Codes	
-Per Line	
Recurring	\$X.XX

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Issued: May 17, 1995

Effective: July 1, 1995

Issued By: Joseph O. Kahl, Director of Regulatory Affairs  
6 Century Drive, Suite 300  
Parsippany, New Jersey 07054

MFS Intelenet of Georgia, Inc.

Ga. P.S.C. No. 3  
Section 5 - Original Page 11

EXCHANGE ACCESS SERVICE

5.7 Centrex Service (cont'd)

5.7.5 Rate Elements (cont'd)

	<u>Rate</u>
Service Establishment Charge	
-Per Order	
Non-Recurring	\$X.XX
Vanity Number	
-Per Number	
Recurring	\$X.XX
Vanity Number Retention	
-Per Number	
Recurring	\$X.XX
Non-Recurring	\$X.XX

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Issued: May 17, 1995

Effective: July 1, 1995

Issued By: Joseph O. Kahl, Director of Regulatory Affairs  
6 Century Drive, Suite 300  
Parsippany, New Jersey 07054

CASE No. 86,957  
Docket No. 920260-TL



**Southern Bell**

Nancy H. Sims  
Director - Regulatory Relations

Suite 400  
150 S. Monroe Street  
Tallahassee, Florida 32301  
904 222-1201  
FAX 904 222-8640

July 28, 1995

**FILED**  
BY: [unclear]  
MAR 18 1996  
CLERK OF SUPERIOR COURT  
Tallahassee, Florida

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

Re: Docket 920260-TL (\$25 Million Rate Reduction)

Dear Mrs. Bayo:

On May 15, 1995, Southern Bell filed its \$25 Million Rate Reduction proposal to extend Expanded Calling Service (ECS) on various routes in Southern Bell's service area. Since the filing of this proposal, Southern Bell has been working with Public Counsel Jack Shreve and with our customers to further address their needs.

At the request and urging of the Public Counsel and of our customers, Southern Bell amends its original ECS filing to add the routes listed on the attachment to this letter.

The inclusion of these routes will result in an additional estimated rate reduction of \$6 Million.

Enclosed are fifteen copies of this proposal. A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me.

Sincerely,

*Nancy H. Sims*  
Nancy H. Sims

Attachment

cc: Walter D'Haeseleer  
All Parties of Record

A BELL SOUTH Company

FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 920260-TL EXHIBIT NO. 5  
COMPANY: Southern Bell / Sims  
WITNESS: [Signature]  
DATE: 7/31/95

5

Southern Bell Telephone and Telegraph Company  
Docket 920260-TL (\$25 Million Rate Reduction)  
ECS Additional Routes

<u>No. Originating Exchange</u>	<u>Terminating Exchange</u>
1. Belle Glade	Boca Raton
2. Boca Raton	Belle Glade
3. Belle Glade	Boynton Beach
4. Boynton Beach	Belle Glade
5. Belle Glade	Delray Beach
6. Delray Beach	Belle Glade
7. Belle Glade	Jupiter
8. Jupiter	Belle Glade
9. Boca Raton	Jupiter
10. Jupiter	Boca Raton
11. Boca Raton	Pahokee
12. Pahokee	Boca Raton
13. Boynton Beach	Jupiter
14. Jupiter	Boynton Beach
15. Boynton Beach	Pahokee
16. Pahokee	Boynton Beach
17. Delray Beach	Jupiter
18. Jupiter	Delray Beach
19. Delray Beach	Pahokee
20. Pahokee	Delray Beach
21. Jupiter	Pahokee
22. Pahokee	Jupiter

23.	Boynton Beach	Ft. Lauderdale
24.	Ft. Lauderdale	Boynton Beach
25.	Boynton Beach	Pompano Beach
26.	Pompano Beach	Boynton Beach
27.	Boynton Beach	Deerfield Beach
28.	Deerfield Beach	Boynton Beach
29.	Boynton Beach	Coral Springs
30.	Coral Springs	Boynton Beach
31.	Boynton Beach	Hollywood
32.	Hollywood	Boynton Beach
33.	Delray Beach	Hollywood
34.	Hollywood	Delray Beach
35.	Gulf Breeze	Milton
36.	Milton	Gulf Breeze

CERTIFICATE OF SERVICE  
DOCKET NO. 920260-TL

I HEREBY CERTIFY that a copy of the foregoing has been furnished  
by United States Mail this 28th day of July, 1995 to:

Robin Norton  
Division of Communications  
Florida Public Service  
Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

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Deputy Public Counsel  
Office of the Public Counsel  
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Tallahassee, FL 32399-1400

Tracy Hatch  
Division of Legal Services  
Florida Public Svc. Commission  
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Vicki Gordon Kaufman  
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Richard D. Melson  
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Mark Richard  
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Locals 3121, 3122, and 3107  
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Coral Gables, FL 33134

Gerald B. Curington  
Department of Legal Affairs  
2020 Capital Circle, SE  
Alexander Building, 2nd Floor  
Tallahassee, FL 32301

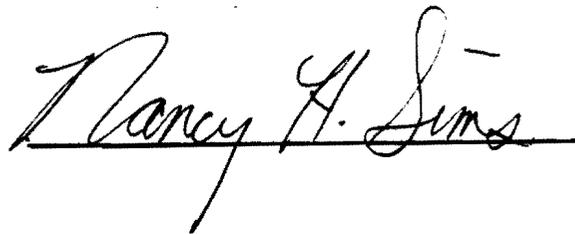
Mr. Douglas S. Metcalf  
Communications Consultants,  
Inc.  
631 S. Orlando Ave., Suite 450  
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Mr. Cecil O. Simpson, Jr.  
General Attorney  
Mr. Peter Q. Nyce, Jr.  
General Attorney  
Regulatory Law Office  
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901 North Stuart Street  
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Mr. Michael Fannon  
Cellular One  
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Floyd R. Self, Esq.  
Messer, Vickers, Caparello,  
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Post Office Box 1876  
Tallahassee, FL 32302-1876  
Attys for McCaw Cellular

Stan Greer  
Division of Communications  
Florida Public Svc. Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850



Nancy A. Sims

CASE NO. 86,957

Docket No. 920260-TL

**HEARING EXHIBIT NO.** 6

Florida PSC Docket No. 920260-TL,  
Southern Bell 1995 Rate Reductions

Responses to McCaw's Second  
Request for Production of Documents,  
Item No. 23 (Not Proprietary) (1 page)

FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET  
NO. 920260-TL EXHIBIT NO. 6  
COMPANY/ Staff  
WITNESS: Staff  
DATE: 7/21/95

FLORIDA

Revenue Information

Below are the calculations used to roughly estimate the annual revenue effect of flowing through the 10/95 and 10/96 access charge reductions assuming the Commission determines that the linkage between access charges and mobile interconnection rates will not be broken.

OCTOBER 1995

	A <u>Minutes<sup>1</sup></u>	B <u>Proposed Rates</u>	C <u>Present Rates</u>	D <u>Annual Revenue Impact</u> (A*(B-C))
Peak	616,996,640	\$.0186	\$.0204	(\$1,110,594)
Off-Peak	264,427,132	.0138	.0150	( 317,313)
LTM	16,214,623	.0264	.0447	( 296,728)
TOTAL				(\$1,724,635)

OCTOBER 1996

	A <u>Minutes<sup>2</sup></u>	B <u>Proposed Rates</u>	C <u>Present Rates</u>	D <u>Annual Revenue Impact</u> (A*(B-C))
Peak	740,395,968	\$.0164	\$.0186	(\$1,628,871)
Off-Peak	317,312,558	.0116	.0138	( 698,088)
LTM	19,457,548	.0258	.0264	( 11,675)
TOTAL				(\$2,338,634)

Notes:

1. The minutes for mobile originated traffic (peak and off-peak) and the Land-to-Mobile (LTM) option shown above are projected calendar year 1995 minutes.

2. The minutes for mobile originated traffic (peak and off-peak) and the Land-to-Mobile (LTM) option shown above are projected calendar year 1996 minutes.

WBS:June 1995

FOIG02Q

0000006

CASE No. 86,957  
Docket No. 920260-TL

Southern Bell Tel. & Tel. Co.  
Docket 920260-TL  
FPSC Staff's 1st Set of Interrogatories  
June 12, 1995  
Item No. 1  
Page 1 of 1

FILED  
RECEIVED  
MAR 18 1996  
FLORIDA SUPREME COURT  
Clerk

**REQUEST:**

- a) How were the proposed Extended Calling Service (ECS) routes identified in Southern Bell's filing?
- b) Provide the community of interest factors used in determining the routes for Southern Bell's filing.

**RESPONSE:**

- a) The ECS routes were selected to satisfy customers' community of interest calling needs. These needs are created by such things as where customers work, where they worship, where they shop, where they attend school, and where they receive medical care. Routes were selected for this filing for the following reasons:
  - 1) There was an obvious community of interest, as in the case of the Dade-Broward metropolitan area;
  - 2) Traffic studies run for the month of April, 1994 revealed a community of interest factor (CIF) of 3.00 or higher;
  - 3) The existence of local optional calling plans demonstrated a community of interest;
  - 4) The inclusion of an exchange was necessary to eliminate leapfrog local calling situations caused by the community of interest considerations listed above; and
  - 5) Reciprocal routes eliminated the confusion associated with one-way local service.
- b) Community of interest factors are provided in response to the FPSC Staff's First Request for Production of Documents, dated June 12, 1995. (POD #2)

**INFORMATION PROVIDED BY:** Joseph A. Stanley  
Director, Pricing  
3535 Colonnade Parkway  
Birmingham, AL 35243

FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET  
NO. 920260-TL EXHIBIT NO 7  
COMPANY/  
WITNESS Staff  
DATE 7/31/95

Southern Bell Tel. & Tel. Co.  
Docket 920260-TL  
FPSC Staff's 1st Set of Interrogatories  
June 12, 1995  
Item. No. 2  
Page 1 of 1

**REQUEST:** How were the community of interest factors identified in Southern Bell's response to Staff Interrogatory No. 1(b) developed?

**RESPONSE:** The community of interest factors were developed by means of an automated system that records monthly messages between exchange A and exchange B and divides those messages by the number of access lines in exchange A.

**INFORMATION PROVIDED BY:** Joseph A. Stanley  
Director, Pricing  
3535 Colonnade Parkway  
Birmingham, AL 35243

Southern Bell Tel. & Tel. Co.  
Docket 920260-TL  
FPSC Staff's 1st Set of Interrogatories  
June 12, 1995  
Item. No. 3  
Page 1 of 1

**REQUEST:** Under the current area code arrangement, will Southern Bell's proposed ECS routes be 7 or 10 digit dialing? Why?

**RESPONSE:** Southern Bell's proposed ECS routes will be 7 digit dialed unless they cross an NPA boundary, in which case they will be 10 digit dialed. This type of dialing arrangement is consistent with other local service offerings.

**INFORMATION PROVIDED BY:** Joseph A. Stanley  
Director, Pricing  
3535 Colonnade Parkway  
Birmingham, AL 35243

Southern Bell Tel. & Tel. Co.  
Docket No. 920260-TL  
FPSC Staff 1st Set of Interrogatories  
June 12, 1995  
Item No. 4

**REQUEST:** Assume there is a geographic split of the 305 area code at the Broward/Dade county line. Will Southern Bell's proposed ECS calling between an exchange in Dade County and an exchange in Broward County be 7 or 10 digits?

**RESPONSE:** If the 305 area code is split along the Broward/Dade county line, all ECS calls from an exchange in Dade County to an exchange in Broward County will require 10 digits.

**INFORMATION PROVIDED BY:** William N. Stacy  
6451 N. Federal Highway  
Fort Lauderdale, FL. 33308

Southern Bell Tel. & Tel. Co.  
Docket No. 920260-TL  
FPSC Staff 1st Set of Interrogatories  
June 12, 1995  
Item No. 5

**REQUEST:** Assume there is an overlay plan for area code 305. How will proposed ECS calls be dialed within the same geographic area that includes both area codes?

**RESPONSE:** The dialing arrangement for ECS calls within the same geographic area of both area codes would be treated the same as local calls. In the overlay plan intranPA (305 to 305 and 954 to 954) local, as well as ECS, calls would continue to be dialed on a 7 digit basis unless a transition to 10 digit local dialing was approved by the Commission. The industry agreement recommends a change to permissive 10 digit, intranPA, local dialing effective with the implementation of the overlay, and a transition to mandatory dialing of these calls 15 months later. These changes would also apply to intranPA ECS calls.

InterNPA ECS calls (305 to 954 and 954 to 305) would require 10 digit dialing beginning with the implementation date of the overlay plan.

**INFORMATION PROVIDED BY:** William N. Stacy  
6451 N. Federal Highway  
Fort Lauderdale, FL. 33308

Southern Bell Tel. & Tel. Co.  
Docket 920260-TL  
FPSC Staff's 1st Set of Interrogatories  
June 12, 1995  
Item. No. 6  
Page 1 of 1

**REQUEST:** Will the proposed ECS routes be considered local for dialing purposes? Explain.

**RESPONSE:** Yes. 7 digit dialing will be implemented on all proposed ECS routes, except those that cross an NPA boundary. Where an ECS route crosses an NPA boundary, 10 digit dialing will be implemented. In all previous cases where ECS or Local Calling Plus (LCP) service has been ordered, conversion to 7 digit dialing was implemented where possible. By using local dialing arrangement for the new ECS routes (except those that cross an NPA boundary), customers who have an existing ECS or LCP point in their calling area will have dialing plan consistency, and a coherent dialing scheme will be maintained.

**INFORMATION PROVIDED BY:** Joseph A. Stanley  
Director, Pricing  
3535 Colonnade Parkway  
Birmingham, AL 35243

Southern Bell Tel. & Tel. Co.  
Docket 920260-TL  
FPSC Staff's 1st Set of Interrogatories  
June 12, '1995  
Item No. 7  
Page 1 of 1'

**REQUEST:** Will the proposed ECS routes be considered local for accounting purposes? Explain.

**RESPONSE:** Yes. These revenues will be accounted for as local revenues under FCC/State Part 32 Account 5001 - Basic Area Revenue. This account includes revenues derived from non-optional extended area services. Additionally, similar ECS plans already in place are covered under local tariffs.

**INFORMATION PROVIDED BY:** T. F. Lohman  
Assistant Vice President  
150 West Flagler Street  
Miami, Florida 33130

Southern Bell Tel. & Tel. Co.  
Docket 920260-TL  
FPSC Staff's 1st Set of Interrogatories  
June 12, 1995  
Item. No. 8  
Page 1 of 1

**REQUEST:** If the proposed routes are approved, will they be treated like the Broward/Dade routes and allow interexchange carriers (IXCs) to compete pending resolution of the extended area service (EAS) rules in Docket No. 930220-TL.

**RESPONSE:** Yes. Southern Bell intends to treat these routes in a manner identical to the Dade/Broward arrangement.

**INFORMATION PROVIDED BY:** Joseph A. Stanley  
Director, Pricing  
3535 Colonnade Parkway  
Birmingham, AL 35243

Southern Bell Tel. & Tel. Co.  
Docket 920260-TL  
FPSC Staff's 1st Set of Interrogatories  
June 12, 1995  
Item. No. 9  
Page 1 of 1

**REQUEST:**

- a) Should the IXC's be allowed to compete for traffic on all of the proposed ECS routes with 10XXX dialing?
- b) Should IXC's be allowed to compete for traffic on all of the proposed ECS routes with 1+ dialing when 1+ presubscription is implemented?

**RESPONSE:**

- a) Yes.
- b) Yes.

**INFORMATION PROVIDED BY:** Joseph A. Stanley  
Director, Pricing  
3535 Colonnade Parkway  
Birmingham, AL 35243

Southern Bell Tel. & Tel. Co.  
Docket 920260-TL  
FPSC Staff's 1st Set of Interrogatories  
June 12, 1995  
Item. No. 10  
Page 1 of 1

**REQUEST:**

- a) Should IXC's be allowed to compete for traffic on any of the proposed ECS routes with 10XXX dialing?
- b) Should IXC's be allowed to compete for traffic on any of the proposed ECS routes with 1+ dialing when 1+ presubscription is implemented?

**RESPONSE:** See responses to item No. 9.

**INFORMATION PROVIDED BY:** Joseph A. Stanley  
Director, Pricing  
3535 Colonnade Parkway  
Birmingham, AL 35243

Southern Bell Tel. & Tel. Co.  
Docket No 920260-TL  
FPSC Staff 1st Set of Interrogatories  
June 12, 1995  
Item No. 11  
Page 1 of 1

**REQUEST:** Will reduced access charges be offered to IXC's on the proposed ECS routes? If so, how will the access charges be determined?

**RESPONSE:** No.

**INFORMATION PROVIDED BY:** Jerry Hendrix  
675 West Peachtree Street, N.E.  
Atlanta, Georgia 30375

Southern Bell Tel. & Tel. Co.  
Docket 920260-TL  
FPSC Staff's 1st Set of Interrogatories  
June 12, 1995  
Item. No. 12  
Page 1 of 8

**REQUEST:** Please provide mileage on the proposed ECS routes that do not currently have some form of the \$.25 plan.

**RESPONSE:** Please see attached 7 pages.

**INFORMATION PROVIDED BY:** Joseph A. Stanley  
Director, Pricing  
3535 Colonnade Parkway  
Birmingham, AL 35243

Attachment to Item 12  
Page 1 of 7

<u>Originating Exchange</u>	<u>Terminating Exchange</u>	<u>Mileage</u>
BELLE GLADE	WEST PALM BEACH	39
BIG PINE KEY	HOMESTEAD	80
BIG PINE KEY	ISLAMORADA	47
BIG PINE KEY	KEY LARGO	73
BIG PINE KEY	KEY WEST	29
BIG PINE KEY	MIAMI	06
BIG PINE KEY	NORTH KEY LARGO	82
BIG PINE KEY	PERRINE	92
BOCA RATON	BOYNTON BEACH	13
BOCA RATON	FORT LAUDERDALE	17
BOCA RATON	HOLLYWOOD	24
BOCA RATON	MIAMI	40
BOCA RATON	NORTH DADE	30
BOCA RATON	WEST PALM BEACH	24
BOYNTON BEACH	BOCA RATON	13
CORAL SPRINGS	DELRAY BEACH	19
CORAL SPRINGS	HOLLYWOOD	19
CORAL SPRINGS	HOMESTEAD	56
CORAL SPRINGS	MIAMI	34
CORAL SPRINGS	NORTH DADE	25
CORAL SPRINGS	PERRINE	46
DEERFIELD BEACH	HOLLYWOOD	21
DEERFIELD BEACH	HOMESTEAD	64
DEERFIELD BEACH	MIAMI	37
DEERFIELD BEACH	NORTH DADE	28
DEERFIELD BEACH	PERRINE	53
DELRAY BEACH	CORAL SPRINGS	19
DELRAY BEACH	FORT LAUDERDALE	24
DELRAY BEACH	POMPANO BEACH	16
DELRAY BEACH	WEST PALM BEACH	17
FORT LAUDERDALE	BOCA RATON	17
FORT LAUDERDALE	DELRAY BEACH	24
FORT LAUDERDALE	HOMESTEAD	49
FORT LAUDERDALE	PERRINE	38
FORT PIERCE	JENSEN BEACH	15

Attachment to Item 12  
Page 2 of 7

<u>Originating Exchange</u>	<u>Terminating Exchange</u>	<u>Mileage</u>
FORT PIERCE	VERO BEACH	15
HOBE SOUND	WEST PALM BEACH	26
HOLLYWOOD	BOCA RATON	24
HOLLYWOOD	CORAL SPRINGS	19
HOLLYWOOD	DEERFIELD BEACH	21
HOLLYWOOD	HOMESTEAD	43
HOLLYWOOD	PERRINE	31
HOLLYWOOD	POMPANO BEACH	16
HOMESTEAD	BIG PINE	80
HOMESTEAD	CORAL SPRINGS	56
HOMESTEAD	DEERFIELD BEACH	64
HOMESTEAD	FORT LAUDERDALE	49
HOMESTEAD	HOLLYWOOD	43
HOMESTEAD	ISLAMORADA	40
HOMESTEAD	KEY LARGO	22
HOMESTEAD	KEY WEST	05
HOMESTEAD	MARATHON	66
HOMESTEAD	NORTH DADE	38
HOMESTEAD	NORTH KEY LARGO	17
HOMESTEAD	POMPANO BEACH	58
HOMESTEAD	SUGARLOAF KEY	91
ISLAMORADA	BIG PINE	47
ISLAMORADA	HOMESTEAD	40
ISLAMORADA	KEY WEST	79
ISLAMORADA	MIAMI	66
ISLAMORADA	NORTH KEY LARGO	37
ISLAMORADA	PERRINE	52
ISLAMORADA	SUGARLOAF KEY	61
JENSEN BEACH	FORT PIERCE	15
JENSEN BEACH	JUPITER	23
JENSEN BEACH	WEST PALM BEACH	40
JUPITER	JENSEN BEACH	23
JUPITER	PORT ST. LUCIE	25
JUPITER	STUART	21
KEY LARGO	BIG PINE	73
KEY LARGO	HOMESTEAD	22
KEY LARGO	KEY WEST	01
KEY LARGO	MARATHON	57
KEY LARGO	MIAMI	45
KEY LARGO	PERRINE	31

Attachment to Item 12  
Page 3 of 7

<u>Originating Exchange</u>	<u>Terminating Exchange</u>	<u>Mileage</u>
KEY LARGO	SUGARLOAF KEY	85
KEY WEST	BIG PINE	29
KEY WEST	HOMESTEAD	05
KEY WEST	ISLAMORADA	79
KEY WEST	KEY LARGO	01
KEY WEST	MARATHON	47
KEY WEST	MIAMI	135
KEY WEST	NORTH KEY LARGO	10
KEY WEST	PERRINE	17
MARATHON	HOMESTEAD	66
MARATHON	KEY LARGO	57
MARATHON	KEY WEST	47
MARATHON	MIAMI	95
MARATHON	NORTH KEY LARGO	67
MARATHON	PERRINE	78
MARATHON	SUGARLOAF KEY	32
MIAMI	BIG PINE	06
MIAMI	BOCA RATON	40
MIAMI	CORAL SPRINGS	34
MIAMI	DEERFIELD BEACH	37
MIAMI	ISLAMORADA	66
MIAMI	KEY LARGO	45
MIAMI	KEY WEST	35
MIAMI	MARATHON	95
MIAMI	NORTH KEY LARGO	33
MIAMI	POMPANO BEACH	32
MIAMI	SUGARLOAF KEY	17
NORTH DADE	BOCA RATON	30
NORTH DADE	CORAL SPRINGS	25
NORTH DADE	DEERFIELD BEACH	28
NORTH DADE	HOMESTEAD	38
NORTH DADE	POMPANO BEACH	22
NORTH KEY LARGO	BIG PINE	82
NORTH KEY LARGO	HOMESTEAD	17
NORTH KEY LARGO	ISLAMORADA	37
NORTH KEY LARGO	KEY WEST	10
NORTH KEY LARGO	MARATHON	67
NORTH KEY LARGO	MIAMI	33
NORTH KEY LARGO	PERRINE	20
NORTH KEY LARGO	SUGARLOAF KEY	95

Attachment to Item 12  
Page 4 of 7

<u>Originating Exchange</u>	<u>Terminating Exchange</u>	<u>Mileage</u>
PAHOKEE	WEST PALM BEACH	39
PERRINE	BIG PINE	92
PERRINE	CORAL SPRINGS	46
PERRINE	DEERFIELD BEACH	53
PERRINE	FORT LAUDERDALE	38
PERRINE	HOLLYWOOD	31
PERRINE	ISLAMORADA	52
PERRINE	KEY LARGO	31
PERRINE	KEY WEST	17
PERRINE	MARATHON	78
PERRINE	NORTH KEY LARGO	20
PERRINE	POMPANO BEACH	47
PERRINE	SUGARLOAF KEY	03
POMPANO BEACH	DELRAY BEACH	16
POMPANO BEACH	HOLLYWOOD	16
POMPANO BEACH	HOMESTEAD	58
POMPANO BEACH	MIAMI	32
POMPANO BEACH	NORTH DADE	22
POMPANO BEACH	PERRINE	47
PORT ST. LUCIE	JUPITER	25
PORT ST. LUCIE	WEST PALM BEACH	41
STUART	JUPITER	21
STUART	WEST PALM BEACH	37
SUGARLOAF KEY	HOMESTEAD	91
SUGARLOAF KEY	ISLAMORADA	61
SUGARLOAF KEY	KEY LARGO	85
SUGARLOAF KEY	MARATHON	32
SUGARLOAF KEY	MIAMI	17
SUGARLOAF KEY	NORTH KEY LARGO	95
SUGARLOAF KEY	PERRINE	03
VERO BEACH	FORT PIERCE	15
WEST PALM BEACH	BELLE GLADE	39
WEST PALM BEACH	BOCA RATON	24
WEST PALM BEACH	DELRAY BEACH	17
WEST PALM BEACH	HOBE SOUND	26
WEST PALM BEACH	JENSEN BEACH	40
WEST PALM BEACH	PAHOKEE	39
WEST PALM BEACH	PORT ST. LUCIE	41
WEST PALM BEACH	STUART	37
ARCHER	CEDAR KEY	43
ARCHER	CHIEFLAND	21

<u>Originating Exchange</u>	<u>Terminating Exchange</u>	<u>Mileage</u>
BRONSON	CEDAR KEY	33
BRONSON	NEWBERRY	14
BUNNELL	DAYTONA BEACH	21
BUNNELL	PIERSON	21
CEDAR KEY	ARCHER	43
CEDAR KEY	BRONSON	33
CEDAR KEY	CHIEFLAND	27
CEDAR KEY	GAINESVILLE	58
CHIEFLAND	ARCHER	21
CHIEFLAND	CEDAR KEY	27
CHIEFLAND	GAINESVILLE	35
CHIEFLAND	OLD TOWN	11
CHIPLEY	PANAMA CITY	43
CHIPLEY	YOUNGSTOWN FOUNTAIN	30
DAYTONA BEACH	BUNNELL	21
DAYTONA BEACH	DELAND	21
DAYTONA BEACH	DELEON SPRINGS	22
DAYTONA BEACH	FLAGLER BEACH	18
DAYTONA BEACH	NEW SMYRNA BEACH	16
DAYTONA BEACH	OAK HILL	29
DAYTONA BEACH	PALM COAST	26
DAYTONA BEACH	PIERSON	27
EBARY	ORLANDO	24
DELAND	DAYTONA BEACH	21
DELAND	NEW SMYRNA BEACH	23
DELAND	OAK HILL	30
DELEON SPRINGS	DAYTONA BEACH	22
DELEON SPRINGS	NEW SMYRNA BEACH	27
DELEON SPRINGS	OAK HILL	37
EAU GALLIE	TITUSVILLE	35
FERNANDINA BEACH	FORT GEORGE	15
FERNANDINA BEACH	JACKSONVILLE	26
FLAGLER BEACH	DAYTONA BEACH	18
FLAGLER BEACH	PIERSON	28
FORT GEORGE	FERNANDINA BEACH	15
FORT GEORGE	JACKSONVILLE BEACH	11
GAINESVILLE	CEDAR KEY	58
GAINESVILLE	CHIEFLAND	35
GAINESVILLE	KEYSTONE HEIGHTS	20
GREEN COVE SPRINGS	PALATKA	24
HOLLEY NAVARRE	MILTON	15

<u>Originating Exchange</u>	<u>Terminating Exchange</u>	<u>Mileage</u>
HOLLEY NAVARRE	PACE	19
JACKSONVILLE	FERNANDINA BEACH	26
JACKSONVILLE	PALATKA	48
JACKSONVILLE	ST. AUGUSTINE	37
JACKSONVILLE BEACH	FORT GEORGE	11
JACKSONVILLE BEACH	ST. AUGUSTINE	27
JULINGTON	PALATKA	33
KEYSTONE HEIGHTS	GAINESVILLE	20
LYNN HAVEN	SUNNY HILLS	21
LYNN HAVEN	VERNON	26
MELBOURNE	TITUSVILLE	39
MILTON	HOLLEY NAVARRE	15
NEW SMYRNA BEACH	DAYTONA BEACH	16
NEW SMYRNA BEACH	DELAND	23
NEW SMYRNA	BEACHDELEON SPRINGS	27
NEW SMYRNA BEACH	PIERSON	36
NEWBERRY	BRONSON	14
NEWBERRY	TRENTON	13
OAK HILL	DAYTONA BEACH	29
OAK HILL	DELAND	30
OAK HILL	DELEON SPRINGS	37
OAK HILL	PIERSON	46
LD TOWN	CHIEFLAND	11
ORANGE PARK	PALATKA	37
ORLANDO	DEBARY	24
PACE	HOLLEY NAVARRE	19
PALATKA	GREEN COVE SPRINGS	24
PALATKA	JACKSONVILLE	48
PALATKA	JULINGTON	33
PALATKA	ORANGE PARK	37
PALM COAST	DAYTONA BEACH	26
PANAMA CITY	CHIPLEY	43
PANAMA CITY	SUNNY HILLS	27
PANAMA CITY	VERNON	32
PANAMA CITY BEACH	SUNNY HILLS	29
PIERSON	BUNNELL	21
PIERSON	DAYTONA BEACH	27
PIERSON	FLAGLER BEACH	28
PIERSON	NEW SMYRNA BEACH	36
PIERSON	OAK HILL	46

<u>Originating Exchange</u>	<u>Terminating Exchange</u>	<u>Mileage</u>
PONTE VEDRA BEACH	ST. AUGUSTINE	24
ST. AUGUSTINE	JACKSONVILLE	37
ST. AUGUSTINE	JACKSONVILLE BEACH	27
ST. AUGUSTINE	PONTE VEDRA BEACH	24
SUNNY HILLS	LYNN HAVEN	21
SUNNY HILLS	PANAMA CITY	29
SUNNY HILLS	PANAMA CITY BEACH	29
SUNNY HILLS	YOUNGSTOWN FOUNTAIN	15
TITUSVILLE	RAU GALLIE	35
TITUSVILLE	MELBOURNE	39
TRENTON	NEWBERRY	13
VERNON	LYNN HAVEN	26
VERNON	PANAMA CITY	32
YOUNGSTOWN FOUNTAIN	CHIPLEY	30
YOUNGSTOWN FOUNTAIN	SUNNY HILLS	15

**REQUEST:** Identify each of the proposed routes that qualify for ECS under the proposed KAS Rules in Docket No. 930220-TL?

**RESPONSE:** According to the proposed KAS Rules, Part 25-4.060(4) when an M/A/M of 4.00 or greater (but less than 8.00) is established via a traffic study, Form PSC/CHU 6 is completed. Southern Bell is unable to complete this form at this time for the relevant routes. However, below is a list of those routes with an M/A/M greater than or equal to 4.00 and less than 8.00.

Originating Exchange Terminating Exchange

✓ Boca Raton	West Palm Beach
✓ Coral Springs	Miami
Fort Pierce	Vero Beach
Islamorada	Miami
Jupiter	Stuart
North Key Largo	Miami
Stuart	West Palm Beach
Vero Beach	Fort Pierce
Bunnell	Daytona Beach - \$25
Cedar Key	Chiefland - \$25
Cedar Key	Gainesville - \$25
Daytona Beach	New Smyrna Beach - \$25
✓ Debarry	Orlando
DeLeon Springs	Daytona Beach - \$25
Flagler Beach	Daytona Beach - \$
✓ Fort George	Jacksonville Beach
✓ Newberry	Trenton
Palm Coast	Daytona Beach - \$25
Pierson	Daytona Beach - \$
Sunny Hills	Lynn Haven - \$
✓ Trenton	Newberry
Vernon	Panama City

**INFORMATION PROVIDED BY:** Joseph A. Stanley  
 Director, Pricing  
 3535 Colonnade Parkway  
 Birmingham, AL 35243

Southern Bell Tel. & Tel. Co.  
Docket 920260-TL  
FPSC Staff's 1st Set of Interrogatories  
June 12, 1995  
Item. No. 14  
Page 1 of 1

**REQUEST:** How do the pending amendments to Chapter 364 affect Southern Bell's ECS proposal?

**RESPONSE:** In my opinion, Southern Bell's ECS proposal is appropriate under both the old and the new versions of Chapter 364.

**INFORMATION PROVIDED BY:** Joseph A. Stanley  
Director, Pricing  
3535 Colonnade Parkway  
Birmingham, AL 35243

**REQUEST:**

- a) On each of the proposed ECS routes, please provide the estimated stimulation of traffic (messages, minutes), at the lowest level of detail available (residence vs. business) as a result of converting from toll to ECS.
- b) Please explain exactly how the stimulation was calculated.

**RESPONSE:**

- a) Estimated stimulation on the proposed ECS routes is available only in the aggregate. This information is supplied in Item 16.
- b) The overall stimulation figure was calculated by examining historic data on previously ordered ECS routes. Two months data were examined, and an overall average was obtained.

**INFORMATION PROVIDED BY:** Steve Bigelow  
Director, Pricing  
3535 Colonnade Parkway  
Birmingham, Alabama 35243

Southern Bell Tel. & Tel. Co.  
Docket No. 920260-TL  
FPSC Staff's 1st Set of Interrogatories  
June 12, 1995  
Item No. 16  
Page 1 of 1

**REQUEST:** Provide the total revenue impact of implementing the proposed ECS routes including the stimulation.

**RESPONSE:**

Annual ECS Revenue	\$52,550,270
Stimulation Factor	50%
Annual ECS Revenue After Stimulation	\$78,825,407
Annual Toll Loss	(\$97,251,750)
Annual Revenue Effect due to Loss of Toll Volume Discount	\$1,331,532
Net Annual Revenue Effect	(\$17,094,811)

5 diff  
\$44,701,000

**INFORMATION PROVIDED BY:** Steve Bigelow  
Director, Pricing  
3535 Colonnade Parkway  
Birmingham, AL 35243

Southern Bell Tel. & Tel. Co.  
Docket 920260-TL  
FPSC Staff's 1st Set of Interrogatories  
June 12, 1995  
Item. No. 17  
Page 1 of 5

**PROPRIETARY**

**REQUEST:** For each proposed ECS routes provide the following information:

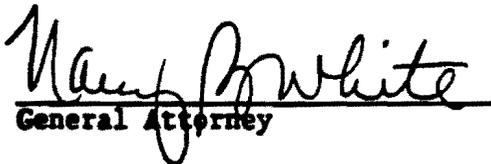
- A. Number of residence toll messages and associated average revenue per message.
- B. Number of business toll messages, associated average revenue per message, and average conversation minutes per message.

**RESPONSE: PROPRIETARY**

Please see attached 4 pages.

**Note:** Routes being converted from Local Calling Plus (LCP) to Extended Calling Service (ECS) are not included on this list.

Southern Bell objects to this Interrogatory to the extent the information requested is proprietary. Southern Bell will provide the proprietary data to the Commission Staff under a Temporary Motion for Protective Order to be filed contemporaneously with the serving of Southern Bell's Interrogatory responses.

  
General Attorney

**INFORMATION PROVIDED BY:** Joseph A. Stanley  
Director, Pricing  
3535 Colonnade Parkway  
Birmingham, AL 35243

PROPRIETARY

<u>Originating Exchange</u>	<u>Terminating Exchange</u>	<u>Residence Monthly Messages</u>	<u>Average Residence Revenue/Msg.</u>	<u>Business Monthly Messages</u>	<u>Average Business Revenue/Msg.</u>	<u>Average Business Minutes/Msg.</u>
1 ARCHER	CEDAR KEY					
2 ARCHER	CHIEFLAND					
3 BELLE GLADE	WEST PALM BEACH					
4 BIG PINE	HOMESTEAD					
5 BIG PINE	ISLAMORADA					
6 BIG PINE	KEY LARGO					
7 BIG PINE	KEY WEST					
9 BIG PINE	MIAMI					
9 BIG PINE	NORTH KEY LARGO					
10 BIG PINE	PERRINE					
11 BOCA RATON	FORT LAUDERDALE					
12 BOCA RATON	HOLLYWOOD					
13 BOCA RATON	MIAMI					
14 BOCA RATON	NORTH DADE					
15 BOCA RATON	WEST PALM BEACH					
16 BRONSON	NEWBERRY					
17 BUNNELL	DAYTONA BEACH					
18 BUNNELL	PIERSON					
19 CEDAR KEY	ARCHER					
20 CEDAR KEY	GAINESVILLE					
21 CHIEFLAND	ARCHER					
22 CHIEFLAND	GAINESVILLE					
23 CHIEFLAND	OLD TOWN					
24 CHIPLEY	PANAMA CITY					
25 CHIPLEY	YOUNGSTOWN-FOUNTAIN					
26 CORAL SPRINGS	DELRAY BEACH					
27 CORAL SPRINGS	HOLLYWOOD					
28 CORAL SPRINGS	HOMESTEAD					
29 CORAL SPRINGS	MIAMI					
30 CORAL SPRINGS	NORTH DADE					
31 CORAL SPRINGS	PERRINE					
32 DAYTONA BEACH	BUNNELL					
33 DAYTONA BEACH	FLAGLER BEACH					
34 DAYTONA BEACH	PALM COAST					
35 DEBARY	ORLANDO					
36 DEERFIELD BEACH	HOLLYWOOD					
37 DEERFIELD BEACH	HOMESTEAD					
38 DEERFIELD BEACH	MIAMI					
39 DEERFIELD BEACH	NORTH DADE					
40 DEERFIELD BEACH	PERRINE					
41 DELRAY BEACH	CORAL SPRINGS					
42 DELRAY BEACH	FORT LAUDERDALE					
43 DELRAY BEACH	POMPANO BEACH					
44 DELRAY BEACH	WEST PALM BEACH					
45 EAU GALLIE	TITUSVILLE					
46 FERNANDINA BEACH	FORT GEORGE					
47 FERNANDINA BEACH	JACKSONVILLE					
48 FLAGLER BEACH	DAYTONA BEACH					
49 FLAGLER BEACH	PIERSON					
50 FORT GEORGE	FERNANDINA BEACH					
51 FORT GEORGE	JACKSONVILLE BEACH					
52 FORT LAUDERDALE	BOCA RATON					
53 FORT LAUDERDALE	DELRAY BEACH					
54 FORT LAUDERDALE	HOMESTEAD					
55 FORT LAUDERDALE	PERRINE					
56 FORT PIERCE	JENSEN BEACH					
57 FORT PIERCE	VERO BEACH					
58 GAINESVILLE	CEDAR KEY					

PROPRIETARY

<u>Originating Exchange</u>	<u>Terminating Exchange</u>	<u>Residence Monthly Messages</u>	<u>Average Residence Revenue/Msg.</u>	<u>Business Monthly Messages</u>	<u>Average Business Revenue/Msg.</u>	<u>Average Business Minutes/Msg.</u>
89 GAINESVILLE	CHIEFLAND					
90 GAINESVILLE	TRENTON					
91 GREEN COVE SPRINGS	PALATKA					
92 HOBE SOUND	WEST PALM BEACH					
93 HOLLEY-NAVARRE	MILTON					
94 HOLLEY-NAVARRE	PACE					
95 HOLLYWOOD	BOCA RATON					
96 HOLLYWOOD	CORAL SPRINGS					
97 HOLLYWOOD	DEERFIELD BEACH					
98 HOLLYWOOD	HOMESTEAD					
99 HOLLYWOOD	PERRINE					
70 HOLLYWOOD	POMPANO BEACH					
71 HOMESTEAD	BIG PINE					
72 HOMESTEAD	CORAL SPRINGS					
73 HOMESTEAD	DEERFIELD BEACH					
74 HOMESTEAD	FORT LAUDERDALE					
75 HOMESTEAD	HOLLYWOOD					
76 HOMESTEAD	ISLAMORADA					
77 HOMESTEAD	KEY LARGO					
78 HOMESTEAD	KEY WEST					
79 HOMESTEAD	MARATHON					
90 HOMESTEAD	NORTH DADE					
91 HOMESTEAD	NORTH KEY LARGO					
92 HOMESTEAD	POMPANO BEACH					
93 HOMESTEAD	SUGARLOAF KEY					
94 ISLAMORADA	BIG PINE					
95 ISLAMORADA	HOMESTEAD					
96 ISLAMORADA	KEY WEST					
97 ISLAMORADA	MIAMI					
98 ISLAMORADA	NORTH KEY LARGO					
99 ISLAMORADA	PERRINE					
90 ISLAMORADA	SUGARLOAF KEY					
91 JACKSONVILLE	FERNANDINA BEACH					
92 JACKSONVILLE	PALATKA					
93 JACKSONVILLE	ST AUGUSTINE					
94 JACKSONVILLE BEACH	FORT GEORGE					
95 JACKSONVILLE BEACH	ST AUGUSTINE					
96 JENSEN BEACH	FORT PIERCE					
97 JENSEN BEACH	JUPITER					
98 JENSEN BEACH	WEST PALM BEACH					
99 JULINGTON	PALATKA					
100 JUPITER	JENSEN BEACH					
101 JUPITER	PORT ST LUCIE					
102 JUPITER	STUART					
103 KEY LARGO	BIG PINE					
104 KEY LARGO	HOMESTEAD					
105 KEY LARGO	KEY WEST					
106 KEY LARGO	MARATHON					
107 KEY LARGO	MIAMI					
108 KEY LARGO	PERRINE					
109 KEY LARGO	SUGARLOAF KEY					
110 KEY WEST	BIG PINE					
111 KEY WEST	HOMESTEAD					
112 KEY WEST	ISLAMORADA					
113 KEY WEST	KEY LARGO					
114 KEY WEST	MARATHON					

PROPRIETARY

<u>Originating Exchange</u>	<u>Terminating Exchange</u>	<u>Residence Monthly Messages</u>	<u>Average Residence Revenue/Msg.</u>	<u>Business Monthly Messages</u>	<u>Average Business Revenue/Msg.</u>	<u>Average Business Minutes/Msg.</u>
115 KEY WEST	MIAMI					
116 KEY WEST	NORTH KEY LARGO					
117 KEY WEST	PERRINE					
118 LYNN HAVEN	VERNON					
119 MARATHON	HOMESTEAD					
120 MARATHON	KEY LARGO					
121 MARATHON	KEY WEST					
122 MARATHON	MIAMI					
123 MARATHON	NORTH KEY LARGO					
124 MARATHON	PERRINE					
125 MARATHON	SUGARLOAF KEY					
126 MELBOURNE	TITUSVILLE					
127 MIAMI	BIG PINE					
128 MIAMI	BOCA RATON					
129 MIAMI	CORAL SPRINGS					
130 MIAMI	DEERFIELD BEACH					
131 MIAMI	ISLAMORADA					
132 MIAMI	KEY LARGO					
133 MIAMI	KEY WEST					
134 MIAMI	MARATHON					
135 MIAMI	NORTH KEY LARGO					
136 MIAMI	POMPANO BEACH					
137 MIAMI	SUGARLOAF KEY					
138 MILTON	HOLLEY-NAVARRE					
39 NEWBERRY	BRONSON					
140 NORTH DADE	BOCA RATON					
141 NORTH DADE	CORAL SPRINGS					
142 NORTH DADE	DEERFIELD BEACH					
143 NORTH DADE	HOMESTEAD					
144 NORTH DADE	POMPANO BEACH					
145 NORTH KEY LARGO	BIG PINE					
146 NORTH KEY LARGO	HOMESTEAD					
147 NORTH KEY LARGO	ISLAMORADA					
148 NORTH KEY LARGO	KEY WEST					
149 NORTH KEY LARGO	MARATHON					
150 NORTH KEY LARGO	MIAMI					
151 NORTH KEY LARGO	PERRINE					
152 NORTH KEY LARGO	SUGARLOAF KEY					
153 OLD TOWN	CHIEFLAND					
154 ORANGE PARK	PALATKA					
155 ORLANDO	DEBARY					
156 PACE	HOLLEY-NAVARRE					
157 PAHOKEE	WEST PALM BEACH					
158 PALATKA	GREEN COVE SPRINGS					
159 PALATKA	JACKSONVILLE					
160 PALATKA	JULINGTON					
161 PALATKA	ORANGE PARK					
162 PALM COAST	DAYTONA BEACH					
163 PANAMA CITY	CHIPLEY					
164 PANAMA CITY	VERNON					
165 PANAMA CITY BEACH	SUNNY HILLS					
166 PERRINE	BIG PINE					
167 PERRINE	CORAL SPRINGS					
168 PERRINE	DEERFIELD BEACH					
169 PERRINE	FORT LAUDERDALE					
170 PERRINE	HOLLYWOOD					
1 PERRINE	ISLAMORADA					
2 PERRINE	KEY LARGO					

PROPRIETARY

<u>Originating Exchange</u>	<u>Terminating Exchange</u>	<u>Residence Monthly Messages</u>	<u>Average Residence Revenue/Msg.</u>	<u>Business Monthly Messages</u>	<u>Average Business Revenue/Msg.</u>	<u>Average Business Minutes/Msg.</u>
175 PERRINE	KEY WEST					
176 PERRINE	MARATHON					
177 PERRINE	NORTH KEY LARGO					
178 PERRINE	POMPANO BEACH					
179 PERRINE	SUGARLOAF KEY					
180 PIERSON	BUNNELL					
181 PIERSON	FLAGLER BEACH					
182 POMPANO BEACH	DELRAY BEACH					
183 POMPANO BEACH	HOLLYWOOD					
184 POMPANO BEACH	HOMESTEAD					
185 POMPANO BEACH	MIAMI					
186 POMPANO BEACH	NORTH DADE					
187 POMPANO BEACH	PERRINE					
188 PORT ST LUCIE	JUPITER					
189 PORT ST LUCIE	WEST PALM BEACH					
190 ST AUGUSTINE	JACKSONVILLE					
191 ST AUGUSTINE	JACKSONVILLE BEACH					
192 STUART	JUPITER					
193 STUART	WEST PALM BEACH					
194 SUGARLOAF KEY	HOMESTEAD					
195 SUGARLOAF KEY	ISLAMORADA					
196 SUGARLOAF KEY	KEY LARGO					
197 SUGARLOAF KEY	MARATHON					
198 SUGARLOAF KEY	MIAMI					
99 SUGARLOAF KEY	NORTH KEY LARGO					
200 SUGARLOAF KEY	PERRINE					
201 SUNNY HILLS	PANAMA CITY BEACH					
202 TITUSVILLE	EAU GALLIE					
203 TITUSVILLE	MELBOURNE					
204 TRENTON	GAINESVILLE					
205 VERNON	LYNN HAVEN					
206 VERNON	PANAMA CITY					
207 VERO BEACH	FORT PIERCE					
208 WEST PALM BEACH	BELLE GLADE					
209 WEST PALM BEACH	BOCA RATON					
210 WEST PALM BEACH	DELRAY BEACH					
211 WEST PALM BEACH	HOBE SOUND					
212 WEST PALM BEACH	JENSEN BEACH					
213 WEST PALM BEACH	PAHOKEE					
214 WEST PALM BEACH	PORT ST LUCIE					
215 WEST PALM BEACH	STUART					
216 YOUNGSTOWN-FOUNTAIN	CHIPLEY					

Southern Bell Tel. & Tel. Co.  
Docket 920260-TL  
FPSC Staff's 1st Set of Interrogatories  
June 12, 1995  
Item No. 18  
Page 1 of 1

**REQUEST:** If flat rated optional calling plan messages are included in the existing toll message counts provided in Southern Bell's response to Staff's Interrogatories Item Nos. 17 (A) and (B), please separately identify these volumes.

**RESPONSE:** Flat rated optional calling plan messages (i.e. EOEAS Premium) were not included in toll message counts. It is assumed that the Premium options will be left intact after implementation of the ECS Plan.

**INFORMATION PROVIDED BY:** Joseph A. Stanley  
Director, Pricing  
3535 Colonnade Parkway  
Birmingham, AL 35243

STATE OF GEORGIA  
COUNTY OF FULTON

BEFORE ME, the undersigned authority, personally appeared Raymond H. Lee Jr., who being first duly sworn deposes and says:

That he occupies the position Manager, Headquarters Regulatory and is the person who has furnished answer(s) to these interrogatory(ies) No. 1 - 18 and further says that said answer(s) are true and correct to the best of his knowledge and belief.

WITNESS my hand and seal this 13<sup>th</sup> day of July,  
A.D., 1995.

Signature Raymond H. Lee

Edeltraud M. Salas

Notary Public

State of Georgia

My Commission Expires:

Notary Public, Clayton County, Georgia  
My Commission Expires Jan. 14, 1997

NANCY B. WHITE  
General Attorney

Southern Bell Telephone  
and Telegraph Company  
150 South Monroe Street  
Suite 400  
Tallahassee, Florida 32301  
(404) 529-5387

July 7, 1995

Mrs. Blanca S. Bayo  
Director, Division of Records and Reporting  
Florida Public Service Commission  
4075 Esplanade Way  
Tallahassee, Florida 32399

RE: Docket No. 920260-TL

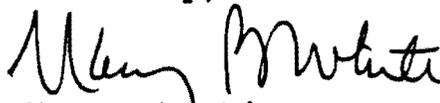
#1

Dear Mrs. Bayo:

Today, Southern Bell Telephone and Telegraph Company served its Response to Public Counsel's First Set of Interrogatories - 1995 Rate Reductions dated June 7, 1995 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 on the parties shown on the attached Certificate of Service.

Sincerely,

  
Nancy B. White

Enclosures

cc: All Parties of Record  
A. M. Lombardo  
R. G. Beatty  
R. D. Lackey

6442-95

Southern Bell Tel. & Tel. Co.  
Docket No. 920260-TL (95 Rate Reductions)  
PC's 1st Set of Interrogatories  
June 7, 1995  
Item 1  
Page 1 of 1

**REQUEST:** Please provide community of interest factors for each of the following routes (Please include the factors for each direction of the routes):

- (a) Boynton Beach - Ft. Lauderdale
- (b) Boynton Beach - Pompano Beach
- (c) Boynton Beach - Deerfield Beach
- (d) Boynton Beach - Coral Springs

**RESPONSE:**

Originating Exchange	Terminating Exchange	CIF Factor
Boynton Beach	Fort Lauderdale	2.95
Fort Lauderdale	Boynton Beach	0.43
Boynton Beach	Pompano Beach	1.91
Pompano Beach	Boynton Beach	0.67
Boynton Beach	Deerfield Beach	1.18
Deerfield Beach	Boynton Beach	1.73
Boynton Beach	Coral Springs	0.63
Coral Springs	Boynton Beach	0.75

**INFORMATION PROVIDED BY:**

Joseph A. Stanley  
Director, Pricing  
3535 Colonnade Parkway  
Birmingham, AL 35243

NANCY B. WHITE  
General Attorney

Southern Bell Telephone  
and Telegraph Company  
150 South Monroe Street  
Suite 400  
Tallahassee, Florida 32301  
(404) 529-5387

June 30, 1995

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

RE: Docket No. 920260-TL

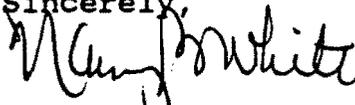
#66-67

Dear Mrs. Bayo:

Today, Southern Bell Telephone and Telegraph Company served its Response to Florida Interexchange Carrier Association's Eighth Set of Interrogatories dated May 31, 1995 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 on the parties shown on the attached Certificate of Service.

Sincerely,



Nancy B. White

Enclosures

cc: All Parties of Record  
A. M. Lombardo  
R. G. Beatty  
R. D. Lackey

Southern Bell Tel. & Tel. Co.  
Docket No. 920260-TL (95 Rate Reductions)  
FIXCA's 8th Set of Interrogatories  
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**REQUEST:** In regard to pages 1-6 of your May 15 tariff filing, identify which of the routes listed satisfy the community of interest standard. Please provide this information on a route by route basis.

**RESPONSE:** The community of interest standard has both a volume and a distribution component. The studies that Southern Bell performed evaluated only the volume component of the community interest standard, therefore, Southern Bell can not determine whether these routes satisfy the complete community of interest standard.

**INFORMATION PROVIDED BY:** Joseph A. Stanley  
Director, Pricing  
353 Colonnade Parkway  
Birmingham, AL 35243

Southern Bell Tel. & Tel. Co.  
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**REQUEST:** In regard to your May 15 tariff filing, does this filing convert all routes in the southeast LATA to Extended Calling Service. If the answer to this question is no, please identify which routes in the southeast LATA are not included in the filing.

**RESPONSE:** Not all routes in the southeast LATA will be converted to Extended Calling Service with the May 15 tariff filing. Below are toll routes which are not being converted.

Belle Glade To/From Big Pine Key  
Belle Glade To/From Boca Raton  
Belle Glade To/From Boynton Beach  
Belle Glade To/From Coral Springs  
Belle Glade To/From Deerfield Beach  
Belle Glade To/From Delray Beach  
Belle Glade To/From Fort Lauderdale  
Belle Glade To/From Fort Pierce  
Belle Glade To/From Hobe Sound  
Belle Glade To/From Hollywood  
Belle Glade To/From Homestead  
Belle Glade To Indiantown  
Belle Glade To/From Islamorada  
Belle Glade To/From Jensen Beach  
Belle Glade To/From Jupiter  
Belle Glade To/From Key Largo  
Belle Glade To/From Key West  
Belle Glade To/From Marathon  
Belle Glade To/From Miami  
Belle Glade To/From North Dade  
Belle Glade To/From North Key Largo  
Belle Glade To/From Perrine  
Belle Glade To/From Pompano Beach  
Belle Glade To/From Port St. Lucie  
Belle Glade To/From Sebastian  
Belle Glade To/From Stuart  
Belle Glade To/From Sugarloaf Key  
Belle Glade To/From Vero Beach  
Big Pine Key To/From Boca Raton  
Big Pine Key To/From Boynton Beach  
Big Pine Key To/From Coral Springs  
Big Pine Key To/From Deerfield Beach  
Big Pine Key To/From Delray Beach  
Big Pine Key To/From Fort Lauderdale  
Big Pine Key To/From Fort Pierce  
Big Pine Key To/From Hobe Sound  
Big Pine Key To/From Hollywood  
Big Pine Key To Indiantown  
Big Pine Key To/From Jensen Beach  
Big Pine Key To/From Jupiter

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RESPONSE: CONTINUED

Big Pine Key To/From North Dade  
Big Pine Key To/From Pahokee  
Big Pine Key To/From Pompano Beach  
Big Pine Key To/From Port St. Lucie  
Big Pine Key To/From Sebastian  
Big Pine Key To/From Stuart  
Big Pine Key To/From Vero Beach  
Big Pine Key To/From West Palm Beach  
Boca Raton To/From Fort Pierce  
Boca Raton To/From Hobe Sound  
Boca Raton To Indiantown  
Boca Raton To/From Islamorada  
Boca Raton To/From Jensen Beach  
Boca Raton To/From Jupiter  
Boca Raton To/From Key Largo  
Boca Raton To/From Key West  
Boca Raton To/From Marathon  
Boca Raton To/From North Key Largo  
Boca Raton To/From Pahokee  
Boca Raton To/From Perrine  
Boca Raton To/From Port St. Lucie  
Boca Raton To/From Sebastian  
Boca Raton To/From Stuart  
Boca Raton To/From Sugarloaf Key  
Boca Raton To/From Vero Beach  
Boynton Beach To/From Coral Springs  
Boynton Beach To/From Deerfield Beach  
Boynton Beach To/From Fort Lauderdale  
Boynton Beach To/From Fort Pierce  
Boynton Beach To/From Hobe Sound  
Boynton Beach To/From Hollywood  
Boynton Beach To/From Homestead  
Boynton Beach To Indiantown  
Boynton Beach To/From Islamorada  
Boynton Beach To/From Jensen Beach  
Boynton Beach To/From Jupiter  
Boynton Beach To/From Marathon  
Boynton Beach To/From Miami  
Boynton Beach To/From North Dade  
Boynton Beach To/From North Key Largo  
Boynton Beach To/From Pahokee  
Boynton Beach To/From Perrine  
Boynton Beach To/From Port St. Lucie  
Boynton Beach To/From Sebastian  
Boynton Beach To/From Stuart  
Boynton Beach To/From Sugarloaf Key  
Boynton Beach To/From Vero Beach  
Coral Springs To/From Fort Pierce

**RESPONSE: CONTINUED**

Coral Springs To/From Hobe Sound  
Coral Springs To Indiantown  
Coral Springs To/From Islamorada  
Coral Springs To/From Jensen Beach  
Coral Springs To/From Jupiter  
Coral Springs To/From Key Largo  
Coral Springs To/From Key West  
Coral Springs To/From Marathon  
Coral Springs To/From North Key Largo  
Coral Springs To/From Port St. Lucie  
Coral Springs To/From Sebastian  
Coral Springs To/From Stuart  
Coral Springs To/From Sugarloaf Key  
Coral Springs To/From Vero Beach  
Deerfield Beach To/From Fort Pierce  
Deerfield Beach To/From Hobe Sound  
Deerfield Beach To Indiantown  
Deerfield Beach To/From Islamorada  
Deerfield Beach To/From Jensen Beach  
Deerfield Beach To/From Jupiter  
Deerfield Beach To/From Key Largo  
Deerfield Beach To/From Key West  
Deerfield Beach To/From Marathon  
Deerfield Beach To/From North Key Largo  
Deerfield Beach To/From Pahokee  
Deerfield Beach To/From Port St. Lucie  
Deerfield Beach To/From Sebastian  
Deerfield Beach To/From Stuart  
Deerfield Beach To/From Sugarloaf Key  
Deerfield Beach To/From Vero Beach  
Deerfield Beach To/From West Palm Beach  
Delray Beach To/From Fort Pierce  
Delray Beach To/From Hobe Sound  
Delray Beach To/From Hollywood  
Delray Beach To/From Homestead  
Delray Beach To Indiantown  
Delray Beach To/From Islamorada  
Delray Beach To/From Jensen Beach  
Delray Beach To/From Jupiter  
Delray Beach To/From Key Largo  
Delray Beach To/From Key West  
Delray Beach To/From Marathon  
Delray Beach To/From Miami  
Delray Beach To/From North Dade  
Delray Beach To/From North Key Largo  
Delray Beach To/From Pahokee  
Delray Beach To/From Perrine  
Delray Beach To/From Port St. Lucie

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RESPONSE: CONTINUED

Delray Beach To/From Sebastian  
Delray Beach To/From Stuart  
Fort Lauderdale To/From Fort Pierce  
Fort Lauderdale To/From Hobe Sound  
Fort Lauderdale To Indiantown  
Fort Lauderdale To/From Islamorada  
Fort Lauderdale To/From Jensen Beach  
Fort Lauderdale To/From Jupiter  
Fort Lauderdale To/From Key Largo  
Fort Lauderdale To/From Key West  
Fort Lauderdale To/From Marathon  
Fort Lauderdale To/From North Key Largo  
Fort Lauderdale To/From Pahokee  
Fort Lauderdale To/From Port St. Lucie  
Fort Lauderdale To/From Sebastian  
Fort Lauderdale To/From Stuart  
Fort Lauderdale To/From Sugarloaf Key  
Fort Lauderdale To/From Vero Beach  
Fort Lauderdale To/From West Palm Beach  
Fort Pierce To/From Hobe Sound  
Fort Pierce To/From Hollywood  
Fort Pierce To/From Homestead  
Fort Pierce To Indiantown  
Fort Pierce To/From Islamorada  
Fort Pierce To/From Key Largo  
Fort Pierce To/From Key West  
Fort Pierce To/From Marathon  
Fort Pierce To/From Miami  
Fort Pierce To/From North Dade  
Fort Pierce To/From North Key Largo  
Fort Pierce To/From Pahokee  
Fort Pierce To/From Perrine  
Fort Pierce To/From Pompano Beach  
Fort Pierce To/From Sebastian  
Fort Pierce To/From Stuart  
Fort Pierce To/From West Palm Beach  
Hobe Sound To/From Hollywood  
Hobe Sound To/From Homestead  
Hobe Sound To Indiantown  
Hobe Sound To/From Islamorada  
Hobe Sound To/From Key Largo  
Hobe Sound To/From Key West  
Hobe Sound To/From Marathon  
Hobe Sound To/From Miami  
Hobe Sound To/From North Dade  
Hobe Sound To/From North Key Largo  
Hobe Sound To/From Pahokee  
Hobe Sound To/From Perrine

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RESPONSE: CONTINUED

Hobe Sound To/From Pompano Beach  
Hobe Sound To/From Sebastian  
Hobe Sound To/From Sugarloaf Key  
Hobe Sound To/From Vero Beach  
Hollywood To/From Jensen Beach  
Hollywood To/From Jupiter  
Hollywood To/From Key Largo  
Hollywood To/From Key West  
Hollywood To/From North Key Largo  
Hollywood To/From Pahokee  
Hollywood To/From Port St. Lucie  
Hollywood To/From Sebastian  
Hollywood To/From Stuart  
Hollywood To/From Sugarloaf Key  
Hollywood To/From Vero Beach  
Hollywood To/From West Palm Beach  
Homestead To Indiantown  
Homestead To/From Jensen Beach  
Homestead To/From Jupiter  
Homestead To/From Port St. Lucie  
Homestead To/From Sebastian  
Homestead To/From Stuart  
Homestead To/From Vero Beach  
Homestead To/From West Palm Beach  
Islamorada To Indiantown  
Islamorada To/From Jensen Beach  
Islamorada To/From Jupiter  
Islamorada To/From Key West  
Islamorada To/From North Dade  
Islamorada To/From Pahokee  
Islamorada To/From Pompano Beach  
Islamorada To/From Port St. Lucie  
Islamorada To/From Sebastian  
Islamorada To/From Stuart  
Islamorada To/From Vero Beach  
Islamorada To/From West Palm Beach  
Jensen Beach To Indiantown  
Jensen Beach To/From Key Largo  
Jensen Beach To/From Key West  
Jensen Beach To/From Marathon  
Jensen Beach To/From Miami  
Jensen Beach To/From North Dade  
Jensen Beach To/From North Key Largo  
Jensen Beach To/From Pahokee  
Jensen Beach To/From Perrine  
Jensen Beach To/From Pompano Beach  
Jensen Beach To/From Sebastian  
Jensen Beach To/From Sugarloaf Key

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RESPONSE: CONTINUED

Jensen Beach To/From Vero Beach  
Key Largo To Indiantown  
Key Largo To/From Pahokee  
Key Largo To/From Pompano Beach  
Key Largo To/From Port St. Lucie  
Key Largo To/From Sebastian  
Key Largo To/From Stuart  
Key Largo To/From Vero Beach  
Key Largo To/From West Palm Beach  
Key West To Indiantown  
Key West To/From North Dade  
Key West To/From Pahokee  
Key West To/From Pompano Beach  
Key West To/From Port St. Lucie  
Key West To/From Sebastian  
Key West To/From Stuart  
Key West To/From Vero Beach  
Key West To/From West Palm Beach  
Marathon To Indiantown  
Marathon To/From North Dade  
Marathon To/From Pahokee  
Marathon To/From Pompano Beach  
Marathon To/From Port St. Lucie  
Marathon To/From Sebastian  
Marathon To/From Stuart  
Marathon To/From Vero Beach  
Marathon To/From West Palm Beach  
Miami To Indiantown  
Miami To/From Pahokee  
Miami To/From Port St. Lucie  
Miami To/From Sebastian  
Miami To/From Stuart  
Miami To/From Vero Beach  
Miami To/From West Palm Beach  
North Dade To/From North Key Largo  
North Dade To/From Pahokee  
North Dade To/From Port St. Lucie  
North Dade To/From Sebastian  
North Dade To/From Stuart  
North Dade To/From Sugarloaf Key  
North Dade To/From Vero Beach  
North Dade To/From West Palm Beach  
North Key Largo To Indiantown  
North Key Largo To/From Pahokee  
North Key Largo To/From Pompano Beach  
North Key Largo To/From Port St. Lucie  
North Key Largo To/From Sebastian  
North Key Largo To/From Stuart

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North Key Largo To/From Vero Beach  
North Key Largo To/From West Palm Beach  
Pahokee To Indiantown  
Pahokee To/From Perrine  
Pahokee To/From Pompano Beach  
Pahokee To/From Port St. Lucie  
Pahokee To/From Sebastian  
Pahokee To/From Stuart  
Pahokee To/From Sugarloaf Key  
Pahokee To/From Vero Beach  
Perrine To Indiantown  
Perrine To/From Port St. Lucie  
Perrine To/From Sebastian  
Perrine To/From Stuart  
Perrine To/From Sugarloaf Key  
Perrine To/From Vero Beach  
Perrine To/From West Palm Beach  
Pompano Beach To Indiantown  
Pompano Beach To/From Port St. Lucie  
Pompano Beach To/From Sebastian  
Pompano Beach To/From Stuart  
Pompano Beach To/From Sugarloaf Key  
Pompano Beach To/From Vero Beach  
Pompano Beach To/From West Palm Beach  
Port St. Lucie To Indiantown  
Port St. Lucie To/From Sebastian  
Port St. Lucie To/From Sugarloaf Key  
Port St. Lucie To/From Vero Beach  
Sebastian To Indiantown  
Sebastian To/From Stuart  
Sebastian To/From Sugarloaf Key  
Sebastian To/From West Palm Beach  
Stuart To/From Sugarloaf Key  
Stuart To/From Vero Beach  
Sugarloaf Key To Indiantown  
Sugarloaf Key To/From Vero Beach  
Sugarloaf Key To West Palm Beach  
Vero Beach To Indiantown  
Vero Beach To/From West Palm Beach  
West Palm Beach To Indiantown

INFORMATION PROVIDED BY:

Joseph A. Stanley  
Director, Pricing  
3535 Colonnade Parkway  
Birmingham, AL 35243

STATE OF GEORGIA

COUNTY OF FULTON

BEFORE ME, the undersigned authority, personally appeared Raymond H. Lee Jr., who being first duly sworn deposes and says:

That he occupies the position Manager, Headquarters Regulatory and is the person who has furnished answer(s) to these interrogatory(ies) No. 66467 and further says that said answer(s) are true and correct to the best of his knowledge and belief.

WITNESS my hand and seal this 29<sup>th</sup> day of June,  
A.D., 1995.

Signature Raymond H Lee

Willard M. Sales

Notary Public

State of Georgia

My Commission Expires:

Notary Public, Clayton County, Georgia  
My Commission Expires Jan. 14, 1997

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Comprehensive review of	)	DOCKET NO. 920260-TL
the revenue requirements and	)	
rate stabilization plan of	)	
SOUTHERN BELL TELEPHONE AND	)	
TELEGRAPH COMPANY.	)	

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COPY

DEPOSITION OF:	JOSEPH A. STANLEY, JR.
TAKEN AT THE INSTANCE OF:	Florida Public Service Commission Staff
DATE:	Monday, July 17, 1995
TIME:	Commenced at 10:00 a.m. Concluded at 1:05 p.m.
PLACE:	4075 Esplanade Way Tallahassee, Florida
REPORTED BY:	JANE FAUROT Notary Public in and for the State of Florida at Large

ACCURATE STENOGRAPHY REPORTERS, INC.  
 100 SALEM COURT  
 TALLAHASSEE, FLORIDA 32301  
 (904) 878-2221  
 1-800-934-9090

BUREAU OF REPORTING  
 RECEIVED 7-20-95

**APPEARANCES:**

ROBERT ELIAS, ESQUIRE and DONNA CANZANO, ESQUIRE, Florida Public Service Commission, 4075 Esplanade Way, Tallahassee, Florida 32399, representing the Commission Staff.

PHILLIP CARVER, ESQUIRE and NANCY WHITE, ESQUIRE, 150 South Monroe Street, Suite 400, Tallahassee, Florida 32301, representing Southern Bell Telephone and Telegraph Company.

VICKI GORDON KAUFMAN, ESQUIRE, McWhirter, Reeves, McGlothlin, et al., 118 South Gadsden Street, Tallahassee, Florida, representing FIXCA.

MICHAEL TYE, ESQUIRE, Suite 1410, 106 East College Avenue, Tallahassee, Florida 32301, representing AT&T Communications of the Southern States, Inc.

CHARLES J. BECK, ESQUIRE, 111 West Madison Street, Room 801, Tallahassee, Florida 32399, representing the Office of Public Counsel.

CINDY B. HALLOCK, ESQUIRE, Richard Legal Plan, PA, 304 Palermo Avenue, Coral Gables, Florida 33134, representing Communication Workers of America, Locals 3121, 3122 and 3107.

FLOYD R. SELF, ESQUIRE, Messer, Vickers, Caparello, et al., Suite 701, First Florida Bank Building, Tallahassee, Florida 32301, representing McCaw Communications of Florida, Inc.

\* \* \* \* \*

I N D E X

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P R O C E E D I N G S

1  
2 The following deposition of JOSEPH A. STANLEY, JR.,  
3 was taken on oral examination, pursuant to notice, for  
4 purposes of discovery, for use in evidence, and for such  
5 other uses and purposes as may be permitted by the  
6 applicable and governing rules. Reading and signing is not  
7 waived.

8 \* \* \* \* \*

9 Thereupon,

10 JOSEPH A. STANLEY, JR.

11 was called as a witness, and having been first duly sworn,  
12 was examined and testified as follows:

13 DIRECT EXAMINATION

14 BY MR. ELIAS:

15 Q Would you state your name for the record, please.

16 A Joseph A. Stanley, Jr.

17 Q And are you the same Joseph A. Stanley that  
18 prefiled direct testimony and rebuttal testimony in this  
19 docket on behalf of BellSouth Telecommunications?

20 A Yes, I am.

21 Q You are an employee of BellSouth  
22 Telecommunications, is that correct?

23 A That's correct.

24 Q And what is your title?

25 A Director in the pricing organization.

1 Q And how long have you been in that position?

2 A I have been in the pricing organization since  
3 1986.

4 Q And how long have you been a director of pricing?

5 A I came in at that time as a director. The title  
6 was different at that point. We have changed titles two or  
7 three times, but it was the same job.

8 Q Would you describe your job duties as they exist  
9 today?

10 A Certainly. I have pricing and tariffing  
11 responsibility for local exchange and toll services. We  
12 provide tariff support across the nine BellSouth states in  
13 the areas of putting tariffs together and the rates and so  
14 forth.

15 Q And what states are those?

16 A Alabama, Louisiana, Kentucky, Tennessee,  
17 Mississippi, North Carolina, South Carolina, Georgia and  
18 Florida.

19 Q Would you turn to Page 10 of your rebuttal  
20 testimony, please.

21 A Sure.

22 Q Beginning on Line 2 of that page you're asked the  
23 question, "Will the new telecommunications legislation have  
24 an impact on the relationship between PBX trunks and ESSX  
25 service pricing," is that correct?

1           A     Yes.

2           Q     And you indicate in your answer, yes. And you  
3 describe the fact that other companies will likely enter the  
4 local market and offer alternatives to a Southern Bell offer  
5 of service. Have you reviewed the recently enacted  
6 telecommunications legislation?

7           A     I've reviewed a summary of it.

8           Q     You haven't looked at the law itself?

9           A     I haven't reviewed the whole thing itself, no.  
10 Not at this point, I have not.

11          Q     Did you perform any kind of an analysis of this  
12 tariff filing, vis-a-vis the new provisions or the  
13 provisions of the new law, given that this tariff filing was  
14 filed before the new law had become effective?

15          A     You mean did I review our tariff filing, the  
16 Southern Bell tariff filing?

17          Q     Yes.

18          A     Before?

19          Q     No. After the legislation became law.

20          A     No, I don't guess I did, really. You're saying  
21 did I review that in terms of looking at the law itself and  
22 comparing that to what we filed?

23          Q     My question is this: There were a number of  
24 changes that were made to Chapter 364, Florida Statutes,  
25 which became law on June 17th, 1995, to be effective

1 July 1st, 1995.

2 A Okay.

3 Q Did you reevaluate your tariff filing in light of  
4 the revisions to Chapter 364, which became effective on  
5 July 1, 1995?

6 A No, I have not.

7 Q Do you, in your capacity as director of pricing,  
8 regularly review tariffs for compliance with applicable law?

9 A I would say not normally, I would not. Typically,  
10 we are filing tariffs that would not necessarily be impacted  
11 by the law. As we get new laws relating to price  
12 regulation, then we will want to be sure that we're in sync  
13 with those, yes. But as far as do I regularly do that, I  
14 would say no. Generally, me or my people would have a  
15 general knowledge of what we can do and cannot do.

16 Q So then is it fair to say that you have a general  
17 knowledge of the regulatory framework insofar as pricing and  
18 tariff issues in the nine states that you regulate, or that  
19 you operate in?

20 A A general, yes. Now, I may not be able to go  
21 state by state with particular questions, but yes,  
22 generally, I do.

23 Q To the best of your knowledge, has any of the nine  
24 states that BellSouth operates in enacted or have existing a  
25 deregulated framework for telecommunications service that is

1 similar to Florida's?

2 A Deregulation?

3 Q In terms of the price regulation and the types of  
4 changes that were enacted by the legislature.

5 A I know Georgia has just enacted something that  
6 involves price regulation and are in the process of looking  
7 at what will happen as far as opening that market to  
8 competition. I think there are similarities there. Other  
9 states are looking at various things. I'm probably a little  
10 more familiar with what has happened in Georgia. I think  
11 Tennessee has just recently passed a bill, I believe that  
12 passed with regard to competition. There may be some  
13 others.

14 Q Would you turn to Page 2 of your direct testimony,  
15 please.

16 A Okay.

17 Q Beginning on Line 20, you respond to the question  
18 to describe the plan that has been filed with the  
19 Commission, and you state that ECS, extended calling  
20 service, is an enhancement to existing local exchange  
21 service offerings, is that work?

22 A That's correct.

23 Q Do you have an opinion as to whether or not this  
24 service offering constitutes basic local telecommunications  
25 services under the definition that was recently enacted in

1 Section 365.02, Florida Statutes?

2 A I would have to look, again, at the definition of  
3 basic local exchange. I think I may have read a summary,  
4 but I don't remember the details of how that was worded.

5 Q I'm going to hand you what I will represent to you  
6 is a version of Chapter 364 that incorporates the changes.  
7 I would ask that you take a look at the definition in  
8 364.02, Subparagraph 2, and see if that enables you to form  
9 an opinion as to whether or not this proposed service  
10 offering would be considered basic local telecommunications  
11 service under the new law?

12 A It would appear to me that -- in my reading of  
13 this, it does speak to the fact that extended calling  
14 service is included. The term basic local would include any  
15 extended area service routes, EAS, and extended calling  
16 service in existence or ordered on or before July 1, '95.  
17 So, I would assume that since this current filing was not  
18 ordered by the Commission before July 1995, it would not be  
19 included in the definition.

20 Q Would you turn to Page 4 of your prefiled direct  
21 testimony. And you are responding to a question that began  
22 in the middle of the previous page, but what I want to ask  
23 about is beginning at Line 23 on Page 4 of your prefiled  
24 direct testimony --

25 A Yes.

1 Q -- you talk about the customer demand for extended  
2 area service, and you reference the fact that there are 21  
3 requests for EAS service pending before the Commission  
4 involving BellSouth customers. How would this proposal  
5 impact the existing EAS requests?

6 A In my opinion, the real advantage of the ECS is  
7 that it allows those people that have a need to make the  
8 expanded calling to do so without imposing a flat rate  
9 increase as would traditional EAS service on all customers.  
10 With traditional EAS, as I'm sure you know, would typically  
11 be an increase in rates for everybody. The advantage here  
12 is that customers would pay a very attractive rate for  
13 calling, but they only pay if they use the service. I would  
14 think that could go a long way toward alleviating the  
15 concerns that cause communities to request EAS service. It  
16 has the benefit of very likely responding to the EAS request  
17 and yet not imposing a charge on everyone.

18 Q Do I take it to mean that if Southern Bell's  
19 tariff filing is approved, Southern Bell would suggest to  
20 the Commission that the EAS requests have been  
21 satisfactorily addressed?

22 A We would hope it would do that. Now, perhaps  
23 there would be elements of those folks that are requesting  
24 the EAS that would still insist upon flat rate, I don't  
25 know. But I think it could go a long way toward alleviating

1 the needs there in those communities that caused EAS to be  
2 requested. Now as far as whether or not that should be --  
3 those requests should be dropped or not, what I would think  
4 the thing to do would be to let the ECS go in and let's see  
5 if there is still a strong demand for traditional EAS. And  
6 if there is not, then certainly it should be dropped.

7 Q Do you have an opinion as to whether or not under  
8 the new law, the Florida Public Service Commission could  
9 still order a local exchange company to implement an  
10 extended area service plan?

11 A I'm not clear on that.

12 MR. CARVER: Let me just say something for the  
13 record. I mean, I have no problem with his attempting  
14 to answer these, but a lot of these really are legal  
15 issues. I mean, there is a limit to how much the  
16 witness can address them, I think.

17 MR. ELIAS: I understand that, Counselor, and if  
18 the question is objectionable on the basis of privilege  
19 or something else --

20 MR. CARVER: And, again, I'm not really objecting,  
21 because I don't have a problem with him giving you his  
22 opinion, or trying to answer, but beyond a point he  
23 really can't.

24 MR. ELIAS: I understand that. And I'm just  
25 trying ask the question so that I can understand the

1 basis for his testimony, and understand exactly what  
2 some of his responses mean in the context of the  
3 changed regulatory framework that we are dealing with.

4 BY MR. ELIAS:

5 Q Now, beginning on Line 10 of Page 5 of your  
6 prefiled direct testimony, you reference five specific  
7 factors which you believe evidence a community of interest;  
8 where customers work, worship, shop, attend school, and  
9 receive medical care. Are there any other specific factors  
10 that were considered in analyzing these particular routes  
11 for extended calling service?

12 A I think I indicate that the things you mentioned  
13 create the demand. To use those as evidence of would be  
14 perhaps difficult to do a quantitative analysis of that.  
15 But I go down beginning about Page 19, and identify the  
16 guidelines that we used. And they are laid out there, and  
17 that's essentially what we used.

18 Q And one of the factors that you begin to discuss  
19 on the top of Page 6 is the existence of a local optional  
20 calling plan which demonstrates a community of interest.  
21 What kinds of local optional calling plans are you referring  
22 to there?

23 A I'm referring to plans that have been put in over  
24 time that are indeed optional, where a customer can go elect  
25 a particular type plan normally for route specific calling.

1 And these are plans where a customer might buy 30 minutes of  
2 calling in a month, or an hour of calling for a certain  
3 rate, or other options include we would charge \$1, \$2, \$3,  
4 \$4, and in return for that charge we would give 50 percent  
5 off of existing toll rates, those types of plans. There are  
6 other plans where for a certain charge a customer can make  
7 an unlimited amount of calling to another location.

8 Q Do you know if one or more of those options exist  
9 today on every route which has been proposed for extended  
10 calling service in this docket?

11 A They do not, no.

12 Q Can you tell me what percentage of existing routes  
13 which are part of Southern Bell's ECS proposal have an  
14 optional extended local calling plan?

15 A I would have to go research it. I can't just off  
16 the cuff, no.

17 Q Now, you also make reference to, on that same  
18 Page 6, beginning at Line 9, reciprocal routes eliminated  
19 the confusion associated with one way local service. Are  
20 you speaking, for example, of the Miami to Key West route?

21 A Let's say that -- I don't remember if Miami to Key  
22 West is in this -- but let's say Miami to Key West had a  
23 community of interest factor, calling factor of 5.0, that is  
24 five calls per month per subscriber. And that qualified it  
25 to be sufficient community of interest to come under this

1 filing. And yet going in the other direction -- what did I  
2 say, Miami to Key West -- Key West to Miami, though, has  
3 negligible calling, it would not qualify. It's calling not  
4 stuff to qualify. We included it here just to be sure that  
5 there was no confusion from customers about being able to  
6 call one way and not being able to call in the reverse  
7 direction.

8 Q When you spoke of a community of interest factor  
9 of 5.0, could you explain how that number was calculated,  
10 what it stands for?

11 A Certainly. Let's say we are calling from Point A  
12 to Point B, we would take all the calls that are made to  
13 Point B within a month's period of time, and we would divide  
14 that by the access lines in location A. So all the calling  
15 from A to B, divided by the number of lines in A, would give  
16 us that factor. And it represents the average calls per  
17 month per line.

18 Q Currently, the calls that would be made over  
19 routes which are scheduled to be included in Southern Bell's  
20 ECS offering require the dialing of a 1 in addition to the  
21 seven-digit number, is that correct?

22 A I think that's correct, unless it happens to be a  
23 local calling plus route, I believe those are dial  
24 seven-digit now. And some of the -- I'm not sure, I would  
25 have to check on the dialing on the optional calling plans,

1 but the calling that is toll now would require 1+, yes.

2 Q Do you know if there are optional calling plans in  
3 place which require the dialing of a 1?

4 A I would think that they would be seven-digit  
5 dialed. I'm not absolutely sure, but that would be what I  
6 would think it would be.

7 Q Currently, any one of these calls that would be  
8 made through a BellSouth competitor would require a 1?

9 A That's correct.

10 Q Now, on Page 8, Line 16, you make reference to  
11 this plan enhancing the economic development positions of  
12 the more rural counties. Could you explain what you mean by  
13 that statement?

14 A Uh-huh, certainly. What we are saying is that  
15 calling becomes more affordable between communities. And in  
16 situations where one community has developed a community of  
17 interest with another one, there is typically demands for  
18 various reasons, you know, some of the things I mentioned  
19 earlier; the shopping, the doctors, where you worship,  
20 various types of reasons why there is a demand for extended  
21 calling. And this facilitates that. It makes it less  
22 expensive for that calling to occur, it makes it easier for  
23 it to occur, because it is seven-digit dialed. It begins to  
24 be a type of local service. And in that sense, in my  
25 opinion, it enhances the economic development situation in

1 some of the more rural communities, where they can more  
2 easily dial into the more urban areas.

3 Q Now, beginning on Page 9, in response to a  
4 question concerning CWA's proposal, speaking of your plan,  
5 you indicate that these reductions are available to almost  
6 all Southern Bell customers. Has Southern Bell calculated  
7 the number of customers that would be able to avail  
8 themselves of this plan as a percentage of Southern Bell's  
9 total residential customers in Florida?

10 A No, we haven't made that calculation.

11 Q Do you have an opinion as to what percentage it  
12 might be?

13 A I'm really not sure.

14 Q Do you believe it's greater than three-quarters?

15 A It's some -- I believe it's 252 routes, and, you  
16 know, all the customers that are in the exchanges that would  
17 be able to call would be effected, all the exchanges that  
18 are listed here now. You know, what percent that is of the  
19 total, I don't know. It's obviously a sizable amount of  
20 customers involved in all of these various routes that we  
21 have here, but I don't know the precise number.

22 MR. CARVER: If that's something you really need,  
23 we can give you a late-filed exhibit on it.

24 MR. ELIAS: I don't think so.

25 MR. CARVER: Okay.

1 BY MR. ELIAS:

2 Q Now, you also included as one of your prefiled  
3 exhibits, a stipulation, an agreement between BellSouth  
4 Telecommunications, Inc. and the Florida Interexchange  
5 Carriers Association, is that correct?

6 A That's correct.

7 Q And you indicate that you do not object to  
8 expanding this agreement to include the routes in this  
9 proposal thereby allowing competition on these routes, is  
10 that correct?

11 A That's correct.

12 Q And you further say that the Commission need not  
13 impose any additional conditions that were not included in  
14 the original agreement?

15 A That's correct.

16 Q How would an interexchange carrier compete for  
17 these calls?

18 A Either on a 10XXX dial basis or with 1+  
19 presubscription on a 1+ dial basis. The interexchange  
20 carrier, I think I pointed out, has the ability really to  
21 come in and be a one-stop provider and provide total  
22 communications. And I would imagine what they would do is  
23 simply allow customers to add that usage to their interLATA  
24 usage and offer discounts accordingly on the total usage. I  
25 don't think that would be difficult for them to do.

1 Q Speaking further to the subject of competition,  
2 would you turn to Page 3 of your rebuttal testimony?

3 A Okay.

4 Q Now, you state in response to a question  
5 concerning whether or not this proposal forecloses effective  
6 competition on these routes that Southern Bell can only  
7 provide intraLATA service while its competitors can provide  
8 the full spectrum of toll service including intraLATA,  
9 interLATA, interstate, and international. Is that  
10 restriction on BellSouth Telecommunications and Southern  
11 Bell changing?

12 A It has not changed, no.

13 Q Is there any proposal pending before the Congress  
14 of the United States to change that restriction?

15 A I believe there is legislation that if passed  
16 would allow us to get into interLATA markets.

17 Q Interstate, as well?

18 A Yes. I would think so, yes. I believe that's  
19 included. I'm not an expert on that legislation, but it's  
20 my understanding.

21 Q That makes two of us. And you also indicate that  
22 Southern Bell is not the only provider of access service in  
23 Florida. Who are or would be the others?

24 A There are some 17 providers that are certificated  
25 in the State of Florida.

1 Q So then those are the certificated alternative  
2 access vendors?

3 A That's the ones I'm talking about.

4 Q That's what you're talking about?

5 A Yes.

6 Q Now, on the next page, beginning on Line 16, as  
7 part of your response concerning the competitive  
8 significance of Southern Bell being prohibited from offering  
9 a full range of toll services, you state that the IXCs would  
10 still control over 80 percent of the total market. How do  
11 you define total market in that connection?

12 A I interpret that to be, or define it to be  
13 intraLATA toll that we handle, as well as LCP, and any ECS  
14 its in.

15 Q Could you define what you mean by LCP?

16 A Local calling plus, I'm sorry. IntraLATA access  
17 minutes, as well as interLATA access minutes. And when we  
18 look at that total market, we have actually less than 20  
19 percent of that total market from my perspective, of  
20 customers. The carriers have the ability to offer the total  
21 service, and they have the opportunity to discount that, and  
22 I believe customers will more and more start to look at the  
23 total service.

24 Q Now, beginning at the top of Page 5 of your  
25 rebuttal testimony, the question was posed concerning

1 Mr. Metcalf's assertion that the interexchange carriers  
2 cannot effectively compete because these rates are less than  
3 switched access rates. And you respond by stating this  
4 argument is invalid to the extent that it only considers  
5 Southern Bell's intrastate switched access rate. My  
6 question for you is why isn't that the appropriate standard  
7 of comparison?

8 A Our competitors have the ability to affect the  
9 price they pay for access in several different ways. One is  
10 they are paying interstate as well as intrastate access.  
11 The interstate rates are less. If they are offering one  
12 service, then they can affect, take the advantage of the  
13 lesser interstate and use that to lower the average that  
14 they are paying for overall access. There are other ways  
15 they can impact it, as well. They have the ability to go to  
16 alternate access vendors to impact what they pay for access.  
17 So, when you consider -- and by the way, they have the  
18 ability today, and I anticipate with the new legislation  
19 that there will be more ability to do that -- so they can  
20 take advantage of that. There will be ways that they could,  
21 you know, in effect, totally bypass us on access. So I  
22 don't think it's appropriate simply to say what is the level  
23 of intrastate access. I think you've got to consider the  
24 fact that there are many ways that they can lower the  
25 effective rate of access.

1           Q     So, then beginning on Line 11 through 16 of  
2 Page 5, you talk about combining costs of the various  
3 elements to come up with an effective factor?

4           A     That's effective at the price they are paying.

5           Q     Is it fair to say that you see interexchange  
6 carriers competing with ECS as a loss leader? And by that I  
7 mean if they looked on a stand-alone basis for the calls,  
8 for the cost of the calls on these routes, they would not be  
9 profitable by virtue of the fact that they would be combined  
10 with services for intrastate and interLATA calls, that they  
11 would be profitable?

12          A     Well, I can't speak to their profitability, but  
13 there are certainly ways that they can lower the rate of  
14 access. And Mr. Hendrix, you know, touches in more detail  
15 than I on the specific level of access. I couldn't really  
16 speak to profitability.

17          Q     Would you turn to Page 6 of your rebuttal  
18 testimony. You speak of situations in which calls of short  
19 duration and distance would cost less than ECS calls. Have  
20 you performed any kind of analysis which determines the  
21 percentage by volume that fit into this category of what  
22 Southern Bell projects to be the volume of ECS calls?

23          A     No.

24          Q     Would you turn to Page 12 of your rebuttal  
25 testimony. Beginning on Line 17, you are responding to an

1 assessment that the ECS proposal is a form of local measured  
2 service. You state that the ECS plan does not change either  
3 the dialing pattern or the rates for calling within a  
4 customer's existing local calling area. Currently these  
5 calls, for the most part, you state are dialed on a 1+  
6 basis, is that correct?

7 A No. They are all dialed on seven-digit basis  
8 within the customer's -- I think the key word there is  
9 customer's existing local calling area. In other words,  
10 local measured service typically would be understood to  
11 charge on a measured basis in a customer's existing local  
12 calling area. And what we are talking about in this  
13 proposal for ECS is the expanded local calling area. The  
14 ECS proposal has absolutely nothing to do with changing  
15 either the dialing pattern or the rates for a customer's  
16 existing local calling area.

17 Q To the best of your knowledge, has BellSouth  
18 Telecommunications and/or Southern Bell received any  
19 inquiries, complaints, or other correspondence from  
20 BellSouth customers or a representative of customers who are  
21 not part of this ECS plan?

22 A I'm not sure. I'm not sure if we have or not. I  
23 recollect seeing some, perhaps some newspaper articles maybe  
24 expressing some concern, but that's all I remember  
25 receiving. We could have, but I'm not aware that we have.

1 Q Has Southern Bell considered expanding the plan to  
2 all its routes within Florida?

3 A No, we haven't really.

4 Q Do you have your responses to Staff's  
5 interrogatories with you?

6 A No, I don't. These are the ones that, I think,  
7 were filed Friday.

8 Q Yes, they are. Now, in one response, and it kind  
9 of echoes something that you said in your testimony, you  
10 make reference to an obvious community of interest, such as  
11 the Dade/Broward metropolitan area.

12 MR. ELIAS: I'm sorry, we are speaking about the  
13 response to Staff's Interrogatory Number 1. And the  
14 specific response is Response (A)(1).

15 MS. KAUFMAN: Thanks.

16 BY MR. ELIAS:

17 Q Could you define obvious community of interest?

18 A It's our impression that we have already put in  
19 routes, put in ECS for many of the major routes in the  
20 Dade/Broward County area. We had received interest in that  
21 for some time and they had high CIF factors.

22 Q I'm sorry to interrupt you, but when you say  
23 CIF --

24 A Yes. Community of interest factor. It is my  
25 impression that Dade/Broward is an area that has a lot of

1 things that relate, that pull that area together from an  
2 economic standpoint and from a social standpoint. And it  
3 was our impression that the Dade/Broward area is an area  
4 that customers perceived, was thought of as one area. You  
5 know, that's one of the ones we felt like customers perceive  
6 that way and should be considered in any community of  
7 interest studies. We did not do a hard study of specific  
8 factors for that area. It's our impression that that is an  
9 area that simply has a lot of community of interest, you  
10 know, going back to the things that we defined earlier on  
11 that.

12 Q Is that true for the entire county of both  
13 counties, do you think?

14 A That was my impression, that there was a  
15 considerable amount of interest there. If there is not,  
16 then certainly we could, I guess, relook at that.

17 Q Do you think it's appropriate to define a  
18 community of interest based on which media outlets serve a  
19 particular geographic area, and I'm speaking in terms of  
20 newspapers, television, local television stations, and/or  
21 radio stations?

22 A I had not really thought of it in those terms. I  
23 wouldn't think that would be the single thing. That might  
24 be an influencing --

25 Q Oh, I didn't say a single thing. What I said was

1 a relevant factor.

2 A As far as which TV stations?

3 Q Television stations, newspapers that are  
4 circulated throughout a particular geographic area, and/or  
5 radio stations.

6 A I suppose that could be an influencing type of  
7 thing. I wouldn't consider that to be necessarily one of  
8 the more compelling, but it could be one of the things that  
9 could influence it.

10 Q Are there other areas besides the Dade/Broward  
11 area that you believe fall under this obvious community of  
12 interest?

13 A We didn't -- that was the only one that we  
14 approached in that way. Now, are there others? I'm really  
15 not sure.

16 Q In your response to that same interrogatory,  
17 Number (1)(A)(2), you stated that traffic studies run for  
18 the month of April 1994 revealed a community of interest  
19 factor of 3.0 or higher?

20 A Yes.

21 Q Is this community of interest factor the same as  
22 you previously defined, that is, messages per access line  
23 per month?

24 A That's correct.

25 Q Did all of the proposed ECS routes meet this three

1 messages per access line per month standard?

2 A No.

3 Q Can you provide a late-filed deposition exhibit  
4 listing the messages per access line per month factors for  
5 all the proposed ECS routes?

6 A Yes, we can do that.

7 Q Including those routes that have optional calling  
8 plans and 25 cent calling plans?

9 A Yes, I believe we have got all of that. The local  
10 calling plus, I'm not sure about those, but I believe we  
11 have that.

12 (Off the record.)

13 MR. ELIAS: Let's go back on the record. We'll  
14 leave that subject and see if maybe we have got the  
15 information. It was recently filed.

16 BY MR. ELIAS:

17 Q Are there any routes within Southern Bell's  
18 service area that are intracompany, intraLATA, and  
19 contiguous that have not been included in your ECS proposal?

20 A Say that again.

21 Q Intracompany, intraLATA and contiguous.

22 A I really don't know.

23 Q And that is you're just not sure?

24 A I'm just not sure.

25 Q Do you consider the routes in this ECS proposal to

1 be local or toll?

2 A Local. I consider ECS to be a local service  
3 offering. Other providers may provide calls over this same  
4 route on a toll basis.

5 Q And other than the 17 alternative access vendors  
6 that you have previously made reference to, do you see other  
7 competition on these routes as possible?

8 A Oh, yes, from the IXCs.

9 Q How about from alternative local exchange  
10 companies?

11 A Absolutely. I think it's very possible that that  
12 could happen, assuming that that is something they choose to  
13 serve.

14 Q How can there be effective competitors if the  
15 access rates remain unchanged on these routes?

16 A It's back to what we were talking about earlier,  
17 the carriers have the ability to affect what they pay for  
18 access in several different ways. I think if you look at  
19 total access, it involves an averaging of intrastate and  
20 interstate, there are alternative providers of the access.  
21 So it looks to me like it's very feasible for there to be  
22 competition on these routes.

23 Q Are you familiar with the settlement agreement  
24 that was entered in Docket Number 911034-TL involving the  
25 25 cent hybrid plan for Broward and Dade Counties?

1           A     Is that the one I referred to in my testimony? I  
2 shouldn't ask you a question, but I want to make sure. I  
3 think that's the one you're talking about. Yes, I am  
4 familiar with that.

5           MR. CARVER: That would be the one dated March 31,  
6 '94?

7           MR. ELIAS: I do believe so.

8           MR. CARVER: Okay.

9           THE WITNESS: Yes.

10 BY MR. ELIAS:

11           Q     That order states that a significant effect of the  
12 agreement is that IXCs may continue to carry the same types  
13 of traffic on these routes and that this is a change in  
14 Commission policy. The order notes that the Commission has  
15 a proceeding to address revisions to EAS rules including  
16 whether IXCs should be allowed to carry traffic on the 25  
17 cent plan routes.

18                   The order specifically states that allowing IXCs  
19 to continue to carry this traffic will avoid the possible  
20 harm done by precluding IXCs from operating on a route on  
21 which they may have significant traffic volumes now only to  
22 reopen the route to competition later.

23                   To your knowledge, is this the first time that an  
24 interexchange carrier is allowed to compete on an ECS or 25  
25 cent plan route in Florida?

1           A     I believe that's correct.

2           Q     Do you believe that there is any effective  
3 competition for residential service from IXCs on these  
4 Broward/Dade ECS routes?

5           A     I don't know.

6           Q     Are you aware that in the proposed EAS rules,  
7 Staff proposed that in conjunction with the interexchange  
8 carriers competing on ECS routes that the Commission order  
9 route-specific switched access charges on ECS or the 25 cent  
10 plan?

11          A     I'm not familiar with that.

12          Q     In Mr. Gillan's testimony -- do you have that with  
13 you?

14          A     Yes.

15          Q     Would you turn to Pages 9 and 10 of that  
16 testimony?

17          A     Okay.

18          Q     Mr. Gillan suggests, beginning at the bottom of  
19 Page 9 and continuing over to Page 10, that ECS should be an  
20 optional service offering. What is your opinion of Mr.  
21 Gillan's statement?

22          A     That it should be an optional service offering?

23          Q     Yes.

24          A     I see no problem with it being a mandatory  
25 offering. These are routes that we have put in place

1 already in Broward County, we have put a number of routes in  
2 around the state. In effect, as far as it being optional,  
3 there will be alternatives. In the name of competition  
4 there will be alternatives. This simply is the way Southern  
5 Bell will provide calling over those routes. I see no  
6 problem with that.

7 Q Would you turn to your direct testimony, Page 7.  
8 I'm sorry, I believe it's rebuttal testimony, Page 7.

9 A Okay.

10 Q And beginning on Line 8, you respond to a question  
11 concerning the price advantages or disadvantages of PBX  
12 compared to ESSX service?

13 A Yes.

14 Q And according to your calculations, Southern  
15 Bell's ESSX service relative market share has increased no  
16 more than 1 percent in the past three years?

17 A That's correct.

18 Q How did you calculate Southern Bell's market share  
19 of this particular service?

20 A What I did, I took the number of PBX trunks that  
21 we have, and, in effect, assumed a relationship of stations  
22 to trunks. In other words, I think we used a factor of  
23 five, and this is both PBX trunks served over MegaLink as  
24 well as just PBX trunks. That gives me an estimate of the  
25 number of stations behind PBX trunks. I did the same thing

1 for multi-line 1-FBs. Since a 1-FB can serve a Key system,  
2 in some cases a PBX system used a flat station to 1-FB ratio  
3 of 1.2, added to that the number of ESSX stations, and  
4 divided that amount, which gave me total stations into ESSX  
5 stations to get an approximation of market share. Market  
6 share is not a very clear thing, but that's my assessment of  
7 the way I would go about trying my best to calculate what it  
8 is.

9 Q Now, beginning on Page 8 of your rebuttal  
10 testimony, beginning at Line 17, you indicate that you  
11 believe that MegaLink service is an alternative to PBX  
12 trunks?

13 A That's correct.

14 Q Could you explain how? I mean, functionally.

15 A The best I can. MegaLink, if you will view  
16 MegaLink as a pipe going from a serving central office to a  
17 customer's premise -- let's say to a customer's PBX -- you  
18 can get 24 trunks in that pipe, okay? And the customer  
19 buying that would pay for the pipe itself on a fixed amount  
20 per month, and then the customer would pay for each one of  
21 those trunks inside as they are activated. There is a  
22 charge that is paid as they are activated. So you can buy  
23 the pipe and then you pay for as many of the equivalent  
24 trunks as you need to.

25 Q And is it fair to say that only high volume users

1 are able to take advantage of using the MegaLink service  
2 instead of PBX trunks?

3 A I would agree with that, yes. I would consider a  
4 relatively high volume customer would be one that would buy  
5 that service.

6 Q And that would be somebody with a need for more  
7 than 24 PBX trunks?

8 A There would be a break-even in there somewhere.  
9 Probably somewhere between 15 and 24 there would be a  
10 break-even, where it becomes more efficient from their  
11 perspective to buy the MegaLink.

12 Q So does that mean that a customer with, say, 40,  
13 or a customer with 30 PBX trunks would be best off buying  
14 MegaLink service for 24 of those trunks than an additional  
15 six trunks?

16 A That would be my impression, is that if you've got  
17 enough service so that you have a need for that many trunks,  
18 then MegaLink is certainly something that a customer with  
19 those characteristics would want to look at, yes.

20 Q How many units of MegaLink would be needed to  
21 handle the 53,000 PBX trunks that you reference on Page 9 of  
22 your rebuttal testimony?

23 A We would have to go look at that, but what you  
24 would look at is each one of these would handle up to 24,  
25 but it can be less than 24. So I guess if you divided 24

1 into 53,000, and you have divided something like 15 into  
2 24,000, you would get a range of what it would be. I'm just  
3 picking 15 as an approximate break-even. I don't know that  
4 that's exactly it.

5 Q In your Exhibit JAS-4, you make reference to an  
6 ESX filing by MFS and TeleNet of Georgia?

7 A Yes.

8 Q Do you know if that tariff filing has become  
9 approved and final?

10 A The tariff that I'm looking at shows an issue date  
11 of May 17th and an effective date of July 1. I don't know  
12 if it has been approved, though. I'm not sure.

13 Q On Page 10, Lines 15 through 23 of your rebuttal  
14 testimony, you state that we may need to make changes to the  
15 price of our services as competition develops. Are these  
16 changes in ESSX services, PBX services, or both?

17 A Both. And I'm thinking more about the PBX side,  
18 but I think -- you know, the trunks, those kind of things.  
19 But I think we will have to look at all of our services as  
20 competition develops.

21 Q Would you turn back to Page 8 of your prefiled  
22 rebuttal testimony.

23 A Okay.

24 Q Up at the top of the page, you speak to the fact  
25 that Southern Bell has reduced the price of PBX trunks and

1 direct inward dialing by 35 million?

2 A Yes.

3 Q Were those changes made in this docket as part of  
4 the rate case settlement?

5 A Yes, I believe. They were made, I think, in 1994.  
6 I'm not sure if all of those were in this docket or not.

7 Q How familiar are you with those reductions?

8 A Somewhat.

9 Q Enough to describe them in further detail than to  
10 just say that they aggregate to \$35 million?

11 A In terms of the revenue effect or what was done?

12 Q What was done.

13 A I can talk a little bit about what was done.

14 Q Which rates were reduced?

15 A I can talk some, a little bit about that, now.

16 Q Okay. If you would, explain which rates were  
17 reduced?

18 A Basically, what happened here is that hunting was  
19 disaggregated from a PBX trunk and from a NAR. Now, what  
20 that means is that prior to this, if you bought a trunk or a  
21 NAR, you automatically got hunting. Hunting is a service  
22 that is used for incoming traffic. If someone is calling  
23 you, then hunting is used. If you're making an outgoing  
24 call, hunting is not really a factor at that point. So,  
25 what the disaggregation allowed was it allowed a customer to

1 buy hunting on incomings, but to not buy hunting on  
2 outgoing. And that can affect the mix of the outgoing  
3 combo, or incoming trunks that a customer buys, depending  
4 upon their needs. So this gave a distinct advantage right  
5 there. The reductions that were made with the trunks and  
6 the NARs, effectively the trunks were reduced by more than  
7 the NARs were. Like if you take the price that would be  
8 paid before this filing and after this filing on a PBX  
9 trunk, and against a NAR, if you looked at the incoming and  
10 then you looked at the outgoing, in both cases the dollar  
11 amount that was paid, the reduction was greater for the  
12 trunks than it was on the NARs. And there were, I believe,  
13 some DID reductions that were included there, as well. Now,  
14 I say 35 million, the price of PBX trunks, direct inward  
15 dialing, the 35 million really includes all that was done  
16 there, including the disaggregation of the hunting from the  
17 NARs, as well.

18 Q What plans does Southern Bell have, if any, with  
19 respect to PBX trunk rates and the pricing relationship to  
20 ESSX?

21 A As far as any future plans?

22 Q Yes.

23 A I'm not aware of any. I'm not aware of any plans  
24 on that.

25 Q Do you have Mr. Metcalf's direct testimony filed

1 on behalf of the Florida Ad Hoc Telecommunications Users  
2 Group?

3 A Yes.

4 Q Would you turn to the bottom of Page 4 of Mr.  
5 Metcalf's prefiled direct testimony.

6 A Okay.

7 Q Do you agree with his assertion on the bottom of  
8 that page and the top of Page 5 that ESSX services should be  
9 priced significantly higher than PBX service because ESSX  
10 uses more plant facilities to operate than does PBX?

11 A My opinion is that the plant and facilities used  
12 to operate something shouldn't have anything to do with the  
13 price as long as it's covering cost.

14 Q Do you agree with Mr. Metcalf's assertions on  
15 Page 5, Lines 5 through 8 of his testimony, that PBX is  
16 based on an index of its perceived value of service relative  
17 to a B-1 line, while ESSX was priced based on the additional  
18 incremental cost of providing that service?

19 A I think PBX rates were set long ago -- let's see,  
20 based on an index of its perceived value of service. I  
21 think I would agree with that, that did happen at one point.  
22 Now, ESSX was priced based on the additional incremental  
23 cost. I'm not sure how ESSX was initially priced. It's not  
24 my impression that that would necessarily be the way that  
25 was done, but I'm not sure exactly how ESSX was priced.

1 Q How is it priced now?

2 A How is it priced now?

3 Q Yes.

4 A It's priced to cover incremental cost. I think  
5 it's priced to be responsive to the market needs.  
6 Typically, what they will look at is to see what  
7 alternatives are available to customers, and those are PBX  
8 and Key alternatives, and it would be priced to be  
9 responsive to those and still cover the cost. Though the  
10 cost only becomes an issue when you were looking at you  
11 don't want to go below the cost. But the real issue in  
12 pricing becomes what are the alternatives out there, pricing  
13 to meet a market demand, a market need, and pricing so that  
14 you are competitive.

15 Q Should PBX service be repriced so that it is based  
16 on the incremental cost of providing the service?

17 A I don't see any reason to do that. Again, it  
18 shouldn't be just a function of incremental cost.

19 Q Do you have Mr. Guedel's prefiled direct testimony  
20 filed on behalf of AT&T in this proceeding?

21 A Yes.

22 Q Would you turn to Page 9 of that testimony?

23 A Okay.

24 Q And he is responding to a question that begins on  
25 the bottom of Page 8, does ESSX service directly compete

1 with PBX/Key systems. And he states that certain features  
2 and function included in the ESSX tariff, such as Intercom,  
3 call forwarding associated with Intercom, conferencing  
4 associated with Intercom, automatic route selection, station  
5 message detailed recording, are directly competitive with  
6 PBX and Key systems. Do you agree or disagree?

7 A Well, I think it's fair to say that ESSX competes  
8 with PBX and Key systems. You know, he is breaking the  
9 parts out. PBX has Intercom, PBX can have call forwarding,  
10 PBX can have conferencing, the same way that ESSX does.  
11 Yes, those services compete with each other.

12 Q Do you agree with his assertions beginning on  
13 Line 15 through Line 24 of that same Page 9 of his prefiled  
14 direct testimony, that other elements in the ESSX tariff,  
15 such as local exchange access, local usage, direct inward  
16 dialing, and telephone number assignments are clearly  
17 monopoly bottleneck facilities, and that there are not  
18 competitive alternatives for these services at this time?

19 A You're reading on Line 15? Other elements  
20 contained in the ESSX tariffs are clearly monopoly  
21 bottleneck?

22 Q Yes.

23 A And what is he talking about?

24 Q Do you agree with his statement?

25 A What elements is he talking about?

1           Q     I believe beginning at Line 17, he is talking  
2 about the other rate elements.

3           A     Okay. Local exchanges loops, local usage DID,  
4 telephone number assignments. It seems to me that there  
5 could very well be -- I mean, I don't know, through the  
6 alternate access vendors there could be available  
7 alternatives to loops. I don't know if that's readily  
8 available. If it's not, it certainly will be very shortly.  
9 And as far as the rest of those things, I believe the new  
10 legislation will, in effect, open it up. And we have seen  
11 MFS in Georgia already file an ESSX type service.

12          Q     On Pages 10 and 11, in response to a question  
13 concerning the price discrimination associated with local  
14 loops, he suggests that a PBX customer is charged \$38 for  
15 the same service that an ESSX customer can obtain for \$6.30  
16 if he or she is located within 2.5 miles of a central  
17 office. Do you agree with his comparison?

18          A     No, not at all.

19          Q     Could you explain why?

20          A     What he is attempting to do is to compare the  
21 local loop to an ESSX line. A local loop, a trunk will  
22 typically have a certain number of stations behind it, so  
23 you're providing a number of stations behind that loop, if  
24 you will. The way ESSX is provisioned is it's provisioned  
25 with a line from the central office going out for each

1 station. What you're talking about is two totally different  
2 services in the way they are provisioned. He is attacking  
3 that, and he is attempting to compare one trunk, if you  
4 will, which may have multiple stations associated with it,  
5 to one ESSX station. I mean, that's not an appropriate  
6 comparison. The real issue here in my mind is, yes, ESSX  
7 competes with PBX, and it competes with Key, and you look at  
8 the total service. And the fact that ESSX does not have a  
9 predominate market share in the market. I mean, it seems  
10 obvious to me that PBX has done fairly well.

11 Q Would you turn to Page 12 of Mr. Guedel's prefiled  
12 direct testimony. On Lines 6 through 13, he responds to a  
13 question concerning Southern Bell's current rates that  
14 affect the competitive market for PBX and PBX-like features  
15 and functions. Do you agree with his characterization or  
16 his statement that if the customer had purchased ESSX  
17 services from Southern Bell that these service would have  
18 been provided at no charge?

19 A ESSX service bundles a number of services. Using  
20 his analysis, I guess, if you buy a hamburger, you get the  
21 lettuce at no charge. Well, it's a bundled service. It  
22 includes all of these things. So is he paying something --  
23 he is paying what he pays for the total service for the  
24 piece parts that make up ESSX is what he is doing. Just  
25 like when you buy a hamburger, you're paying for the whole

1 thing; you don't pay for each little component.

2 Q I'm going to ask you for a late-filed exhibit.  
3 It's going to be Late-filed Exhibit Number 1, I believe, and  
4 that will be for the most recent 12 months available  
5 price-out that includes the units, rates and revenues for  
6 PBX and DID service. And I would ask that you provide it to  
7 us on a disk and in the same format as MFR Schedule E-1a.

8 THE WITNESS: Units, rates, and price out, and  
9 this is for all PBX trunks?

10 MR. ELIAS: PBX and DID service.

11 THE WITNESS: PBX and DID.

12 MR. CARVER: Can we go off the record.

13 (Off the record).

14 MR. ELIAS: To give that a short title, call it  
15 PBX and DID service price out.

16 (Late-filed Exhibit Number 1 marked for  
17 identification.)

18 MR. CARVER: What I would like to do is maybe get  
19 on the record when we could provide that to you by, and  
20 they are checking on that now. So, hopefully we will  
21 be able to give you a date.

22 MR. ELIAS: That's fine, before we conclude.

23 BY MR. ELIAS:

24 Q I would ask that you turn to BellSouth's responses  
25 to Staff's Interrogatories Number 6. And you indicate

1 there, as you have indicated in your deposition, that these  
2 calls will be considered local for dialing purposes except  
3 for when crossing an NPA boundary, and then the dialing will  
4 be ten digits, is that correct?

5 A That's correct.

6 Q The Company's response to Staff's Interrogatory  
7 Number 7 asked how these revenues will be treated for  
8 accounting purposes, and the Company has indicated that they  
9 will be accounted for as local revenues under FCC-State Part  
10 32 accounting, 5001 basic area revenues, is that correct?

11 A Yes.

12 Q If the dialing is local, and the revenues are  
13 treated as local for accounting purposes, is it fair to say  
14 that this would be local calling for Southern Bell?

15 A It would be considered -- I think we say earlier  
16 it's an enhancement to local service. So it's covered as --  
17 we consider that to be local service revenues, yes.

18 Q And would you turn to the Company's response to  
19 Staff Interrogatory Number 8.

20 A Okay.

21 Q You indicate that Southern Bell would treat the  
22 proposed 255 ECS routes the same as the Broward/Dade routes  
23 pending resolution of the EAS rules. This would mean that  
24 interexchange companies can handle these calls on an 10XXX  
25 arrangement and 1+ when it becomes available, or if it

1 becomes effective, is that correct?

2 A Yes, I believe so.

3 Q Now, I want to ask you a question about a  
4 provision of the new law. Mr. Stanley, I've just handed you  
5 what I will represent to you is a portion of the bill  
6 itself, and I'm specifically referring you to the  
7 highlighted portion of Section 364.385, the savings clauses.  
8 Beginning at Line 21 of the committee substitute for Senate  
9 Bill 1554, second engrossed version, that states,  
10 "Proceedings, including judicial review pending on  
11 July 1, 1995, shall be governed by the law as it existed  
12 prior to the date on which this section becomes a law."  
13 Since Bell's request was filed on May 15, 1995, the  
14 consideration of these ECS routes -- would the consideration  
15 of these ECS routes be under the old law?

16 A I don't know.

17 MR. CARVER: I'm going to just object to that,  
18 because as I noted before, Mr. Stanley is not a lawyer,  
19 and I don't think he is really competent to answer that  
20 question. I don't have any problem with him trying,  
21 but that's really a purely legal interpretation issue.

22 MR. ELIAS: Mr. Stanley, your response was, if I  
23 recall, you don't know?

24 THE WITNESS: That's correct.

25 MR. CARVER: I was busy objecting. Nevermind.

1 BY MR. ELIAS:

2 Q The response to Staff Interrogatory Number 12,  
3 would you refer to the attachment to that response, Page 3  
4 of 7.

5 A Okay.

6 Q That interrogatory lists, or that attachment lists  
7 the mileage, vertical and horizontal coordinates for certain  
8 routes, is that correct?

9 A It lists the mileage between routes, yes. It  
10 doesn't list coordinates, I don't believe.

11 Q Now, would you look, it looks to be about the  
12 sixth route down or so, sixth or seventh, Key West to Miami?

13 A Okay.

14 Q Would you accept, subject to check, that that  
15 mileage should be 135?

16 A Yes, I would.

17 Q Now, let me ask you, in terms of completing that  
18 call, is there any difference in the cost as to whether the  
19 mileage is 135 miles or 35 miles?

20 A We haven't done cost studies on ECS, I really  
21 don't know.

22 Q In your experience, are the costs associated with  
23 toll calls a function of -- more a function of the distance  
24 or the costs associated with the switching equipment?

25 A In my experience, it's more associated with the

1 cost of the switching equipment.

2 Q Would you turn to Staff's Interrogatory Number 16.  
3 And I'm also going to hand to you what I will represent to  
4 you is an amendment to BellSouth's tariff filing, filed  
5 May 23rd, 1995. Can you explain the difference in the net  
6 annual revenue effect shown on the response to Staff's  
7 Interrogatory Number 16 and the amended tariff filing filed  
8 May 23rd, 1995?

9 A Yes. If you look at the -- let me be sure I've  
10 got my numbers right here. If you look at the annual total  
11 loss of 97 million, and you take the difference between that  
12 and the annual ECS revenue of 52 million on that first line,  
13 I'm looking at Response Number 16. In other words, you take  
14 the difference between the 52 and the 97. I believe you  
15 will find that that is the same as the annual revenue loss  
16 on Page 6 of Attachment C, the 44,701,000. If you take the  
17 -- let me just do it. If I take 97,251,750 less the  
18 52,550,270, let's see where this comes out. Subtracting  
19 those two numbers, I get 44,701,488, and the annual revenue  
20 effect on Attachment C, Page 6 of 6, is 44,701,489. So,  
21 it's within a dollar. So that's how those two relate.

22 Q Now, would you turn to Southern Bell's response to  
23 Staff Interrogatory Number 17?

24 A Yes.

25 Q And Southern Bell has requested confidential

1 treatment of its response to this interrogatory, is that  
2 correct?

3 A Yes.

4 Q Can you tell me without divulging any specific  
5 figures, if any of the residential subscribers, on the  
6 average, would receive any increase in going from the  
7 current rated calls to the 25 cent message charge?

8 A Let me be sure I understand your question. You're  
9 asking me -- this is on the ECS routes, will any customer  
10 get an increase?

11 Q Yes, sir.

12 A I really can't tell you for sure. It would very  
13 much be a function of the calling characteristics, and, you  
14 know, my example about the one minute call, if it happened  
15 to be somebody with a short duration, and a lot of short  
16 duration calls a short distance, I suppose it's conceivable.  
17 But I think it's unlikely.

18 MR. ELIAS: That's all we have. Thank you very  
19 much.

20 (Off the record.)

21 CROSS EXAMINATION

22 BY MS. KAUFMAN:

23 Q Mr. Stanley, my name is Vicki Gordon Kaufman, and  
24 I'm here on behalf of the Florida Interexchange Carriers  
25 Association, that we typically refer to as FIXCA. And I

1 don't have too many questions for you.

2 First of all, though, if you would turn to Page 5  
3 in your rebuttal testimony?

4 A Yes.

5 Q Down toward the bottom, beginning around Line 20,  
6 you're talking about the viable alternatives that IXCs have  
7 for access service; do you see that?

8 A Yes.

9 Q Mr. Stanley, can you tell me how many Southern  
10 Bell central offices currently provide switched access  
11 collocation?

12 A No.

13 Q Do you know how many central offices are included  
14 in the ECS plan?

15 A How many central offices? Offhand, I don't know.

16 Q Is that information that you could provide to us  
17 in a late-filed exhibit?

18 A The number of central --

19 MR. CARVER: We are not going to provide  
20 late-filed exhibits. I mean, you can get it through  
21 discovery if you want, but we are not going to provide  
22 late-filed exhibits at this point.

23 MR. TYE: Why did you agree to do that for Staff?

24 MR. CARVER: Well, I will do it for Staff as a  
25 courtesy, but at this point there are discovery rights

1 that all the parties have, and they can certainly avail  
2 themselves of it, and I'm not going to allow parties to  
3 do whatever discovery they have and then ask for  
4 late-filed exhibits on top of it. I mean, there is no  
5 right to it under the rules.

6 MS. KAUFMAN: So, let me understand your position.  
7 You're refusing to provide FIXCA with this information,  
8 even though I take it it is in Southern Bell's  
9 possession?

10 MR. CARVER: I don't know whether it is in our  
11 possession or not. I'm saying across-the-board that  
12 I'm not going to allow parties to ask things that the  
13 witness is not knowledgeable of and then try to pin us  
14 down and say provide it as a late-filed exhibit. I'm  
15 just not going to do it. I don't know whether it's in  
16 our possession or not.

17 MS. KAUFMAN: Mr. Carver, would you check to see  
18 if that information is available?

19 MR. CARVER: I'm not being deposed, and I'm not  
20 going to agree to it. I have told you if the witness  
21 has an answer and he can give it to you, fine.  
22 Otherwise, I'm not providing late-filed exhibits to  
23 anyone other than Staff.

24 BY MS. KAUFMAN:

25 Q Mr. Stanley, who within Southern Bell would know

1 how many central offices are included in the ECS plan?

2 A I don't know offhand.

3 Q You don't have any idea what Southern Bell  
4 employee would have that information?

5 MR. CARVER: Objection, asked and answered. He  
6 just said he doesn't know.

7 MS. KAUFMAN: I just want to verify that he  
8 doesn't have a clue as to --

9 MR. CARVER: And he just answered your question,  
10 so you don't need to repeat your question in order to  
11 verify his answer. He just said he doesn't know.

12 MS. KAUFMAN: Are you instructing him not to  
13 answer?

14 MR. CARVER: Yes, I'm instructing him not to  
15 answer the same question he has just answered a second  
16 time.

17 BY MS. KAUFMAN:

18 Q Mr. Stanley, do you know where switched access  
19 collocation is provided, if Southern Bell applies any  
20 interstate charge for local transport to traffic that's  
21 delivered to the switched access interconnector?

22 A No, I don't.

23 Q Let's take a look at your exhibit that's attached  
24 to your rebuttal testimony, JAS-3.

25 A Yes.

1 Q Did you bring with you copies of all work papers  
2 used by you in the preparation of your testimony exhibits as  
3 instructed in the notice of deposition?

4 A I didn't bring work papers that were used in  
5 developing this, no.

6 Q You did not bring the work papers that you used in  
7 developing this?

8 A No, I did not.

9 Q Do you have those work papers available?

10 A No, I don't. This was worked up for me by one of  
11 my folks, and no, I don't have work papers on it.

12 Q So this exhibit was not prepared by you?

13 A It was prepared under my direction.

14 Q And who is it that prepared this exhibit?

15 A One of the people that works for me actually  
16 prepared it at my direction.

17 Q Do you know the name of the person that prepared  
18 the exhibit?

19 A Uh-huh.

20 Q And that person's name is?

21 A Tom Best.

22 Q And does Mr. Best have any work papers that  
23 underlie this exhibit?

24 A I would think what he would have would be the  
25 rates for AT&T, MCI and Sprint.

1 Q That he used in formulating the exhibit?

2 A Yes. That, combined with the ECS rate is what  
3 would be required.

4 MS. KAUFMAN: Well, I'm going to ask that the work  
5 papers that underlie this exhibit be provided as a  
6 late-filed exhibit.

7 MR. CARVER: Could I see the language in the  
8 notice of deposition that you're referring to? Okay.  
9 Let me go off the record for just a minute.

10 (Off the record.)

11 MR. CARVER: I can tell we have got a discovery  
12 dispute brewing here, so let me just state a couple of  
13 things on the record. In an effort to cooperate, I  
14 have asked Mr. Best to provide his work papers to Mr.  
15 Stanley so that he can answer your questions. You just  
16 told me that you now intend to depose Mr. Best in  
17 addition to Mr. Stanley. So, I mean, if that's what  
18 you're going to do, then I guess you can save these  
19 questions for Mr. Best. But, I mean, what we are doing  
20 is we have a witness here, he is speaking in a  
21 representative capacity, and I made a good faith effort  
22 to give him the information he needs to answer your  
23 questions, so I don't really see the point in doing  
24 that and taking all day to take this witness'  
25 deposition if you plan to take another witness on the

1 exact same area. So, my position is you can ask them  
2 of one, or you can ask them of the other, but I don't  
3 see any point in doing both.

4 MS. KAUFMAN: Well, Mr. Carver, I appreciate you  
5 putting it on the record. This is an exhibit, and it's  
6 attached to Mr. Stanley's testimony. He is sponsoring  
7 it, he is the witness, if he can answer the questions,  
8 I think it would be expeditious for us to go ahead and  
9 proceed and let's see how far we get. I'm certainly  
10 not representing to you that if Mr. Stanley answers  
11 these questions I'm not going to talk to Mr. Best.

12 MR. CARVER: Well, my understanding from what you  
13 said before was that you intend to depose Mr. Best no  
14 matter what, and if that's your position, then I think  
15 right off the bat you're bordering on harassment. So,  
16 I mean, can you tell me is that what you're saying,  
17 that you're going to go ahead and take additional  
18 witnesses even if this one has possession of the  
19 information that you need?

20 MS. KAUFMAN: I think that I am entitled to pursue  
21 my discovery rights, and I will do so. Mr. Stanley has  
22 attached this to his testimony, and I think I'm  
23 entitled to inquire, and I suggest we go forward and  
24 stop wasting time.

25 MR. CARVER: Okay. So the bottom line is you're

1           going to just -- well, I'm just trying to work  
2           something out, because basically if this witness  
3           answers all of your questions and you start trying to  
4           set other depositions, then I'm going to move for a  
5           protective order. So if you don't want to try to work  
6           anything out, then go ahead.

7           MS. KAUFMAN: Okay. We need to have a copy of the  
8           work papers. I think that would help with that  
9           situation. Do you need to keep a copy, as well?

10          THE WITNESS: I would need a copy to answer the  
11          questions, yes.

12                   (Off the record.)

13 BY MS. KAUFMAN:

14          Q       Mr. Stanley, when we went off the record and you  
15          and your counsel went and discussed my request for the work  
16          papers, you returned and I have been handed a three-page  
17          document, and it looks to me like these are the tariff  
18          sheets from AT&T, MCI, and Sprint, is that correct?

19          A       That's correct.

20          Q       Do you not have work papers which show the  
21          calculations that you performed that resulted in Exhibit  
22          JAS-3?

23          A       Using this and a 25 cent call, we were able to  
24          create this exhibit.

25          Q       And do you have the underlying spread sheets or

1 work papers or whatever you used to create the exhibit?

2 A We don't really need a spreadsheet to create it  
3 from this.

4 Q Okay. Let's talk about how you did it. But,  
5 before we do that, this exhibit relates only to residential  
6 calls, is that correct?

7 A That's correct.

8 Q So, would we be correct to assume that business  
9 calls would always be cheaper under the ECS proposal?

10 A No, you wouldn't be.

11 Q Do you have any analysis or breakdown similar to  
12 what you have provided in JAS-3 for business?

13 A We simply didn't look at it. I could not assume  
14 that ECS will always be cheaper for business without  
15 analyzing it. I haven't analyzed that.

16 Q So you don't know one way or the other?

17 A That's correct.

18 Q In your exhibit you break down the routes into  
19 four different mileage bands, is that correct?

20 A That's correct.

21 Q Can you tell us how many routes are included in  
22 the one to ten mileage band?

23 A No, I don't believe so. I was trying to think if  
24 any of that might have been provided in discovery. That  
25 type of information is probably available somewhere, but I

1 don't know right offhand.

2 Q Would your answer be the same for the other  
3 mileage bands, you don't know how many routes are in each of  
4 the bands?

5 A That's right. We would have to actually go in and  
6 count the number in each band. I haven't done that.

7 MS. KAUFMAN: And can you provide that to us as a  
8 late-filed exhibit?

9 MR. CARVER: No.

10 BY MS. KAUFMAN:

11 Q Let's just look at one of these mileage bands so  
12 we can get an understanding of what you did. Look at the  
13 third one down, which is the 23 to 55 mile band. And if I  
14 understand what you did, for example, you took AT&T, and if  
15 we just look at the top line, you compared their evening  
16 rate with your 25 cent plan, is that correct?

17 A That's correct.

18 Q Can you tell us what rate you used for AT&T, what  
19 dollar, or I guess it would be a cent amount in that band?

20 A For the 23 to 55 mile band, intraLATA in the  
21 evening period, the initial minute is .2025. 20.25 cents.

22 Q .2025?

23 A Yes.

24 Q What about for MCI?

25 A MCI for 23 to 55 miles, evening period, is .1925

1 for the first minute.

2 Q And Sprint?

3 A Sprint is .2025.

4 Q Okay. Still in the same band we just looked at,  
5 can you tell me, for example, on the AT&T, the one you said  
6 was .2025, how much is a customer going to save on that  
7 call?

8 A For a one minute call, the customer would save  
9 4.75 cents.

10 Q 4.75 cents?

11 A Yes.

12 Q How about for MCI?

13 A For MCI, the customer would save on that one call  
14 5.75 cents.

15 Q And for Sprint?

16 A The same as AT&T, the rates are the same.

17 Q What are you referring to, Mr. Stanley? Is that  
18 the information that you provided me?

19 A Yes.

20 Q I just wanted to be sure. Still looking at your  
21 JAS-3. Can you tell me by mileage band, what percent of  
22 calls fall within each of those mileage bands?

23 A No.

24 Q Have you done any analysis of that?

25 A No, we have not done any analysis of that for this

1 hearing.

2 Q I wanted to go back to something you were  
3 discussing with Mr. Elias when he was questioning you. Is  
4 it your position that after 1+ is implemented pursuant to  
5 the Commission's 1+ order in another docket, that customers  
6 on these ECS routes will be able to utilize 1+  
7 presubscription?

8 A After 1+ is implemented?

9 Q Uh-huh.

10 A Yes.

11 Q Does Southern Bell currently have an estimate of  
12 what the switched access rates are going to be after your  
13 next switched access reduction in October? October '95, I  
14 guess it is.

15 A I would have to defer to Jerry Hendrix on that.

16 Q Mr. Hendrix would know that?

17 A Yes.

18 MS. KAUFMAN: That's all I have for now, Mr.  
19 Stanley. Thank you.

20 THE WITNESS: Sure.

21 MR. CARVER: Anybody else?

22 MS. HALLOCK: Cindy Hallock for Communication  
23 Workers of America, Locals 3121, 3122, and 3107.

24 CROSS EXAMINATION

25 BY MS. HALLOCK:

1 Q I just have one question. Are you familiar with  
2 Communication Workers of America's proposal?

3 A I have read it, that's all. That's the limit of  
4 my familiarity with it.

5 Q Have you done any research or investigation to  
6 determine the validity or your impressions of that proposal?

7 A The only thing I did was to look at the \$5  
8 million. I think there is something in my rebuttal  
9 testimony indicating that I think it was \$5 million that you  
10 were going to reduce residential rates by, I simply  
11 calculated a monthly amount for that. That's the only  
12 analysis I have done.

13 Q And what did you come up with?

14 A Less than ten cents a month per subscriber line.

15 Q So, did you formulate any opinion on Communication  
16 Workers' proposal?

17 A My opinion is that it is primarily targeted to  
18 special interest groups. I don't see the mass appeal for it  
19 that we would see with an ECS. I don't think it would  
20 affect positively nearly as many customers.

21 Q Based on the five groups, which covers, I believe  
22 it's handicapped, exempt, consumers, senior citizens,  
23 residential, what group has been left out that would not be  
24 across-the-board meeting the needs of the general public?

25 A I don't think -- did you cover business customers?

1 I don't believe any business customers were included, and I  
2 guess you could say if someone gets a penny a month  
3 decrease, then they were included. You know, ten cents a  
4 month or less, I doubt that many people will be doing back  
5 flips on that. But I guess you could say that's included,  
6 yes.

7 MS. HALLOCK: Thank you.

8 CROSS EXAMINATION

9 BY MR. BECK:

10 Q Mr. Stanley, my name is Charlie Beck with the  
11 Public Counsel's office.

12 A Yes.

13 Q You mentioned earlier that if 1+ were to come into  
14 existence under the Commission's order that Southern Bell  
15 would not oppose 1+ on these routes?

16 A That's correct.

17 Q Let me understand that. If a customer in Miami  
18 were to call Boca Raton with seven digits, that would go  
19 under your proposed expanded calling?

20 A That's right.

21 Q And then if they dialed 1+ seven digits, then it  
22 would go to their presubscribed interexchange carrier?

23 A That's correct.

24 Q In your proposal in Attachment C, it lists a  
25 Phase 1 and a Phase 2 of the reductions, do you recall that?

1           A     Let me see exactly where you are.

2           Q     Attachment C to your direct testimony. There is  
3 six pages.

4           A     Yes.

5           Q     Are you proposing different effective dates for  
6 the Phase 1 and Phase 2 routes?

7           A     I believe there were different effective dates. I  
8 don't remember offhand what those were, but I believe there  
9 was a difference on those. I don't recollect what those  
10 dates were.

11          Q     Is there any other significance to the Phase 1 and  
12 Phase 2 distinctions?

13          A     I believe that was all, was just the timing on how  
14 they would be implemented.

15          Q     And is that your current proposal, also, to have  
16 different timing on those routes?

17          A     I think so, Mr. Beck. I'm not as sure on the  
18 implementation on that, but I believe that's right.

19          Q     Is it your proposal, then, at least on the Phase 1  
20 routes to implement them October 1st, if you know?

21          A     I cannot remember the date.

22          Q     In your direct testimony on Pages 5 and 6, you  
23 list five criteria that were applied to determine which  
24 routes should be included or excluded from the filing, is  
25 that correct?

1           A     That's correct.

2           Q     Did you determine those five criteria?

3           A     They were put together -- my folks, myself, and in  
4     consultation with the people in Florida. Our regulatory  
5     people in Florida, as well.

6           Q     Was there a task force or a work group that was  
7     dedicated to making this filing?

8           A     There was an overall group of people that did work  
9     on the total filing, yes. The implementation aspects of  
10    that, the price out aspects of it, a number of folks working  
11    on that.

12          Q     Who determined which specific routes to include or  
13    exclude from your filing?

14          A     We basically, you know, applied those. I mean,  
15    it's utilizing these particular criteria as far as how we  
16    are going about that. That would have been put together in  
17    conjunction, again, with consultation between the Florida  
18    folks and the pricing folks.

19          Q     Who were the key people of the Florida folks who  
20    determined which routes should be included or excluded?

21          A     We would deal, you know, out of my group primarily  
22    with Ms. Sims on any of that. Now, I don't know who all in  
23    Florida might have input to that.

24          Q     So you used her advice as an input on determining  
25    which routes to include or exclude?

1           A     Oh, yes. I mean, very much so. Because they are  
2 knowledgeable, for example, of the Dade/Broward, and I have  
3 people that work just Florida. Yes, and it would be -- I  
4 would call it a committee, call it a group. Well, maybe not  
5 a formal committee as such, but that's the way it would have  
6 been done.

7           Q     Do you recall responding to an interrogatory we  
8 sent concerning certain routes from Boynton Beach?

9           A     I believe so, yes.

10          Q     Do you have that interrogatory response?

11          A     I may not. If you have a copy, I would appreciate  
12 it. Thank you.

13          Q     What I would like to ask you is to apply the five  
14 criteria that you have in your testimony, and apply it to  
15 the Boynton Beach/Fort Lauderdale route, and tell me why  
16 that was not included in the plan?

17          A     Let me -- I'm not as clear on the geography, but I  
18 think it would not have come under Dade/Broward. It had a  
19 CIF factor of a 2.95, and we used a 3.0, so it just misses  
20 that.

21          Q     Would a map be helpful to you?

22          A     Pardon me?

23          Q     Would a map be helpful to you?

24          A     I was thinking that was Palm Beach County. It  
25 would not have met the first criteria, it would just have

1 missed the second one.

2 Q Could you expand on that a little bit. What is  
3 the significance of the 3.0 community of interest factor?

4 A 3.0 is the community of interest, I think, that's  
5 used today in the guidelines for -- I believe that's a  
6 two-way community of interest factor, if I'm not mistaken.

7 Q But did you use that factor in determining which  
8 routes to include or exclude from your filing?

9 A We used the 3.0 for each of our, you know, that's  
10 what we were using. We were looking for a 3.0 or more as  
11 far as a community of interest, yes.

12 Q Aren't there a number of routes that don't meet  
13 that criteria that were included?

14 A Yes, there are. And that's where you get into the  
15 other criteria which is existence of a -- if they had a  
16 local calling plan regardless of the CIF factor, we would  
17 include that. If we got into leap-frogging arrangements,  
18 and by that we mean we have jumped over a route so that  
19 Point A to B has a sufficient CIF to be included, but there  
20 is a route in between, a C route in between, that couldn't  
21 call B, then we went ahead and included a route like that.  
22 And then the reciprocal, and you will find lower CIFs on  
23 many of the reciprocal routes, but we did that as a matter  
24 of customer convenience.

25 Q So, understanding you didn't include the Boynton

1 Beach/Fort Lauderdale route because none of the factors,  
2 Number 3, 4 and 5 on Page 6 apply to it?

3 A That's correct.

4 Q Were there any routes that you included -- let me  
5 ask this. Were there any other occasions where the  
6 community of interest factor was less than 3.0, where you  
7 included it even though your factors on Page 6 weren't met?

8 A Not to my knowledge. In my review of it, no.

9 Q Is Southern Bell willing to include that route in  
10 its filing?

11 A We would have to discuss that. I don't know right  
12 now.

13 Q Do you know whether there is any outreach program  
14 that Southern Bell is now engaged in with community groups  
15 to explain the filing with customer groups?

16 A The ECS filing that has been made right now?

17 Q Yes.

18 A Normally there will be articles like that in the  
19 paper. I'm not sure of, you know, I'm not knowledgeable of  
20 specific programs to do that, but I would think that normal  
21 media coverage would be covering a lot of that.

22 Q You mentioned in response to a question by Mr.  
23 Elias that you had read at least one newspaper article that  
24 was critical of a route not being included in the plan, is  
25 that right?

1           A     I believe I did.

2           Q     Do you recall which route?

3           A     I don't offhand, no. That's in a perusal of  
4 different newspaper articles, in reading some of those. But  
5 if I'm not mistaken, I remember reading something like that.  
6 I don't remember the specific route.

7           Q     Did you take any action as a result of reading  
8 that article?

9           A     No.

10          Q     So reading that article didn't lead you into  
11 discussing whether that route should be included or not?

12          A     No.

13          Q     Do you know whether any Southern Bell  
14 representatives have told people in Delray Beach that they  
15 would be included to call into Dade County as part of this  
16 filing?

17          A     I really don't know.

18          Q     Do you plan to make any amendments to your filing?

19          A     I have no plans to, no. None that I am aware of.

20          Q     Were there any controversial routes when you were  
21 engaged in the discussion of which routes to include or  
22 exclude from your filing?

23          A     I'm not aware of any. There could have been some,  
24 but I don't recall any right now that I'm aware of.

25          Q     Between yourself and Miss Sims, who do you think

1 would be more familiar with the selection criteria for which  
2 routes would be included or excluded from your filing?

3 A Well, the selection criteria is really laid out in  
4 my testimony.

5 Q How about applying those criteria to Florida  
6 routes?

7 A I think we would do that, as well. I would be as  
8 familiar with that as she would as far as applying those  
9 criteria.

10 MR. BECK: Thank you. That's all I have.

11 MR. TYE: For the record, I'm Mike Tye, appearing  
12 on behalf of AT&T Communications of the Southern  
13 States, Inc.

14 CROSS EXAMINATION

15 BY MR. TYE:

16 Q Mr. Stanley, to whom do you report in BellSouth?

17 A I report to Jim Anderson.

18 Q And what is Jim Anderson's position?

19 A Jim is an Assistant Vice President over the  
20 Pricing Department.

21 Q When were you first given the directive to develop  
22 the proposal that you have got before the Commission in this  
23 docket?

24 A I don't remember.

25 Q Do you have any point of reference, first quarter

1 this year, third quarter, fourth quarter of last year?

2 A I would say sometime first quarter of this year.

3 Q And who gave you that directive?

4 A As far as this particular proposal?

5 Q Yes, sir.

6 A We met, as I recall, with the Florida folks to  
7 talk about filings, and this was one of the filings.

8 Q Who were the Florida folks you met with?

9 A It would have been Nancy Sims, Tony Lombardo.

10 Q And do you recall when that meeting was?

11 A It was in the first quarter, I don't recall  
12 precisely when.

13 Q When you were given the directive to begin to  
14 develop this program, were you told that it was to dispose  
15 of certain amounts of revenue that Southern Bell had  
16 committed for rate reductions in this docket?

17 A When we decided to do this, looking at the 25  
18 million, yes, this particular piece of it was really  
19 designed with that in mind, with being a give up of a  
20 certain amount, yes. With the idea that this was coming in  
21 October.

22 Q What other options did Southern Bell look at to  
23 dispose of that 25 million prior to settling on this plan?

24 A I don't recall. There may have been some other  
25 options looked at. I don't recall there being, but there

1 could have been. I just don't know.

2 Q Were you asked to look at any other options?

3 A This is the only one. Given the other things that  
4 had taken place, I believe this was it as far as, you know,  
5 of achieving the -- of filing against the 25 million. This  
6 is the only one I remember.

7 Q And this meeting at which you were asked to begin  
8 to develop this plan, did you also discuss the various  
9 criteria for what routes would be included?

10 A At that time, I don't remember discussing the  
11 specific criteria. I think there was some discussion of ECS  
12 routes and expanding that, but the specific ones, I don't  
13 remember.

14 Q Okay. Let's go back and talk some more about how  
15 the criteria were developed. Was it done through a  
16 committee or did you do it individually?

17 A I would say more through, you know, as I had  
18 indicated earlier, discussions with our Florida folks as  
19 well as my people.

20 Q So it was done through a committee?

21 A Yes, you could say it's through a committee. I  
22 don't know if it was a formalized committee structure, but  
23 that's the way it was done.

24 Q And who had, I guess, the ultimate authority to  
25 decide which criteria would be used and which wouldn't be

1 used?

2 A Our Florida people would have.

3 Q And that would be Ms. Sims and Mr. Lombardo?

4 A Yes.

5 Q When were the criteria developed?

6 A I don't remember precisely.

7 Q Well, was it sometime after the first quarter of  
8 this year?

9 A I would think it would have been. We talked in a  
10 meeting I mentioned earlier in the year about some of this,  
11 and we had actually -- there had been some discussion about  
12 ECS maybe even back the latter part last year, but I don't  
13 think it was quite as formalized. But as far as, you know,  
14 when exactly those criteria were developed, I don't remember  
15 exactly when that was done.

16 Q So you were -- let me rehash. You were given the  
17 task of coming up with a way to dispose of the \$25 million  
18 sometime in the first quarter of this year, and then  
19 sometime after that the criteria were developed, is that  
20 correct?

21 A The criteria were developed sometime in that time  
22 frame. We talked about an expansion of ECS. ECS in  
23 particular gives us a way to satisfy a lot of, you know, as  
24 I pointed out, EAS calling needs, plus we have so many  
25 individual calling plans in Florida, it allows us to get

1 past many of those. So when exactly that was discussed, I  
2 would think it would have been the first quarter, it could  
3 have gone into the second quarter. But most of it, given  
4 the date of the filing and all, it's in that time frame.

5 Q Mr. Stanley, on the routes that you have selected  
6 for ECS, what is the average duration of a residential call?

7 A I'm trying to remember if I have that. I believe  
8 it would be in excess of four minutes, I believe. I don't  
9 remember precisely.

10 Q How did you settle on 25 cents per message?

11 A 25 cents per message was really based on the fact  
12 that we already had several routes that had gone in down  
13 here. People were familiar with them, the Commission, you  
14 know, had accepted those filings previously, and that was  
15 our desire, to maintain a standardized approach.

16 Q So it really was just a figure that was consistent  
17 with what the Commission had ordered in some other cases?

18 A Yes.

19 Q What is the average duration of a business call on  
20 the routes that you have selected for ECS?

21 A I'm not sure. It would be less than the residence  
22 call, but I'm not sure what the average duration would be.

23 Q Well, how did you come up with the ten cents for  
24 the initial minute and the 6 cents for each additional  
25 minute?

1           A     Again, that's something that has been in place for  
2     sometime in other plans that have been filed.

3           Q     Did you make any effort at all when you came up  
4     with these figures to do an access imputation analysis prior  
5     to putting your tariffs together?

6           A     I have not, no.

7           Q     Now, I think you indicated in response to some  
8     earlier questions from the Staff that a percent of these  
9     routes already have existing ECS type plans, is that  
10    correct?

11          A     LCP, local calling plus, yes.

12          Q     What percentage of these routes are covered on  
13    those existing plans?

14          A     I'm sorry, I don't understand your question.

15          Q     What percentage of the routes, of the 252 routes  
16    that you're proposing here, are already covered under the  
17    LCP plans?

18          A     I believe it's 40 out of 252 routes.

19          Q     40 routes?

20          A     If memory serves me right, yes, are existing LCP.  
21    I believe that's right.

22          Q     Okay. Now, how does this plan differ from the  
23    existing plan?

24          A     The LCP plan actually gives quarter per message  
25    calling on business calls.

1 Q So under this plan, the business subscriber pays  
2 on a per-minute basis, whereas under the other he paid a  
3 quarter?

4 A That's correct.

5 Q Now, you mentioned that there are certain routes  
6 that meet the three message per access line per month  
7 criteria on a one-way basis, and then you included the route  
8 coming back the other way, is that a correct understanding?

9 A That's correct.

10 Q Okay. Now, what percentage of the routes that you  
11 have included fall in that category?

12 A I haven't calculated a percentage.

13 Q Do you have that number where you can get your  
14 hands on it?

15 Q What you're asking me is what percent of the  
16 routes --

17 A Or you can give me the number that are included  
18 solely because they are reciprocal routes.

19 MR. CARVER: We are going to go off the record for  
20 a second and see if we can come up with that, if that's  
21 okay.

22 MR. TYE: Okay.

23 (Off the record.)

24 MR. CARVER: I don't think we have anything that  
25 has that information on it. If you want to, you know,

1 he can count them now.

2 THE WITNESS: I don't have anything summarized  
3 like that. But, I mean, if you want me to count them,  
4 I can do that.

5 MR. TYE: Is there a document that I can see that  
6 has got that information in it?

7 MR. CARVER: Well, that's what I just said. My  
8 understanding is in that format there is not one.

9 THE WITNESS: I have got something that shows for  
10 my purposes which ones, which routes were selected  
11 based on being reciprocal, is that what you're asking.

12 MR. TYE: Yes.

13 THE WITNESS: But I would have to go actually  
14 count on a route-by-route basis.

15 MR. TYE: Normally, I would ask for a late-filed  
16 exhibit, but I'm scared to do that.

17 MR. CARVER: Well, if he can answer your question  
18 now, I would like for him to do it.

19 MR. TYE: That's fine.

20 (Off the record.)

21 THE WITNESS: I count 86 reciprocal routes.

22 BY MR. TYE:

23 Q 86?

24 A Yes.

25 Q Now, with respect to the traffic studies that you

1 did to determine which routes meet your community of  
2 interest factor, how did you choose the month that you  
3 looked at there?

4 A I don't recall.

5 Q Did you just pick a month, or did you look at  
6 averages over the course of a year, or how did you do it?

7 A I think we based it on April '94, but I don't  
8 remember how that month was chosen.

9 Q So you looked at April of '94?

10 A I believe that's correct.

11 Q Do you know whether or not traffic on these routes  
12 is seasonal?

13 A I don't.

14 Q Do you know whether or not traffic on any routes  
15 in Florida is seasonal?

16 A I really don't know.

17 Q Was there any consideration given to studying any  
18 other months on any of these routes?

19 A I believe, if memory serves me right, we studied  
20 just a single month. I believe it was April of '94. Now, I  
21 might need to check that.

22 Q Do you remember who -- can you check it now?

23 A Yes. I'm not seeing it. I believe, if memory  
24 serves me right, April and October tend to be months that we  
25 would normally use. I believe this was April of '94. I can

1 check that, but I don't see it in the information I've got  
2 here.

3 Q And were you told to use these months or did you  
4 pick them on your own?

5 A We would have picked them through our -- we  
6 wouldn't have been told to use a particular month, we would  
7 have been told to use a representative month.

8 Q Did you do any study to determine whether these  
9 months were, in fact, representative, I guess, is the  
10 question?

11 A We would have gone to our analytical folks that  
12 actually calculate this type of stuff and would ask them to  
13 give us the numbers. And, yes, they would have given us a  
14 number that would have been a representative type month.

15 Q And how would they determine what was  
16 representative?

17 A Typically, my experiences from these folks, now I  
18 don't know precisely how they do it, I guess you would --  
19 well, I don't know precisely how they do it. I believe it's  
20 April and October tend to be the months that are less  
21 seasonal normally. Now, I don't know if that precisely  
22 applies in Florida or not.

23 Q Now, there are 252 routes that you're proposing to  
24 bring under this plan, is that right, Mr. Stanley?

25 A That's correct.

1 Q How many intraLATA toll routes does that leave in  
2 the state in Bell's territory?

3 A I haven't counted them, I don't know.

4 Q Would it be fair to say this is the large majority  
5 of intraLATA toll routes in the Bell to Bell territory?

6 A I really don't know what the total number of  
7 routes is.

8 Q Do you have any feel for whether or not this is in  
9 excess of half of them?

10 A No.

11 Q You answered a question, I think, for FIXCA about  
12 customers using 1+ presubscription after implementation. As  
13 I understand the answer you gave, if a customer after  
14 intraLATA presubscription is implemented dialed a call on  
15 one of these routes using seven-digits, then Southern Bell  
16 would carry it; if they dialed 1 then the presubscribed  
17 carrier would carry it, is that correct?

18 A That's correct.

19 Q What happens if that customer hasn't presubscribed  
20 to any carrier other than Southern Bell for intraLATA  
21 traffic?

22 A I'm not sure how it's handled on the remaining  
23 traffic. If no one is presubscribed, I'm not sure what the  
24 rules are on that.

25 Q So you don't know what would happen if that

1 customer dialed 1 and then tried to place this call?

2 MR. CARVER: I'm going to object to the question.

3 Are you asking him how would he access other carriers?

4 MR. TYE: No, I'm asking him what would happen if  
5 the customer hadn't presubscribed to anyone other than  
6 Bell and then dials 1 for calling one of these routes.

7 THE WITNESS: I'm not sure.

8 BY MR. TYE:

9 Q Now, you talked some about the use of interstate  
10 access by IXC's to lower their access costs, do you recall  
11 those conversations?

12 A Yes.

13 Q Is it your testimony that an interexchange carrier  
14 can somehow lower the intrastate access cost on calls on  
15 these routes using interstate access?

16 A No.

17 Q Okay. So, then, someone trying to compete with  
18 you on these routes is going to have to pay your intrastate  
19 access charges, is that correct?

20 A That's correct. Let me say that a little  
21 differently. They will have to pay our access charges on  
22 those routes if they choose to buy access from us.  
23 Obviously, if they don't choose to buy access from us, which  
24 they can so choose, they don't have to.

25 Q Who can they choose to access the vast majority of

1 residential subscribers, other than Southern Bell?

2 A The vast majority of residential subscribers?

3 Q Yes, sir.

4 A Let me be sure I understand your question.

5 Q Well, who else today has facilities running into  
6 every home out there in your service territory?

7 A Cable TV probably would come close.

8 Q Cable TV today can't provide that service, can  
9 they?

10 A Today, I would say that's true.

11 Q Okay. And if I were trying to call -- if I were  
12 trying to place a call even if I originated on cable TV into  
13 the homes of one of your subscribers, I would have to use  
14 your line to get in there, is that correct?

15 A Today, I think you would.

16 Q And I would have to even after January 1, '96,  
17 wouldn't I?

18 A I don't know that.

19 Q Well, how else would I get into the home of one of  
20 your subscribers if I were placing a call to them?

21 A After January 1 of '96, I don't know what options  
22 might be available to you.

23 Q Wait a minute. If this person is subscribed to  
24 you, to Southern Bell, Mr. Stanley, and I need to deliver a  
25 call to that person, how else am I going to deliver that

1 call even after January 1, '96?

2 A You mean on a terminating basis?

3 Q Yes, sir.

4 A You're saying if they are subscribed to me?

5 Q If they are your customer.

6 A Then you have got to have some link to get to me,  
7 certainly.

8 Q And then I have to pay you access charges to  
9 deliver that call to that customer, is that correct?

10 A There would still be some access services  
11 involved, certainly. I mean, you're talking about a whole  
12 new environment with competition, though, on different  
13 carriers calling different people. I'm not sure what that  
14 looks like.

15 Q So you think there would be a way for me to get to  
16 a customer that uses Southern Bell for his local phone  
17 service without having to go through Southern Bell?

18 A In the foreseeable future, absolutely.

19 Q Well, do you think he is going to have two local  
20 phone companies in there?

21 A I think it's very possible, yes.

22 Q Why would he subscribe to two local telephone  
23 companies at one time?

24 A One subscriber would not. You're talking about  
25 would one subscriber always have us as their local service?

1 Q We are talking about an individual subscriber. If  
2 I have to deliver a call to that individual subscriber, and  
3 that's a Southern Bell subscriber, then I've got to go  
4 through Southern Bell to get to him, isn't that a fact?

5 MR. CARVER: Let me -- I mean, I can make this an  
6 objection if you want, because I think your question is  
7 kind of vague and I don't think the witness understands  
8 it, but with your permission let me try to help. I  
9 think the question is, despite other alternatives, if a  
10 particular subscriber chooses to have us as their local  
11 exchange company, that's the situation you're talking  
12 about?

13 MR. TYE: Correct.

14 MR. CARVER: Do you understand that?

15 THE WITNESS: Okay. So, you're asking if it is --  
16 if they have chosen our service for their local  
17 service, then yes, they would have to come through us.

18 BY MR. TYE:

19 Q That's right?

20 A I assumed your question was broader than that.

21 Q And then to deliver that call, I would have to pay  
22 you, Southern Bell, a terminating access charge, is that  
23 correct?

24 A To terminate what type of call are you talking  
25 about?

1 Q The same type that you're trying to include in  
2 your ECS plan.

3 A Yes.

4 Q Mr. Stanley, let me talk a minute about ESSX loops  
5 and PBX trunks. The facility that's used for an ESSX loop  
6 is a pair of wires, is that correct?

7 A Yes.

8 Q And the facility that is used for a PBX trunk loop  
9 is also a pair of wires, is that correct?

10 A It can be MegaLink or it can be a PBX trunk. I'm  
11 not sure what MegaLink might be, if that's a pair of wires  
12 or some other type of facility.

13 Q It can also be just a plain old pair of wires, is  
14 that correct?

15 A Certainly.

16 Q And, in fact, you could take what was an ESSX loop  
17 yesterday and connect that pair of wires up to a PBX and  
18 then you've got a PBX trunk, isn't that correct?

19 A I don't think so. I don't think you can  
20 necessarily do that.

21 Q You can't use the same pair of wires?

22 A There may be conditioning required. Can it be the  
23 same pair of wires itself? Perhaps so, given that there are  
24 other things that may have to be done to make that PBX work.

25 Q But it could still work if it is the same mileage

1 from the central office that the ESSX loop was, couldn't it?

2 A Still work, I don't know. I'm not technical  
3 enough to know the details of the technical side of that.

4 Q So then you really don't know what the technical  
5 differences, if any, are between an ESSX loop and a PBX  
6 trunk, is that your testimony?

7 A That's correct.

8 Q Now, you indicated that you haven't done any cost  
9 studies on ECS, is that correct?

10 A That's correct.

11 Q So you don't know what the cost is, the direct  
12 cost is of providing this service, is that a fair statement?

13 A I don't know what the direct costs of ECS are. We  
14 have not done the cost studies.

15 MR. TYE: Thank you. I don't think I have any  
16 further questions.

17 MR. CARVER: Anybody else? I don't have anything.  
18 I found out that the late-filed exhibit that Staff  
19 requested we can provide that to you in a week, if  
20 that's acceptable.

21 MR. ELIAS: That's fine.

22 (The deposition was concluded at 1:05 p.m.)  
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CERTIFICATE OF ADMINISTERING OATH

STATE OF FLORIDA:  
COUNTY OF LEON:

I, JANE FAUROT, Notary Public in and for the State of Florida at Large:

DO HEREBY CERTIFY that on the date and place indicated on the title page of this transcript, an oath was duly administered by me to the designated witness(s) before testimony was taken.

DATED THIS 20 day of July, 1995.

*Jane Faurot*

JANE FAUROT  
100 Salem Court  
Tallahassee, Florida 32301  
(904) 878-2221

MY COMMISSION EXPIRES: 7/16/97

CERTIFICATE OF REPORTER

STATE OF FLORIDA )  
COUNTY OF LEON )

I, JANE FAUROT, Court Reporter, do hereby certify that the foregoing proceedings was taken before me at the time and place therein designated; that my shorthand notes were thereafter translated under my supervision; and the foregoing pages numbered 1 through 81 are a true and correct record of the proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor relative or employee of such attorney or counsel, or financially interested in the foregoing action.

DATED THIS 20 day of July, 1995.

*Jane Faurot*

JANE FAUROT  
100 Salem Court  
Tallahassee, Florida 32301  
(904) 878-2221

CASE No. 86,957  
Docket No. 920260-TL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Comprehensive review of the ) DOCKET NO. 920260-TL  
revenue requirements and rate )  
stabilization plan of SOUTHERN BELL )  
TELEPHONE AND TELEGRAPH COMPANY. )  
\_\_\_\_\_)

FILED  
MAR 17 1995  
ST. PETERSBURG, FLORIDA  
CLERK OF THE COMMISSION

STAFF'S EXHIBIT LIST - JULY 31, 1995 HEARING

DOCUMENT PAGE NO.

Southern Bell responses to Staff's 1st Set, #1-18.....001  
Note: Response to #17 is requested confidential  
  
Southern Bell's responses to OPC's 1st Set, #1.....031  
  
Southern Bell's responses to FIXCA's 8th Set, #66-67.....035  
  
Transcript of deposition of Joseph Stanley.....042  
  
CWA's responses to Staff's 1st Set, #1-32.....125  
  
Transcript of deposition of Mike Guedel.....160  
  
Transcript of deposition of Joseph Gillan.....204  
  
Transcript of deposition of Jerry Hendrix.....251

Not included:

Southern Bell's responses to Staff's 1st Request for Production of Documents, #1. (Confidential)

Southern Bell's responses to Staff's 1st Set of Interrogatories, #17. (Confidential)

FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 920260 EXHIBIT NO 8  
COMPANY/ Staff  
WITNESSES \_\_\_\_\_  
DATE: 7/31/95

Case No. 86,957  
 Docket No. 920260-TL

Southern Bell Tel. & Tel. Co.  
 FPSC Docket No. 920260-TL  
 Witness: Stanley  
 Exhibit 14  
 Page 1 of 6

NO.	ORIGINATING EXCHANGE	TERMINATING EXCHANGE	MILEAGE
1	ARCHER	CEDAR KEY	43
2	ARCHER	CHIEFLAND	21
3	BELLE GLADE	WEST PALM BEACH	39
4	BIG PINE KEY	HOMESTEAD	80
5	BIG PINE KEY	ISLAMORADA	47
6	BIG PINE KEY	KEY LARGO	73
7	BIG PINE KEY	KEY WEST	29
8	BIG PINE KEY	MIAMI	106
9	BIG PINE KEY	NORTH KEY LARGO	82
10	BIG PINE KEY	PERRINE	92
11	BOCA RATON	BOYNTON BEACH	13
12	BOCA RATON	FORT LAUDERDALE	17
13	BOCA RATON	HOLLYWOOD	24
14	BOCA RATON	MIAMI	40
15	BOCA RATON	NORTH DADE	30
16	BOCA RATON	WEST PALM BEACH	24
17	BOYNTON BEACH	BOCA RATON	13
18	BRONSON	CEDAR KEY	33
19	BRONSON	NEWBERRY	14
20	BUNNELL	DAYTONA BEACH	21
21	BUNNELL	PIERSON	21
22	CEDAR KEY	ARCHER	43
23	CEDAR KEY	BRONSON	33
24	CEDAR KEY	CHIEFLAND	27
25	CEDAR KEY	GAINESVILLE	58
26	CHIEFLAND	ARCHER	21
27	CHIEFLAND	CEDAR KEY	27
28	CHIEFLAND	GAINESVILLE	35
29	CHIEFLAND	OLD TOWN	11
30	CHIPLEY	PANAMA CITY	43
31	CHIPLEY	YOUNGSTOWN-FOUNTAIN	30
32	CORAL SPRINGS	DELRAY BEACH	19
33	CORAL SPRINGS	HOLLYWOOD	19
34	CORAL SPRINGS	HOMESTEAD	56
35	CORAL SPRINGS	MIAMI	34
36	CORAL SPRINGS	NORTH DADE	25
37	CORAL SPRINGS	PERRINE	46
38	DAYTONA BEACH	BUNNELL	21
39	DAYTONA BEACH	DELAND	21
40	DAYTONA BEACH	DELEON SPRINGS	22
41	DAYTONA BEACH	FLAGLER BEACH	18
42	DAYTONA BEACH	NEW SMYRNA BEACH	16
43	DAYTONA BEACH	OAK HILL	29
44	DAYTONA BEACH	PALM COAST	26
45	DAYTONA BEACH	PIERSON	27
46	DEBARY	ORLANDO	24
47	DEERFIELD BEACH	HOLLYWOOD	21
48	DEERFIELD BEACH	HOMESTEAD	64
49	DEERFIELD BEACH	MIAMI	37

FLORIDA PUBLIC SERVICE COMMISSION DOCUMENT NUMBER-DATE  
 DOCKET NO. 920260-TL EXHIBIT NO 2F 14 07816 AUG 15 88  
 COMPANY/ Sabell/Stanley FPSC-RECORDS/REPORTING  
 WITNESS: Stanley  
 DATE: 7/31/93

50	DEERFIELD BEACH	NORTH DADE	28
51	DEERFIELD BEACH	PERRINE	53
52	DELAND	DAYTONA BEACH	21
53	DELAND	NEW SMYRNA BEACH	23
54	DELAND	OAK HILL	30
55	DELEON SPRINGS	DAYTONA BEACH	22
56	DELEON SPRINGS	NEW SMYRNA BEACH	27
57	DELEON SPRINGS	OAK HILL	37
58	DELRAY BEACH	CORAL SPRINGS	19
59	DELRAY BEACH	FORT LAUDERDALE	24
60	DELRAY BEACH	POMPANO BEACH	16
61	DELRAY BEACH	WEST PALM BEACH	17
62	EAU GALLIE	TITUSVILLE	35
63	FERNANDINA BEACH	FORT GEORGE	15
64	FERNANDINA BEACH	JACKSONVILLE	26
65	FLAGLER BEACH	DAYTONA BEACH	18
66	FLAGLER BEACH	PIERSON	28
67	FORT GEORGE	FERNANDINA BEACH	15
68	FORT GEORGE	JACKSONVILLE BEACH	11
69	FORT LAUDERDALE	BOCA RATON	17
70	FORT LAUDERDALE	DELRAY BEACH	24
71	FORT LAUDERDALE	HOMESTEAD	49
72	FORT LAUDERDALE	PERRINE	38
73	FORT PIERCE	JENSEN BEACH	15
74	FORT PIERCE	VERO BEACH	15
75	GAINESVILLE	CEDAR KEY	58
76	GAINESVILLE	CHIEFLAND	35
77	GAINESVILLE	KEYSTONE HEIGHTS	20
78	GREEN COVE SPRINGS	PALATKA	24
79	HOBE SOUND	WEST PALM BEACH	26
80	HOLLEY-NAVARRE	MILTON	15
81	HOLLEY-NAVARRE	PACE	19
82	HOLLYWOOD	BOCA RATON	24
83	HOLLYWOOD	CORAL SPRINGS	19
84	HOLLYWOOD	DEERFIELD BEACH	21
85	HOLLYWOOD	HOMESTEAD	43
86	HOLLYWOOD	PERRINE	31
87	HOLLYWOOD	POMPANO BEACH	16
88	HOMESTEAD	BIG PINE	80
89	HOMESTEAD	CORAL SPRINGS	56
90	HOMESTEAD	DEERFIELD BEACH	64
91	HOMESTEAD	FORT LAUDERDALE	49
92	HOMESTEAD	HOLLYWOOD	43
93	HOMESTEAD	ISLAMORADA	40
94	HOMESTEAD	KEY LARGO	22
95	HOMESTEAD	KEY WEST	105
96	HOMESTEAD	MARATHON	66
97	HOMESTEAD	NORTH DADE	38
98	HOMESTEAD	NORTH KEY LARGO	17
99	HOMESTEAD	POMPANO BEACH	58

100	HOMESTEAD	SUGARLOAF KEY	91
101	ISLAMORADA	BIG PINE	47
102	ISLAMORADA	HOMESTEAD	40
103	ISLAMORADA	KEY WEST	79
104	ISLAMORADA	MIAMI	66
105	ISLAMORADA	NORTH KEY LARGO	37
106	ISLAMORADA	PERRINE	52
107	ISLAMORADA	SUGARLOAF KEY	61
108	JACKSONVILLE	FERNANDINA BEACH	26
109	JACKSONVILLE	PALATKA	48
110	JACKSONVILLE	ST AUGUSTINE	37
111	JACKSONVILLE BEACH	FORT GEORGE	11
112	JACKSONVILLE BEACH	ST AUGUSTINE	27
113	JENSEN BEACH	FORT PIERCE	15
114	JENSEN BEACH	JUPITER	23
115	JENSEN BEACH	WEST PALM BEACH	40
116	JULINGTON	PALATKA	33
117	JUPITER	JENSEN BEACH	23
118	JUPITER	PORT ST LUCIE	25
119	JUPITER	STUART	21
120	KEY LARGO	BIG PINE	73
121	KEY LARGO	HOMESTEAD	22
122	KEY LARGO	KEY WEST	101
123	KEY LARGO	MARATHON	57
124	KEY LARGO	MIAMI	45
125	KEY LARGO	PERRINE	31
126	KEY LARGO	SUGARLOAF KEY	85
127	KEY WEST	BIG PINE	29
128	KEY WEST	HOMESTEAD	105
129	KEY WEST	ISLAMORADA	79
130	KEY WEST	KEY LARGO	101
131	KEY WEST	MARATHON	47
132	KEY WEST	MIAMI	135
133	KEY WEST	NORTH KEY LARGO	110
134	KEY WEST	PERRINE	117
135	KEYSTONE HEIGHTS	GAINESVILLE	20
136	LYNN HAVEN	SUNNY HILLS	21
137	LYNN HAVEN	VERNON	26
138	MARATHON	HOMESTEAD	66
139	MARATHON	KEY LARGO	57
140	MARATHON	KEY WEST	47
141	MARATHON	MIAMI	95
142	MARATHON	NORTH KEY LARGO	67
143	MARATHON	PERRINE	78
144	MARATHON	SUGARLOAF KEY	32
145	MELBOURNE	TITUSVILLE	39
146	MIAMI	BIG PINE	106
147	MIAMI	BOCA RATON	40
148	MIAMI	CORAL SPRINGS	34
149	MIAMI	DEERFIELD BEACH	37

150 MIAMI	ISLAMORADA	66
151 MIAMI	KEY LARGO	45
152 MIAMI	KEY WEST	135
153 MIAMI	MARATHON	95
154 MIAMI	NORTH KEY LARGO	33
155 MIAMI	POMPAÑO BEACH	32
156 MIAMI	SUGARLOAF KEY	117
157 MILTON	HOLLEY-NAVARRE	15
158 NEW SMYRNA BEACH	DAYTONA BEACH	16
159 NEW SMYRNA BEACH	DELAND	23
160 NEW SMYRNA BEACH	DELEON SPRINGS	27
161 NEW SMYRNA BEACH	PIERSON	36
162 NEWBERRY	BRONSON	14
163 NEWBERRY	TRENTON	13
164 NORTH DADE	BOCA RATON	30
165 NORTH DADE	CORAL SPRINGS	25
166 NORTH DADE	DEERFIELD BEACH	28
167 NORTH DADE	HOMESTEAD	38
168 NORTH DADE	POMPAÑO BEACH	22
169 NORTH KEY LARGO	BIG PINE	82
170 NORTH KEY LARGO	HOMESTEAD	17
171 NORTH KEY LARGO	ISLAMORADA	37
172 NORTH KEY LARGO	KEY WEST	110
173 NORTH KEY LARGO	MARATHON	67
174 NORTH KEY LARGO	MIAMI	33
175 NORTH KEY LARGO	PERRINE	20
176 NORTH KEY LARGO	SUGARLOAF KEY	95
177 OAK HILL	DAYTONA BEACH	29
178 OAK HILL	DELAND	30
179 OAK HILL	DELEON SPRINGS	37
180 OAK HILL	PIERSON	46
181 OLD TOWN	CHIEFLAND	11
182 ORANGE PARK	PALATKA	37
183 ORLANDO	DEBARY	24
184 PACE	HOLLEY-NAVARRE	19
185 PAHOKEE	WEST PALM BEACH	39
186 PALATKA	GREEN COVE SPRINGS	24
187 PALATKA	JACKSONVILLE	48
188 PALATKA	JULINGTON	33
189 PALATKA	ORANGE PARK	37
190 PALM COAST	DAYTONA BEACH	26
191 PANAMA CITY	CHIPLEY	43
192 PANAMA CITY	SUNNY HILLS	27
193 PANAMA CITY	VERNON	32
194 PANAMA CITY BEACH	SUNNY HILLS	29
195 PERRINE	BIG PINE	92
196 PERRINE	CORAL SPRINGS	46
197 PERRINE	DEERFIELD BEACH	53
198 PERRINE	FORT LAUDERDALE	38
199 PERRINE	HOLLYWOOD	31

200	PERRINE	ISLAMORADA	52
201	PERRINE	KEY LARGO	31
202	PERRINE	KEY WEST	117
203	PERRINE	MARATHON	78
204	PERRINE	NORTH KEY LARGO	20
205	PERRINE	POMPANO BEACH	47
206	PERRINE	SUGARLOAF KEY	103
207	PIERSON	BUNNELL	21
208	PIERSON	DAYTONA BEACH	27
209	PIERSON	FLAGLER BEACH	28
210	PIERSON	NEW SMYRNA BEACH	36
211	PIERSON	OAK HILL	46
212	POMPANO BEACH	DELRAY BEACH	16
213	POMPANO BEACH	HOLLYWOOD	16
214	POMPANO BEACH	HOMESTEAD	58
215	POMPANO BEACH	MIAMI	32
216	POMPANO BEACH	NORTH DADE	22
217	POMPANO BEACH	PERRINE	47
218	PONTE VEDRA BEACH	ST. AUGUSTINE	24
219	PORT ST LUCIE	JUPITER	25
220	PORT ST LUCIE	WEST PALM BEACH	41
221	ST AUGUSTINE	JACKSONVILLE	37
222	ST AUGUSTINE	JACKSONVILLE BEACH	27
223	STUART	JUPITER	21
224	STUART	WEST PALM BEACH	37
225	ST. AUGUSTINE	PONTE VEDRA BEACH	24
226	SUGARLOAF KEY	HOMESTEAD	91
227	SUGARLOAF KEY	ISLAMORADA	61
228	SUGARLOAF KEY	KEY LARGO	85
229	SUGARLOAF KEY	MARATHON	32
230	SUGARLOAF KEY	MIAMI	117
231	SUGARLOAF KEY	NORTH KEY LARGO	95
232	SUGARLOAF KEY	PERRINE	103
233	SUNNY HILLS	LYNN HAVEN	21
234	SUNNY HILLS	PANAMA CITY	29
235	SUNNY HILLS	PANAMA CITY BEACH	29
236	SUNNY HILLS	YOUNGSTOWN-FOUNTAIN	15
237	TITUSVILLE	EAU GALLIE	35
238	TITUSVILLE	MELBOURNE	39
239	TRENTON	NEWBERRY	13
240	VERNON	LYNN HAVEN	26
241	VERNON	PANAMA CITY	32
242	VERO BEACH	FORT PIERCE	15
243	WEST PALM BEACH	BELLE GLADE	39
244	WEST PALM BEACH	BOCA RATON	24
245	WEST PALM BEACH	DELRAY BEACH	17
246	WEST PALM BEACH	HOBE SOUND	26
247	WEST PALM BEACH	JENSEN BEACH	40
248	WEST PALM BEACH	PAHOKEE	39
249	WEST PALM BEACH	PORT ST LUCIE	41

Southern Bell Tel. & Tel. Co.  
FPSC Docket No. 920260-TL  
Witness: Stanley  
Exhibit 14  
Page 6 of 6

250 WEST PALM BEACH	STUART	37
251 YOUNGSTOWN FOUNTAIN	CHIPLEY	30
252 YOUNGSTOWN FOUNTAIN	SUNNY HILLS	15

CASE No. 86,957  
Docket No: 920260-TL

Southern Bell Tel. & Tel. Co.  
FPSC Docket No. 920260-TL  
Witness: Stanley  
Exhibit 15  
Page 1 of 1

NO.	ORIGINATING EXCHANGE	TERMINATING EXCHANGE	CIF
1	BELLE GLADE	BOCA RATON	
2	BELLE GLADE	BOYNTON BEACH	
3	BELLE GLADE	DELRAY BEACH	
4	BELLE GLADE	JUPITER	
5	BOCA RATON	BELLE GLADE	
6	BOCA RATON	JUPITER	
7	BOCA RATON	PAHOKEE	
8	BOYNTON BEACH	BELLE GLADE	
9	BOYNTON BEACH	CORAL SPRINGS	
10	BOYNTON BEACH	DEERFIELD BEACH	
11	BOYNTON BEACH	FORT LAUDERDALE	
12	BOYNTON BEACH	HOLLYWOOD	
13	BOYNTON BEACH	JUPITER	
14	BOYNTON BEACH	PAHOKEE	
15	BOYNTON BEACH	POMPANO BEACH	
16	CORAL SPRINGS	BOYNTON BEACH	
17	DEERFIELD BEACH	BOYNTON BEACH	
18	DELRAY BEACH	BELLE GLADE	
19	DELRAY BEACH	HOLLYWOOD	
20	DELRAY BEACH	JUPITER	
21	DELRAY BEACH	PAHOKEE	
22	FORT LAUDERDALE	BOYNTON BEACH	
23	GULF BREEZE	MILTON	
24	HOLLYWOOD	BOYNTON BEACH	
25	HOLLYWOOD	DELRAY BEACH	
26	JUPITER	BELLE GLADE	
27	JUPITER	BOCA RATON	
28	JUPITER	BOYNTON BEACH	
29	JUPITER	DELRAY BEACH	
30	JUPITER	PAHOKEE	
31	MILTON	GULF BREEZE	
32	PAHOKEE	BOCA RATON	
33	PAHOKEE	BOYNTON BEACH	
34	PAHOKEE	DELRAY BEACH	
35	PAHOKEE	JUPITER	
36	POMPANO BEACH	BOYNTON BEACH	

FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 920260-TL EXHIBIT NO 15  
COMPANY: S. Bell WITNESS: Stanley  
DATE: 7/21/95

CASE No. 86,957  
 Docket No. 920260-TL

Southern Bell Tel. & Tel. Co.  
 FPSC Docket No. 920260-TL  
 Witness: Stanley  
 Exhibit 16  
 Page 1 of 1

**Additional ECS Routes**

			MONTHLY MTS REV	MONTHLY ECS REV
1	BELLE GLADE	BOCA RATON	\$ 1,498	\$ 676
2	BELLE GLADE	BOYNTON BEACH	\$ 2,473	\$ 1,183
3	BELLE GLADE	DELRAY BEACH	\$ 1,633	\$ 748
4	BELLE GLADE	JUPITER	\$ 1,095	\$ 573
5	BOCA RATON	BELLE GLADE	\$ 4,380	\$ 820
6	BOCA RATON	JUPITER	\$25,812	\$11,094
7	BOCA RATON	PAHOKEE	\$ 1,689	\$ 192
8	BOYNTON BEACH	BELLE GLADE	\$ 1,738	\$ 815
9	BOYNTON BEACH	CORAL SPRINGS	\$22,258	\$ 7,951
10	BOYNTON BEACH	DEERFIELD BEACH	\$30,013	\$14,858
11	BOYNTON BEACH	FORT LAUDERDALE	\$73,792	\$37,411
12	BOYNTON BEACH	HOLLYWOOD	\$27,428	\$ 9,691
13	BOYNTON BEACH	JUPITER	\$20,982	\$ 7,370
14	BOYNTON BEACH	PAHOKEE	\$ 440	\$ 209
15	BOYNTON BEACH	POMPANO BEACH	\$55,304	\$24,312
16	CORAL SPRINGS	BOYNTON BEACH	\$17,490	\$ 8,692
17	DEERFIELD BEACH	BOYNTON BEACH	\$31,582	\$16,345
18	DELRAY BEACH	BELLE GLADE	\$ 7,100	\$ 768
19	DELRAY BEACH	HOLLYWOOD	\$37,977	\$14,835
20	DELRAY BEACH	JUPITER	\$15,124	\$ 4,734
21	DELRAY BEACH	PAHOKEE	\$ 6,126	\$ 193
22	FORT LAUDERDALE	BOYNTON BEACH	\$70,061	\$32,648
23	GULF BREEZE	MILTON	\$ 9,115	\$ 4,075
24	HOLLYWOOD	BOYNTON BEACH	\$28,304	\$ 9,689
25	HOLLYWOOD	DELRAY BEACH	\$40,251	\$15,325
26	JUPITER	BELLE GLADE	\$ 1,091	\$ 583
27	JUPITER	BOCA RATON	\$23,909	\$11,475
28	JUPITER	BOYNTON BEACH	\$16,926	\$ 9,006
29	JUPITER	DELRAY BEACH	\$10,574	\$ 5,155
30	JUPITER	PAHOKEE	\$ 458	\$ 205
31	MILTON	GULF BREEZE	\$ 7,607	\$ 3,461
32	PAHOKEE	BOCA RATON	\$ 510	\$ 238
33	PAHOKEE	BOYNTON BEACH	\$ 478	\$ 277
34	PAHOKEE	DELRAY BEACH	\$ 347	\$ 175
35	PAHOKEE	JUPITER	\$ 453	\$ 199
36	POMPANO BEACH	BOYNTON BEACH	\$55,724	\$24,215
	<b>TOTAL</b>		<b>\$651,742</b>	<b>\$280,196</b>

Annual ECS Revenue \$3,362,352

Stimulation Factor 50%

Annual ECS Revenue After Stimulation \$5,043,528

Annual Toll Loss \$7,820,904

Net Annual Revenue Effect w/out Stimulation (\$4,458,552)

Net Annual Revenue Effect with Stimulation (\$2,777,376)

FLORIDA PUBLIC SERVICE COMMISSION  
 DOCKET  
 NO. 920260-TL EXHIBIT NO 16  
 COMPANY: SoBell  
 WITNESS: Stanley  
 DATE: 7/21/82

CASE No: 86,957  
Docket No. 920260-TL

DOCKET NO. 920260-TL  
GUEDEL EXHIBIT 1  
Loop Comparisons

PBX Trunk	49.47
PBX Trunk Usage (1)	17.26
	<u>2</u>
PBX Loop	32.11
SLC	<u>6.00</u>
	<u>2</u>
Resultant Loop Charge	38.11

ESSX Loops

<u>Miles</u>	<u>Price (2) +</u>	<u>SLC (3)</u>	=	<u>Price with Credit</u>
0-2 1/2	5.70	.60		6.30
over 2 1/2	12.90	.60		13.50

- (1) Equal to price for a Network Access Register (NAR)
- (2) Assumes 60 month contract
- (3) Assumes 10 lines per NAR

FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 920260-TL EXHIBIT NO. 17  
COMPANY: So Bell/Guedel  
WITNESS: 7/21/55  
DATE: \_\_\_\_\_

DOCUMENT NUMBER-DATE

05953 JUN 26 1955

FPSC-RECORDS/REPORTING

18 CASE No. 86,957 ~  
Docket No. 920260-TL

Ad Hoc Committee  
Docket No. 920260-TL  
Witness: Metcalf  
Exhibit No. \_\_\_\_\_ (DSM-1)  
Page 1 of 1

SUNCOM Network User Distribution\*

<u>Date</u>	<u>ESSX/ Centrex</u>	<u>PBX</u>	<u>Total</u>	<u>% ESSX/ Centrex</u>
Dec '86	41	412	453	9.1%
Jun '90	151	409	560	27.0%
Jun '95	276	350	626	44.1%

FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET  
NO. 920260 EXHIBIT NO 18  
COMPANY/  
WITNESS: Metcalf  
DATE: 7/31/95

CASE No. 86,957  
 Docket No. 920260-TL

Exhibit \_\_\_\_ (JPG-1)  
 Docket 920260-TL (95 Rate Reduction)  
 Page 1 of 1

**Proposed Interconnection and Wholesale Rates**

	Item	Rate/Ratio	Source
(1)	Average MTS Rate	\$0.1316	Item 73 FLXCA 9th Set
(2)	Average Access Rate (each end)	\$0.0466	Item 72 FLXCA 9th Set
(3)	Access as % of Rate	35.4%	Line (2) divided by Line (1)
(4)	Average ECS Rate	\$0.0642	Table 1 Gillan Direct, Page 8
(5)	Ratio of Access/MTS	35.4%	Line (3)
(6)	Proposed ECS Interconnection Rate (each end)	\$0.0227	Line (5) * Line (4)
(7)	ECS Interconnection Rate (each end)	\$0.0227	Line (6)
(8)	Proposed ECS Wholesale Rate	\$0.0455	Line (7) * 2

Note: Proprietary Southern Bell Cost Information Indicate That Proposed Rates Exceed Cost and Provide a Substantial Contribution to Southern Bell's Common Costs.

FLORIDA PUBLIC SERVICE COMMISSION  
 DOCKET NO. 920260-TL EXHIBIT NO. 19  
 COMPANY: FLXCA/Gillan  
 WITNESS: FLXCA/Gillan  
 DATE: 7/31/95

20(1995)

CASE No. 86,957  
Docket No. 920260-TL

Southern Bell Tel. & Tel. Co.  
Docket No. 920260-TL (95 Rate Reduction)  
FIXCA's Ninth Set of Interrogatories  
June 23, 1995  
Item No. 76  
Page 1 of 1

REQUEST: What charges does Southern Bell propose to impose on interexchange carriers for the origination or termination of traffic along ECS routes? How were these charges developed?

RESPONSE: Southern Bell would propose to charge interexchange carriers the tariffed switched access rates. Route specific charges have not been developed for the proposed ECS routes.

INFORMATION PROVIDED BY: Jerry Hendrix  
675 West Peachtree Street, N.E.  
Atlanta, Georgia 30375

FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 920260 EXHIBIT NO. 20  
COMPANY: Bell  
WITNESS: Bellan  
DATE: 7/31/95

20 200  
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Southern Bell Tel. & Tel. Co.  
Docket No. 920260-TL (95 Rate Reduction)  
FIXCA's Ninth Set of Interrogatories  
June 23, 1995  
Item No. 75  
Page 1 of 1

REQUEST: What services does Southern Bell claim compete with the proposed ECS services?

RESPONSE: The request is not clear. However, in an effort to be responsive, Southern Bell assumes that the question is addressing IXC services. That being the case, Southern Bell claims that all IXC services that carry intraLATA traffic will compete with ECS service.

INFORMATION PROVIDED BY: Jerry Hendrix  
675 West Peachtree Street, N.E.  
Atlanta, Georgia 30375

21  
CASE No. 86,957  
Docket No. 920260-TL

Southern Bell Tel. & Tel. Co.  
FPSC Docket No. 920260-TL (\*95 Rate Red.)  
McCaw's Second Set of Interrogatories  
June 9, 1995  
Item No. 28  
Page 1 of 2

REQUEST: What are the projected average per minute terminating and originating intrastate access rates that will be effective October 1, 1995 and October 1, 1996 based upon the Commission's approval of the Stipulation and Implementation Agreement.

RESPONSE: The projected composite per minute intrastate switched access rates to be effective October 1, 1995 and October 1, 1996 are provided below.

<u>Rate Elements</u>	<u>10/1/95</u>	<u>10/1/96<sup>a</sup></u>
Carrier Common Line		
Originating	\$0.01061	\$0.01000
Terminating	\$0.02927	\$0.01853
Transport		
0 - 1	\$0.00706 <sup>b</sup>	\$0.00706 <sup>b</sup>
1 - 8	\$0.00706 <sup>b</sup>	\$0.00706 <sup>b</sup>
8 - 16	\$0.00706 <sup>b</sup>	\$0.00706 <sup>b</sup>
16 - 25	\$0.00706 <sup>b</sup>	\$0.00706 <sup>b</sup>
25 - 50	\$0.00706 <sup>b</sup>	\$0.00706 <sup>b</sup>
over 100	\$0.00706 <sup>b</sup>	\$0.00706 <sup>b</sup>
Local Switching 1	\$0.00876 <sup>c</sup>	\$0.00876 <sup>c</sup>
Local Switching 2	\$0.00876 <sup>c</sup>	\$0.00876 <sup>c</sup>
Information Surcharge (per 100 MOU - \$0.03740) Per MOU	See Note <sup>c</sup>	See Note <sup>c</sup>
Composite <sup>d</sup>		
Originating	\$0.02643	\$0.02582
Terminating	\$0.04509	\$0.03435
Total	<u>\$0.07152</u>	<u>\$0.06017</u>

FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET  
NO. 920260 EXHIBIT NO. 21  
COMPANY: Northern  
WITNESS: Hendrix  
DATE: 7/31/95

Southern Bell Tel. & Tel. Co.  
FPSC Docket No. 920260-TL ('95 Rate Red.)  
McCaw's Second Set of Interrogatories  
June 9, 1995  
Item No. 28  
Page 2 of 2

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<sup>1</sup>With the 10/1/96 filing, Florida Switched Access rates will be reduced to interstate parity.

<sup>2</sup>Transport in FL is not distance sensitive. \$0.00706 is the average transport for FL using the proposed rates.

<sup>3</sup>The FL Local Switching rate = Current interstate Local Switching rate + Information Surcharge rate (per 100 MOU) ( $\$0.00839 + \$0.00037 = \$0.00876$ )

<sup>4</sup>FOR COMPARISON PURPOSES, COMPOSITE RATES INCLUDE OCCL, TCCL, TRANSPORT (1-8 INTERSTATE), LS2 AND INFORMATION SURCHARGE (PER 100 MOU). RATES WILL VARY DEPENDING UPON THE TRANSPORT ASSUMPTIONS USED.

RESPONSE PROVIDED BY: Jerry D. Hendrix  
Manager  
675 West Peachtree St., N.E.  
Atlanta, GA 30375

22 CASE No. 86,957  
Docket No. 920260-TL

HENDRIX LATE FILED EXHIBIT  
Docket No. 920260-TL  
Item No. 1

REQUEST: Please provide calculations of the average revenue per minute of use shown on page 5 of your rebuttal testimony.

RESPONSE: Below are the calculations of the average revenue per minute of use shown on page 5 of my rebuttal testimony.

1. November 1994 Revenues

COCOT	\$ 444,360
Business Toll	9,136,133
Residence Toll	14,081,514
Public	1,105,324
TOTAL REVENUE	<u>\$24,767,331</u>

2. Monthly Impact of Introducing ECS

Revenue Impacts ( 3,614,163)

3. (1 minus 2) \$21,153,168

4. Total Minutes for  
November 1994 156,674,664

5. (3 divided by 4) \$ .1350

FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET  
NO. 920260 EXHIBIT NO 22  
COMPANY/  
WITNESS: Hendrix  
DATE: 7/31/95

HENDRIX LATE FILED EXHIBIT  
Docket No. 920260-TL  
Item No. 2

REQUEST: Please provide the estimated average revenue per minute of use for ECS.

RESPONSE: Below are the estimated average revenue per minute of use for residence and business ECS

Assumptions: Average length of calls per message -  
Residence = 4.2 minutes  
Business = 2.2 minutes

Calculations:

1. Residence - 25 cents divided by 4.2 minutes = \$.060
2. Business - 10 cents first minute, plus  
6 cents multiplied by 1.2 minutes,  
divided by 2.2 minutes (17.2 cents) = \$.078