1	BEFORE THE FLORIDA PUBIC SERVICE COMMISSION					
2	PBORIDA POB	THE SERVICE COMMISSION				
3	In the Matter of Petition by subscriber	: DOCKET NO. 941281-TL				
4	the Groveland Exchange Extended Area Service	for :				
5	to the Orlando, Winter Garden: and Windermere Exchanges. :					
6						
7	MODNING AND APPRINGON SESSIONS					
8	MORNING AND AFTERNOON SESSIONS					
9	VOLUME 1					
10	Page	s 1 through 186				
11						
12	PROCEEDINGS:	HEARING				
13	BEFORE:	CHAIRMAN SUSAN F. CLARK COMMISSIONER JULIA L. JOHNSON COMMISSIONER DIANE K. KIESLING				
14 15	Diri GRA.					
	DATE:	Thursday, April 18, 1996				
17						
18	TIME:	Commenced at 10:00 a.m. Concluded at 6:52 p.m.				
19						
20	PLACE:	E. L. Puryear Building Community Center				
21		243 South Lake Avenue Groveland, Florida 34736				
22	REPORTED BY:	DYAMEDIAN I MOSELVOU DDD GD				
23	REPORTED BI:	EKATERINA L. TROFIMOV, RPR-CP Eppers Reporting Service, Inc. 14150 Third Street				
24		Dade City, Florida 33525 (352) 567-5484				
25	DUDGAAA					
	BUREAU OF REPORTING					
	RECEIVED 5-3-96					

05034-94 5/3/54

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CUSTOMER TESTINOMY

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PROCEEDINGS

(Hearing convened at 10:00 a.m.)

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CHAIRMAN CLARK: Ladies and gentlemen. It's ten o'clock, so I'd like to get started with the public hearing in this proceeding before the Public Service Commission. We do have some formalities we go through before we start taking your testimony regarding this case, and one of those is reading the notice, which I'll ask our attorney to do.

MR. PIERSON: Pursant to notice, this time and place has been set for public hearing in Docket 941281-TL.

CHAIRMAN CLARK: At this point we usually take the appearances of the attorneys who are representing the various parties in this case, and we will start with you, Mr. Carver.

MR. CARVER: Phillip Carver, representing

BellSouth, 150 West Flagler Street, Suite 1910, Miami,

Florida.

MR. WAHLEN: Jeff Wahlen, of the Ausley Law Firm, Post Office Box 391, Tallahassee, Florida, representing United Telephone Company of Florida.

MR. WAGNER: Richard A. Wagner, representing subscribers in the 429 exchange, 304 East Colonial Drive, Orlando, Florida.

MR. PIERSON: Robert Pierson, on behalf of the Commission Staff, 2540 Shumard Oak Boulevard, Tallahassee, Florida.

CHAIRMAN CLARK: Mr. Wagner, I assume you are representing those subscribers who are in favor of EAS.

MR. WAGNER: Yes.

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CHAIRMAN CLARK: My name is Susan Clark. I currently serve as the chairman of the Public Service Commission. With me today are two other members of the Commission. To my left is Commissioner Julia Johnson, and to my right is Commissioner Diane Kiesling.

Some of you may not know that Julia Johnson is from this area, from Clermont. She is delighted to be back down here close to her home town.

The purpose of our hearing today is to determine whether or not the extended area service or some other alternative toll relief plan should be implemented between Groveland, Florida, and Orlando, Florida. We will also include consideration of Windermere and Winter Garden because we want to avoid what we call "leap-frogging" by Groveland. We want to avoid that. That's why we will be considering those exchanges as well.

For the first part of this hearing, we are having a public hearing where we take comments from

you-all about this case and the community of interest that exists or does not exist between this area and Orlando.

Anyone who wishes to express their opinion, I hope you have signed up in the back of the room, signed up on one of these cards. I will take you in order that you signed up as soon as we start taking that public testimony. I should tell you that I will swear you in. That way, we can rely on what you say as evidence in this case and we can base our decision on that evidence.

After all members of the public who have signed up to speak have spoken, we will begin what we call the technical portion of our proceeding. During this portion, we will receive testimony and other evidence from the parties of record in this case.

I invite you to stay for that technical hearing and get an idea of those things that we look at and how we conduct proceedings. It's not often that we come down to this area, so it's your opportunity to see how we do business at the Pubic Service Commission.

Finally, at six o'clock, we will hold another public hearing to allow those who weren't able to come here during the day to provide us testimony. I should point out in addition to presenting your testimony here today, you can also send your comments or give us your

comments on the back of this blue sheet that you are handed. There's a sheet of paper for you to give your comments, and then you can mail it in to the Commission or you can turn it in at the table back there.

I would like to introduce members of our staff that are with us today to help us conduct this proceeding. They are also available to answer your questions at any time, and please feel free to talk to them.

Let me point out the two people in the back of the room. Right now at the table is Melinda Pace. She is with our Consumer Affairs Department. Next to her in the blue dress is Sandy Simmons. She is with our clerk's department. And up here at the table Mr. Bob Pierson, who is our staff attorney. He's already introduced himself. And with him is Ann Shelfer. She's our expert on these matters. She can probably tell you anywhere in the state who they can call and for what price.

I'd also like to indicate to you that there are other people with the telephone companies involved that are not their attorneys but are nonetheless people who are involved in this proceeding. One of those is Sandy Sims, who is -- not Sandy; I'm sorry -- Nancy Sims, in the back. She's with Southern Bell. And

Ben Poag is also in the back. He's with Sprint-United. They can probably answer your questions also.

When you come up here, I need for you to speak clearly and slowly. We do have a court reporter that doesn't normally report commission proceedings, so we need to be courteous to her. She is Katy Trofimov -- close enough, okay? So, if you would, speak slowly and clearly so she'll be able to get your testimony onto the transcript.

Mr. Pierson, let me ask you, are there any other preliminary matters I need to take up at this time?

MR. PIERSON: I'm not aware of any.

who has signed up to provide testimony if you would please stand and raise your right hand, and then I'll swear you all in, and we'll begin calling you in the order you have signed up. So if you would all stand and raise your right hand.

In this matter before the Pubic Service Commission, do you swear to tell the truth, the whole truth, and nothing but the truth?

(The witnesses were duly sworn.)

CHAIRMAN CLARX: Thank you very much. You can be seated. And the first person I have on my list is

Mr. John Snoles, S-n-o-l-e-s. Would you come forward and, if you would, pronounce your name for us. And you'll need to come right here. If you will sit up here and speak into the microphone. If you will give us your name and address for the record. And if I butchered your name, would you please pronounce it again and spell it for us?

WITNESS SNOLES: My name is John Snoles,
S-n-o-l-e-s. I live at 6015 Heritage Drive, Groveland,
Plorida.

Last fall I needed a small piece of a gasket for the thermostat in my car, and I called several area places, and -- you had to buy a kit and so forth. So I called Orlando, and the people thought they had one and put me on hold. Eventually, they got -- took care of their customer and got back to me, and they had the piece, which was the gasket. The cost was under thirty cents. My phone bill was almost a dollar.

And so you see why -- we also have a daughter and do doctors in Orlando that we call, and we get a lot of holds. And that's all I've got to say. I'm for the extended service.

CHAIRMAN CLARK: Okay.

MR. SNOLES: Thank you very much.

CHAIRMAN CLARK: Thank you, Mr. Snoles. If

you'd just wait a second. As part of this proceeding, we allow the parties who are participating to ask questions, and let me just check and see if anyone has any questions.

Are there questions of Mr. Snoles?

Thank you very much for providing testimony.

The next witness is Roger Freeman.

WITNESS FREEMAN: Good morning. My name is
Roger Freeman, and my address is 19544 North County
Road 33, Groveland, Florida. I'm here to speak on
behalf of EAS, in two hats, one as a family man. I have
a daughter that lives in the Orange County area, which
lives in one of the exchanges that hopefully that we'll
be getting; and my parents live in the Ocoee-Winter
Garden area.

I was raised in that area, and all my friends basically are over there. I have some here, of course, but not nearly as many as I did over there, since I was raised and went to high school there and that's where I graduated.

I think that I probably make, on a personal basis, probably twenty to thirty dollars' worth of calls per month to that area, speaking with my daughter and my family.

Now, from a business point of view, I'm a

custom home builder. Nost of the customers that we have are coming — probably 80 to 90 percent are coming out of the Orlando area. These people have ties to the Orlando area. They're leaving family there. We're doing a lot of retirees that are moving in to some of our homes, and the retirees have left their kids and their grandkids over there. And they enjoy talking to the grandkids probably more than the kids, which is, I guess, normal.

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I'm building a lot of homes for individuals that are starting to commuter -- "computer commute," I guess would be the way to phrase it. They're trying to work three days at home, two driving and commuting back and forth.

One of the aspects for me as a businessman is, I will make a number of calls per day. We build houses also in the Windermere area. We've got two going there right now. And I probably make four to ten calls per day into the Windermere area, just trying to make sure that things are going properly, that supplies are arriving at the correct time.

The thing that I've seen since moving out here -- and I'm a resident of Orange County, which I moved out here, I believe, in around '89 -- is that this area is becoming more and more entwined and becoming

part of Orlando. Orlando has grown now to where
Pine Hills and Ocoee basically meet, Ocoee and Winter
Garden meet, Winter Garden and Oakland meet. We've got
a small void before we get into Clermont.

If you happen to ever attend a Magic game, you will see -- I think everybody, all 16,000, must live in Lake County, because every one of them -- it takes me an hour and a half to get home after every game.

So there's people that I'm not building houses for that I promise you are living here. When I first moved out here and I went through downtown Groveland, any time of the day, no big deal, nice flow of traffic, I get in here at four and five o'clock in the afternoon, and I might as well almost have stayed in Orlando.

I follow out through Groveland, I go on through Mascotte, and they're continuing still west. I do not know where they live, but I know that people are coming to this area in record numbers.

The other home builder members that I've spoke to are building a tremendous amount of homes for persons out of Orange County, which are trying to eliminate the congestion. I know from personal experience that the intertwinement -- my suppliers, many are in Orlando now. It's just -- we are part of Orlando. We're the rural part of Orlando.

But I think this EAS is an absolute necessity.

I'm thrilled that we're getting the opportunity to speak
on behalf of it. I was very envious when the 394

exchange in Clermont -- I'm not sure; I guess it's 242

also -- got the opportunity to talk locally.

I can tell you that I have had three homes that have refused to move out into this area because they needed the exchange to deal with the computer work that they do. I've got one that we're looking at now that they're looking into their company furnishing them an 800 number where they can commute and work.

So I'm absolutely for it, and I'll answer any questions that anybody has pertaining to it, if anyone has any.

CHAIRMAN CLARK: Thank you, Mr. Freeman.

Are there any questions?

Thank you very much.

Mr. Craig Stephens.

WITNESS STEPHENS: Good morning. My name is Craig Stephens, 2104 Spice Avenue, Orlando, Florida.

I'm in favor of this because I recently have had my employment moved to Lake County, the Groveland area, and all my family still resides in Orlando. I still reside in Orlando. I make several phone calls a day concerning soccer leagues, Little League, doctor

appointments, dentist appointments; my wife, three, four 1 times a day. I am all in favor of this. 2 3 CHAIRMAN CLARK: Thank you, Mr. Stephens. Any questions of Mr. Stephens? Are you sure you want your wife to be able to 5 call you more than four times a day? 6 WITNESS STEPHENS: 7 It's a "must." 8 CHAIRMAN CLARK: Thank you. 9 Mr. Dan Brown. 10 WITHESS BROWN: My name is Dan Brown. address is 411 Enka Avenue, Orlando, Florida. And I 11 12 also have -- my employment has moved to Groveland, 13 Florida. And all aspects of my life revolve around the Orlando area. 14 I mean, everything -- doctor, my family, 15 everything is in Orlando, so there's a number of calls 16 per day that -- not only including personal life, but 17 also business, that we make calls directly to Orlando, 18 Winter Garden, Windermere areas, and I'm all in favor of 19 the extended service. 50 21 CHAIRMAN CLARK: Thank you, Mr. Brown.

CHAIRMAN CLARK: Thank you, Mr. Brown.

Are there questions of Mr. Brown?

Thank you very much -- Mr. Brown, just a

Commissioner Johnson has a question.

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minute.

COMMISSIONER JOHNSON: Over here, Mr. Brown.

With respect to your employment, who is your employer and how many people are employed by this particular employer? WITNESS BROWN: Our employer is Carroll Fulmer Company, Incorporated. And I would say -- are you concerned with just people in the Groveland area that work in Groveland? COMMISSIONER JOHNSON: I was more concerned with people in your situation where they're living in Orlando but they work in Groveland. WITHESS BROWN: I'm not sure exactly how many people work at Carroll Fulmer that live in Orlando. mean, I know there are several. I'm not sure of the exact figure, though. COMMISSIONER JOHNSON: Okay. Thank you. MR. WAGNER: Commissioner, if I might, Mr. Fulmer could probably direct himself to that. CHAIRMAN CLARK: That would be great, Mr. Wagner. And Mr. Fulmer is going -- he already provided testimony, and he'll be testifying later; is that right? That's correct. MR. WAGNER: Thank you, Mr. Brown. CHAIRMAN CLARK: Okay. Thank you. WITNESS BROWN:

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CHAIRMAN CLARK: Mr. Howard Stockton.

WITNESS STOCKTON: Good morning. My name is
Howard Stockton. I'm the executive director for the
Clermont Area Chamber of Commerce, 691 West Montrose
Street.

I'm here representing the board of directors and the chamber. We have over twenty members of our organization who have businesses in the Clermont -- excuse me, the Mascotte and Groveland area -- Peoples State Bank, Cherry Lake Tree Farms, a number of others.

Our board would recommend approval of this. We found that when the exchange for the Clermont area of 242 and 394 went through, the businesses in the Clermont area significantly profited from that activity. And we have every belief that if the same thing were true for the 429, that the business people here would definitely find an improvement in their business, and it would be to their advantage, and I think to the community as well. As long as the business has profited, certainly so would the community.

That's basically what I have to say, and I think the -- just one other comment. The Clermont Area Chamber of Commerce will be voting tomorrow to become the South Lake Chamber of Commerce, and I think all the businesses through Groveland and Mascotte will be represented better by our group, and I hope that that

will benefit business and the community. I'll answer any questions if you have them. 2 CHAIRMAN CLARK: Thank you. Any questions of 3 Mr. Stockton? 4 Thank you very much. 5 WITNESS STOCKTON: You're welcome. 6 Thank you. 7 CHAIRMAN CLARK: Ms. Shirley Anderson --Ms. or Mrs. Shirley Anderson. 8 9 WITNESS ANDERSON: My name is Shirley Anderson. I live at 4022 East Cardinal Pines Drive in 10 Mascotte. 11 Last July I moved to Mascotte from the Orlando 12 area. I do have some serious health problems. And even 13 though I have a doctor in Clermont, they have recommended that all my specialists that I have to see 15 16 on a regular basis -- that I keep the ones that I have 17 in Orlando, so it's very necessary for me to make a 18 number of calls to doctors in the Orlando area. And if you've ever called a doctor, you know 19 that you're going to get put on hold. 20 It's just inevitable that you're going to get put on hold and have 21 to wait awhile. 22 I also have a number of family that lives in 23 24 the Orlando area, and I'm very much in favor of the EAS

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program.

CHAIRMAN CLARK: Thank you very much, 1 2 Ms. Anderson. Ouestions? 3 Thank you. 4 Effic Mac Baker. 5 WITNESS BAKER: Good morning. My name is 6 Effie Mae Baker. I live at 19901 North County Road 33. 7 And I'm very much in favor of the EAS. My mother, which 8 is 78 years old, lives in the Orlando area. She likes 9 to call me, and I like to call her every day and check 10 on her because she's not in very good health. 11 My sisters, my daughter, my grandchildren, my 12 whole family live in the Ocoee, Winter Garden area. 13 And my phone bill is outrageous, so I'm very 14 much in favor of this. And I'll be happy to answer any 15 questions you might have of me. 16 CHAIRMAN CLARK: Questions? 17 Thank you very much, Ms. Baker. 18 WITNESS BAKER: Thank you. 19 CHATRMAN CLARK: Bobbie Holland. 20 WITNESS HOLLAND: My name is Bobbie Holland. 21 I live at 4022 East Cardinal Pines Drive, Mascotte. I 22 23 would like for this to pass because I, too, have doctors that still are in the Orlando area, and especially 24 for -- I have some elderly relatives that still live 25

there that I try to check on daily due to their health. And again our phone bill sometimes gets kind of atrocious because when you talk to elderly, it's not 3 just "Hello. How are you?" It gets lengthy sometimes. So I'd like to see this pass. 5 CHAIRMAN CLARK: Okay. Any questions? 6 7 Thank you, Ms. Holland. 8 Robert Timmons. 9 WITNESS TIMMONS: My name is Robert Timmons. 10 I live at 5913 Heritage Drive, Groveland, Florida. I will make my testimony very brief. I'm in 11 favor of the petition. I will mail to your office in 12 13 Tallahassee my reasons for this favoring of the petition. 14 CHAIRMAN CLARK: Mr. Timmons, we're here to 15 hear from you, so if you could just briefly tell us why 16 17 you believe we need the EAS. And let me also ask you to touch on the fact that, as part of the EAS, frequently 18 the rates are increased by some amount, and I wish you 19 would address why you feel you need EAS to Orlando and tell me how you feel about it if it requires an increase 21 22 in rates.

WITNESS TIMMONS: I would pay the increase in rates.

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My first reason, I have family in Orlando.

My second reason, I think the business community of Groveland and Mascotte needs this service. Clermont was able to obtain this service. I don't think there's too much difference between Clermont and Groveland and Mascotte. It's almost like one. In fact, the executive secretary of the Clermont Chamber of Commerce said that they are voting to change the chamber to a "South Lake" in place of "Clermont."

As you drive to Orlando, you see all this housing going up. I live just a mile and a half from the county industrial park. We have three nice businesses in the industrial park. They are tied to Orlando. So this area is more and more being tied to Orlando, and I think from the community standpoint, from the business standpoint, it would be very beneficial.

I also know that this area has a lot of senior citizens which will tend to not want an increase, but by the same token, we have to have the business community. We have to have this a viable part of Florida, and I think this is one way to go. T' scrongly in favor of it.

CHAIRMAN CLARK: Okay. Any questions of Mr. Timmons?

Thank you very much.

WITNESS TIMMONS: I'm retired, been retired

for fifteen years. I retired as a real estate broker.

I was in business for about thirty years, self-amployed

for thirty years, so I know what this means to

businesses.

CHAIRMAN CLARK: Thank you.

Fred Wolf.

WITNESS WOLF: I am Fred Wolf. Good morning.
I live at 6026 Unity Pass, Groveland, Florida.

And I'm the cry in the wilderness this morning, I guess, because I do not need this service. I probably make from one to three calls to the Orlando area a year, and any increase in my phone bill will not be -- will be more than what I pay now in toll calls.

Usually when I call Orlando, I also check to make sure there's an 800 number where I want to call, so it doesn't cost me anything to call anyway.

I just can't vote in favor of it, although a lot of my friends are, I know. But I think there are a lot of seniors that -- who would be hurt by the extra charge.

CHAIRMAN CLARK: Mr. Wolf, let me ask you something. You mentioned 800 numbers. Do a lot of businesses in Orlando maintain 800 numbers and allow you to reach them that way?

WITNESS WOLF: I think a lot of them do.

CHAIRMAN CLARK: I'm asking Mr. Wolf. 1 2 Certainly when you come up to testify, you can tell me 3 something contrary, but our court reporter can't get everyone's comment unless they're up here. WITNESS WOLF: Maybe they're calling the wrong 5 businesses. 6 7 CHAIRMAN CLARK: Thank you, Mr. Wolf. Are there any questions? 8 Thank you very much. 9 Jim Powler. 10 WITNESS FOWLER: My name is Jim Fowler. 11 live at 371 Sloans Ridge Road, Groveland, Florida. 12 We just recently moved out to Groveland in the 13 last six months and lived in Orlando about fifteen 14 years. And I'm semi-retired. I still have business 15 connections that I have to make phone calls on; plus we 16 have children and grandchildren that live in Orlando, 17 and we talk to them two to three times every week. So we are in favor of this program, so we 19 would like to see it approved. Thank you. 20 CHAIRMAN CLARK: Thank you, Mr. Fowler. 21 Questions? 22 23 Tim Peters. WITNESS PETERS: Good morning. Tim Peters, 24

5043 Autumn Ridge Lane in Windermere, Florida.

I am the general manager of American Hotel 1 2 Register Company. We moved out to Groveland, Florida, in the Lake County Industrial Park at 27 and 19. Half 3 of my employees -- I should say nine out of ten employees live in the West Orange area, from Ocoee to Windermere to Metro West. They make phone calls. 6 weekly basis, I would say over 25 phone calls go to them. And I'm more concerned about what it takes their 8 family to call us in Groveland. 9 I am in favor of the extended service. 10 Thank 11 you. CHAIRMAN CLARK: Thank you. About how many 12 people do you employ? 13 14 WITNESS PETERS: We have ten, ten employees. Nine out of the ten are --15 CHAIRMAN CLARK: Oh, okay. Nine out of ten 16 probably have to make a long distance phone call to 17 their home? 18 WITNESS PETERS: Yes. 19 20 CHAIRMAN CLARK: Okay. Any questions? 21 Mr. Wagner. MR. WAGNER: Madam Chairman, I'd like to point 22 out Mr. Peters' prefiled testimony on behalf of the 429 23 24 subscribers. And I would just as soon, at this point in

time, go ahead and -- to save time, perhaps put his

testimony in, even though it's not the technical 1 portion, if there's no objection, to save him from having to -- I know it's irregular, but obviously he signed up as a member of the public also. CHAIRMAN CLARK: Well, Mr. Wagner, let me see 5 if we can get that done. 6 Mr. Wahlen, do you --MR. WAHLEN: We don't have any objection. 8 it would make the transcript easier, we could just put 9 it in during the technical portion of the hearing. 10 CHAIRMAN CLARK: All right. Mr. Carver? 11 MR. CARVER: No objection. 12 CHAIRMAN CLARK: Mr. Pierson? 13 MR. PIERSON: No problem. 14 CHAIRMAN CLARK: All right. Why don't we do 15 this. We will, at this point, stipulate your prefiled 16 testimony in the record, but we will do that later on. 17 We have a stipulation, when your turn comes up, I will 18 do that, but you may be excused from appearing further. 19 20 Thank you. Thank you. 21 WITNESS PETERS: MR. WAGNER: Thank you, Madam Chairman. 22 CHAIRMAN CLARK: Thank you, Mr. Wagner. 23 Otto Wright. 24 WITNESS WRIGHT: My name is Otto Wright. I

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have a business at 147 East Broad Street here in Groveland. And I am in favor of the AES (sic).

We have several phone calls that we have to make in our business. Basically, I looked at the last telephone -- AT&T alone, I had 92 calls last month.

That was just AT&T, and I have three lines coming in, including an 800 number.

So I'm sure that the -- my billing last month was right at \$400, and that includes the three lines, which is a fax line and a computer.

Businesses are moving into this area, and I think it warrants the extended service over here because we have several occasions, as it was stated before, that people refuse to move into this area because it's long distance, and it has a big effect on this area.

CHAIRMAN CLARK: Mr. Wright, when you said your phone bill was \$400, was that the long distance portion of the phone bill?

WITNESS WRIGHT: No, no, no. That's basically -- the 92 phone calls was to AT&T. I had several Orlando calls. From Sprint, United, and the combination, at least a hundred calls a month.

CHAIRMAN CLARK: What is your estimate of the cost per month that you would avoid if we had some sort of EAS service?

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WITNESS WRIGHT:
                               I brought a phone bill.
                                                        This
 1
   is the Sprint. The Orlando line was -- let's see.
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   Well, I can't add them all up here, but basically most
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    of them was -- 35.44 on this one. And 18.83 for the 800
    number. United Telephone was $195. Most of those were
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    the Orlando exchange. BellSouth Mobility -- I had that
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    one, and basically there wasn't many on that.
              But the AT&T -- I had 92 calls at 407, which
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    is 72.29. That was just the Orlando calls.
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              CHAIRMAN CLARK: Okay. Mr. Wagner, does
    Mr. Wright also have testimony and do we want to do the
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    same thing?
              MR. WAGNER: I don't want to make a habit of
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    it, but, yes, ma'am.
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              CHAIRMAN CLARK: Okay. At the appropriate
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    time, we will stipulate the prefiled testimony of
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    Mr. Otto Wright into the record.
              And, Mr. Wright, you do not have to come back
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    to these proceedings. You're excused.
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              WITNESS WRIGHT:
                               Thank you.
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              CHAIRMAN CLARK: Thank you.
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              WITNESS WRIGHT: Was there any questions?
              CHAIRMAN CLARK: A good point.
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              Are there any questions of Mr. Wright?
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Thank you very much.

Kelly Stephens.

WITNESS STEPHENS: Good morning. I'm Kelly Stephens, a businessman in Orlando. I'm president of Florida Utility Trailers. We have been in business since 1977 and seen tremendous growth in central Florida, including a number of our customers moving into this area that we service and products that we sell out this way.

It would make it a lot easier for them to do business with us and us with them, and so we vote in favor of this extended service. And I think it would be a good business growth as we see the growth of this area merging in with the Orlando area, and so we'd speak in favor of it.

CHAIRMAN CLARK: Thank you, Mr. Stephens.

Are there any questions?

Thank you very much.

Jessie Chavers.

WITNESS CHAVERS: Hello. My name is Jessie Chavers, and I live at 8040 Cherry Lake Road in Groveland, Florida.

Approximately a year ago, I made a call to United-Sprint and tried to find out information on how much it would cost me to get a Clermont line, as I anly live less than one-half mile from the 394 exchange.

We have a business, electrical business, that we've had for seventeen years in Orlando. We've lived in Groveland approximately three years. The cost to get a Clermont line for calls to be local into Orlando did not warrant me -- it was just astronomical. I could not afford to go through with that procedure, and I just didn't see that it was financially feasible, as to my long distance calls that I was already making.

CHAIRMAN CLARK: Let me ask a question. You live in Groveland, but your business is in Orlando?

WITNESS CHAVERS: Yes, ma'am.

CHAIRMAN CLARK: And you were looking into putting a line in your home so you could call directly to Orlando?

WITNESS CHAVERS: Yes. We have a resident line, and we also have a business line in our home now in Groveland.

CHAIRMAN CLARK: How many people do you employ in your electric business, and are they in a similar situation where they live in Groveland and --

WITNESS CHAVERS: No, our employees live in Orlando, and our office is in Orlando. I also have a small office in our home where I do a lot of interaction between our office manager. I do not necessarily work in the office in Orlando, but we do have a common fax

line and we do speak regularly, and it would just be very beneficial for us to have a local call into the Orlando area.

CHAIRMAN CLARK: Okay. Any questions of Ms. Chavers?

Thank you very much.

WITNESS CHAVERS: Thank you.

CHAIRMAN CLARK: Herbert Hodges.

WITNESS HODGES: My name is Herbert Hodges. I reside at 638 Blue Street, Groveland, Florida. I recently moved here from Miami in December. And I am against the EAS service.

I am retired. I retired early, came up to take care of my mom. And as seniors -- and most of you here are seniors as residents. And some of you, of course, do make calls to Orlando, and that can be exceptions to the rules.

I did a little mathematical play here with some numbers, because when you're talking about toll free, I want to come back to this word "free" because you've got to keep that in mind.

This service would cost each residential home a 42 percent increase, \$12.41 per month, rather than the \$8.73 that we now pay. That \$12.41-a-month charge would last for two years. Then it would drop to \$10.20, which

is what the current rate is for Clermont and Mineola, and is the highest rate in the United system. That increases \$3.86 a month whether you call Orlando or not. And, believe me, once you get a charge, they never drop. It never goes away.

Twenty-five cents per call, divided into \$3.86 is fourteen calls per month or 3.5 calls a week. I would think that an alternative toll relief, a billing of 25 cents per call, regardless of the length of the call or regardless of the number of calls would serve residential customers far better.

The business community, of course, is clamoring for this, understandably. Number one, it's much easier for a business to recoup any costs that it may cost them. And in this case, it would jump 45 percent. But then there's 800 numbers, faxes, and of course always passing to the customers any additional cost.

Senior citizens who are on social security don't need to pay \$3.86 a month and not use that service.

There are a couple of questions that I would like to ask the Commission.

CHAIRMAN CLARK: Go ahead.

WITNESS HODGES: It says under the special

report of the PSC booklet, leaflet here, that the routes in this docket did not qualify for a flat rate, two-way non-optional EAS; however, the Groveland/Orlando route met the MAMs requirement but fell short on the distribution requirement.

What is the distribution requirement?

CHAIRMAN CLARK: What that involves is, we look at the number of calls being made to an area, and we look at how it's disbursed, how many people are actually making the call, so that it isn't one or two subscribers who are driving a large volume of traffic, that it is disbursed among the people in the area.

Let me ask Ann Shelfer to be more explicit on that.

MS. SHELFER: The MAM -- what that means is, that's the average calls per month. And say there are a hundred customers. You may have one that make none; you may have ten that make a hundred; but on average, the rules require that there must be at least three. That's the portion. That's the MAMs that met the rule.

The second portion of the rule says that at least 50 percent of the customers in Groveland must make at least two calls. That shows the Commission that it's not, like Chairman Clark was saying, driven by some high-volume users, because you can drive the average up.

It fell short of that. And it was significantly close, though.

And the purpose, just what -- today is an opportunity to show the Commission that there may be other criteria that they should consider, which is admissible under the rules.

WITNESS HODGES: The second part of my question is, since the distribution was so close to qualifying, another traffic study on this route during a different time period was conducted by United. The additional study indicated that the MAMS still met the requirements but the number of customers making two or more calls per month again fell short.

CHAIRMAN CLARK: What frequently happens in various areas of the state is that calling patterns change depending on what time of year you look at. And this is primarily, I think, due to people who are seasonal residents. And if we look at it when they are here, we get one figure or statistics, and if we look at them when they're not here, it's another one.

And in this case, we had someone inquire about the validity of the time of year we looked at the traffic studies, so we chose another period to look at the traffic studies.

WITNESS HODGES: So then, quite frankly, it

says here that it falls short. Then the calls per month aren't quite what is needed. So apparently even though some people who come up here said that, you know, they are making a lot of calls to Orlando, again I say there are exceptions to every rule. There are not that many calls being made.

Again, I would be in favor of billing at 25 cents per call regardless of the number of calls or regardless of the length of the call.

Mr. Wolf, who spoke, I thought had a good point, and I agreed with him in some of the things that he said. So I would not be in favor of this new EAS exchange service.

CHAIRMAN CLARK: Thank you, Mr. Hodges.

One thing I would point out to you is, although the traffic studies do give us an indication of the community of interest, there are other factors that we consider in determining whether or not there should be EAS or an alternative toll plan, which is what the 25-cent plan is.

WITNESS HODGES: Yes.

CHAIRMAN CLARK: And I appreciate your coming out here and giving us your views, and particularly indicating which plan you're in favor of.

WITNESS HODGES: Thank you.

CHAIRMAN CLARK: Thank you.

Questions of Mr. Hodges?

Mr. Hodges, could Ms. Shelfer ask you a

4 |question?

WITNESS HODGES: Yes.

MS. SHELFER: I would just like to address the 25-cent plan. And this starts getting technical when we talk about interLATA, but one of the reasons that this particular case was set for hearing is because there's a LATA line that divides Groveland and Orlando, and at the time this was before the Commission, there was a prohibition, federal prohibition with Southern Bell, where they cannot carry over that LATA the 25-cent call. And there is still federal legislation that requires Southern Bell to do a checklist before they can carry interLATA traffic. I have no idea when that can be met,

WITNESS HODGES: So right now, then, what we are saying is that there is a problem as far as that is concerned with Southern Bell about the installation of the 25-cent calls, and you have no idea as to when it can be cleared up?

MS. SHELFER: No. It goes before the Federal Communications Commission. I'm not even sure Southern Bell knows when that can happen.

WITNESS HODGES: Who represents Southern Bell

here?

MS. SHELFER: Mr. Carver.

WITNESS HODGES: Mr. Carver.

MR. CARVER: Yes, I do, and we don't know the date. They're - excuse me. I'm sorry. I have a little bit of a cold.

The way the federal legislation is designed, there are particular things that have to occur, not necessarily things that we would do, but things like the existence of competition and other entrants into telecommunications. And after these things happen, then we can go back at the federal level and request relief from the restrictions of crossing LATA boundaries. So that will happen at some point in the future, but as I sit here today, we really don't know when that would be.

WITNESS HODGES: Southern Bell is not concerned about speeding that process? It won't help them at all?

MR. CARVER: We would like for it to happen as quickly as possible. I mean, we certainly would like to carry the traffic, and we hope we can as soon as possible. But, again, it's restrictions at the federal level, and it's just a question of how long it would take to get relief from those.

WITNESS HODGES: So rather than wait for this process to take place, then we are trying to hurry to get the EAS through?

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MS. SHELFER: If the Commission determines that Groveland should be balloted for EAS, the determination will not be that they get it. Every subscriber in Groveland will have an opportunity to vote. The vote will determine whether EAS is implemented, but I can tell you that your neighboring community of Mount Dora has been waiting since 1991 to get the 25-cent calling to Orlando, and they still do not have it.

CHAIRMAN CLARK: Mr. Hodges, the telecommunications market, probably more than at any other time, is in a real state of flux because of the legislation that was passed at the federal level. And we have to do some things to comply with that legislation, as do the phone companies.

And we're busy trying to understand it and trying to carry it out, but we have had this docket pending for a while, and we felt we needed to go forward and determine if there was a community of interest.

There's good news for the people of the state of Plorida. We have a commissioner, Commissioner

Johnson, who serves on the joint board, who will be

working on some of those federal policies and making sure that they are consistent with what we think is needed in the state of Florida.

But we appreciate your comments on which plan you would prefer be implemented.

WITNESS HODGES: Thank you. But I would certainly, of course -- and I'm sure that the Commission will bear the responsibility of making certain that all customers of this area are given and served good and proper notice as to the benefits of this plan.

CHAIRMAN CLARK: Absolutely, Mr. Hodges. We will review that notice, and it will be put in the phone bills if we decide it's appropriate to conduct a ballot. Thank you.

COMMISSIONER JOHNSON: Mr. Hodges, just a second. With respect to one of the questions that you had asked Southern Bell, we had a decision a couple weeks ago, if not a month, on some 25-cent plans that we had approved that had been balloted and that had passed, but because of the issue that staff has just addressed with you, because of the interLATA boundary, we couldn't do anything about it.

But we did ask or request that Southern Bell file a petition with the FCC to make a determination as to whether or not they would allow Southern Bell to

1 "actually implement those plans on an expedited basis. am not sure if Southern Bell -- if they've taken that action just yet, or the status of that, but it was my understanding that they were going to petition the FCC to determine whether or not, on an expedited basis, they could get that relief that you have requested under the 25-cent plan.

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MR. CARVER: I'm not sure what the status of that is, but I can check and hopefully give you an answer a little bit later in the day.

COMMISSIONER JOHNSON: Okay. Because that was one of the issues. We had ruled on the 25-cent plan, as you have suggested, kind of a pure plan, and I know our staff had recommended that maybe Southern Bell could go to the FCC and let them understand the predicament that our customers are in and see if they would be more responsive to that on an expedited basis. So that could happen sooner than later, and that being we could have an answer. I don't know if they're going to say something we want to hear, but I think that the industry and BellSouth -- that they are taking that effort to find out for the particular customers.

WITNESS HODGES: So you are going to find out about that today, you said, right?

MR. CARVER: Yes, I'll check on it and

hopefully have something a little bit later today on the 1 status of that. 2 COMMISSIONER JOHNSON: And I just want to make 3 clear, too, that you all understood that whatever we 4 vote on today and whatever the plan might be, 5 particularly if it involves some sort of an additive, 6 and I know you went through the numbers from eight dollars and something to twelve dollars --8 9 WITNESS HODGES: Yes. COMMISSIONER JOHNSON: -- that you will and 10 the other customers will have another opportunity --11 your destiny is still kind of in your hands -- to vote 12 on that and determine whether or not that is something 13 that really is good for this community. WITNESS HODGES: Absolutely. Thank you. 15 CHAIRMAN CLARK: Thank you. 16 MS. SHELFER: Commissioner. 17 CHAIRMAN CLARK: Yes. 18 19 MS. SHELFER: Excuse me. Commissioner Johnson, that interLATA order has 20 not been issued yet. I believe it goes out today. 21 CHAIRMAN CLARK: Dorothy Pachio -- Pachio. 22 WITNESS PACHICO: Good morning. My name is 23

CHAIRMAN CLARK: Pachico. I wasn't even

Dorothy Pachico.

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close. Excuse me.

WITNESS PACHICO: That's okay. Everybody does it.

I live in Groveland at 5915 Bible Camp Road, and I work in Winter Park, so I have a real commute.

But I also have children at home that I need to be in contact with. And I have a mother who is not in good health. I've just moved her down here with me.

So I probably make probably ten calls a week from Winter Park. And there are probably twice that many calls that come from Groveland to my office in Winter Park. For me, it would be very beneficial, and I'm totally in favor of it.

CHAIRMAN CLARK: Thank you. Any questions?
Thank you very much.

WITNESS PACHICO: Thank you.

CHAIRMAN CLARK: Connie Causey or is it

18 "Causeau"? I can't --

WITNESS CAUSEY: My name is Connie Causey. I live at 2426 Bay Lake Loop Road, Groveland. I'm for the extended service. I halfway calculated the 25-cent toll charge. And for my husband and I, that would not be feasible because sometimes we get hold calls or -- anyway, my husband has a business in the home. He makes a minimum of probably fifteen calls a week to just

Orlando.

I call my mom most every day because my stepfather is just recently deceased, and she lives in an area where the crime is rising. She calls me also.

My granddaughter's two specialists are in Orlando. So for us the extended service would be better than the 25-cent toll charge, and I'm in favor of it.

CHAIRMAN CLARK: Okay. Any questions? Thank you very much.

Wayne Turner.

witness turner: Good morning. I also have some prefiled testimony. I don't know if you want us to wait or you want to proceed with this at this point in time.

CHAIRMAN CLARK: Let me just check with the attorneys.

Will we be able to stipulate that testimony into the record? Okay.

We'll do that at the appropriate time. If you want to go ahead and give some comments now, and then you can be excused, but we will make sure that your prefiled testimony is inserted in the record at the appropriate time.

WITNESS TURNER: Okay. Again, Wayne Turner.
My business is at 200 East Broad Street in Groveland.

I'm president of Peoples State Bank. Presently we employ about forty employees. Three of those employees live in the Orlando area. Prom time to time they are required to call their homes, check on their children, and so forth.

Presently our corporate legal counsel is located in Orlando. Our CPA firm is located in Orlando. Our correspondent bank is located in Orlando. Our computer data processing company is located in Orlando. So we do extensive calling back and forth to those areas.

In November of last year, we made approximately 389 calls into that ser ice area -- 489, excuse me, in December; 387 in November and 430 in January. We average, probably since time, at least four hundred calls per month into that exchange.

We are in support of this extended service, and we'd hope that it would be decided at that point in time.

I would be glad to answer any questions.

CHAIRMAN CLARK: Mr. Turner, let me ask you a question. One of the things our traffic study indicated was, there wasn't a distribution that met our rules; there weren't a lot of people making these calls.

Do you think that there are -- are they using

alternative methods to reach Orlando? 2 Let me just ask. And if they use an 800 3 number, does that show up on a traffic study? MS. SHELFER: No. 4 5 CHAIRMAN CLARK: No, it doesn't. 6 Do you know if there are people implementing alternative services so customers and people they may 7 need to reach in this area would not have to make long R 9 distance calls? 10 WITNESS TURNER: None of the companies that we 11 deal with have them, so I would say no, they are not. CHAIRMAN CLARK: Okay. Thank you, Mr. Turner. 12 13 Sumia Westbrook. 14 All right. That sounds like a good idea. Someone in the back indicated we should go on 15 16 to the next person and come back to her. 17 Julia Rogers. 18 WITNESS ROGERS: Okay. My name is Julia Fay Rogers, and I have a real estate office here in 19 20 Groveland, called "Julia Fay Rogers Realty." It's at 224 South Main Street. And I guess you can say I have 21 every kind of phone there is. 22 23 I've got 429 numbers. I've got 394 numbers.

I've got 429 numbers. I've got 394 numbers.

And every one of my associates has 429 numbers. But we have what we call a FedEx foreign line that I had put

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into my office because most of my customers are from the Orlando area. I advertise heavily in the Orlando Sentinel. And in order for them to call me without being a charge to them, I install a FedEx number, and it probably only costs me a couple hundred dollars a month, which I could probably save.

And also a lot of time the customers that do call do not want to come into a 429 exchange number because it's too costly for them to move over here and then have to run their businesses, and at times it does cost us, you know, money.

And I do know that we don't have a number of doctors or dentists in this area, and most of the older people, young people, and just about everybody either has to go into Clermont or Winter Garden and the Orlando area.

And it certainly could benefit our community to bring us in new businesses as well as probably help us if we need to go to the doctor for a little bit of help. That's it.

CHAIRMAN CLARK: Ms. Rogers, let me ask you something. How do you call the Orlando area? Do you have an 800 number you use?

WITNESS ROGERS: No, I've got a foreign line, if you know what that is. It's called a FedEx line.

And it costs me -- if I call next door to my attorney. it costs me so much a minute. I don't care what I do, when I pick up that telephone, it coste me. 3 CHAIRMAN CLARK: Let me be clear. You have a number people in Orlando can call 5 you, and it doesn't charge --6 WITNESS ROGERS: It doesn't cost them. 7 costs me, because I advertise heavily in the Orlando 8 Sentinel. CHAIRMAN CLARK: But in terms of your calling 10 into Orlando, do you again use that foreign exchange 11 12 line that way, too? WITNESS ROGERS: Yes, ma'am. I've got to do 13 that or use a 429 number. I mean, you know -- and it's 15 cheaper to use the -- well, it's supposed to be cheaper to use the FedEx number to call -- you know, they charge me so much a minute for incoming calls. They charge me 17 so much a minute for outcoming calls. If I call long distance on a 429 number, it costs me more per minute than using my FedEx number. 20 CHAIRMAN CLARK: Okay. Thank you, Ms. Rogers. 21 22

Are there any questions?

Thank you.

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Is Susie Westbrook here?

WITNESS WESTBROOK: I'm back. Hi, my name is

Susie Westbrook, and I live at 3409 Story Lane, Groveland.

My husband's employment is in Orlando, and our medical insurance comes through his employment. And that medical insurance says you have to use their doctors which are all in Orlando. So everything we do is in Orlando -- medical, dental, my husband's work. And then our family is in Orlando -- my father, my mother, and my brother. So everything is long distance, and it would be easier if it wasn't; it would be cheaper.

CHAIRMAN CLARK: Okay. Any other questions?
Thank you, Ms. Westbrook.

WITNESS WESTBROOK: Thanks.

CHAIRMAN CLARK: Lorrie Reid.

WITNESS REID: My name is Lorrie Reid,

R-e-i-d. I live at 12530 San Juan Road, Groveland.

I'm definitely in favor of this. I brought along three phone bills. The first one was \$58. Then it was \$89, and \$98. My husband works also in Orlando, the same medical problem. As far as insurance, we have to call Orlando for doctors and whatnot.

You had asked about alternatives to calling.

My husband and I both have cellular phones, and we've

both got Orlando numbers so that we could call Orlando.

It costs us less to call on our cellular phones than it would if we used our regular phone every day. And that's -- still we have a 98-dollar phone bill this month.

I'm a stay-at-home mom, but I also supplement our income doing freelance accounting, bookkeeping work. And a lot of my clients, if you want to call it that, are people my husband works with in Orlando. So they call me on my cellular phone so they don't have to be charged a toll call to call me.

so I'm definitely in favor of it. We spend, as I said, a hundred dollars a month in regular phone bills and then another fifty, sixty dollars a month in cellular calls, so it would be a big savings for us.

CHAIRMAN CLARK: Ms. Reid, do you know of anyone else who employs something like the cellular phone purchased out of Orlando to avoid the long distance calls?

WTTNESS REID: I do have a friend, but she lives in the 394 exchange. She had her cellular phone prior to them getting their free service, so, yeah, there's -- I'm sure there's more than me.

CHAIRMAN CLARK: And you've checked it and made sure that it is advantageous to you to do your phone calling that way?

WITNESS REID: Well, my husband works for Disney, so we get a corporate rate on the phone service, so it is a little less expensive on the cellular rate than the average person, but with some of the calling plans that they have available nowadays, you have free weekend calling and all this good stuff. There's a lot of times --

CHAIRMAN CLARK: It works out to your benefit?

WITNESS REID: Yeah. There's a lot of times
it's much more advantageous to use the cellular phone.

CHAIRMAN CLARK: Okay. Are there any

12 questions of Ms. Reid?

Thank you very much.

Keith Brooks.

WITNESS BROOKS: Good morning, Chairman,
Commissioners, fellow Groveland and Lake County
constituents. My name is Keith Brooks. I've been the
acting postmaster at the Groveland post office for the
last year and a half, and I can verify everyone's
address that's been up here previously as being correct.

I'd like to speak on behalf of my own personal, not that of the postal service, so this is my own personal opinion. I'm a single father of two parents -- a single father of two children, one in high school and one in middle school. And continuously

through the week, I always get calls, "Dad, I'm going to the library. Dad, I'm going to play basketball. Dad, can I do this? Dad, can I do that?"

And, in turn, it ends up on my bill where I live, but I don't have a problem with that. I live in Kissimmee. So I end up getting a long distance service charge, but that's okay. I don't have a problem.

The problem exists when they leave messages for me, where I have to contact them back to either approve or disapprove what they want to do, and which had led me to get my own calling card, because in the postal service, you're not allowed to make your own personal calls on our phone. So I've, in turn, got a Sprint card, and I use my own card that way.

In reference to Mr. Hodges, living in Kissimmee, a couple years ago, they implemented the 25-cent charge on the calls going to the Orlando area. At first I was ecstatic about that, thinking, oh, great; 25 cents a call; that'd be fantastic -- versus three dollars on my bill.

Well, when you start thinking 25 cents a call, well, it's, "Okay. No problem. I'll call Orlando.

I'll call Orlando." After you get past twelve calls, that goes into that three-dollar charge.

I, now, looking at hindsight, which is always

20/20, would have preferred them just to add the three-dollar charge to my phone bill, because that way I could make as many calls as I want and not have to worry about twelve calls and then, after that, pay the 25-cent additional fee.

Here at the post office -- my main office, my district manager is in the Lake Mary area, and our main processing plant is in the Orlando area, Trade Port Road. Throughout the course of a day, I make approximately five to six calls to any of those division heads, possibly managers, asking questions, giving information pertaining to the mail service that I'm getting. We average approximately 106 to 150 calls per month going into the Orlando area, and most of those are to the district manager's office.

Many times we have customers who have moved recently from the Orlando area out to the Groveland area, and many times I have to call that particular post office in which they had received their mail in order to get information for them, to ensure that their mail is being forwarded, or if they're having any other problem with their mail. So there's many days that we go and we call into Orlando just to check on some of the customers' mail here in the Groveland area.

Like I said earlier, we have many, many

problems that go on dealing with the mail, and most of those problems are solved by getting the information from Orlando. We have a computer system in our office which we also have hooked up to the phone lines, and, you know, that, as well, costs. So from a personal standpoint, I would be in favor of this.

CHAIRMAN CLARK: Thank you, Mr. Brooks.

Any questions?

Thank you very much.

Mr. Bill Mattison.

WITNESS MATTISON: My name is Bill Mattison.

I'm here representing Smith Nurseries at 300 Atlantic

Avenue.

We're for EAS. We do a good bit of -- a good volume of work in Orlando, sell a good bit of product over there. We have a lot of telephone traffic to Orlando and around Orlando in Orange County. So we're for it.

Personally, I'm for it. I have family in Orlando and Winter Park, and I call there probably three to four times a week.

I noted with interest your first witness. He spoke about calling to Orlando and being put on hold.

And I think -- I address this to the audience as well as to the Commission -- there's probably nobody in this

audience that has called Orlando, called their doctor or attorney or CPA or a government office or a business, and not been put on hold. It doesn't take very long on hold to run your long distance calls up. So I think it would be very beneficial to go to this EAS.

CHAIRMAN CLARK: Thank you, Mr. Mattison.

Any questions?

Thank you very much.

Charles Brown. Mr. Brown, you have been sworn in, have you not?

WITNESS BROWN: Yes, ma'am.

CHAIRMAN CLARK: Good. Thank you.

WITNESS BROWN: My name is Charles Brown, and I'm here representing Orlando Mack Sales & Service at 2200 West Land Street Road in Orlando, Florida. We're the Mack truck dealer in this area. We have nine counties. Lake County is one of the counties that is our area of responsibility.

We have a lot of customers that are in the 429 exchange. We have a lot of customers that travel through the 429 exchange. I have outside parts salespeople that are out in this area, working. And we're in favor of the extended service to help make it easier for our customers to do business with us and to hopefully keep our costs down.

And as the lady had stated before, I called my 1 office from my cell phone when I got here, because I'd 2 come from Tampa this morning, and there was no charge 3 for it. 5 CHAIRMAN CLARK: Thank you, Mr. Brown. 6 Questions of Mr. Brown? 7 Thank you. Mrs. Gustave Schmidt. 8 WITNESS SCHMIDT: Mrs. Gustave Schmidt, 1261 9 South Kansas in Groveland. 10 I'm opposed to this because we don't use the 11 service that much. And, I mean, I can understand all 12 these new businesses coming in and wanting it, but they 13 knew they didn't have it when they came. So I don't think we retired people, that have lived here for years 15 16 and years, should be burdened with an extra bill. CHAIRMAN CLARK: Questions of Ms. Schmidt? 17 Thank you very much. 18 Stanley Sloan. Mr. Sloan, just let me ask 19 you, were you here when everyone was sworn in? 20 21 WITNESS SLOAN: Yes. 22 CHAIRMAN CLARK: Okay. Let me indicate to those people who I am going to call after Mr. Sloan, if 23 you were not sworn in, will you please let me know. 24

Go ahead, Mr. Sloan.

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WITNESS SLOAN: I'm Stanley Sloan, Mayor of Mascotte. I come here with mixed emotions about this today because, as in most cases, I'm caught in the middle. For the businesses, I certainly am in favor of it and I'm not against progress, but for a large number of our citizens, I have some reservation....

We have a large number of our residents in our area who live on a meager, very meager income, at the poverty level or below, and a lot of them would probably never use this service at all.

I know my mom is 87 years old. All of her doctors are either in the Clermont area or Leesburg. And I know that because I take care of her on most of those trips that she makes. And she, as other senior citizens in the area, live on fixed income.

And so here today, I am probably the only voice that some of these people will have here. And in my working in the community and going through the community, I've had dozens of people who are not able to be here today who are against this unless there is some fair and equitable way that the charges could be meted out.

And so I think, to be fair to all concerned, I would be in favor of some type of vote in our community or by the citizens. I'm not against it, per se. I

think there needs to be a fair way to charge everybody concerned.

I know that -- I don't think it would be fair for some of our citizens to have to pay for the phones which the businesses use.

So, briefly, that's what I wanted to say, and I don't want to take up a lot of your time, so thank you very ruch.

CHAIRMAN CLARK: Thank you, Mr. Sloan. Let me just assure you that we are -- if we make a decision that EAS is appropriate, it will -- whatever we do will be subject to a vote.

WITNESS SLOAN: Yes, very good.

CHAIRMAN CLARK: One of the things that we will be looking at is the 25-cent plan.

WITNESS SLOAN: That sounds good.

CHAIRMAN CLARK: And one thing that favors the 25-cent plan is, those people who make the call get charged for it.

WITNESS SLOAN: Right.

CHAIRMAN CLARK: One of the difficulties, as Ms. Shelfer mentioned, is the LATA boundary. And when it goes across the LATA boundary, there are existing prohibitions instituted at the federal level that causes problems in bringing that about. But that being said,

let me assure you that it will be put to a vote of the 2 subscribers. 3 WITNESS SLOAN: Okay. Very good. I was in favor of that. 4 5 CHAIRMAN CLARK: Thank you. COMMISSIONER JOHNSON: Mr. Sloan, I do have a 5 7 question for you. 8 WITNESS SLOAN: Yes. COMMISSIONER JOHNSON: Although I'm from the 9 area, I haven't been back in a long time, and I was 10 just -- you were talking about the population in 11 Mascotte. What is the population there, and what's the 12 percentage of seniors? 13 14 WITNESS SLOAN: We have between twenty-two and 15 twenty-five hundred at this point. We're growing. 16 have five housing developments in progress now, so I'm 17 not sure as to the exact number of residents we do have. 18 And, again, I cannot tell you the exact number of retirees we have. 19 20 COMMISSIONER JOHNSON: Okay. I thought that there was -- in a previous job, I thought there was a 21 22 retirement community coming on line there. 23 WITNESS SLOAN: I'm not aware of it, if there is. 24

COMMISSIONER JOHNSON: I know they have the

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Lennar Properties, which will be about 5,000, in
    Clermont, but I thought there was something in Mascotte.
 2
              WITNESS SLOAN:
                              Not that large.
 3
              COMMISSIONER JOHNSON: Okay. Thank you.
              CHAIRMAN CLARK: Mr. Wagner, did you have a
 5
    question?
 6
 7
              MR. WAGNER:
                           I just wanted to clarify.
              Mayor Sloan, you do agree that the people in
 8
9
    the 429 exchange should be the ones that ultimately make
    the decision as to whether or not they get the EAS
    service, do you not?
11
12
              WITNESS SLOAN: They get to vote on it, yes,
    sir.
13
                                  Thank you.
                           Okay.
              MR. WAGNER:
14
              CHAIRMAN CLARK: Thank you, Mr. Sloan.
15
              Mr. James Morcom.
16
17
              WITNESS MORCOM: My name is James Morcom, and
    I live at 6103 Millstream Drive in Groweland, and I am
18
    for extended service.
19
              My family lives in the Windermere area.
20
                                                        And
    they are elderly, and I do have responsibilities to take
21
    care of them and make sure that they get medical
22
23
    attention.
              And, you know, I grew up there and have a lot
24
25
    of family and friends there and make a lot of phone
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calls to that area, so I do have a sizable phone bill going to that Orlando area, and I do approve of this service if we can get it.

CHAIRMAN CLARK: Okay. Mr. Morcom, you were sworn in, were you not?

WITNESS MORCOM: Yes, I was.

CHAIRMAN CLARK: Good.

Any questions?

Thank you very much.

Frank Russell.

WITNESS RUSSELL: My name is Frank Russell. I live at 6147 Jim Payne Road in Groveland, and I'm for the change. I'm divorced and have two kids that I get two days a week. The other five days a week they're in Ocoee, so I have an opportunity to make a lot of calls.

I brought one of my old phone bills, so -it's not the highest, but this is a good average,
\$176.73. Twenty dollars of that's for basic service, so
I would certainly see a savings.

As a matter of fact, I went ahead and turned off my long distance now. I'll take a quarter down to IJ and make a phone call, if I need to, or use a prepaid phone card, so, you know, I don't know how that's going to affect your traffic patterns.

CHAIRMAN CLARK: You use a prepaid phone call

1	when you call from the pay phone?
2	WITNESS RUSSELL: No, no. If I have to call,
3	like, at a late hour, from my house.
4	CHAIRMAN CLARK: Okay. All right.
5	Any questions of Mr. Russell?
6	COMMISSIONER JOHNSON: I want to make sure I
7	understood, because I just didn't hear the last part of
8	your comment. You said that your toll you've have
9	that disconnected?
10	WITNESS RUSSELL: Yes, uh-huh. We've got
11	blocks on long distance now.
12	COMMISSIONER JOHNSON: Okay. And then you
13	were also stating when you wanted to make a long
14	distance call, you could drive to
15	WITNESS RUSSELL: Right. I just drive a mile
16	and a half down the road and use a pay phone. It's a
17	lot cheaper.
18	COMMISSIONER JOHNSON: Oh, into the Clermont
19	exchange.
20	WITNESS RUSSELL: Uh-huh. (Indicates
21	affirmatively.)
22	COMMISSIONER JOHNSON: Okay.
23	CHAIRMAN CLARK: Thank you, Mr. Russell.
24	Marie Tighe. Have I pronounced your name
25	correctly?

WITNESS TIGHE: Correct. 1 CHAIRMAN CLARK: It's T-i-g-h-e, right? 2 WITNESS TIGHE: Right. I have not been sworn 3 in, but "I do." 4 CHAIRMAN CLARK: All right. Anyone else who 5 has signed up to provide testimony on these sheets, if 6 you've not been sworn in, please stand and raise your 7 right hand. 8 In the matter before the CHAIRMAN CLARK: 9 Pubic Service Commission, do you swear to tell the 10 truth, the whole truth, and nothing but the truth? 11 (The witnesses were duly sworn.) 12 CHAIRMAN CLARK: Thank you. You may be 13 Go ahead, Ms. Tighe. 14 seated. WITNESS TIGHE: Thank you. 15 16

Marie Tighe. I work with Cherry Lake Parms, 7836 Cherry Lake Road, and I'm basically representing that 429 area code exchange -- not area code, but -- I physically live in Mount Dora, 810 North Tremaine, and I will address that later.

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We have over two hundred employees at Cherry
Lake Farms. We live all over everywhere, some in
Orlando, some Mascotte, Bushnell, Mount Dora -everywhere. And I'm sure they have families as well in
Orlando. I, myself, have family in Orlando. My husband

has family in Orlando.

Our business is an international business, and we also do business with nurseries, from the tree farm side, to the southeast portion of the United States.

However, our largest customer is in Orlando.

Our phone bill usually ranges from three to six thousand dollars a month, which is a lot, so we would like to incur any kind of savings that we can.

We are in the midst of getting a diskette program, so therefore I did not physically -- I wasn't prepared to speak today. I didn't know I was going to, but I felt obligated.

Our phone bill is 50 pages long. And in order for me to go through the phone bill and search out the 122 exchange numbers would have taken more time than my job would have allowed.

All of our attorneys with the business and our insurance companies are located in Orlando, so we make countless phone calls. Only one that I recall right now has an 800 number.

We do business with small nurseries on the tree farm side. We export, but this is not an international issue.

On the tree farm side, we do business with small nurseries, Kmarts, Wal-Marts, Home Depots, and not

only in the south portion of Orlando but all over Orlando, all over the southeast area. Because of this, our phone bills are quite large.

Personally, I live in Mount Dora. We live very, very close to Orlando; however, still we pay the 25 cents for long distance into Orlando. This is not an answer. We have at least 30 phone calls to family, doctors, businesses, shopping around, and it's a considerable amount of money every month just for small phone calls. No matter whether you talk 30 seconds, one minute, or 30 minutes, it's still 25 cents, and it does mount up, so that is not an answer.

We in Lake County are victims. We are victims of a lot of things because we're in Lake County and, because of the fact that we have a lot of fixed-income people, they tend not to shop around.

Everything in Lake County is more expensive. And we know that, but we end up -- especially on the fixed-income people or poverty level that was discussed earlier, we pay the price because we don't want to make the long distance phone calls to Orlando to shop around and take the time and the money to be on hold to save money.

We've already been through an area code change here. We were changed from 904 to 352, so we're victims

there, especially with our businesses. We've had to change stationery, which is an additional cost, business cards, and letting all of our customers know.

Our customers in the Orlando area that call us are put on hold. They complain. We do have an 800 number; however, we use that for our own employees to try to help them with their long distance. But we have not passed it out to our customers. If we did, we would incur an extra very large expense, but we want to keep our customers happy as well. And we are very busy, and people get on hold. They play phone tag back and forth. So every time a phone tag, three, four times you try to get back with someone, you're still charged long distance.

More being victim as far as even the mail system -- sorry, Keith -- and I just have discussed with him about the mail program. Even though we have a runner, in order for us to get our mail service early in the morning, it's our cost to us, \$430-plus a year.

Now, it seems to me that if we pick up our mail, we shouldn't be charged that, but we are.

What I would recommend is, if we're very close to this fine line being discussed, why don't you give the service free of charge for two months and let the public know, and then analyze the call volume. I'm sure

that you would find call volume would increase, especially with fixed-incomes people.

Businesses are obliged to make the phone calls and are returned as well, but I know fixed income -- my grandmother's fixed income, and you just don't make the phone calls because you know you're not going to -- you don't want the charge on it.

In our company, we -- like some other people had said, we can afford to make the monthly fee, and we would gladly pay that, not only to lower our phone bill but also to keep our customers appy. But I would still recommend to waive a fee of all and that the 25 cents per call is not an answer. Thank you.

CHAIRMAN CLARK: Thank you, Ms. Tighe.

Questions?

Thank you very much.

Marvin Puryear.

WITNESS PURYEAR: Good morning. I'm Marvin
Puryear, of 304 East Broad Street, here in Groveland. I
am a real estate broker. We have a real estate office
here. I am from this area. I grew up on the lake out
here, and my grandfather built the building we're
sitting in.

I have seen the change in South Lake County over the past twenty-some-odd years. We have a

tremendous percentage of our business coming from the Orlando area. I work directly with people moving in and out of the area. I personally live in Orange County, till my home is built. And we have advertised after-hour numbers, and on a daily basis I receive calls not during after hours but during business hours on my home phone because people don't want to make the call -- the long distance call here.

We have recently installed an 800 number because of the fact we have so many complaints of our customers because they live out of area. They don't want to take the toll charge.

We are just beginning to see the growth of South Lake County, which is the fastest-growing part of Lake County. We're booming, and it has just started.

Over the next ten years will be a tremendous increase. We have well over thirty subdivisions, many of them brand new, in what used to be orange groves, and it's just going to increase from here on.

So, personally, my wife works in Orange
County. We also call there on a daily basis, back and
forth. And the area here is directly tied into
Orange County, either personally, through medical,
family business. It's become a direct link into the
Orlando area. Again, the majority of our business are

folks coming from Orlando out here, and it will just be a matter of time before this happens anyway.

CHAIRMAN CLARK: Thank you. Any questions? Thank you, Mr. Puryear.

WITNESS PURYEAR: Thank you.

CHAIRMAN CLARK: Sayward Sherbourne.

WITNESS SHERBOURNE: Good morning. My name is Sayward Sherburne. I'm the city manager for the government of Groveland. And my address is 156 South Lake Avenue.

I'm here representing Mayor Doris Thompson of the City of Groveland and one of our business entities. Mayor Thompson has asked me to share with you her desires to see the implementation of the 25-cent toll. she is in favor of it.

The government of Groveland, at city hall, has a record -- really, a negligible record of calls to the Orange County area, although we do receive quite a few.

As to the business entity that asked me to speak on their behalf, that's R. C. Dunn Oil Company. They also apologize for not being able to be here, but they asked me to inform you that they, too, are in favor of this structure, not necessarily the twenty-five or the three, but of the change.

CHAIRMAN CLARK: Let me be clear. Does the

mayor support the 25-cent plan? 1 WITNESS SHERBURNE: Yes, ma'am. 2 3 CHAIRMAN CLARK: Does she support a flat-rate plan if that involves an increase in rates? 4 WITNESS SHERBURNE: I'm sure she would. 5 She only mentioned the 25-cent plan. 6 7 CHAIRMAN CLARK: Okay. Thank you. Do you have anything further? 8 WITNESS SHERBURNE: No, ma'am. 9 10 CHAIRMAN CLARK: Any questions? Thank you. 11 WITNESS SHERBURNE: Certainly. 12 13 CHAIRMAN CLARK: Ladice and gentlemen, we've been going for an hour and a half. I do have three more 14 people that have signed up. 15 Let me ask the court reporter. Do you think 16 you can hang on for three more people before we take a 17 break? Good. 18 19 All right. Bazel Hart. WITNESS HART: Good morning. My name is Bazel 20 I live at 1190 Chestnut Street, Clermont. 21 Hart. representing South Lake Refuse Service and Commercial 22 23 Refuse, who operate out of the Groveland area. service twenty-thousand-some-odd residential garbage 24

customers. In excess of fourteen thousand of those are

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in Orange County. We maintain an FX line and two 800 1 numbers. We are in favor of the extended service. 2 I'll be glad to answer any questions. 3 CHAIRMAN CLARK: Thank you, Mr. Hart. Any questions of Mr. Hart? 5 You indicated the business is located in б 7 Groveland? WITNESS HART: Yes, ma'am, at 109 Sampey Road. 8 CHAIRMAN CLARK: Okay. Thank you very much. 9 WITNESS HART: Thank you. 10 CHAIRMAN CLARK: Scott Wynn. Mr. Wynn, were 11 you sworn in? 12 13 WITNESS WYNN: Yes, ma'am. CHAIRMAN CLARK: Good. 14 WITNESS WYNN: Good morning, Commissioners. 15 My name is Scott Wynn, and I'm an attorney here in 16 Groveland. I live at 244 West Orange Street, which is 17 right across from the park here. My law office is at 18 145 East Broad Street in Groveland. 19 I'd like to make a couple of points. One is 20 that we need the free service to promote growth in this 21 area. We're getting so many families from Orange 22 This would just be another consideration to 23

them in moving into the area. You know, if they have

children that want to call them at work after their

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children get off school, or if they want to check on their children, they can do so.

If they have a consideration of moving into the Clermont area or a suburb of Clermont and moving into Groveland, you know, we're at a disadvantage over here.

unified or consolidated than it once was. We have a consolidated high school now. The Chamber of Commerce is going to change its name, I understand, from Clermont Area Chamber of Commerce to the South Lake Chamber of Commerce, so more and more, the two communities are becoming unified or consolidated. And I think this would just be an added factor to promote that consolidation or unity between the two communities.

Groveland is already kind of an extension of Clermont. People go to get their groceries in Clermont. Any kind of services, you have to go to Clermont anyway. To get a birthday card, or a veterinarian or anything, you have to go to Clermont. So we're more or less an extension of Clermont, and I think that would just promote more unity between the two communities.

The boundary line that exists now as to where the free service goes, in my opinion, is an unnatural and illogical boundary line. The more natural and

logical boundary line would be at the county line between Lake and Sumter Counties because there's not that much traffic and business that interacts between Sumter County and South Lake County, but there is quite a bit of business that goes on between Mascotte and Groveland and Orange County.

It would benefit my business quite a bit. I do a lot of calling to Orlando to different attorneys on different cases. There seems to be more and more attorneys in Orange County who are handling cases in Lake County, and if I have to call them or they have to call me, it's always long distance. So I think it would benefit those attorneys as well to be able to call over here on certain things.

So I just think it would really be a benefit to the community. I think it would be more logical to include us. You know, we've always been kind of the ugly stepsister to Clermont. And four years ago I thought we were supposed to get it, along with Clermont, and somehow we get left out of the loop, ** we always do, so I would just urge you to let the community vote on it and to approve it. I think it would benefit us a great deal. Thank you.

CHAIRMAN CLARK: Thank you, Mr. Wynn. Any questions?

MR. WAHLEN: Can I ask one question? 1 CHAIRMAN CLARK: Mr. Wynn, would you just --2 I just wanted to make sure. 3 MR. WAHLEN: You mentioned free service a couple of times. understand that under the EAS plan, there would be an increase in local rates? 6 I understand that. 7 WITNESS WYNN: MR. WAHLEN: Okay. I just wanted to make sure 8 that we were clear on that. 9 WITNESS WYNN: I understand. Thank you. 10 11 CHAIRMAN CLARK: Thank you, Mr. Wynn. I apologize. David Wroten. I'm sorry. You 12 should have gone a little bit earlier, and I just got 13 14 you out of order. I apologize. 15 WITNESS WROTEN: That's okay. My name is David Wroten. I live at 5836 Empire Church Road. 16 I am one of those few people that use a mobile 17 phone, and I make almost all of my long distance calls 18 in Orlando on my mobile phone, I have a sister, and I do 19 do business in Orlando. 20 21 Basically, I'm definitely for it. 22 increase the activity in people who call us. Currently we do 95 percent out of all our business in the 23 24 Lake County area, strictly because customers will not

pay the tolls to call us.

If it was enacted, I'm sure I would make more calls on individual customers, bring more revenue into Lake County. I also believe, just by enacting this, it will increase our property values tremendously, because people will not buy out here. It was one of the reasons why we didn't think about moving to Lake County originally. We lived in Orlando, and we said, "Man, our phone bill will be outrageous." We've lived with it for ten years, but --- that's basically it for us.

CHAIRMAN CLARK: Okay. Thank you, Mr. Wroten.

Mr. Ray Gilley.

WITNESS GILLEY: Good morning.

CHAIRMAN CLARK: Good morning.

WITNESS GILLEY: My name is Ray Gilley. I'm president of the South Lake Development Council. I also serve on the Industrial Development Authority for Lake County government.

I've been very active in the economic development throughout the state and certainly a lot in Lake County since moving here in 1990. We've been actively promoting the South Lake area for economic development, economic and community development. And part of that, what we do, is what we call community readiness or community development. And we've seen just an increase -- a tremendous increase in activity in the

394 area, of which I live.

we think that the EAS option for the 429 exchange would certainly benefit this area tremendously and all the people in this area. It would certainly benefit all the businesses, those that are here and those that we would hope to attract to the area to provide all of the services that people need locally as well as services that they can export to the greater Orlando area.

The unemployment rate in Lake County has, over the years, been high, especially in the South Lake area. And it's already been mentioned -- the socioeconomic status of some of the people that live over in this area.

we believe that additional employment opportunities would be available, enhanced employment opportunities would be available. It would certainly help us in our ability to promote the South Lake area. We would not have to apologize for the fact that it would be a toll call to the Orlando area.

So we are in favor of the people in the 429 exchange having the right to choose which way that they would like to go, and we would hope they would choose the 429 exchange option.

CHAIRMAN CLARK: Thank you very much,

Mr. Gillev. Any questions? 2 3 COMMISSIONER JOHNSON: Commissioners, what Mr. Gilley forgot to mention is that he's an employee 4 5 with Florida Power Corp. and has done an excellent job with respect to handling their consumer issues and has 6 been very involved in the community. I think he was a 7 little fearful we might talking about retail --8 9 WITNESS GILLEY: Right. 10 CHAIRMAN CLARK: Yes, maybe we can promote development that way, Mr. Gilley. I won't indicate to 11 your employers that you advocated that. Thank you very 12 13 much for testifying today. 14 WITNESS GILLEY: You're welcome. CHAIRMAN CLARK: We have one more person who 15 16 signed up. Sybil Myers. Ms. Myers, as you're coming 17 up, have you been sworn in? Okay. (The witness was duly sworn.) 18 CHAIRMAN CLARK: 19 Thank you. 20 WITNESS MYERS: I am for EAS. 21 CHAIRMAN CLARK: Ms. Myers, are you from 22 Groveland? I'm sorry. I'm Sybil Myers. 23 WITNESS MYERS: 24 I live at 18645 Tuscanooga Road, Groveland.

I am for this service. I can see both sides

as far as the elderly people or people on fixed incomes not being able to afford the increase, because my mother lives in Orlando; she, too, lives on a fixed income. She really thinks a lot before she calls me because of her phone bill being high. And like it was brought out before, older people sometimes — and we younger people — talk about things over and over again, but the elderly will repeat themselves a lot. So when I call my mother, I have to just try to call, make sure she's okay, and then, you know, tell her I love her and get off the phone.

But I'm concerned with her because I can't afford to call her every day, yet she could fall or hurt herself or something, and if I haven't called her, you know, she might lay there for a day or two before someone comes in to check on her, where if I call her and I talk to her, at least I know she's all right for a day until I can talk to her again.

But my phone bill runs -- it seems like I can't get it less than \$70 a month, and no matter how hard I try, with the basic service being about twenty-something dollars. And I also have True Savings, which knocks off some.

The main reason I came up here, because all this has been brought out before, is -- it's a question

that I have and maybe a lot of other people have to the Public Service Commission, is the fact that for those who cannot or feel that it's not justifiable to pay more than 25 cents per call, or, you know, the ones that feel like they can pay that because, you know, they don't call very much, is there some way that they would have a choice to having that 25-cents call, yet the people who make more calls, you know, more than twelve or thirteen calls -- why couldn't they sign up for the increase of three to four dollars. I mean, you're allowed call waiting and call forwarding. You know, you can choose things like that. Why can't you choose this service?

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CHAIRMAN CLARK: I think it has to do with technically whether it can be done or not. But we do have some toll plans that allow people to choose a higher -- it's called Optional EAS. I'm not sure if we it here, but to some extent, I'm getting beyond my expertise and I'd like to ask Ann Shelfer to answer your question on that.

MS. SHELFER: Just historically dealing with local exchange companies, their billing systems usually are not capable of doing both. They can do one or the other. And in reference to the optional plans, Southern Bell still runs into the problem where they cannot offer any type of optional plan or 25-cent plan

across the LATA. So you do not have any of that type of service here now, but -- no, the best of my knowledge, they can't do it. 3 And one of the things I'd like to clarify is, 4 if the Commission determines that a ballot was 5 appropriate and it was put to vote, it's majority rule. 6 So if it were to pass, everyone pays it, whether they 7 voted in favor of it or not. And I just wanted to 8 clarify that. It's not an optional --9 WITNESS MYERS: I understand that that's the 10 way the case would be, but I'm saying that a lot them 11 would probably vote --12 MS. SHELFER: Against it. 13 WITNESS MYERS: -- for it, of course, if they 14 had a choice that they could pay either -- you know, 15 they could take either one. 16 MS. SHELFER: Yes. Unfortunately, I don't 17 think the billing system is technically capable of doing 18 19 both. WITNESS MYERS: 20 Okay. CHAIRMAN CLARK: Thank you, Ms. Myers. 21 That concludes the public testimony at this 22 point. That's --23 Madam Chairman. 24 MR. WAGNER: CHAIRMAN CLARK: I've gone through my list. 25

Mr. Wagner.

MR. WAGNER: Yes. I wonder if it might be possible -- I know it might be a little bit irregular, but I know there are some people here, because they had asked me, they said they did not want to speak but they are supporting it. I wonder if it might be possible to have the chair ask for a show of hands of those people --

CHAIRMAN CLARK: That's fine.

MR. WAGNER: -- who are here that would be affected by it -- I'm not asking people who are not affected by it for a show of hands -- rather than stand up, because some people are already standing.

CHAIRMAN CLARK: That's fine. Would those who are in the audience who are in favor of this just raise your hand?

CHAIRMAN CLARK: That's all right. Thank you very much.

We are going to take a --

COMMISSIONER KIESLING: Why don't you just ask how many are opposed?

CHAIRMAN CLARK: Oh, that's a good point.

Those people who are opposed to it?

Mr. Hodges. Okay.

And I know there was one other person that --

at least one other person that came -- two more. I have them in my notes, so I'm sure I can find them.

Let's do this. We're going to go ahead and take a fifteen-minute break at this point.

Let me just ask a question. It may be appropriate for us to go ahead and take our lunch break right now. Is there any objection to taking a lunch break? Staff, can you think of any reason we shouldn't do that?

Why don't we do that. We will go ahead and take our lunch break from now and come back at one o'clock and begin the technical hearing at that time. Thank you-all for coming out.

(Thereupon, lunch recess taken at 11:55 a.m.)

CHAIRMAN CLARK: We'll reconvene the hearing.

This is the technical portion of the hearing.

Mr. Pierson, are there any preliminary matters we need to take up?

MR. PIERSON: Just one, Madam Chairman. I was handed a copy of a petition in support of EAS from Groveland to Orlando, and I have handed that to the court reporter, and I would like to have that marked as Exhibit Number 1, if I may.

CHAIRMAN CLARK: All right. The petition from people in Groveland --

MR. PIERSON: Yes, ma'am.

CHAIRMAN CLARK: -- which was delivered to the court reporter, will be marked as Exhibit 1, and it will be admitted in the record without objection.

(Exhibit No. 1 marked for identification.)
MR. PIERSON: Thank you.

CHAIRMAN CLARK: All right. My prehearing order indicates the witnesses who will be going first are the witnesses you are going to be sponsoring, Mr. Wagner; is that correct?

MR. WAGNER: That's correct.

CHAIRMAN CLARK: All right. Why don't we do this. There were some individuals who were here this morning that we've agreed to stipulate their testimony into the record. Why don't we go through that now.

MR. WAGNER: Okay. I believe the first one was Tim Peters. Mr. Peters was the representative for the American Hotel Register.

CHAIRMAN CLARK: Okay. I have the direct prefiled testimony of Mr. Tim Peters, consisting of three pages. We will -- his testimony, prefiled testimony, will be inserted in the record as though read, by stipulation; and cross-examination of that witness is waived.

1		Testimony of Tim Peters
2		Docket No. 941281-TL
3		Extended Area Service
4		Groveland Exchange to Orlando, Winter Garden
5		and Windermere Exchanges
6		February 1, 1996
7	Q.	Please state your name and business address.
8		
9	A.	My names is Tim Peters and my business address is
10		7920 American Way, Groveland, Florida 34736
11		
12	Q.	By whom are you employed and in what capacity?
13		
14	A.	I am employed by American Hotel Register as the
15		Warehouse Manager at our location in Groveland,
16		Florida.
17		
18	Q.	What is your educational background and
19		professional experience?
20		
21	A.	I graduated from Arizona State with a degree in
22		Management and I hold a Masters Degree in
23		Industrial Management from Northwestern. I have
24		worked for American Hotel Register for eight years.
25		Prior to that I worked for three years with Quill

1 Corporation. Prior to that I worked for Avon 2 Products in manufacturing and distribution. 3 What is the purpose of your testimony? 4 Q. 5 I wish to support the request before the Public 6 A. 7 Service Commission for subscribers of the Groveland Exchange for Extended Area Service to allow calls 8 to the Orlando, Winter Garden and Windermere 9 10 exchanges. 11 12 What is your position in this Docket? Q. 13 14 A. Our business, American Hotel Register, is a 130 15 year old hospitality supplier which supplies the 16 hospitality and other industries with approximately 17 27,000 different types of products. From our 18 location in the Lake County Central Park we service 19 the Southeast United States. The number of calls 20 that I make to the Orlando, Winter Garden and 21 Windermere exchanges for business probably exceed 22 25 per week. 23 In addition, nine of our 10 employees live in the 24 25 Orlando, Winter Garden and Windermere exchanges.

1		Therefore any calls which they make from work or
2		which they have to make from their home to work
3		currently incur long distance charges.
4		
5		Also, personally I live in Windermere and any calls
6		that I make or which my wife makes back and forth
7		presently require us to pay for it as a long
8		distance call.
9		
10	Q.	Does this conclude your testimony?
11		
12	A.	Yes.
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MR. WAGNER: We also had Mr. Otto Wright.

Mr. Wright is a Realtor, and his testimony is

approximately four pages.

CHAIRMAN CLARK: The prefiled direct testimony of Mr. Otto Wright, consisting of four pages, will be entered in the record as though read, through stipulation, and cross-examination -- further cross-examination of Mr. Wright is waived.

1		Testimony of Otto Wright
2		Docket No. 941281-TL
3		Extended Area Service
4		Groveland Exchange to Orlando, Winter Garden
5		and Windermere Exchanges
6		February 1, 1996
7	Q.	Please state your name and business address.
8		
9	A.	My name is Otto Wright. I am the owner of All-
10		Right Realty, Inc. located at 147 E. Broad Street,
11		Groveland, Florida 34736.
12		
13	Q.	Mr. Wright, you are self-employed as a Realtor?
14		
15	A.	That's correct. I hold a real estate broker's
16		license, and operating through All-Right Realty,
17		Inc. deal in acreage, commercial and residential
18		real estate. I have been in the real estate
19		business in the Groveland-Clermont area for
20		approximately 12 years.
21		
2 2	Q.	Please state your educational background.
23		
24	A.	I hold a two-year Associate Degree in Business from

the College of Commerce in South Bend, Indiana.

1	Q.	What is the purpose of , r testimony?
2		
3	A.	The purpose of my testimony is to give my support
4		to the request before the Public Service Commission
5		for subscribers of the Groveland Exchange for
6		Extended Area Service to allow calling to the
7		Orlando, Winter Garden and Windermere exchanges and
8		likewise from those exchanges to the Groveland
9		exchange.
10		
11	Q.	What is your position?
12		
13	A.	I support the request because it would be very
14		beneficial to my business. I have customers in the
15		Orlando area and I make approximately 15 calls a
16		week to Orlando. I also have to maintain an 800
17		number to be able to get calls from the Orlando
18		area. Obviously if calls could be made without
19		long distance charges I would not need to maintain
20		the 800 number.
21		
22		Also I believe that there is some potential
23		business that I do not get simply because I have to
24		be selective in the long distance calls that I
25		make. As a small business man I don't have the

luxury of being able to afford unlimited long distance charges. Therefore, Ι do not automatically return calls to potential prospects unless I am certain that they have an interest in acreage or property that I might be marketing. Thus I believe that there is some potential business that I am losing or not getting simply because I cannot afford to make all the calls that I would need to make to avail myself of every possible opportunity. I also have one sales associates who resides in Ocoee and his calls to and from the office are therefore long distance calls.

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I believe it is important for a small business like mine in order to prosper and even survive to have free access to those markets which I service which includes Orlando, Winter Garden and Windermere. That access now has restrictions which are placed upon me by the additional cost incurred as a result of the present long distance charges between the 429 exchange and the Orlando, Winter Garden and Windermere areas. I would therefore very much appreciate the elimination of the toll charges for those calls. I am also aware that there would be a

1		monthly charge put on my bill for that Extended
2		Area Service, but believe it would be preferable to
3		the charges that I am now having to pay.
4		
5	Q.	Does that conclude your testimony?
6		
7	A.	Yes.
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MR. WAGNER: And the last one we had was
Mr. Wayne Turner. His testimony consists again of
barely four pages. His answer "yes" is on the fourth
page.

CHAIRMAN CLARK: All right. The prefiled direct testimony of Mr. Wayne Turner will be inserted in the record as though read, by stipulation, and further cross-examination of Mr. Turner is waived.

L		restimony of wayne Turner
2		Docket No. 941281-TL
3		Extended Area Service
4		Groveland Exchange to Orlando, Winter Garden
5		and Windermere Exchanges
6		February 1, 1996
7	Q.	Please state your name and business address.
8		
9	A.	My name is Wayne Turner, and my business address is
10		200 E. Broad Street, Groveland, FL 34736.
11		
12	Q.	By whom are you employed and in what capacity?
13		
14	A.	I am employed by the Peoples State Bank of
15		Groveland, Florida as the President and Chief
16		Executive Officer.
17		
18	Q.	Please state your educational background and
19		professional experience.
20		
21	A.	I graduated with a B.S. Degree in Business
22		Administration from Florida Southern. I am a
23		graduate of the Graduate School of Banking,
24		University of Wisconsin. Before coming to the
25		Peoples State Bank in Groveland I served with a

1 bank in Bradenton, Florida. Prior to that I served 2 for six years with a savings and loan association 3 in Lakeland, Florida and prior to that I was with a bank in Bradenton for 10 years. 5 What is the purpose of your testimony? 6 0. 7 8 A. The purpose of my testimony is to support the 9 request before the Public Services Commission for 10 subscribers of the Groveland Exchange for Extended 11 Area Service to allow calling to the Orlando, 12 Winter Garden and Windermere Exchanges without

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i.

15 Q. What is your position in this Docket?

incurring long distance charges.

16

17 Α. I support the petition because of the strong tie 18 that the bank has with the Orlando, Winter Garden 19 and Windermere areas. The bank's professionals 20 such as attorneys, CPA's are in Orlando. The 21 company that handles the bank's data and computer 22 business and our other banking services are located 23 in Orlando. In addition, we anticipate an expanded 24 market in Orlando and likewise will have the need 25 to call back and forth to those exchanges from Groveland. We presently have loan customers in the Winter Garden area and in order for them to make inquiries or contact the bank they must presently make a long distance call. The bank also has employees in the Winter Garden and Windermere area and these employees have children. These employees have a need to be able to call back and forth between the exchanges without long distance charges.

In addition, our correspondent banks, SunTrust and Independent Bankers' Bank of Florida are located in Orlando. We are also a participating bank with the Bank of Winter Park. I can tell you that in November we made approximately 387 calls into those exchanges. In December it was 489 calls and in January of this year it was 430 calls. As you can see it would be a great benefit to the bank and to our customers and employees to be able to call into the Orlando, Winter Garden and Windermere exchanges without having to incur long distance charges. I therefore wholeheartedly support the petition presently before the Commission.

25 Q. Does that conclude your testimony?

1	A.	Yes.
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CHAIRMAN CLARK: Okay. Does that cover all 1 those witnesses we had this morning? 2 MR. WAGNER: Yes, the witnesses for this morning. We also had some additional testimony that I think was accepted in the pretrial order. I think those 5 are noted. 6 CHAIRMAN CLARK: All right. My prehearing 7 order indicates Mr. Bob Hayden, Mr. Ted Williams, 8 Mr. Gary Williams, Miss Doris Thompson, and Joseph Stanley -- that the parties have stipulated that the 10 11 testimony of these witnesses will be placed in the 12 record without their having to appear. MR. WAGNER: That's correct. 13 14 15 16 17 18 19 20 21 22 23

24

1		Testimony of Bob Hayden
2		Docket No. 941281-TL
3		Extended Area Service
4		Groveland Exchange to Orlando, Winter Garden
5		and Windermere Exchanges
6		February 13, 1996
7	Q.	Please state your name and business address.
8		
9	Α.	My name is Bob Hayden and my business address is
10		7525 American Way, Groveland, Florida 34736.
11		
12	Q.	By whom are you employed and in what capacity?
13		
14	Α.	I am presently employed by Marriott Distribution as
15		Division Director of Operations. Marriott
16		Distribution has nine distribution centers
17		throughout the United States. One of them is
18		located in the Lake County Central Park.
19		
20	Q.	Would you please give us an idea of your
21		educational background and your working background?
22		
23	A.	I have a Business Degree from Dallas Baptist
24		University in Dallas, Texas and I am currently
25		enrolled in the MBA Program at Dallas Baptist

University, Dallas, Texas. Prior to coming to work
for Marriott Distribution I served as a consultant.
Prior to that I worked for Pro Source for 11 years
as an area General Manager in charge of a business
which had approximately \$250,000,000.00 in annual

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sales.

8 Q. Would you please tell me what the purpose of your
9 testimony is and what your position is with regard
10 to the request pending before the Public Service
11 Commission for Extended Area Service from the
12 Groveland Exchange to the Orlando, Winter Garden
13 and Windermere exchanges?

14

I wholeheartedly support the request before the 15 A. 16 Public Service Commission. Marriott Distribution 17 is a distributor of food products to hotels, hospitals and other businesses. Our location in 18 19 the Lake County Central Park operates out of a 20 126,500 square foot distribution center. From that 21 location we will be servicing Columbia Hospitals, Howard Johnsons, Ritz Carltons, all of the Marriott 22 23 hotels, Merrill-Lynch cafeterias, Steak and Ales and Bennigan's. 24

We are presently hiring employees and anticipate that a great number of those employees will be coming from the area serviced by the Orlando, Winter Garden and Windermere exchanges. example, I have hired a Director of Distribution who lives in Orlando. His job requires him to be on call 24 hours a day, seven days a week. Obviously, any calls by him from the Orlando, Winter Garden and Windermere exchanges to his place of employment and from work into those exchanges would necessitate long distance calls. For those employees who will be living in the Orlando, Winter Garden and Windermere exchange area who will have children in school there, it would be a long distance call in case of a school emergency or medical emergency involving those children when a parent or parents are at work. In addition, for something as simple as a child calling a parent to let them know they were home from school or a parent calling to make sure that the children had arrived home from school safely that would likewise be a long distance call. Thus, from the advantage of my potential employees the non-optional Extended Area Service would definitely be a needed service which they would utilize.

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In addition, Ryder Trucking in Orlando handles all
of our fleet services, and we therefore anticipate
a high volume of calls between the two exchanges in
that regard.

Further, the supplier of our material handling equipment and other services and products will be coming out of the Orlando, Winter Garden and Windermere exchanges. Thus, any calls that we make to them and that they make to us would require long distance charges. To eliminate those charges for a flat rate, non-optional toll would certainly be beneficial not only for our business but also for those businesses that we will be dealing with on a daily basis. We also anticipate, as past experience has dictated, numerous calls from customers both those that they will initiate to us and that we will initiate to them.

So from a standpoint of our potential employees, customers and suppliers of services, I believe that those community of interest factors justify surveying for a non-optional Extended Area of Service but also the ultimate granting of that Extended Area of Service.

1	Q.	Does	this	conclude	your	testimony	
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3	λ.	Yes,	it do	oes.			
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1		Testimony of Ted Williams
2		Docket No. 941281-TL
3		Extended Area Service
4		Groveland Exchange to Orlando, Winter Garden
5		and Windermere Exchanges
6		February 5, 1996
7	Q.	Please state your name and address.
8		
9	A.	My name is Ted Williams and my address is 850 North
10		Howey Road, Groveland, Florida 34736.
11		
12	Q.	By whom are you employed and in what capacity?
13		
14	A.	I am employed by Sumter Electric as the Eastern
15		Division Manager. I have the responsibility for
16		all of Lake County. I have worked for them for 22
17		years.
18		
19	Q.	Please state your educational background and
20		professional experience.
21		
22	A.	As I stated I have worked for Sumter Electric for
53		22 years and I have a B.S. Degree from the
24		University of Nebraska.

1 Q. What is the purpose of your testimony?

2

A. The purpose of my testimony is to lend the support of Sumter Electric to the request before the Public Service Commission for the subscribers of the Groveland Exchange for Extended Area Service which would allow calling to the Orlando, Winter Garden and Windermere exchanges without long distance charges.

10

11 Q. What is your position in this Docket?

12

13 A. Sumter Electric currently makes and receives numerous phone calls each week from developers for 14 15 new projects that are under development and those 16 calls come and go to the Orlando, Winter Garden and Windermere exchanges. We also have requests from 17 18 new customers from those areas and questions 19 regarding billings and other accounting matters and 20 other general matters. It would be very beneficial 21 for Sumter Electric to be able to make those calls and to have people be able to make calls to us 22 23 without incurring the long distance charges.

24

25 Q. You understand don't you that if the EAS were

2		charge?
3		
4	A.	Yes I realize that but I believe that charge would
5		be preferable to the condition as it now exists
6		which requires us to pay long distance charges
7		every time we call into those exchanges or every
8		time someone from those exchanges calls Sumter
9		Electric in the 429 exchange. I therefore very
10		much support the petition that is in this docket
11		before the Public Service Commission.
12		
13	Q.	Does that conclude your testimony?
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15	A.	Yes.
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granted that there would be an additional monthly

1		Testimony of Gary Williams
2		Docket No. 941281-TL
3		Extended Area Service
4		Groveland Exchange to Orlando, Winter Garden
5		and Windermere Exchanges
6		February 5, 1996
7	Q.	Please state your name and business address.
8		
9	A.	My name is Gary Williams and my business address is
10		619 State Road 50, Groveland, Florida 34736.
11		
12	Q.	By whom are you employed and in what capacity?
13		
14	A.	I am employed by Marian Farms, Inc. and I am their
15		comptroller. Marian Farms, Inc. is a tree farm and
16		peat mining business. We sell wholesale to
17		landscapers, city, county and state governments and
18		developers, etc. I have been with Marian Farms,
19		Inc. since 1987.
20		
21	Q.	What is your educational background and
22		professional experience?
23		
24	A.	I have a four year accounting degree from Louisiana
25		State Universit . Prior to working for Marian

in Orlando. 2 3 What is the purpose of your testimony? Q. 5 6 A. The purpose of my testimony is to establish that I 7 have an interest and that there are other community 8 interest factors (other than interchange traffic 9 patterns) which should be considered by the 10 Commission in granting the Extended Area Service 11 from the Groveland Exchange to the Orlando, Winter 12 Garden and Windermere exchanges. I support the 13 effort to implement the Extended Area Service as our current expenses for being able to call back 14 15 and forth to the Orlando, Winter Garden and 16 Windermere area is approximately \$600.00 per month. 17 Granting of the Extended Area Service would lessen 18 that bill and would result in what I believe would be an increase in business, so we very definitely 19 20 support the request for Extended Area Service. 21 22 Q. You understand of course that there would be a 23 charge for this service?

Farms I was a comptroller for an orthopedic clinic

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Yes I do, but I believe it would be preferable to

1		the	expense	s and	inc	onvenier	nce	which	We	now
2		expe	rience.							
3			•							
4	Q.	Does	this co	nclude	your	testimo	ny?			
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6	A.	Yes.								
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1		Testimony of Doris Thompson
2		Docket No. 941281-TL
3		Extended Area Service
4		Groveland Exchange to Orlando, Winter Garden
5		and Windermere Exchanges
6		February 1, 1996
7	Q.	Would you please state your name and address?
8		
9	Α.	My name is Doris Thompson and my address is 717 Oak
10		Lane, Groveland, Florida 34736.
11		
12	Q.	By whom are you employed and in what capacity?
13		
14	A.	I am the Vice-President of Thompson Steel and have
15		held that position since 1990. I am also the Mayor
16		of the City of Groveland.
17		
18	Q.	What is the purpose of your testimony?
19		
20	A.	The purpose of my testimony is to support the
21		request before the Public Service Commission for
22		subscribers of the 429 Groveland Exchange for
23		Extended Area Service to allow calls to the
24		Orlando, Winter Garden and Windermere exchanges
25		without incurring long distance charges.

1	Q.	What is your position in this Docket?
2		
3	A.	I support the effort for Extended Area Service.
4		Personally, all the physicians which I utilize are
5		located in Winter Garden. Therefore, any time that
6		I need to contact them for any reason it is a long
7		distance call.
8		
9		In addition, the City Manager for the City of
10		Groveland makes several calls per week to the
11		Orlando, Winter Garden and Windermere exchanges and
12		it would be beneficial to the City if they could
13		make those calls without having to pay a long
14		distance charge for each call.
15		
16	Q.	Does that conclude your testimony.
17		
18	A.	Yes.
19		
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-2-

1	BellSouth Telecommunications, Inc.
2	Testimony of Joseph A. Stanley, Jr.
3	Before the Florida Public Service Commission
4	Docket No. 941281-TL
5	February 26, 1996
6	
7	
8 Q.	Please state your name and business address.
9	
10 A.	I am Joseph A. Stanley, Jr. My business address is 3535
11	Colonnade Parkway, Birmingham, Alabama 35243.
12	
13 Q.	By whom are you employed?
14	
15 A.	I am employed by BellSouth Telecommunications. Inc. as a
16	Director in the Consumer Services Organization.
17	
18 Q.	Please give a brief description of your background and
19	experience.
20	
21 A.	I graduated from Auburn University with a Bachelor of
22	Science degree in Industrial Engineering and from the
23	University of Alabama in Birmingham with a Masters in
24	Business Administration. I have 27 years experience in
25	the telephone industry and am currently responsible for

-1-

1 developing tariffs and pricing for local exchange and 2 ... toll residential service in the nine BellSouth states. 3 4 0. Have you previously testified before this Commission? 5 6 A. Yes. I testified during the hearing on BellSouth's 7 Extended Calling Service (ECS) filing last year. 8 What is the purpose of your testimony? 10 The purpose of my testimony is to address the issues 11 A. identified in Docket No. 941281-TL. These issues 12 include whether a sufficient community of interest 13 14 exists between Groveland and Orlando to justify a plan 15 that would provide toll relief and what the revenue 16 impact would be on BellSouth. 17 Which routes associated with this Docket involve 18 O. 19 BellSouth exchanges? 20 The only route involved is Groveland to Orlando. 21 A. Orlando is a BellSouth exchange. 22 23 24 Q. Did BellSouth conduct traffic studies on this route? 25

-2-

1 A. No. BellSouth did not conduct traffic studies on the 2 route from Orlando to Groveland. This is an interLATA 3 route; Orlando is in the Orlando LATA and Groveland is in the Gainesville LATA. Data is not available to BellSouth on interLATA routes. The Commission recognized this and in Order No. PSC-95-0596-FOF-TL, dated May 11, 1995, relieved BellSouth of the 7 requirement to file traffic data on the interLATA route 8 9 in this Docket. 10 11 0. Does BellSouth have a position as to whether sufficient community of interest exists between Orlando and 12 13 Groveland to justify non-optional flat rate Extended Area Service (EAS)? 14 15 In the absence of traffic data, we do not have any 16 A. No. 17 evidence to know whether a sufficient community of 18 interest exists. We are not aware of any other significant community of interest consideration that 19 would justify flat rate EAS. The Commission in Order 20 No. PSC 95-0875-FOF-TL did state that while United's 21 traffic study did support the M/A/M (Messages per Access 22 Line per Month) requirements set forth in Rule 23 25-4-060(3), the distribution requirement of at least 24 50% of the subscribers in the petitioning exchange 25

1 making 2 or more calls per month was not met. 2 Does BellSouth think that an alternative plan, such as 3 0. 4 Extended Calling Service, should be recommended as a method to provide toll relief? 5 6 7 A. We do not. Since this is an interLATA route. 8 BellSouth would be required to obtain waivers in order to provide service between Orlando and Groveland. 9 The 10 only such waivers that we have been successful in 11 obtaining are for non-optional flat rate EAS. 12 13 If EAS is not approved, and the Commission wishes to 14 consider an ECS alternative, then the issues would seem to be the same as for the routes considered in the 15 Commission Staff's workshop on January 23, 1996 where a 16 17 modified ECS (MECS) plan was presented. The MECS plan 18 includes a per message rate for residence and per minute 19 rate for business (as described in BellSouth's existing 20 ECS tariff) and also includes a 10% additive in the access line rate of the petitioning exchange. The 21 22 petitioning exchange would also be required to be balloted, with the results of the ballot determining 23 whether a waiver be requested. The Groveland to Orlando 24

-4-

route was not included in the routes that were discussed

1 during the workshop by the Commission Staff. 2 If non-optional flat rate EAS or an alternative plan, 3 0. such as modified ECS was Ordered, what would be the revenue effect to BellSouth? 5 7 A. Without supporting data, we are unable to determine our access revenue loss. BellSouth would incur additional 9 cost associated with either leasing or constructing facilities between Orlando and Groveland, since today we 10 11 are prohibited from transporting those calls. We can not estimate this cost since we do not know the traffic 12 13 volumes. 14 15 0. What effect will the passage of the Federal legislation have on BellSouth's ability to provide a "calling plan" 16 between Orlando and Groveland? 17 18 19 A. At this time it is unknown what effect the new 20 legislation will have. We do feel that it will be some 21 time before BellSouth will be allowed to compete in the interLATA long distance market, and then only under the 22 quidelines that will be set forth by the FCC. 23 24

Please summarize your testimony.

25 Q.

1		
2	A.	BellSouth does not feel that non-optional flat rate EAS
3		is warranted between Orlando and Groveland. The rule i
4		clear on the requirements, and traffic data provided by
5		United does not appear to meet those requirements. If
6		the Commission still believes that some toll relief is
7		justified, then we recommend that an alternative plan
8		such as ECS be considered.
9		
10	Q.	Does this conclude your testimony?
11		
12	A.	Yes.
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MR. CARVER: Madam Chairman. If I could just raise one issue related to Mr. Stanley's testimony.

CHAIRMAN CLARK: Yes.

MR. CARVER: Before the parties into entered into the stipulation, I inquired, and no one had any cross-examination questions; however, if there's anything related to BellSouth that the Commission would like to ask, Ms. Sims is present, and she could take the stand to answer those questions if necessary.

CHAIRMAN CLARK: Okay. Thank you, Mr. Carver.

That's helpful. Okay. Then we are back to our order of witnesses, and Mr. Carroll Fulmer is our first witness.

MR. WAGNER: Madam Chairman, if I could, Alvin Jackson, who is here, has another conflict at two o'clock, and I don't anticipate that Carroll is going to take that long, but if we could take Mr. Jackson at this point in time, it would facilitate things and allow him to get on with his schedule.

CHAIRMAN CLARK: All right. Is there any objection from the other parties?

MR. WAHLEN: We don't have any objection. I was just -- I talked to Mr. Carver, and we wouldn't have any objection to having all of the subscriber testimony inserted into the record as though read and waive cross-examination, if that would help us move along this

1	afternoon.
2	CHAIRMAN CLARK: Mr. Wagner or the staff, do
3	you need to cross-examine those witnesses? Staff.
4	MR. PIERSON: I believe we have a couple
5	questions for Mr. Fulmer.
6	CHAIRMAN CLARK: Okay.
7	MR. WAHLEN: Well, then maybe Mr. Fulmer could
8	take the stand, and we don't hav any objection to the
9	others being handled in that manner.
10	CHAIRMAN CLARK: Just so I'm clear, the
11	parties at this point are willing to stipulate into the
12	record the prefiled testimony of Mr. Welton Cadwell,
13	Mr. Alvin Jackson, Mr. Albert Smith, and
14	Mr. Cole Whitaker; is that correct?
15	MR. WAHLEN: That's correct.
16	CHAIRMAN CLARK: All right. Without
17	objection, the prefiled testimony of the witnesses I
18	just read will be entered in the record as though read.
19	
20	
21	
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1		Testimony of Welton G. Cadwell
2		Docket No. 941281-TL
3		Extended Area Service
4		Groveland Exchange to Orlando, Winter Garden
5		and Windermere Exchanges
6		February , 1996
7	Q.	Please state your name and address.
8		
9	A.	My name is Welton G. Cadwell and my business
10		address is 315 W. Main Street, Tavares, Florida
11		32778.
12		
13	Q.	By whom are you employed and in what Capacity?
14		
15	Α.	I am the Chairman of the Board of County
16		Commissioners for Lake County, Florida. My
17		responsibilities in that position are therefore
18		quite broad and would encompass all of the duties
19		normally associated with that position.
20		
21	Q.	Please state your educational background and
22		professional experience.
23		
24	A.	I graduated from Gupton-Jones College, Atlanta,
25		Georgia, with an A.S. degree. I am also a licensed
		••

1 funeral director in the State of Florida. I served 2 on the City Council of Umatilla, Florida for two years and served as City Administrator 3 Umatilla, Florida for five years. I am the pastpresident of the Lake County League of Cities. I 5 am a member of the Board of Directors of the Metro-7 Orlando Economic Development Commission of Mid-8 Florida. I am a member of the Industrial 9 Development Authority of Lake County. Ι am Chairman of the Transportation Disadvantaged Board 10 11 and I have served six years on the East Central Florida Regional Planning Council. 12

13

14 Q. What is the purpose of your testimony?

15

16 A. The purpose of my testimony is to address the 17 issues in Docket 941281-TL before the Florida 18 Public Service Commission which is a petition by subscribers of the Groveland Exchange for Extended 19 Area Service (EAS) to the Orlando, Winter Garden 20 and Windermere exchanges. 21 My testimony is to 22 establish that there are other community of 23 interest factors which should be considered by the 24 Commission (other than inter-exchange traffic 25 patterns) to warrant further proceedings.

1 0. I am handing you a document entitled "Resolution" and would ask if you recognize this and could you 2 identify it for us? 3 5 A. Certainly. This is a Resolution by of the Board of 6 County Commissioners of Lake County, Florida 7 supporting the Extended Area Service proposed in 8 this Docket. This Resolution was duly adopted on 9 June 20, 1995 and is signed by the then Chairman, Rhonda H. Gerber. 10 11 What interest would the Lake County Commission have 12 0. in this EAS petition? 13 14 The Board of County Commissioners is the owner of 15 A. an industrial park located at the intersection of 16 17 State Highways 19 and 27 within the Groveland 18 Telephone Exchange. It would be a definite 19 economic benefit to those businesses in the park to 20 have the EAS service and a definite economic 21 incentive to those business who are considering the industrial park. We are located only 30 minutes 22 23 from Orlando by the use of the Sunshine State

locating within this park will have employees who

We also anticipate that businesses

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25

Parkway.

live not only in Lake County but will have 1 employees who live in the Orlando, Winter Garden 2 and Windermere exchanges with children in school in 3 those areas. If the calling system is left as it is it would be a long distance call to check on 5 children in school, for emergencies that might 6 arise while the parents are at work and likewise it 7 would be a long distance call for something as 8 simple as children calling their parents to let 9 them know that they had arrived home safely after 10 11 school. In addition, there are businesses and shopping facilities in the Orlando, Winter Garden 12 and Windermere exchanges which we believe would be 13 utilized by the businesses within the industrial 14 park, their employees, and the other inhabitants of 15 16 the Groveland exchange.

17

18 Q. Commissioner Cadwell, would you please summarize
19 your testimony?

20

21 A. While the objective inter-change traffic patterns
22 may not be completely present in this case, I
23 believe that there are subjective community of
24 interest factors sufficient to warrant
25 implementation of a flat-rate, non-optional EAS on

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1		the requested route. At least I believe that they
2		are sufficient to allow for a survey to be made of
3		the subscribers of the Groveland exchange.
4		
5	Q.	Does that conclude your testimony.
6		
7	A.	Yes.
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1		rescimony of Arvin B. Sackson, St.
2		Docket No. 941281-TL
3		Extended Area Service
4		Groveland Exchange to Orlando, Winter Garden
5		and Windermere Exchanges
6		February , 1996
7	Q.	Flease state your name and address.
8		
9	A.	My name is Alvin B. Jackson, Jr. and my business
10		address is 315 W. Main Street, Tavares, Florida
11		32778.
12		
13	Q.	By whom are you employed and in what capacity?
14		
15	A.	I am the Lake County Economic Development
16		Coordinator responsible for coordinating and
17		directing economic development activities for Lake
18		County through the Economic Development Commission
19		of Mid-Florida. I serve as a liaison between the
20		management of the Economic Development Commission
21		and leadership of Lake County to respond to the
22		needs of clients requesting assistance with new
23		industry for Lake County or expansion of current
24		industry. I assist other economic development
25		commission staff members in the development of

literature to help promote Lake County. I also 1 serve as Secretary to the Lake County Industrial 2 Development Authority. In that capacity I gather 3 data regarding the available industrial buildings, office buildings and development sites that have 5 been permitted for the construction of industrial 6 I also serve with the and office buildings. 7 8 Economic Development Commission's film and television office and am an ombudsman with county 9 and city authorities to insure appropriate progress 10 11 in the permitting of those projects.

12

Q. Please state your educational background andprofessional experience.

15

16 A. I graduated from the University of Maryland with a
17 Bachelor of Arts - Government and Politics (Public
18 Administration). From 1993 until the present I
19 have served as the Lake County Economic Development
20 Coordinator. Prior to that from 1990 until 1993 I
21 was Human Services Director for the City of Eustis.
22 I have with me, if you like, a copy of my resume.

23

Q. Certainly, we'll attach that to your testimony since it appears that it is rather extensive. 1 A. Thank you.

2

3 Q. What is the purpose of your testimony?

4

The purpose of my testimony in this Docket Number 5 A. 6 941281-TL is to establish that there are other 7 community of interest factors (other than inter-8 change traffic patterns) which should be considered 9 by the Commission and which warrant further 10 proceedings such as a survey of the subscribers of 11 the Groveland Exchange for Extended Area Service to 12 Orlando, Winter Garden and Windermere 13 exchanges. My testimony is based upon 14 experience with the economic development of Lake 15 County and in particular with the development of the Lake County Central Park. 16

17

18 Q. Would you tell us what Lake County Central Park is?

19

20 A. Lake County Central Park is a 578 acre industrial
21 park located at the intersection of State Highways
22 19 and 27 within the Groveland telephone exchange
23 which also has immediate access to the Florida
24 Turnpike.

1 Q. What is your position in this Docket?

2

I support the effort to implement the Extended Area A. 3 Service. In my position as Coordinator of Economic 5 Development I receive inquiries from companies 6 wishing to locate in the mid-Florida area and 7 companies in the Orlando area who are looking to relocate in the area of Lake County because of its 9 proximity to the Orlando area. Three good examples 10 of these which are currently operating out of or 11 will in the near future be operating out of the 12 Lake County Central Park are Carroll Fulmer & Co., Inc., a trucking company of general commodities and 13 one of the top 200 motor carriers in the United 14 States; American Hotel Register, a 130-year-old-15 hospitality leader which supplies hotels throughout 16 17 the world with 27,000 different products from offices not only in Central Park but at various 18 19 locations; and Marriott International, Inc. which supplies products and services to Wendy's, Outback 20 Steakhouse, Sizzler International and other multi-21 unit restaurant chains. Marriott is going to be 22 23 occupying 126,500-square-foot-regional a 24 distribution center in the park. Much of their 25 business has and will be done with businesses in

the Orlando. Winter Garden and Windermere exchanges. To have the EAS service available to them and other prospective businesses seeking to locate in the park would be attractive and provide an additional incentive in marketing. realize that we are only 30 minutes from Orlando approximately 45 minutes and to International Airport.

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We market ourselves as being in the metro-Orlando region and in fact the Metro-Orlando Economic Development Commission of Mid-Florida serves Orange, Seminole, Lake and Osceola Counties.

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I very much believe that the extended area of service requested in this petition would be very valuable not only to the businesses in the Groveland exchange but also to the individuals living in the Groveland exchange as it will allow both the businesses and the individuals to have freer access to services, goods and the markets in the areas comprising the Orlando, Winter Garden and Windermere exchanges.

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23

I believe that the granting of the EAS service or

more particularly having a subscriber survey to determine the customer interest would show that there are sufficient community of interest factors to allow the Extended Area Service. Most certainly my work in the economic development area, because of the various businesses and individuals that I come in contact with, supports the need for this extended service and supports the fact that there is a sufficient community of interest. Q. Does that conclude your testimony. A. Yes.

1		Testimony of Albert K. Smith
2		Docket No. 941281-TL
3		Extended Area Service
4		Groveland Exchange to Orlando, Winter Garden
5		and Windermere Exchanges
6		February 1, 1996
7	Q.	Please state your name and address.
8		
9	A.	My name is Albert K. Smith and my business address
10		is 115 Atlantic Avenue, Mascotte, Florida 34753.
11		
12	Q.	By whom are you employed and in what capacity?
13		
14	A.	I am the owner of Smith's Nursery, which is a
15		general nursery and landscaping business located in
16		Mascotte, Florida within the 429 exchange. I have
17		been in business there for 23 years.
18		
19	Q.	What is the purpose of your testimony?
20		
21	A.	The purpose of my testimony is to support the
2 2		request presently before the Public Service
23		Commission for subscribers of the Groveland
24		Exchange for Extended Area Service to allow calling
25		into the Orlando, Winter Garden and Windermere

exchanges without incurring long distance charges.

3 Q. What is your position in this Docket?

A. I support the effort to implement the Extended Area Service. I probably make at least 25 calls a week to the Orlando, Winter Garden and Windermere exchanges. There are, however, times that I do not call simply for economic reasons. That is if I don't believe that it will result directly in me obtaining business I hesitate making a call. believe that if I had free access without toll calling it would greatly help and expand my business.

We also order materials and chemicals for our business from other businesses in the Orlando, Winter Garden and Windermere exchanges and it would be extremely beneficial to me not to have to pay the long distance charges. I am aware that if we get the Extended Area Service there would be an added expense to my bill, but I feel as though it would still be beneficial to me for the continued growth, expansion and operation of my business.

1		Testimony of Cole Whitaker
2		Docket No. 941281-TL
3		Extended Area Service
4		Groveland Exchange to Orlando, Winter Garden
5		and Windermere Exchanges
6		February 1, 1996
7	Q.	Please state your name and business address.
8		
9	A.	My name is Cole Whitaker and my business address is
10		45 W. Washington Street, Orlando, Florida 32801.
11		
12	Q.	By whom are you employed and in what capacity?
13		
14	A.	I am the owner of Cole Whitaker Realty located at
15		the address just given. Cole Whitaker Realty deals
16		in commercial property and I have held a broker's
17		license in Florida since 1983.
18		
19	Q.	Please state your educational background and
20		professional experience.
21		
22	A.	I graduated with a Bachelor of Science Degree from
23		Southern Methodist University in 1981 and I have
24		been licensed in the state of Florida as a real
25		estate broker since 1983.

1 Q. What is the purpose of your testimony? 2 The purpose of my testimony is to support the 3 A. request before the Public Service Commission for subscribers of the Groveland Exchange 5 exchange) for Extended Area Service to allow 6 7 calling to the Orlando, Winter Garden and Windermere exchanges without incurring long 9 distance charges. 10 11 Q. What is your position in this Docket? 12 I support the effort to implement the Extended Area 13 A. Service. I own two tracts of real property in the 14 429 exchange which are located adjacent to the Lake 15 County Central Park. The two tracts which I own 16 17 are for commercial use and development. approximately 205 acres in size and the other is 18 approximately 80 acres in size. These are located 19 in the approximate area of the intersection of 20 State Highways 19 and 27 and the Sunshine State 21 Parkway. I have owned these parcels since 1987. 22 23 It would certainly be a great benefit in developing 24

25

and attracting businesses and commercial operations

to this property for them to be able to call from 1 the 429 exchange to the Orlando, Winter Garden and 2 Windermere exchanges without incurring long 3 distance charges. I understand and appreciate that if the Extended Area Service is granted that there 5 would be an additional monthly charge, but firmly 6 believe that this charge would be preferable to the 7 condition as it now exists which would require 8 9 businesses located in the 429 exchange to pay long distance charges every time they needed to call 10 into the Orlando, Winter Garden and Windermere 11 I therefore wholeheartedly support the 12 exchanges. petition presently before the Commission and would 13 14 ask that those people within the 429 exchange be given the opportunity to be surveyed further for 15 this service. 16

17

18 Q. Does that conclude your testimony?

19

20 A. Yes.

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1	MR. WAGNER: Madam Chairman, point or
2	clarification. In Mr. Cadwell, he's the chairman of
3	Lake County Commission. There was a resolution. I
4	assume that that's included with that.
5	CHAIRMAN CLARK: Why don't we mark that as an
6	exhibit. And let me ask staff.
7	Do I have a copy of that resolution? Should I
8	have a copy of that resolution?
9	MR. WAGNER: It should have been attached to
10	the testimony. If it was not Cadwell. I'm sorry.
11	COMMISSIONER KIESLING: It is not attached
12	it's not attached to mine.
13	MS. SHELFER: It is not attached to mine.
14	MR. WAGNER: I have one copy. I can assure
15	sure you I will and I'll give it to the Commission
16	so
17	CHAIRMAN CLARK: Before we conclude, we'll
18	make sure we get that marked as an exhibit, okay?
19	MR. WAGNER: I can give you this copy right
20	now, if you'd lika.
21	CHAIRMAN CLARK: All right. Let's mark it as
22	Exhibit 2. And what is it? Is it a resolution?
23	MR. WAGNER: Yes. It's a Resolution of the
24	Lake County Commission.
25	CHAIRMAN CLARK: Okay. A Resolution of the

Lake County Commission, dated June 20th, 1995. It will be marked as Exhibit 2, and it will be admitted in the record without objection. 3 (Exhibit No. 2 marked for identification.) 4 CHAIRMAN CLARK: Okay. Then, Mr. Wagner, I 5 believe we should call Mr. Fulmer to the stand. 6 7 MR. WAGNER: Yes, ma'am. 8 CHAIRMAN CLARK: Thank you, Mr. Jackson. Are you sworn in, Mr. Fulmer? 9 WITNESS FULMER: Yes. Yes, ma'am. 10 CHAIRMAN CLARK: Good. Go ahead and give us 11 your name. What we usually do is, ask you a few -- we 12 13 read your prefiled testimony, but why don't you go ahead 14 and give us your name and address, and then we'll deal with your prefiled testimony. 15 WITNESS FULMER: Okay. My name is Carroll 16 Fulmer. My address, 8340 American Way, Groveland, 17 Florida 34736. 18 And I did have prefiled testimony by my 19 attorney. 20 21 22 23 24 25

-	CARROLL FOLKER
2	was called as a witness on behalf of the Subscribers of
3	the Groveland Exchange and, having been duly sworn,
4	testified as follows:
5	DIRECT EXAMINATION
6	BY MR. WAGNER:
7	Q Mr. Fulmer, you did prefiled testimony in
8	this case?
9	A I believe you did on my behalf.
10	Q Okay. And have you had a chance to review
11	that testimony?
12	A Yes, I have.
13	Q And are there any changes, deletions, or
14	corrections that you would like to make into that
15	testimony?
16	A Not that I can think of.
17	MR. WAGNER: Can we have him summarize do
18	you want him to summarize?
19	CHAIRMAN CLARK: Yes.
20	MR. WAGNER: He can do that if you'd like.
21	CHAIRMAN CLARK: What we'll do, we'll go
22	ahead and insert the prefiled testimony of
23	Mr. Carroll Fulmer, consisting of eight pages, will be
24	inserted in the record as though read.
25	

1		Testimony of Carroll L. Fulmer
2		Docket No. 941281-TL
3		Extended Area Service
4		Groveland Exchange to Orlando, Winter Garden
5		and Windermere Exchanges
6		February 14, 1996
7	Q.	Please state your name and your business address.
8		
9	A.	My name is Carroll L. Fulmer and my business
10		address is 8340 American Way, Groveland, Florida
11		34736.
12		
13	Q.	Where do you reside, Mr. Fulmer?
14		
15	A.	I live at 8971 Charleston Park, Orlando, Florida
16		32819-4439.
17		
18	Q.	Please tell us by whom you are employed and in what
19		capacity.
20		
21	A.	I am Chairman of the Board of Carroll Fulmer Group,
22		Inc. and of Carroll Fulmer & Co., Inc. as well as
23		Chairman of the Board for approximately 14 other
24		corporations which are wholly owned subsidiaries of
25		Carroll Fulmer Group, Inc. or independent

corporations. My responsibilities include (along 1 with the other Board members) establishing general 2 corporate policy with respect to matters such as 3 activities, products, business pricing services. 5 financing fol the corporations, initiating extraordinary corporate transactions such as purchase and sale of assets, acquiring 7 related businesses and general supervision of the 8 corporate officers and personnel. 9

10

11 Q. Please state your educational background and professional experience.

13

14 A. I graduated from Ridge Spring High School in Ridge Spring, South Carolina. I have been self-employed 15 I have been primarily engaged in the 16 17 business of a transportation broker and related trucking industry operations. Since 1981 we have 18 been operating as a common carrier and as an exempt 19 regulated Interstate Commerce 20 and Commission broker. 21 Carroll Fulmer £ Co., Inc., 22 operational company for Carroll Fulmer Group, Inc. 23 operates 18 offices throughout the United States 24 and provides the services I just mentioned for 25 shipments in the United States and Canada.

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2	I am a member of the National Agricultural
3	Transportation League and am past Chairman of the
4	Board of that organization. I am a member of the
5	American Trucking Association and various other
6	trucking industry affiliates. I served on the
7	National Safety Committee of the American Trucking
8	Association. I am a member of the City of Orlando
9	Naval Training Center Reuse Commission Committee.
10	More personally I am a member of the St. Paul's
11	Evangelical Lutheran Church of Orlando. I serve on
12	the Board of Visitors for the Southern Seminary,
13	was an original founding director of Orlando
14	Lutheran Towers, a retirement and nursing home
15	facility located in Orlando, and past Chairman of
16	the Board of that organization. I have served with
17	the Boy Scouts of America and also with the Orange
18	County Zoning and Planning Board. I served in the
19	Naval Reserves for eight years and received an
20	Honorable Discharge in 1959.

21

Q. Mr. Fulmer, what is the purpose of your testimony here today?

24

25 A. The purpose of my testimony is to address the issue

of the community of interest factors other than
traffic studies which would justify the surveying
and ultimate granting of non-optional Extended Area
Service from the Groveland exchange to the Orlando,
Winter Garden and Windermere exchanges.

Q. What is your position with regard to the petition before the Public Service Commission in this Docket?

11 A. My position both personally and from a business
12 standpoint is that I wholeheartedly support the
13 proposed non-optional Extended Area Service.

Personally I reside in Orlando with my wife and, as earlier noted, our business is located in the Groveland 429 exchange within the Lake County Central Park. Thus whenever I am at work and need to make calls to my wife or if she is at work and I might be at home, those calls all incur long distance charges. In addition, because of the recent relocation of our family business, several of my children are relocating in the Groveland area and for us to be able to make calls to them and for them to be able to make personal calls to us will

necessitate long distance charges.

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From a business standpoint, we chose last year to relocate to Lake County because our business had grown more quickly than we had anticipated and we out grew our existing business facility located in Orlando. Because we are in the trucking business we need to be located in proximity to major highways and interstates. That type of property facilities was not available at reasonable cost in the Orlando area so we had to look to Lake County. We chose to relocate in Lake County because we knew we would have employees who would choose to remain in the Orlando area and drive to the site which we presently occupy. we were able to retain most of our employees notwithstanding the fact that we moved our business operations.

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We presently have approximately 67 employees in our Lake County office of which approximately 34 percent reside in the Orlando, Winter Garden and Windermere exchanges. They have children enrolled in school there or have doctors located in those areas, etc. Obviously, when it becomes necessary

for them to attend to emergencies such as a child's illness or something requires them to stay at home for them to contact us it is a long distance call. Likewise, if for example, they want something as routine as their children calling them when they get home from school to make sure they are OK, that again is a long distance call. They also make necessary calls from our place of business for personal use and that requires or incurs additional long distance charges.

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A great number of our customers are located in the Orlando exchange area and in order to maintain that business we have to maintain an "800" number which we would not have to have if we had the Extended Service available. When we originally Area considered relocating to Lake County, Mr. Skip who was employed by United Telephone Baker indicated that we would be in the Clermont exchange and thus not incur long distance charges for calls back to the Orlando, Winter Garden and Windermere area. He even gave us a reserved telephone number of 394-0000. Subsequent to that time after having made financial and other commitments for moving the business was when I became aware that we were

1 actually going to be in the Groveland exchange and would incur long distance charges for calls to the 2 3 Orlando, Winter Garden and Windermere exchanges. In addition, not only are our customers located in the Orlando area, but people who supply us with 5 professional services such as legal advise, CPA's are located in the Orlando exchange. This means from a business standpoint that our cost of operation are larger than they necessarily would be with the Extended Area Service. 10

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We anticipate remaining in our present location for a considerable period of time. When we purchased there it was with the thought of being able to accommodate a significant expansion of business. With such expansion will come additional employees, and although we anticipate hiring some locally within the area, we very much anticipate a considerable number of them will be from the Orlando, Winter Garden and Windermere exchange This is especially true in light of the areas. present traffic congestion in the early morning and evening hours in the Orlando area. Our present employees within those exchanges do not incur that congestion because of their ability to travel on

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the Florida State Turnpike and Highway 27 to reach our location at its intersection with Highways 19 2 and 27. 3 In short, it just makes good sense both personally, 5 that is from my individual standpoint, and from the 6 7 standpoint of my employees and business to have the Extended Area Service. I very much recognize that 8 there would be a monthly charge added to our phones 9 10 for this service, but likewise believe that it is 11 preferable to the charges which we are presently 12 For the reasons that I have spoken incurring. 13 about, I would ask that the Public Service 14 Commission determine that there are sufficient community of interest factors other than the 15 16 traffic studies to justify surveying for non-17 optional Extended Area Service. 18 19 Q. Does that conclude your testimony? 20 21 A. Yes. 22 23 24 25

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CHAIRMAN CLARK: And, Mr. Fulmer, you can give a summary of that testimony if you would like.

withess fulmer: Well, I think that it's a very unfortunate situation that we are in here, in that when I came here to Lake County and was looking for a place to put our business from Orange County, I searched out -- our bank required that we inquire of the phone company and the gas company and the telephone company and everything, the facilities that were available, before they would offer us a mortgage to buy the property.

and I called the office of the phone company and found out -- first, the county commissioner's office told me what phone company was there. And I was pre-given a number by Mr. Skip Baker of 394-0000 -- would be my phone number. And we went through all the process with the other -- other utilities and found out who they were, SECO and different ones. And only after we got our property -- I knew that -- I became aware that 394 and the 242 number was -- the 242 exchange in Clermont was a local phone to Orlando. We were very concerned about that because we knew we would have a lot of calls back and forth and customers in Orlando and also employees in Orlando that would come with us.

found out that we were not in that exchange, we could not get that phone number, and it certainly would have made an impact on where we located. We might have located in Clermont rather than the Lake County Industrial Park.

And I hate to say that, because the people in charge of Lake County Industrial Park have done nothing but a triple-A job in selling Lake County and the park.

The sign -- I kidded Alvin Jackson that their letters were wearing off the sign. He had it for sale.

But, in fairness, they've done nothing but good for us, but it was really unfortunate that we got this number, and then it didn't work, and so we had to do otherwise. And that's why we're here today, is because of that.

But certainly everything that everybody said this morning, back and forth, is applicable to us and my employees. About 34 percent of them are still commuting from Orlando and the Winter Garden area. We now have more Lake County employees than we do Orange County employees. But still there's -- about 24, 25 is commuting from the Orlando area.

And I wish that we could have had that clear, communicated a little differently to us. But that's really the only thing that we have there, is the phone

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Everything else has worked beautifully, and I
   wish -- I hope that it will give the people of this 429
   exchange the right to vote on it.
 3
              I believe that it will be approved if you can
   see your way to give them the right to vote on it,
5
   because I think that it will mean so much for the county
   and so much for the park. It's just -- it will mean a
7
   lot economically, and economically it brings people into
8
   here, and it brings dollars into Lake County and so
9
10
   forth.
11
               CHAIRMAN CLARK: Okay. Thank you,
   Mr. Fulmer.
12
13
               Mr. Wahlen, do you have any questions?
               MR. WAHLEN: No. ma'am.
14
15
               CHAIRMAN CLARK: Mr. Carver?
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               MR. CARVER: No, ma'am.
17
               CHAIRMAN CLARK: Mr. Pierson?
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               MR. PIERSON: Thank you, Madam Chairman.
19
                       CROSS-EXAMINATION
20
   BY MR. PIERSON:
21
               Mr. Fulmer, you stated in your prefiled
   testimony on Page 6, at Lines 16 through 25, that you
22
23
   were initially assigned a telephone number in the
   Clermont exchange. Do you recall that?
24
25
         A
              Yes, I do.
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Q Do you recall the name of the individual who assigned you that number?

- A Yes, I do. He was in my office. Mr. Skip Baker.
- Q Oh, it's in there, in your testimony, anyway.
 I apologize.
- A I believe he was out of the Winter Park office. I'm not sure. I had never met him. I called for information, and he was the one that I got.
 - Q Do you recall his position with United?
- A No, I -- you know, I never dealt with United.

 I didn't know anybody in United, so I really don't know.

 I probably have his card in the office. I have met with numerous United people since that time. I have probably eight or ten different cards in the file, but I do not know -- I guess he was a sales rep, by him calling on me. I wouldn't want to try to guess.
- Q At what point in time did you become aware that you were actually located in the Groveland exchange?
- A Okay. After we closed on the property, one day I was in my car, and I needed to call my office.

 And so I stopped at that blue tent over there and used the pay phone. And when I called my office, it wasn't a local call, and it had 429.

And I said, "Wait a minute." I was supposed to have a local line over here. It's not Clermont. So I got to checking, and it wasn't a Clermont exchange. And so that's when I started checking further. And then I talked with someone -- I met with someone out of Ocala, and I met one time with the county. They brought in a group of people from United, and -- I believe it was at a Commerce -- a Chamber of Commerce group that some United people attended, and I met with them. And that was when I really found out that I was outside the 394, which I thought I was in.

- Q What is that blue tent you were talking about?
- A That is -- I believe it's called the "Welcome Center" or something. It's not the official one, but it's the blue tent right there on 27 as you come off Exit 285 at the turnpike. I think it's called some kind of welcome center.
- Q How close is that tent located to your office, your -- the company?
- A I believe it's less than a half a mile. It's the next business from my business. It's within a half a mile, I would think.
- Q When did United inform you that you could not have that number?

A Well, when they met with me, they apologized and said the gentleman was no longer with the company and said that -- they apologized. And I accepted that. I had closed on the property. I didn't have a lot of choices on what I could do, so I had to go forward with it. But it was some time after we had closed that I made that call to my office, only to find out that it wasn't a Clermont number.

Ω

Q Are you willing to pay a \$9.13 additive for EAS?

A For twenty-five lines. Yes, sir. My calls run about -- I had it checked before we came here. We're averaging twenty-five to twenty-six hundred calls per month to Orlando, and from somewhere between two thousand to twenty-five hundred calls inbound on our 800 line. Our computer shows where the calls come from and so forth, and goes to, and that's what -- we had it analyzed. It shows that's what we're averaging, somewhere between four thousand and five thousand calls a month in a two-way conversation.

And all of our -- not all of our calls, but a heavy portion of our calls are much less than a minute. Many of them are faxes. We have ten fax machines in my office, and each department has a fax machine. So a fax will last, today's fax machines, twenty to thirty

seconds. They'll do a page. And that's why if you've only got a one-page -- most of our orders are only single-page orders, and it would go through in twenty or thirty seconds.

And I'm on a ten-cent-a-minute rate, so therefore it'll cost me, maximum, ten-cents to make a call to Orlando if I don't talk over a minute or I don't use a fax over a minute. That's why the 25-cent call wouldn't save me any money at all. It would probably cost me money.

- You're talking about an optional --
- A Yes. I'm sorry. I'm talking about the optional.
 - Q Are you aware that that would be ten cents for the first minute and six cents for each succeeding minute?
 - A Oh, I thought that what they talked about earlier was straight 25 cent. I thought --
 - Q That's for residential.

- A Okay. No, I'm currently paying -- my long distance, both ways, is ten cents a minute, in and out. So on short calls, I mean, you call it a dime a call, is about what it cost you.
- Q Then if it was six cents for each successive minute, you would actually save money under that plan,

wouldn't you? 1 If I paid ten for the first and six for each? 2 Yes. 3 Q I don't think so. If I only talk a minute, 4 and I got ten cents a minute, it will only cost me a 5 dime. If I go the second minute, it's going to cost me, 7 what, sixteen cents -- or twenty cents. Excuse me. Yeah. Right. 8 Yes, I understand what you're saying now. 9 But 10 most of my calls, as I stated earlier, are one minute or less because we're dealing with orders, and it's a 11 12 single page, usually, that's going in or out, or a 13 confirmation of an order. Someone sends an order, and we zip it back confirmed "Yes," and that takes very 14 little time. 15 16 MR. PIERSON: Thank you. I have nothing 17 further. 18 WITNESS FULMER: Thank you. 19 CHAIRMAN CLARK: Mr. Wagner, any redirect? MR. WAGNER: Yeah. 20 I would just like to ask 21 Mr. Fulmer to clarify -- I think he's set it out from 22 his business standpoint. 23 REDIRECT EXAMINATION 24 BY MR. WAGNER: 25 Q But clarify for us, please, how this affects

you, personally.

A Well, personally, my wife is in Orlando I'm here. It's long distance. I don't know. It affects me somewhat, but more business than it does personally, but it does affect me somewhat personally -- for doctors, dentists. Everybody -- I think that's been said all morning. For all professional help, most everything we do -- our CPAs and legal advice. And I have a doctor and a dentist in Orlando, the same as everybody else does, a tremendous amount of them.

MR. WAGNER: Thank you.

CHAIRMAN CLARK: Thank you.

Thank you, Mr. Pulmer.

WITNESS FULMER: Thank you.

MR. WAGNER: Madam Chairman.

CHAIRMAN CLARK: Yes.

MR. WAGNER: Just one point. I had originally thought we would use the map behind, but that's a duplicate of -- it's actually a blow-up of United Tel, without some fancy stuff, up there. So I assume their map is going to be in. I'd like the Commission to be aware of where the boundaries are, at least, for this.

And I also have a list that I got from Ann Shelfer of the exchange numbers, and I was going to use

1 Mmr. Fulmer to put that in. I just would like to make sure that the Commission is aware of the exchanges that we're talking about and not overlook that. And this was not attached as an exhibit, but II think it was listed as coming in under Mr. Fulmer's 5 testimony. I don't know if there's any objection to it or not. 7 MR. WAHLEN: We don't have any objection to 8 it as long as we understand what it is. 9 CHAIRMAN CLARK: Let me back up a minute. 10 Let's go ahead and indicate -- let me be clear, 11 Mr. Wagner. You think the map that is attached to --12 MR. WAHLEN: Ms. Harrell's testimony. 13 CHAIRMAN CLARK: What? 14 MR. WHALEN: Ms. Harrell's testimony. 15 CHAIRMAN CLARK: Ms. Harrell's testimony --16 is adequate for purposes of informing the Commission 17 where the lines are and what we're talking about in 18 terms of service. 19 20 MR. WHALEN: It is a duplicate -- the one -at least the copy that I have that's attached to her 21

testimony is a duplicate of what you have behind you there.

22

23

24

CHAIRMAN CLARK: When she takes the stand, we will be entering those into the record as exhibits.

so we don't need to enter the exhibits -- the map of Groveland that was attached to Mr. Fulmer's testimony?

MR. WAGNER: Originally Ms. Shelfer had given me a map, and it was kind of busy. It showed a broader area. So when I looked at what United had filed, it was much simpler and much cleaner.

Yeah, that's the map there, that Commissioner Kiesling has, that originally I was intending to use, but the one behind I think is simpler and lays it out just with the affected areas.

CHAIRMAN CLARK: All right. Would you tell me what the other item is you'd like to have identified as an Exhibit?

MR. WAGNER: Yes. This is the exchanges for Orlando, Windermere, and Winter Garden that would be affected, as I understand it, if the EAS, the Extended Area Service, was granted. At least that's the way it was represented to me.

CHAIRMAN CLARK: All right. So Exhibit -we'll mark it as Exhibit 3, and it will be titled the
exchanges that will be affected by this proceeding if
EAS is implemented in this docket.

MR. WAGNER: That's correct.

CHAIRMAN CLARK: Okay. That will be marked

as Exhibit 3 and admitted without objection. 2 MR. PIERSON: Chairman Clark. 3 CHAIRMAN CLARK: Yes. 4 MR. PIERSON: If I may, this exhibit is actually the NXX codes. It's not the exchanges. 5 It's the NXX codes by exchange. 6 7 CHAIRMAN CLARK: And will you make sure the 8 court reporter has that? And it will be marked as 9 Exhibit 3. 10 Mr. Wagner, we probably need to go back to 11 Mr. Jackson's testimony because he did attach his 12 resume, and I think we should identify and admit into the record Mr. Alvin Jackson's resume, which was 13 attached to his prefiled testimony. It will be marked 14 as Exhibit 4, and it will be admitted in the record 15 16 without objection. That's Mr. Jackson's resume that's 17 attached to his prefiled testimony. Okay. 18 (Exhibit No. 3 and 4 marked for identification.) 19 20 That concludes Mr. Fulmer's testimony, and he is excused. And the next witness I have is Ms. Harrell. 21 22 MR. WAHLEN: That's correct. United calls Sharon Harrell. 23 24 CHAIRMAN CLARK: Ms. Harrell, you were sworn 25 in, were you not?

1	WITNESS HARRELL: Yes, I was.
2	CHAIRMAN CLARK: Good.
3	
4	SHARON E. HARRELL
5	was called as a witness on behalf of United Telephone
6	Company of Florida and, having been duly sworn,
7	testified as follows:
8	DIRECT EXAMINATION
9	BY MR. WAHLEN:
10	Q Would you please state your name.
11	A My name is Sharon E. Harrell.
12	Q And by whom are you employed?
13	A I'm employed by Sprint-United Telephone of
14	Plorida.
15	Q Ms. Harrell, did you prepare and cause to be
16	filed in this docket prepared direct testimony
17	consisting of ten pages?
18	A Yes, I did.
19	Q Do you have any corrections to your
20	testimony?
21	A Yes, I do.
22	Q Would you please make them at this time?
23	A Yes. Mr. Wahlen provided a handout that
24	supersedes
25	Q That's your exhibit. Do the testimony first,

and then we'll do the exhibit. 1 2 I'm sorry. On Page 8 of my direct testimony, Line 25, the last entry -- it shows \$58,728. The 3 corrected number should be 30,648. Do you have any other changes to your 5 Q testimony? 6 7 No, I do not. A If I were to ask you the questions contained 8 in your testimony today, would your answers be the same? 9 10 Yes, they would. 11 MR. WAHLEN: We would like Ms. Harrell's 12 testimony inserted into the record as though read. 13 CHAIRMAN CLARK: The prefiled direct testimony of Sharon Harrell will be inserted in the 14 15 record as though read. 16 17 18 19 20 21 22 23 24 25

UNITED TELEPHONE COMPANY
OF PLORIDA
CEMTRAL TELEPHONE COMPANY
OF PLORIDA
DOCKET NO. 941281-TL
FILED: 2/26/96

1		BEFORE THE PUBLIC SERVICE COMMISSION
2	u.	DIRECT TESTINONY
3		OF
4		SHARON E. HARRELL
5	Ω.	Please state your name, business address and title.
6		
7	A.	My name is Sharon E. Harrell. My business address is Post
8		Office Box 165000, Altamonte Springs, Florida, 32716-5000.
9		
10		I am Tariff Manager - Exchange Services for United
11		Telephone Company of Florida ("Sprint-United") and Central
12		Telephone Company of Florida ("Sprint-Centel"). This
13		docket only involves Sprint-United.
14		
15	Q.	Please describe your previous work experience.
16		
1.7	A.	I began my career in 1964 when I joined United Telephone of
18		Ohio as a long distance operator. In 1973, I transferred
19		to the position of Service Representative in the Business
20		Office. In 1977, I relocated to Florida and began work as
21		a long distance operator with United Telephone of Florida.
22		I transferred to the Business Office in 1978 as a Service
23		Representative. In 1980 I was promoted to the position of
24		Business Office Supervisor. I moved to the Staff
25		Administrator Customer Service position in 1986. In that

1 position I was responsible for providing support and 2 direction to eight business offices and two collection offices for United. 3 4 5 I began my present assignment in 1993. 6 7 Have you previously testified before the Commission? Q. 8 9 Yes. I was the witness for Sprint-United and Sprint-Centel A. in Docket No. 920837-TL, which dealt with the proper 10 11 tariffing of telephone service for elevators and common 12 areas within residential facilities. 13 What is the purpose of your testimony? 14 Q. 15 16 A. The purpose of my testimony is to address the issues in 17 this docket. My testimony is based upon traffic studies conducted by United in this docket involving the interLATA 18 19 long distance route between the Groveland exchange and the 20 Orlando, Winter Garden and Windermere exchanges. 21 22 Q. Have you prepared an exhibit to accompany your testimony? 23 24 Exhibit is a composite exhibit (SEH-1) consisting of two documents. This exhibit was prepared by 25

me or under my direction and supervision for presentation 1 in this docket. 2 3 What is Sprint-United's basic position in this docket? 4 5 Two separate traffic studies were completed on these 6 A. The results of both studies reflected sufficient 7 messages per access line per month ("M/A/Ms") on the 8 Groveland to Orlando route. However the frequency 9 distribution, or number of subscribers making 2 or more 10 calls per month fell short of the minimum requirements of 11 the existing FPSC Rules to qualify for balloting for flat 12 rate, non-optional Extended Area Service ("EAS") between 13

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The traffic studies also reflected that the Groveland to Winter Garden and Groveland to Windermere routes failed to meet either minimum requirement as set forth in the existing FPSC Rules to qualify for balloting for flat rate, non-optional EAS.

Groveland and Orlando. Rather, the calling patterns on

this route support the implementation of an Extended

Calling Service ("ECS") Plan.

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Q. Please explain more fully the results of the traffic studies conducted by United.

1	λ.	The original traffic study was conducted in October 1994,
2		and a second study was conducted in March 1995. In both
3		studies, the requirement of at least 3 M/A/Ms was met on
4		the Groveland to Orlando route. However, the number of
5		customers making 2 or more calls per month fell short of
6		the 50% requirement in the Commission's rule.
7		
8		Here are some additional observations based on customer
9		usage data on the Groveland to Orlando route:
10		
11		 41% of residence customers did not make any
12		calls.
13		
14		• 52% of residential customers made less than 2
15		calls per month
16		
17		The implementation of non-optional plans allows high volume
18		users to benefit at the expense of low volume users. And,
19		generally, business customers benefit at the expense of
20		residential customers. For these reasons United supports
21		the implementation of ECS rather than a non-optional plan.
22		
23		Implementing an ECS Plan would place the burden of paying
24		for the calls on those customers who are placing the calls.
25		

Is there sufficient community of interest on the Groveland 1 to Orlando route to justify balloting for flat rate EAS?

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Florida Public. Service Commission No. The 25-4.060(3), Florida Administrative Code, requires a preliminary showing that there is a community of interest sufficient to warrant further EAS proceedings. Because the Groveland exchange has less than half the access lines of the Orlando exchange, one-way traffic may be used to establish a preliminary finding of a sufficient community of interest. A sufficient community of interest exists when the calling rate exceeds 3 M/A/Ms and 50% of the subscribers in the exchange make 2 or more calls per month. The Groveland traffic satisfied the M/A/M criteria, but fell short of the requirement that at least 50% of the Groveland subscribers make 2 or more calls per month.

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interest factors should What other community of be Q. optional considered in determining if either an or non-optional InterLATA toll alternative should be implemented?

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addition to considerations provided for commission rules, there are some factors often mentioned by subscribers desiring EAS. Such factors may include the location of schools, fire/police departments, medical/emergency facilities, and county government.

All schools, emergency services and governmental agencies for the Groveland exchange are located in Lake County and can be accessed toll free. Therefore, these traditional community of interest factors are not applicable for the implementation of flat rate, non-optional EAS on the Groveland to Orlando route.

In addition to the above factors, there is the issue regarding the Windermere and Winter Garden exchanges and the need to incorporate them in this EAS issue. The traffic study results do not support including these routes. However due to the issue of leapfrogging, we would agree that only the Winter Garden exchange should be included with any offering of flat rate non-optional EAS with the 25/25 plan and regrouping.

Since the Windermere exchange would be involved only when calls from the southern most point of the Groveland exchange were placed to the Orlando exchange, United does not believe the Windermere exchange should be included. A map showing the locations of these exchanges may be found in document 2 of my composite exhibit.

1	Ω٠	If a sufficient community of interest is determined, what
2		alternative plans should be considered?
3		
4	λ.	If the Commission determines that a sufficient community of
5		interest exists, United believes the best solution is an
6		ECS Plan, or as this is an InterLATA route, a modified ECS
7		Plan.
8		
9		The second alternative would be that subscribers should be
10		surveyed for flat rate, non-optional EAS with the 25/25
11		additive and regrouping.
12		
13	Ω.	Please explain the 25/25 EAS plan with regrouping.
14		
15	λ.	The 25/25 EAS plan with regrouping provides a mechanism to
16		provide flat rate EAS while offering a partial recovery of
17		costs to the Company.
18		
19		Under this plan, an additive is calculated based on the
20		additional calling scope gained. For the Groveland
21		subscribers, the additive would be based on the number of
22		lines in the Orlando and Winter Garden exchanges. There
23		are approximately 370,000 lines in the combined exchanges,
24		which would place the exchange in United's Rate Group 5.
25		The additive for each type of line is computed by

multiplying 25 percent times the various access line rates 1 in rate group 5. This amount is then added to the Groveland rate. In addition, if enlarging the local calling area causes the requesting e..change to regroup, the rate for the new rate group would also apply. In this case, the addition of the Orlando exchange to the 6 Groveland exchange local calling area would result in a regrouping of the Groveland exchange to R United's Rate Group 6. 11 What is the economic impact of the 25/25 EAS plan with 12

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regrouping on subscribers?

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Subscribers in the Groveland exchange would be charged an additive to their basic monthly rate as shown on document 1 of my composite exhibit. In addition, the exchange would be regrouped to United's Rate Group 6, which would result in an increase in the basic local service rate. information is also reflected on Document 1 of my composite exhibit.

21

22

23

What is the economic impact of the 25/25 EAS plan with Q. regrouping on United?

24

25

The estimated revenue impact to United would be

annually. These dollars do not reflect the additional costs for the facilities that will have to be installed or leased from an IXC to carry the traffic. Also to be considered are the costs for directories, the directory assistance three call allowance, and the cost of programming to convert the existing toll traffic to local traffic, or other administrative costs associated with the implementation of the toll alternative.

Q. What is the economic impact of implementing an ECS Plan or MECS ("Modified Extended Calling Service") Plan?

A. Based on the monthly calling volume reflected in the traffic studies, the estimated annual revenue impact to United would be a loss of \$85,000. As with the implementation of EAS, these dollars do not reflect the additional costs for facilities that may be required to carry the traffic, or the costs for switch translations, directories, the directory assistance allowance, or other administrative costs associated with the implementation of the toll alternative.

Q. Should subscribers be required to pay an additive as a prerequisite to implementation of EAS?

1	A.	Yes. If the Commission orders non-optional flat rate EAS,
2		it should order the 25/25 plan with regrouping, as
3		discussed in my testimony.
4		
5	٥.	If EAS is determined to be appropriate, should the
6		customers be surveyed?
7		
8	A.	Yes. If a non-optional plan is determined to be
9		appropriate, then the subscribers should be surveyed. All
10		subscribers should have a voice in the implementation of
11		such a plan, since all subscribers will pay for the plan if
12		implemented.
13		
14	Q.	Does that conclude your direct testimony?
15		
16	A.	Yes.

Q (By Mr. Wahlen) Now, Ms. Harrell, when you submitted your testimony, did you also submit two exhibits, SEH-1 and SE -- oh, I'm sorry, it's one exhibit with two pages?

A Yes, I did.

Q And do you have any corrections to the first page of that exhibit?

A Yes, I do.

Q And are those -- is the document that I handed out a corrected version of Document 1 of SEH-1?

A That's correct.

Q Would you just highlight for the Commission the changes to your Document Number 1?

A Yes. In the 25/25 Additive column, the R1 rate on the original reflected 2.18. The corrected rate is 2.37. The B1 rate reflected \$3.80, and the corrected rate is \$5.57. And on the PBX rate, it reflected 10.25, and it should be 11.13.

On the Total Additive column, the R1 rate reflected 3.68, and the correct rate is 3.87. And the PBX rate reflected 10.33, and the correct rate is 18.21.

And on the New Rate column, the R1 rate showed 12.41; it should be 12.60. The B1 rate reflected 27.83; the correct rate is 29.60. And on PBX, the rate shown was 58.31; and the correct rate is 59.19.

1	Q Do you have any other changes to your
2	Document 1 of your exhibit?
3	A No, I do not.
4	Q Do you have any changes to Document 2 of your
5	exhibit?
6	A No, I do not.
7	Q And is Document 2 of your exhibit a version
8	of the map that Mr. Wagner has provided us as a
9	demonstrative aid today?
LO	A Yes, it is.
11	MR. WAHLEN: Commissioner Clark, we would ask
12	that Revised Document 1 of Sharon Harrell's exhibit and
L 3	Document 2 of Sharon Harrell's exhibit be identified as
L 4	a composite exhibit.
15	CHAIRMAN CLARK: They will be identified as
16	Composite Exhibit 5.
17	(Composite Exhibit No. 5 marked for
18	identification.)
19	Q (By Mr. Wahlen) Ms. Harrell, would you
20	please summarize your testimony?
21	A Yes. United conducted two traffic studies on
22	the route between Groveland and the Orlando, Windermere,
23	and Winter Garden exchanges. There were sufficient
2 4	messages per access line per month on the Groveland to
25	Orlando route; however, the frequency distribution or

```
number of subscribers making two or more calls fell
1
   short of the minimum requirements of the rules to
2
   qualify for balloting for flat-rate, non-optional EAS.
 3
   Rather, the calling patterns on the Groveland to Orlando
   route support the implementation of calling service plan
 5
   ECS.
 6
               A non-optional plan allows high volume users
 7
   to benefit at the expense of low volume users.
 8
   customers generally benefit at the expense of
   residential customers. United supports the
10
    implementation of ECS rather than a non-optional plan.
11
               That concludes my summary.
12
               MR. WAHLEN: Thank you.
13
               Ms. Harrell is available for
14
15
    cross-examination.
               CHAIRMAN CLARK: Do we also need to identify
16
    or enter into the record the traffic study?
17
               MR. WAHLEN:
                            My understanding is that that
18
19
    will be done during the staff's cross-examination.
               CHAIRMAN CLARK: All right. Go ahead.
                                                        Thank
20
21
   you.
                           I got ahead of you, Mr. Wagner.
22
               I'm sorry.
   Do you have any questions?
23
               MR. WAGNER: Yes, ma'am, just a few for
24
   clarification.
25
```

CROSS-EXAMINATION

BY MR. WAGNER:

- Q Ms. Harrell, on Page 4 of your testimony, on Line 11, you made some observations there, and the first one says that 41 percent of the residence customers did not make any calls. Am I to assume from that, then, that the 59 percent did make a call?
 - At least one call, yes.
 - Q Okay. And that is a majority, is it not?
 - A Yes, it is.
 - Q Okay. Let me ask you, are you against the people in the 429 exchange being surveyed to determine whether or not they want the EAS service?
 - A No, we are not. If the Commission should determine that there is sufficient criteria to support surveying, then we do feel that if they're going to permit EAS, a survey should be conducted.
- Q Okay. Calling your attention to Pages 8 and 9 of your testimony, I want to make sure I understand this correctly. If the EAS service with the 25/25 was approved, that had a result -- I believe you corrected the figure to say \$30,648 annually of revenue impact?
- A Based strictly on the local service revenue versus the loss of access revenue, yes. That does not include any cost associated with facilities.

Right, I understand that. 1 Q What does "revenue impact" infer? What are 2 we talking about? Is that lost profit or just total 3 revenue? This is just looking at total revenue, the 5 A difference in the dollars between local service dollars 6 and access dollars. 7 Okay. And I'm assuming that your profit on 8 9 that would be considerably less; is that correct? 10 Yes, sir. And if I understood also, again in your 11 Q testimony, on Line 14 of Page 9, you indicated that if 12 they went to the ECS plan or a modified ECS plan, that 13 the annual revenue impact would actually be considerably 14 greater; is that correct? 15 That's correct. 16 And again, the same question, I assume that 17 your revenue impact is not your profit? 18 That's correct. This is simply the 19 A difference between local service revenues and -- or the 20 25-cent revenue and the access revenue. 21 Would the investment costs that you had 22 alluded to, I think, in your earlier testimony a few 23

minutes ago -- would those be the same between both

plans? I'm talking about trunking charges and the

network costs and those things.

- A Normally the ECS plans don't require additional trunking, they don't always require that. There is not normally the increase in usage that there is when you implement EAS.
- Q On Page 6 of your testimony, you talk about -- and let me get the correct line -- on Line 6 of Page 6 -- actually Line 4 -- you talk about our traditional community of interest factors. You would agree that those are not the only community of interest factors, would you not?
- A Yes, I would agree with that. These are just the ones that normally are brought before the Commission for review.
- Q And am I correct -- again historically, do you know whether or not the Commission has allowed full cost recovery on routes on which the flat EAS was approved?
- A It's my understanding that normally full cost recovery is not allowed.
- Q Now, I think earlier in the day the Commission Staff, I think, had indicated that there was a problem with the interLATA or the possibility of the interLATA routes. Is it possible that if the Commission were to say they went for one of the others, other than

```
the Extended Area Service plan, isn't it possible that,
 1
 2
    in essence, it would be denying at kind of toll relief
 3
    to this exchange?
               MR. WALLEN: To the exter that that calls
   for interpretation of all the federal laws, I'll object,
 5
    but if she can answer, I don't have any objection with
 6
    that.
 7
               I don't know that it would be a full denial.
 8
 9
    It certainly would cause a delay to the customers.
10
               MR. WAGNER: I don't have any further
11
    questions.
12
               CHAIRMAN CLARK: Thank you. Staff.
               MR. PIERSON: Thank you, Madam Chairman.
13
14
                       CROSS-EXAMINATION
15
    BY MR. PIERSON:
16
               Mr. Wagner just referred you to Page 9 and
    that $85,000 in lost revenue. Would you agree that that
17
    is without stimulation?
18
19
         A
               Yes, it is.
20
               And would you also agree that on most ECS
21
    routes there is stimulation?
22
         A
               Yes, there is.
23
               Do you have any estimate of what the
   stimulation might result in?
25
        A
            No, I don't.
```

1	CHAIRMAN CLARK: Ms. Harrell, is that because
2	you haven't looked at it or have you looked on it at any
3	other do you have access to any other data where some
4	ECS has been implemented to determine what the
5	stimulation has been?
6	WITNESS HARRELL: We certainly have access.
7	I just did not look at that.
8	CHAIRMAN CLARK: Okay.
9	Q (By Mr. Pierson) Is that a figure you could
10	arrive at?
11	A Yes, I believe we could.
12	MR. PIERSON: Could we get that as a late-
13	filed exhibit?
14	CHAIRMAN CLARK: Let me be sure, Mr. Pierson.
15	You would like them to estimate the revenue impact
16	estimate what the stimulation would be in the revenue
17	impact if an ECS plan is ordered for this route; is that
18	correct?
19	MR. PIERSON: That's correct.
20	CHAIRMAN CLARK: Do you understand what we're
21	looking for?
22	WITNESS HARRELL: Yes.
23	CHAIRMAN CLARK: That will be marked as I
24	think it's Late-Filed Exhibit 6.
25	MR. PIERSON: Thank you.

```
(By Mr. Pierson)
                                 May I refer you to your map
 1
         Q
   that's attached to your testimony? And in your
 2
    testimony, you stated that including the Windermere
 3
    exchange to avoid leap-frogging, only the southernmost
   portion of the Clermont exchange would be leap-frogging
 5
    through Windermere; isn't that correct?
 6
               The southernmost portion of the Groveland
 7
         A
 8
    exchange?
 9
         Q
               Yeah, I'm sorry. Groveland exchange.
10
         A
               Yes.
11
               Thank you.
                           Isn't it more like about
    50 percent, according to that map, roughly? In fact, it
12
    looks to me like it might even be more than 50 percent.
13
               MR. PIERSON: That's Document Number 2
14
15
    attached to her testimony.
16
               I would agree with your statement.
         A
17
               (By Mr. Pierson) Do you still believe, then,
    that Windermere should not be included to avoid
18
19
    leap-frogging?
20
         A
               Yes, we do.
21
               Can you explain that a little further?
22
               One of the other items we looked at was
    that -- where it's located in reference to some of the
23
24
   major routes, and Route 50 is considered a major route
```

for Orlando. It is about through the center of Orlando.

And Windermere is south of Route 50.

Also we looked at the calling, the traffic studies themselves, for the traffic between the Groveland and Windermere exchange. In neither direction did it support any type of demand for calling.

O Do those traffic patterns have anything to do

Q Do those traffic patterns have anything to do with leap-frogging?

A No, they would not. It's just a toll call between those two points so that there would be no leap-frogging issue there at this point.

ask a question to clarify that. If I understood from the customer testimony that I heard this morning, the Clermont exchanges had been given some kind of toll relief. I assume it's EAS, but I'm not sure. Is that the entire Clermont area as delineated on the map?

WITNESS HARRELL: Yes.

COMMISSIONER KIESLING: And as part of that, was Windermere included in the Clermont EAS?

WITNESS HARRELL: Yes, it was.

COMMISSIONER KIESLING: Thank you.

Q (By Mr. Pierson) I realize this is outside the scope of your testimony, but I'm going to ask it anyway, subject to objection. Do you have any explanation about how Mr. Fulmer was originally given a 394 telephone number?

A Nothing that I can corroborate. I did investigate that. I understand now from his testimony why I couldn't find anyone named Skip Baker, because he's no longer with the company. But we did try to check that out. I did check on the number to see if it had been assigned to him at one time. Unfortunately, with the electronic systems we have, now the number, since August of '95, is working for another customer, so the previous history is not available to me, so I could not -- I could not find any way to either corroborate or disprove the statements.

Q What happened to Mr. Baker?

A I don't know. They have no record. We have a lot of Bakers, but I couldn't find anyone named "Skip," nor could I find anyone who knew anyone by that name that worked this area, so I really had no luck at all in trying to get any facts on it.

The other thing we did do was go into our systems that the service representatives use on line when a customer calls for a new service, and we had several of them key in the address of American Way, and each and every time it came up, it was showing the Groveland exchange. That's not to say there might not have been a problem that's been corrected, but that's --

that was tested as well.

commissioner Johnson: Are you testifying that there is no one in the company that can corroborate or verify, because I thought he testified that he had spoken with other representatives of United with respect to the problem. Are you saying that there's no one at the company now that is aware or was aware of the problem?

witness HARRELL: There were others who stated that they knew that Mr. Fulmer had thought he had the same calling scope as Clermont, but they could not corroborate with me that it was because he thought he was in Clermont. It was simply understood that his location had that same calling scope. But I couldn't verify anything more than that.

COMMISSIONER JOHNSON: So what you can't verify is that he was given that 394-0000 number?

WITNESS HARRELL: And it's such an odd number that we really don't doubt that. We simply wanted to be able to verify it for the record, but I could not do that.

CHAIRMAN CLARK: Mr. Pierson.

MR. PIERSON: Yes, thank you.

I'm having Ann hand out a copy of the traffic study that we have already alluded to. It is a

confidential document. 1 CHAIRMAN CLARK: All right. The confidential 2 traffic study will be marked as Exhibit 7. 3 (Exhibit No. 7 marked for identification.) 4 MR. PIERSON: And I just want to remind all 5 the parties that numbers and things like that should not 6 7 be spoken aloud. CHAIRMAN CLARK: Do you have any further 8 questions of this witness? 9 10 MR. PIERSON: Yes. 11 Q (By Mr. Pierson) Ann and I, as well as the panel up here, all have pretty much inherited this case. 12 I understand there was a supplemental traffic study that 13 was performed. 14 That's correct. 15 Was that filed with the Commission? 16 It was my assumption that it was, yes. 17 18 have to verify that. MR. PIERSON: I would like to have that 19 20 included as part of this exhibit, or maybe even a 21 separate one, since --22 CHAIRMAN CLARK: Why don't we make it a separate exhibit, a late-filed exhibit. 23 MR. PIERSON: Yes. If we have it at thu 24 25 Commission, we'll just inform Records that that's part

of the record. 1 And if not, could you get a copy of that to 2 us? 3 WITNESS HARRELL: Yes. 4 CHAIRMAN CLARK: Late-Filed Exhibit Number 8 5 will be a subsequent traffic study done for the same routes as covered in the traffic study in Exhibit 7. 7 Okay. 8 (By Mr. Pierson) Ms. Harrell, did you 9 perform this traffic study? 10 No, I did not. 11 A Was it performed under your supervision? 12 It was performed prior to my coming to this 13 A department. 14 Are you familiar with it? 15 Q 16 Yes, I am. 17 Can you pretty much attest to the numbers 18 that are used therein? 19 A Yes. Would you turn to the two-way study, the 20 21 Schedule 2? It's after the cover page; it's the second page. Line Number 1, Column G -- is that correct? 22 The study that I reviewed had -- the second 23 study had dot-48 on the study that I reviewed. 24 Didn't you give another -- didn't you say it 25

was 51 percent in your testimony? 2 That was, the number of customers making one or more calls was higher. This is two or more. 3 Are you asking to when he referred to the 4 information on mine that there were customers that made 5 no calls, therefore that meant that 50-some percent 6 7 made --8 Q Yeah, I was referring to Mr. Wagner's 9 question. That meant they made at least one call. 10 11 is -- the 47 percent is two or more calls. Is that what the question is? 12 Let me check just a second here. 13 14 COMMISSIONER KIESLING: Well, while he's checking right here, I'm looking at Schedule 2, which is 15 the one he told me to look at, and I don't see the 16 17 percentage that you just gave on there. 18 WITNESS HARRELL: It's on Schedule 1. 19 COMMISSIONER KIESLING: Okay. Well, he had asked about Schedule 2. That's why I was trying to get 20 clear. 21 22 WITNESS HARRELL: Schedule 2 is making one or 23 more calls, right? 24 COMMISSIONER KIESLING: No. 25 MR. PIERSON: Yes.

1	COMMISSIONER KIESLING: Yes. Yes.
2	CHAIRMAN CLARK: All right. Ms. Harrell,
3	she's with us now.
4	COMMISSIONER KIESLING: I'm here.
5	Q (By Mr. Pierson) You stick by that number,
6	though, in Column G; is that correct?
7	A The traffic study would be correct, yes.
8	MR. PIERSON: Thank you. That's all I have.
9	MR. WAHLEN: We'd move Exhibit 5.
10	CHAIRMAN CLARK: You don't have any redirect?
11	MR. WAHLEN: No redirect.
12	CHAIRMAN CLARK: All right. Mr. Carver, I'm
13	sorry, did you have any questions?
14	MR. CARVER: No, ma'am; no questions.
15	CHAIRMAN CLARK: Okay. Exhibit 5 and
16	Exhibit 7 will be entered in the record without
17	objection.
18	MR. PIERSON: Thank you.
19	CHAIRMAN CLARK: And, Mr. Wahlen, when can we
20	have Late-Filed Exhibit 6 and Late-Filed Exhibit 8?
21	MR. WAHLEN: Ten days.
22	CHAIRMAN CLARK: Okay. And they will be
23	subject to objection at that time, but they will be
24	entered in the record, subject to objection, at this
25	point.

1	Thank you, Miss Harrell. You're excused.
2	WITNESS HARRELL: Thank you.
3	CHAIRMAN CLARK: That concludes our
4	testimony, does it not?
5	MR. PIERSON: I believe so.
6	CHAIRMAN CLARK: Is there anything further we
7	need to take up at this time?
8	MR. WAHLEN: I just have one thing. I do
9	have extra copies of Ms. Harrell's revised documents for
10	any members of the public that would like a copy of it.
11	CHAIRMAN CLARK: Okay. Thank you,
12	Mr. Wahlen.
13	Well, that concludes the technical portion of
14	our hearing. We will reconvene here at six o'clock to
15	take further public testimony on this proceeding.
16	Thank you very much.
17	(Hearing recessed at 1:52 p.m.)
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19	(Transcript continues in sequence in
20	Volume 2.)
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