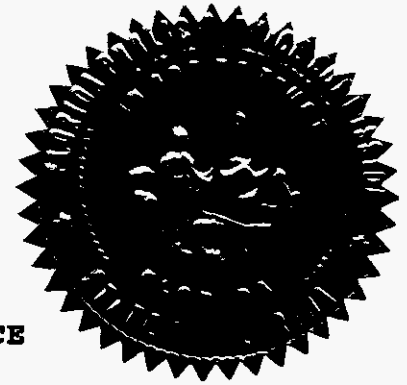


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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 920260-TL



PROCEEDINGS: PREHEARING CONFERENCE

BEFORE: COMMISSIONER SUSAN F. CLARK

DATE: Monday, October 7, 1996

TIME: Commenced at 9:40 a.m.
Concluded at 9:55 a.m.

REPORTED BY: JOY KELLY, CSR, RPR
Chief, Bureau of Reporting
Official Commission Reporter

DOCUMENT NUMBER-DATE
10666 OCT-7 96
FPSC-RECORDS/REPORTING

1 **APPEARANCES:**

2 **ROBERT V. ELIAS, FPSC, Division of Legal**
3 **Services, 2540 Shumard Oak Boulevard, Tallahassee,**
4 **Florida 32399-0870, Telephone No. (904) 413-6197,**
5 **appearing on behalf of the Commission Staff.**

6 **VICKI GORDON KAUFMAN, McWhirter, Reeves, McGlothlin,**
7 **Davidson & Bakas, 117 S. Gadsden Street, Tallahassee, Florida**
8 **32301, Telephone (904) 222-2525, representing the Florida**
9 **Interexchange Carriers Association.**

10 **PATRICK K. WIGGINS, Wiggins & Villacorta,**
11 **P.A., 501 East Tennessee Street, Suite B, Tallahassee,**
12 **Florida, 32308, Telephone No. (904) 222-1534,**
13 **appearing on behalf of Intermedia Communications,**
14 **Inc. and Palm Beach Newspapers, Inc.**

15 **EVERETT BOYD, Ervin Varn Jacobs & Ervin law**
16 **firm, 305 S. Gadsden Street, Tallahassee, Florida,**
17 **Telephone (904) 224-9135, appearing on behalf of**
18 **Sprint Communications Company, L.P.**

19 **NANCY B. WHITE 675 W. Peachtree Street, Atlanta,**
20 **Georgia 30375, appearing on behalf of BellSouth**
21 **Telecommunications, Inc.**

22 **MARTHA McMILLIN,, 780 Johnson Ferry Road,**
23 **Suite 700, Atlanta, Georgia 30342, Telephone No. (404)**
24 **843-6375, appearing on behalf of MCI**
25 **Telecommunications Corporation.**

1 **APPEARANCES CONTINUED:**

2 **ROBIN DUNSON**, AT&T Communications of the
3 Southern States, Inc., 1200 Peachtree Street, N.E.,
4 Atlanta, Georgia 30309, and

5 **MARK K. LOGAN**, Bryant, Miller & Olive, 201
6 South Monroe Street, Suite 500, Tallahassee, Florida
7 32301, appearing on behalf of **AT&T Communications of**
8 **the Southern States, Inc.**

9 **FLOYD R. SELF**, Messer, Vickers, Caparello,
10 Madsen, Goldman & Metz, P. O. Box 1876, Tallahassee,
11 Florida 32302-1876, Telephone No. (904) 222-0720,
12 appearing on behalf of **AT&T Wireless Services of**
13 **Florida, Inc.**

14 **LAURA L. WILSON**, 310 North Monroe Street,
15 Tallahassee, Florida 32301, appearing on behalf of
16 **Florida Cable Telecommunications Association, Inc.**

17 **CHARLES J. BECK**, Deputy Public Counsel, Office of
18 Public Counsel, 111 West Madison Street, Room 812,
19 Tallahassee, Florida 32399-1400, Telephone No. (904) 488-9330,
20 appearing on behalf of **the Citizens of the State of Florida.**

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P R O C E E D I N G S

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2 **CHAIRMAN CLARK:** We'll call the prehearing
3 to order. Mr. Elias.

4 **MR. ELIAS:** Notice issued by the Clerk of
5 the Florida Public Service Commission advises that a
6 prehearing conference will be held today, Monday,
7 October 7th, 1996, 9:30 a.m. located at 4075 Esplanade
8 Way, Tallahassee, Florida.

9 The purpose of this prehearing conference
10 will be to finalize and limit, if possible, the number
11 of issues and to determine what facts may be
12 stipulated.

13 **CHAIRMAN CLARK:** Okay. Take appearances.

14 **MS. WHITE:** Nancy White for BellSouth
15 Telecommunications.

16 **MS. WILSON:** Laura Wilson representing the
17 Florida Cable Telecommunications Association, 310
18 North Monroe Street, Tallahassee, Florida 32301.

19 **MR. WIGGINS:** Patrick K. Wiggins
20 representing Palm Beach Newspapers, Inc., and Florida
21 Today, and also Intermedia Communications, Inc, p. O.
22 Box 1657 Tallahassee 32302.

23 **MS. KAUFMAN:** Vicki Gordon Kaufman, Reeves,
24 McGlothlin, Davidson, Rief and Bakas, 117 South
25 Gadsden Street, Tallahassee 32301, on behalf of the

1 Florida Interexchange Carriers Association. And I'd
2 also like to enter an appearance for Ben Dickens 2120
3 L Street N.W, Suite 300, Washington, D.C. 20037, who
4 will be appearing on behalf of the Florida Ad Hoc
5 Telecommunications Users committee.

6 CHAIRMAN CLARK: Was he coming today?

7 MS. KAUFMAN: No. I'm going to be standing
8 in his stead.

9 MR. BECK: Charlie Beck, Office of the
10 Public Counsel, 111 West Madison Street, Room 812
11 Tallahassee, Florida 32299-1400, appearing on behalf
12 of the Citizens of Florida.

13 MS. DUNSON: Robiin Dunson, 1200 Peachtree
14 Street, Atlanta, Georgia 30309, appearing on behalf of
15 AT&T Communications of Southern States, Inc.

16 I'd also like to enter an appearance for
17 Mark Logan of Bryant, Miller & Olive, Tallahassee,
18 Florida.

19 MS. McMILLIN: Martha McMillin, appearing on
20 behalf of MCI Telecommunications Corporation, 780
21 Johnson Ferry Road, Atlanta, Georgia 30342. Mickey
22 Henry is representing MCI in this case but I'm
23 appearing this morning in his stead.

24 MR. BOYD: Everett Boyd of the Ervin law
25 firm, 305 South Gadsden Street, Tallahassee, Florida

1 32301. I'm appearing on behalf of Sprint
2 Communications Company, limited partnership. I also
3 would like to enter an appearance for
4 Benjamin W. Fincher of Sprint's office in Atlanta but
5 he will not be here this morning. Thank you.

6 MR. SELF: Floyd Self and Norman H. Horton
7 of the Messer, Caparello, Madsen, Goldman & Metz, P.A.
8 P. O. Box 1876, Tallahassee, Florida, appearing on
9 behalf of AT&T Wireless Services of Florida, Inc.

10 MR. ELIAS: I'm Robert V. Elias representing
11 the Commission Staff.

12 CHAIRMAN CLARK: I do have a note from
13 Mr. Nyce with the Judge Advocate General. Let the
14 record show he is excused from attending the
15 prehearing. And that's it. That accounts for
16 everybody. Okay.

17 Now, I have Draft #1 of the Prehearing
18 Order. Are there any changes to be made to this
19 draft? Ms. White.

20 MS. WHITE: BellSouth has some changes, one
21 I'm sure the Staff has already caught that, with the
22 docket number 9206 -- too many 96 dockets.

23 But more importantly, -- I'm getting my
24 Prehearing Orders mixed up. I'm sorry, I don't.

25 CHAIRMAN CLARK: No changes. Ms. Wilson.

1 MS. WILSON: Yes, one change, on Page 12.
2 FCTA -- I'm sorry, yeah. It should be they are on D),
3 FCTA's position is "eliminate" and insert "or reduce"
4 nonrecurring charges.

5 CHAIRMAN CLARK: Page 12. Yes. What issue.

6 MS. WILSON: It is -- it should be a change
7 to the proposal. It's number D), the proposal is to
8 eliminate or reduce.

9 CHAIRMAN CLARK: I'm sorry, Laura, we don't
10 have the same copy.

11 CHAIRMAN CLARK: Go ahead, Laura.

12 MS. WILSON: Page 12 at subsection D), FCTA,
13 should say "eliminate" and then insert "or reduce"

14 CHAIRMAN CLARK: Anything else.

15 MS. WILSON: No, ma'am.

16 CHAIRMAN CLARK: Mr. Wiggins.

17 MR. WIGGINS: Page 12, Issue 1 E), we would
18 like to reframe that. I have given it to Staff. It
19 should be "Reduce BellSouth's N11 service tariff so
20 that the N11 customers pay a flat charge of one cent
21 per minute or the current monthly minimum, whichever
22 is greater."

23 CHAIRMAN CLARK: Okay. And you have
24 delivered that change to all of the parties?

25 MR. WIGGINS: Not yet, no, ma'am. Can I say

1 something about the change? Because I immediately
2 understood talking to Nancy there may be some
3 confusion.

4 The way the current rate structure -- tariff
5 is structured, we tend to say it's 10 cents for the
6 first five minutes and two cents a minute thereafter.
7 And what our original proposal was is make that two
8 cents per minute period. Because the typical first
9 call is not five minutes, it's like one and a half
10 minutes. But always in that was Bell's tariff which
11 requires a minimum monthly charge which varied with
12 the tier of where it was being offered, like \$3300 in
13 the higher tiers, and little bit less in the lower
14 tiers.

15 After reviewing data we realized we'd rather
16 have it be a penny a minute as opposed to two cents a
17 minute, but also more importantly, I realize that was
18 misleading in terms -- in vocabulary we had not
19 identified that, in fact, there was a monthly minimum
20 charge under current tariff and we're not proposing to
21 change that.

22 **CHAIRMAN CLARK:** We'll reflect that change
23 in the Prehearing Order. And you don't have to
24 deliver it to everyone because they've heard it today.
25 Anything else, Mr. Wiggins?

1 MS. WHITE: I'm sorry. Chairman Clark, I
2 guess my only change to that Issue E is that with the
3 way it is changed now, or the way Mr. Wiggins' has
4 suggested it be changed, I'm not sure we've responded
5 to it in our testimony.

6 CHAIRMAN CLARK: Okay.

7 MS. WHITE: So I'm concerned about changing
8 the issue to that extent.

9 MR. WIGGINS: I certainly have no problem
10 with any adjustment they need to make to their
11 testimony, the direct or rebuttal, because of that.
12 I'm certainly not trying to add to the confusion.

13 COMMISSIONER CLARK: Let me digress for a
14 minute that MCI had requested extra time to file
15 testimony, was that it?

16 MR. ELIAS: Intermedia.

17 CHAIRMAN CLARK: Intermedia.

18 MR. WIGGINS: We can keep it with the same
19 counsel, too.

20 CHAIRMAN CLARK: And an order hasn't been
21 issued but we did grant the request for extra time and
22 we identified the 17th as the date for filing
23 additional rebuttal.

24 MR. ELIAS: Yes.

25 CHAIRMAN CLARK: And I would add to it that

1 any additional testimony that needs to be filed in
2 response to Mr. Wiggins' change in his issue would
3 have to also be filed at that time.

4 MS. WHITE: Thank you, Chairman Clark.

5 CHAIRMAN CLARK: There will not be a written
6 order reflecting that.

7 MR. ELIAS: We note it in the Prehearing
8 Order.

9 CHAIRMAN CLARK: Mr. Wiggins, anything else?

10 MR. WIGGINS: No. Thank you.

11 CHAIRMAN CLARK: Ms. Kaufman.

12 MS. KAUFMAN: Thank you, Chairman Clark.
13 FIXCA has two changes. The first one is actually a
14 request on the order of witnesses.

15 On Page 6 due to Mr. Gillan's availability,
16 he needs to testify on the first day of the hearing.
17 And we would request that he be the first witness
18 after the BellSouth witnesses. In other words, that
19 he would be the first witness listed on Page 6.

20 I have checked with all of the parties that
21 now appear before him with the exception of
22 Ms. Wilson, who I have not had a chance to talk to and
23 they have no objection to the change in the order.

24 CHAIRMAN CLARK: Mr. Wilson, any problem?

25 MS. WILSON: No objection.

1 **CHAIRMAN CLARK:** Let's change where
2 Mr. Gillan appears. How many days are set aside for
3 this hearing?

4 **MR. ELIAS:** Two.

5 **CHAIRMAN CLARK:** And he needs to appear on
6 the first day?

7 **MS. KAUFMAN:** Yes, ma'am.

8 **CHAIRMAN CLARK:** Make that notation, please.

9 **MS. KAUFMAN:** Then our other change is on
10 Page 21, which is Issue 3, currently will reflect that
11 FIXCA has no position, but we would like to change
12 that and our position should read "as soon as possible
13 but no later than 1-1-97."

14 **CHAIRMAN CLARK:** Okay.

15 **MS. KAUFMAN:** That's all that we have.

16 **CHAIRMAN CLARK:** Mr. Beck.

17 **MR. BECK:** Thank you, Chairman Clark. I
18 have no changes in our positions. I, too, would like
19 to address the order of witnesses. We're sponsoring
20 Mr. Garver. I'd like to ask -- I have not discussed
21 this with other counsel but I'd like to ask if he
22 could go first for a number of reasons.

23 First, his testimony is very short. I
24 wouldn't expect it to be any lengthy cross
25 examination.

1 Second, he's a person who is not a regular
2 in proceedings before the Commission. I think as a
3 courtesy I'd like to try to get him up and out.

4 And the third reason is I have a conflict on
5 the second day.

6 **CHAIRMAN CLARK:** Any objection to taking
7 Mr. Garver as the first witness? Why don't we do
8 that, and you may want to indicate why there's been a
9 request; that his testimony is short, and that counsel
10 for OPC will be unavailable the second day.

11 **MS. DUNSON:** I just have one question. He
12 would go on before BellSouth?

13 **MR. BECK:** Yes.

14 **CHAIRMAN CLARK:** Anything else, Mr. Beck?

15 **MR. BECK:** That's all, thank you.

16 **MS. DUNSON:** No changes.

17 **CHAIRMAN CLARK:** Nothing for Mr. Logan,
18 right?

19 **MS. McMILLIN:** No changes.

20 **MR. BOYD:** I want on Page 6 to note Sprint's
21 witness Vanderpool will address Issues 1 and 2.

22 **CHAIRMAN CLARK:** Okay. Mr. Self.

23 **MR. SELF:** No changes.

24 **CHAIRMAN CLARK:** Great.

25 **MR. ELIAS:** Staff has one change to Issue 3.

1 And that's -- the effective date issue.

2 CHAIRMAN CLARK: What page?

3 MR. ELIAS: Page 21. Staff's position will
4 be "Under the terms of the stipulation, rates go into
5 effect on October 1, 1996. In the event the
6 procedural requirements cause a delay in the effective
7 date, BellSouth Telecommunications will provide pro
8 rata refunds for the period of the delay pursuant to
9 the terms of the stipulation."

10 CHAIRMAN CLARK: Do you have that written
11 down?

12 MR. ELIAS: I'll provide it to all of the
13 parties in writing immediately.

14 CHAIRMAN CLARK: All right. Okay.

15 I don't have anything else to take up on my
16 list. Is there anything else we have to take up
17 today?

18 MS. WHITE: Today may not be the right time,
19 but I wondered if at the hearing would we be putting
20 on direct and rebuttal at the same time?

21 CHAIRMAN CLARK: In this case it doesn't
22 make any difference to me. What would the parties
23 like to do? Is it more convenient to take up direct
24 and rebuttal at the same time?

25 MS. WHITE: I think it would help.

1 **CHAIRMAN CLARK:** We'll take direct and
2 rebuttal at the same time. Make sure you note that in
3 bold print so the Commissioners know they need to read
4 both of those in preparation for the witness taking
5 the stand.

6 Anything else? Mr. Self? Nothing? I need
7 to tell you all that we expect Commissioner Johnson
8 momentarily, but her prehearing, which comes right
9 after this prehearing, will start probably at 10:30.
10 Okay? It will be in the room where it is scheduled
11 but it will start at 10:30. With that this prehearing
12 is adjourned.

13 (Thereupon, the hearing concluded at
14 9:55 a.m.)

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1 STATE OF FLORIDA)
2 :
3 COUNTY OF LEON)

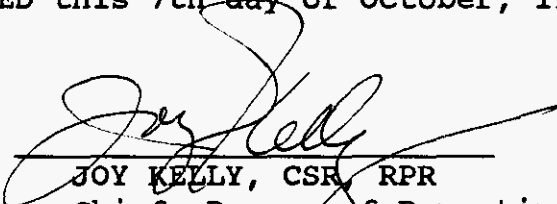
CERTIFICATE OF REPORTER

4 I, JOY KELLY, CSR, RPR, Chief, Bureau of
5 Reporting, Official Commission Reporter,
6

7 DO HEREBY CERTIFY that the Prehearing
8 Conference in Docket No. 960260-TL was heard by the
9 Prehearing Officer at the time and place herein
10 stated; it is further

11 CERTIFIED that I stenographically reported
12 the said proceedings; that the same has been
13 transcribed under my direct supervision; and that this
14 transcript, consisting of 15 pages, constitutes a true
15 transcription of my notes of said proceedings.

16 DATED this 7th day of October, 1996.

17
18 
19 _____
20 JOY KELLY, CSR, RPR
21 Chief, Bureau of Reporting
22 Official Commission Reporter
23 (904) 413-6732
24
25