

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of
Proposed Rule 25-24.845,
F.A.C., Customer Relations;
Rules Incorporated, and
Proposed Amendments to Rules
25-4.003, F.A.C., Definitions,
25-4.110, F.A.C., Customer
Billing; 25-4.118, F.A.C.,
Interexchange Carrier
Selection; and 25-24.490,
F.A.C. Customer Relations;
Rules Incorporated.

DOCKET NO. 970882-TI



PROCEEDINGS: RULE DEVELOPMENT WORKSHOP
 TAMPA

BEFORE: CHAIRMAN JULIA L. JOHNSON
 COMMISSIONER J. TERRY DEASON
 COMMISSIONER SUSAN F. CLARK
 COMMISSIONER JOE GARCIA

DATE: Wednesday, November 19, 1997

TIME: Commenced at 6:30 p.m.
 Concluded at 8:30 p.m.

PLACE: Tampa City Hall
 City Council Chambers
 315 East Kennedy Boulevard
 Tampa, Florida 33602

REPORTED BY: H. RUTHE POTAMI, CSR, RPR
 Official Commission Reporter

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1 **IN ATTENDANCE:**

2 **DIANA CALDWELL, FPSC Division of Appeals.**

3 **CHARLIE BECK, Office of Public Counsel.**

4 **MICHAEL GROSS, Office of the Attorney General.**

5 **RICK MOSES, Division of Communications.**

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P R O C E E D I N G S

(Hearing convened at 6:30 p.m.)

CHAIRMAN JOHNSON: Ladies and gentlemen, my name is Julia Johnson. We're going to call the hearing to order this evening. Council, would you please read the notice?

MS. CALDWELL: Pursuant to the notice under Section 120.54, Florida Statutes, the Florida Public Service Commission will hold a rule development workshop at this time and place to consider amendments to rules relating to customer preference for his local, local toll and toll provider.

CHAIRMAN JOHNSON: I'll take appearances.

MS. CALDWELL: Diana Caldwell, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida.

MR. BECK: My name is Charlie Beck with the Office of Public Counsel. Our office is separate from the PSC and represents the citizens of Florida before them. My address is the Claude Pepper Building, 111 West Madison Street, Tallahassee, Florida.

MR. GROSS: My name is Michael Gross. I'm an Assistant Attorney General with the Office of the Attorney General in Tallahassee. My address is PL-01, the Capitol, Tallahassee Florida. Thank you.

1 **CHAIRMAN JOHNSON:** Again, welcome. My name
2 is Julia Johnson, and I'm the Chairman of the Florida
3 Public Service Commission.

4 Seated to my left is Commissioner Susan
5 Clark; to my far right, Commissioner Joe Garcia; and
6 seated next to me on my right is Commissioner Terry
7 Deason.

8 We will be participating in not only this
9 workshop, but a workshop tomorrow, and if you look at
10 your special report, we've held workshops all across
11 the state of Florida with our sole purpose being to
12 hear from the customers; hear your complaints, your
13 concerns, and hear your suggestions as to how we might
14 improve upon the rule that has been proposed by our
15 Staff.

16 At the appropriate time I'll have our Staff
17 member review that rule for you and with you. If you
18 have any questions and you'd like for us to entertain
19 those, if you could, come forward when your name is
20 called; and if you've not signed up, there's a little
21 yellow sheet out front, and Ms. Crump will help sign
22 you up to testify this evening.

23 In addition to the special report, there are
24 several documents outside that you're welcome to take
25 home with you. They are designed to provide you with

1 information on how you can better protect yourself
2 against slamming. The Commission is really trying to
3 do everything that we can to provide more information
4 and more protection to the customers.

5 One of the vehicles that's available for
6 your protection is to get a PIC freeze. There's more
7 information on that out front, and you'd have to
8 contact your local exchange company to actually have
9 your service designed where it cannot be changed
10 unless there's an actual written authorization by you.

11 Also we have some applications for the
12 Department of Agriculture's no solicitation program.
13 As we've been traveling across the state, quite a few
14 customers have stated that what they hate most is when
15 they sit down for dinner in the afternoon, the phone
16 rings and it's a telemarketer trying to get them or
17 convince them to change their telecommunication
18 service.

19 There is a program offered by the Department
20 of Agriculture. There's an initial \$10.00 fee and a
21 subsequent annual \$5.00 fee to participate in that
22 program. But that program is designed to stop the
23 telemarketers from calling you directly.

24 Also, the Commission, we have of course our
25 1-800 number that's stated in this brochure. We also

1 have a web page and a site that you can actually file
2 complaints with the Commission via the Internet on
3 your computer, or call us at our 1-800 number; and,
4 also, most of these hearings will be transmitted over
5 the Internet. So if you would like to listen to
6 tomorrow's Jacksonville hearing -- it's at 2:30 and
7 6:30 -- to see what other citizens across the state
8 are saying, their concerns and their suggestions to
9 us, feel free to use the web page and the dial-up
10 number and you can participate, at least listen in,
11 through that process. But, again, we're here this
12 afternoon to hear from you.

13 I will, at the appropriate time, ask those
14 that would like to testify to stand. I'll swear you
15 in, and the reason we do that is because your
16 statement, your comments, your suggestions, can be
17 used by us in an official capacity. They will be a
18 part of the evidence in this record upon which we can
19 rely when we make our final decisions in the case.

20 There are several Staff members here today,
21 but what I'd like to do is have Kelly Begalski read
22 the -- go over the summary of our rules, what we're
23 proposing, the changes that we're proposing,
24 therefore, to better familiarize you with the
25 proposals, and if you have any additional suggestions,

1 we'll entertain those also. Ms. Begalski.

2 MS. BEGALSKI: Thank you. My name is Kelly
3 Begalski with Commission Staff, and the summary I'm
4 about to go over with you can be found in the blue
5 handout.

6 The proposed amendments will apply to all
7 companies providing local telephone service, local
8 toll service, also known as intraLATA, and your long
9 distance service.

10 The proposed amendments will require
11 additional information to be printed on your telephone
12 bill. This information includes the name of the
13 company, the type of service that that company is
14 going to provide, and a toll free number for each
15 provider.

16 You will see up to three different providers
17 on your telephone bill; one for your local service,
18 one for your local toll service, or intraLATA, and one
19 for your long distance service.

20 The proposed amendments will limit the ways
21 in which a preferred carrier may be changed. A change
22 may only be made if one of the following instances
23 occur: A company obtains a signed letter of agency
24 that contains sufficient information to verify that
25 the customer is authorizing the change; or if a

1 company receives a consumer-initiated call and obtains
2 the consumer's consent, records the consent and the
3 number to be changed; or if the company has an
4 independent, unaffiliated firm verify the consumer's
5 request; or when the company receives a consumer's
6 change request, the company may elect to send an
7 information packet which explains the changes,
8 verifies the information, and requires a signed
9 statement acknowledging the change.

10 The proposed amendments will prohibit a
11 company from combining a letter of authorization with
12 any inducement on the same document. For example, the
13 checks you receive in the mail to switch your long
14 distance carrier or the sweepstakes forms you see at
15 fairs or in restaurants would no longer be allowed
16 with the proposed rules.

17 In addition, when a company is soliciting in
18 writing or by telephone, the inducement may not be
19 misleading or deceptive.

20 Finally, if you are slammed, the proposed
21 amendments, must credit the consumer all charges for
22 the change and all charges billed on behalf of the
23 unauthorized carrier for the first 90 days. Upon the
24 consumer notifying the unauthorized carrier, the
25 consumer must be switched back to their preferred

1 carrier.

2 And that concludes the summary of the rules.

3 Thank you.

4 CHAIRMAN JOHNSON: There are several other
5 Staff members that are here, so for those of you who
6 decide not to testify or just have additional
7 questions, let me go ahead and introduce some of the
8 Staff members.

9 Mr. Rick Moses is here, and he's with our
10 Division of Communications, and he'll handle any
11 technical questions that might come up tonight. Diane
12 Caldwell introduced herself. She's the lead attorney
13 on this particular case. Kelly, of course, provided
14 the summary of our rule.

15 Mr. Dick Durbin is seated there in the
16 front. He's one of our analysts. He's one of the
17 gentlemen that you generally hear when you call our
18 1-800 number, and he's here to assist if you have an
19 ongoing complaint that you've already filed; or if
20 you'd like to file something, he and Ms. Carmen Pena
21 is also available to help you with any of those
22 complaints.

23 Thelma Crump was the young lady that met you
24 at the front door. She helps with our consumer
25 publication and information. Sally Simmons is the

1 young lady that generally helps set up the Internet
2 and the sound systems, and she, too, is available for
3 assistance. And Ruthe Potami is sitting here in the
4 front. She will be our court reporter for this
5 evening, and she actually will record everything that
6 you say; again, for our use when we begin our
7 deliberations and to ensure that everything is
8 properly recorded in the record. And with that, are
9 there any other preliminary matters?

10 Seeing none, Public Counsel, could you
11 please call the first customer? I've got to swear you
12 all in. Sorry.

13 (Witnesses collectively sworn.)

14 **CHAIRMAN JOHNSON:** As Public Counsel calls
15 the witnesses forward, if you could, speak directly
16 into the microphone, and if you could state your name
17 and address for the record, that will help the
18 process. Thank you again.

19 Public Counsel?

20 **MR. BECK:** Thank you, Chairman Johnson.

21 First witness is Jeanne Bates.
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ERIN JEANNE BATES

1
2 appeared as a witness and, swearing to tell the truth,
3 testified as follows:

DIRECT STATEMENT

4
5 **WITNESS BATES:** President Johnson and
6 distinguished Commissioners, thank you for this
7 opportunity to speak before you this evening. My name
8 is Erin, E-R-I-N, Jeanne, J-E-A-N-N-E, Bates,
9 B-A-T-E-S.

10 I did not know that I had been slammed until
11 I received a phone bill for over \$193, at which time I
12 thought that I had just not paid the previous month's
13 bill; but then when I began to look at my bill, I
14 noticed that I was only having my phone calls to the
15 normal persons I called long distance.

16 I am down in Florida by myself and all of my
17 family is in two different states, so those two states
18 get my business all month. But my phone calls and my
19 bills do not exceed \$100 a month, so this came as
20 quite a surprise.

21 I did not notice my bill -- and I would like
22 to show you. My long distance carrier has been MCI
23 since 1990. I always see this on the front page of
24 the long distance bills, and so I just look down at my
25 long distance calls and the other page, never noticing

1 that on another page was this icon. (Indicating) I
2 didn't notice that at all. So I went ahead and I paid
3 this first bill, which was under 70-some dollars.

4 The next month when I got the 196-plus phone
5 bill is when I started really looking at what had I
6 done on the phone, and I realized that I had been
7 using the phone as I always did. And I started to
8 divide the minutes into the dollars, and I came up
9 with twice as much per minute as I had been paying
10 since 1990.

11 I still did not notice this icon. It did
12 not ring a bell with me until I started making some
13 phone calls. And I made my first phone call on
14 June the 6th, and I called -- excuse me one moment. I
15 do have a little problem with the eyesight, and that's
16 probably how I got slammed. I didn't wear my glasses
17 when I signed up for that free car.

18 I made a phone call on June the 26th. I had
19 found out this icon meant something, and I had called
20 GTE, who said that my long distance carrier was MCI,
21 yes. And I said, "Well, I have this funny looking
22 icon up here, and I don't know what U.S. Billing means
23 because I've been a customer of MCI all this time."

24 So they informed me, use this 800 number and
25 call, which I did do, and I was informed by a message

1 that this place is only open 8:00 to 6:00, and it's
2 only open central time and 9:00 to 5:00, or 8:00 to
3 5:00, or something like that and -- so consequently I
4 started making my phone calls on July the 26th, and I
5 started calling MCI, GTE, and -- to find out what had
6 happened to me, and I found out that -- MCI said,
7 "Well, you have a business line."

8 I said, "No, I don't. I have never had a
9 business line with you." And they said, "Oh, yes, you
10 do." Then the next thing I knew I had four lines, and
11 it became such a -- an upsetting type of thing for me,
12 that they had installed -- on the 28th, July the 28th,
13 after I talked to MCI, they installed four different
14 long distance lines for me.

15 One line they put on, which was my original
16 line of 12/10/1990. They installed on July the 26th
17 another line, and after I called them, they cancelled
18 that. On July 26th they installed another line, and
19 they said I had a personal phone calling card, but I
20 had no long distance available as of right now.

21 Then they said -- oh. And they gave me
22 account numbers for all these. Then they said, "Oh,
23 you have another number," giving me that account. And
24 they said, "Oh, now you don't have any long distance
25 on that either." And so as I was talking to them, I

1 was being installed and uninstalled apparently.

2 So I finally got a fax number for this BCI,
3 and I faxed them, three different occasions, and I
4 said, "Please fax to me immediately -- underlined -- a
5 copy of the application supposedly signed by me
6 authorizing you to switch my long distance carrier
7 from MCI to you. I do not, never did ever want to be
8 signed up by you or have your services." I signed my
9 complete name and I gave a return fax.

10 Finally on August the 11th, they did return
11 a fax to me showing me a form, and that form -- oh,
12 and they thanked me for being a customer of theirs and
13 they hoped I was very happy with their service. And
14 this form, on one side of the form it says "Register
15 for Long Distance Service." On the other side it says
16 "Entry and Contest Rules," and this was for a new car.

17 Now, I had gone to Clearwater Park to a
18 concert in the park. That concert was sponsored by
19 U92 Bennett Auto Sales Clearwater Parks and
20 Recreation, Clearwater Festivals, and the Tampa
21 Tribune. There are all kinds of tents over there to
22 sign up for freebies, and of course I probably went
23 around and signed up for every one of them. I do
24 remember somebody asking me would I like to sign up
25 for a new long distance.

1 **COMMISSIONER GARCIA:** Ms. Bates, would you
2 mind showing me your phone bill, if it's not private,
3 and also showing me the authorization form? And you
4 can continue telling us what happened. I just wanted
5 to -- that and the phone bill you were talking about.

6 **WITNESS BATES:** Okay. The June phone bill
7 has MCI on as well as this BSI. This one I did not
8 notice. The July phone bill has the USBI, or whatever
9 they wish to call themselves.

10 My concern is I am still in the working
11 force, even though my gray hair is covered up by a
12 bottle of red, and so therefore I now qualify for
13 being a senior citizen, and when I do not have my
14 glasses on, I cannot read the fine print. But I grew
15 up in an era when we trusted each other, and when I
16 say thank you but no thank you, I expected that my
17 wishes would be honored.

18 I did not sign up to switch my phone
19 company. At that point in time I was very satisfied
20 with MCI, had been with them since 1990, and I had no
21 wishes to change.

22 In fact, I do not find anybody out there
23 that gave me anything better in the way of rates, but
24 I no longer am with MCI mainly because, as I said to
25 them in another phone call, "Why did you not call me

1 and say, 'Ms. Bates, why are you leaving us, what can
2 we do to retain you as a customer?'" And they said,
3 "Well, we usually do." I said, "I never heard from a
4 soul. My first inclination was this exorbitant phone
5 bill."

6 So, as I said, they gave me four additional
7 phone lines for long distance, which they cancelled.
8 So I told MCI, "Thank you, but no thank you; I no
9 longer want you either." They then sent me an
10 invitation to use their cards. I have two new cards
11 in here. "Thank you for signing up with MCI." That
12 was after all of this fiasco that I went through with
13 them.

14 So I do believe that somebody in authority
15 needs to look into the phone industry per whole, maybe
16 not just the ones that were slamming, and find out
17 exactly what the public utilities are doing to the
18 customers; because, as I said, most of us are very
19 honest, and we believe that the people we deal with
20 are also honest. And even though I am not a youthful
21 person and did not read the fine print, I did not sign
22 under that portion where it says you're signing up for
23 this.

24 I do know how you can cut and paste in
25 photographs, and I do believe that is what they did.

1 But I do thank you very much for allowing me to speak.

2 COMMISSIONER GARCIA: Ms. Bates, thank you
3 for showing us. Is the name of the company -- I
4 wanted to ask, is the name of the company Regulated
5 Services? Is that the full name of the company, U.S.
6 Billing Regulated Services?

7 MR. MOSES: U.S. Billing is just the billing
8 agent. The actual company that switched her services
9 is Brittan Communications --

10 COMMISSIONER GARCIA: But on the bill --

11 MR. MOSES: -- BCI.

12 COMMISSIONER GARCIA: But on the bill it
13 calls itself Regulated Services or something like
14 that.

15 MR. MOSES: That's because it is a regulated
16 service. They are a certificated --

17 COMMISSIONER GARCIA: Right.

18 MR. MOSES: -- company --

19 COMMISSIONER GARCIA: But they're just --
20 but MCI doesn't do it. Right. Yeah, I saw that.

21 Ms. Bates, just to let you know that
22 Chairman Johnson had a press conference, I believe
23 last week, and it announced -- she announced the top
24 12 slammers, and BCI, the company that you were
25 speaking of, is on the list as one of them, and it had

1 169 complaints; AT&T had 169; Preferred Carrier
2 Services, 104; MCI, 60. I mean, but there's a lot of
3 companies here that are involved --

4 **WITNESS BATES:** I believe I saw that.

5 **COMMISSIONER GARCIA:** So we're working on
6 it, and we appreciate you coming in and telling us
7 this.

8 **CHAIRMAN JOHNSON:** Ma'am, during the course
9 of the hearing -- during the course of your
10 conversations with any of the phone companies, did
11 anyone refer you to the Public Service Commission?

12 **WITNESS BATES:** No.

13 **CHAIRMAN JOHNSON:** So you've not received
14 any assistance from the Public Service Commission?

15 **WITNESS BATES:** When I talked to GTE after I
16 went through this with MCI, trying to tell MCI, "Let's
17 get back on track. I'm your customer." Then I talked
18 to GTE. And they said, "Well, if you fill out a form,
19 then no one can switch you again, and we will send you
20 the form." I did fill that out. I believe it's
21 called a P-C-I; is that it?

22 **CHAIRMAN JOHNSON:** Yes, ma'am.

23 **WITNESS BATES:** And I did fill that out, and
24 I have a copy of it, and so supposedly it won't happen
25 again.

1 **CHAIRMAN JOHNSON:** But with respect to this
2 problem -- because I understand you're saying that
3 this was not -- this was really without your
4 authorization --

5 **WITNESS BATES:** That's correct.

6 **CHAIRMAN JOHNSON:** -- service. So there's
7 still a pending complaint because -- have you been --
8 you've paid this --

9 **WITNESS BATES:** I have not paid that. GTE
10 sent me a letter stating that I would not have to pay
11 \$165 of it, I believe, deducting that from their bill,
12 and -- but they did not deduct the previous month,
13 which is, I believe, the June bill that you have, for
14 that page I didn't recognize the icon as being
15 BCI's -- their charges on there.

16 **CHAIRMAN JOHNSON:** Would you get with one of
17 our Staff? I'm going to allow Commissioner Garcia to
18 finish the question, because there are quite a few,
19 I'm sure. But could you get with a Staff member once
20 we finish this dialogue so that we can make sure you
21 did get the appropriate refund, and if there's
22 anything outstanding that we have -- that we help you
23 with that process?

24 Additionally, not only will we try to assist
25 you in getting the moneys that you deserve, but also

1 we need to make sure that this complaint against the
2 company, if this was indeed something that they did
3 that was not proper, that we can follow up on that
4 procedure.

5 As Commissioner Garcia stated, we have an
6 ongoing open docket investigating the company that
7 you've referenced here, and this information could be
8 helpful to that case, too.

9 **WITNESS BATES:** Yes.

10 **COMMISSIONER GARCIA:** And that was all I was
11 going to ask.

12 **WITNESS BATES:** If you would like, I could
13 type up my notes for you, if that would be of any --

14 **COMMISSIONER GARCIA:** I'm sure just speaking
15 with Ms. Pena -- she's a quick study.

16 (Simultaneous conversation.)

17 **WITNESS BATES:** Okay. All right. Thank you
18 so much.

19 **CHAIRMAN JOHNSON:** Thank you for your
20 testimony.

21 **MR. BECK:** Carmen Nunez.

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CARMEN NUNEZ

appeared as a witness and, swearing to tell the truth,
testified as follows:

DIRECT STATEMENT

WITNESS NUNEZ: Good evening. My name is
Carmen Nunez. My address is 4110 West Cass Street,
Tampa, 33609.

COMMISSIONER GARCIA: Carmen Nunez?

WITNESS NUNEZ: Nunez, yes.

COMMISSIONER GARCIA: Nunez.

WITNESS NUNEZ: Nunez.

COMMISSIONER GARCIA: There we go.

WITNESS NUNEZ: I learned, by way of a
letter received in the mail yesterday, that I was
slammed. The letter came from Excel, which is my long
distance carrier by choice. And they told me that
they had received a notice, my request, to remove them
as my long distance carrier.

I called them at the 800 number listed in
the letter and wanted to know who had authorized it,
because I certainly had not. They referred me to LCI,
which was the company requesting the change.

I called them at a 700 number that was given
to me, and they told me that they had received a
request signed by me under a sponsor rep

1 telemarketing, requesting that I be changed to their
2 service.

3 Of course -- I was on the phone a total of
4 about an hour and a half yesterday. Needless to say,
5 I was getting more and more perturbed. Finally I
6 called GTE. They told me the same thing. I asked
7 them how could they do this without contacting me.
8 They said they don't contact the customers; written
9 authorization is sufficient for their records.

10 Well, anybody could sign my name. Anybody
11 could take my name out of the phone book, for crying
12 out loud, sign it and tell them, you know, they want
13 it changed.

14 And I didn't get any satisfaction from GTE.
15 So I called the Public Service Commission number
16 listed in the phone book. They referred me to your
17 800 number, and I spoke to a Mrs. Shirley Stokes there
18 who told me that she -- she took all the information,
19 and she was very nice to tell me about this workshop
20 tonight where I could come and actually vocalize my
21 complaint, verbalize it, to the powers that be.

22 My request has been given a number. My
23 complaint has been given a number, 194417-I, if you
24 need it to follow up on that.

25 My question -- or my complaint is this: I

1 am an independent rep for Excel and so is my son. My
2 telephone, my long distance service is tied up to him,
3 to his income. Now he's going to be losing income
4 based on my long distance charges from the time that I
5 was changed to the time that I'm going to be put back
6 on again.

7 Also, GTE tells me that I'm going to have to
8 pay whatever charges for switching me. I said, "No,
9 there's just no way I'm going to do that." They said,
10 "Well, you'll have to or you'll lose the service." I
11 said, "Well, you can come and yank the phone off my
12 wall. You can turn off the service, because the phone
13 belongs to me. I don't have any GTE telephones." And
14 so that's where I stand on that.

15 My pager and my son's pager are tied up to
16 my telephone number, and that may be interfered with.
17 Something needs to be done where people -- and I, too,
18 I may have signed up for something, because I went to
19 the Florida State Home Show, the home show, and I,
20 too, signed up for some freebies.

21 As a matter of fact, I got a call last night
22 from somebody who said I had signed a card wanting
23 information on maximizing my retirement income. Well,
24 I told them, I said, "All I have is my social security
25 pension. I don't have a nickel to invest, so there's

1 no income that I need to maximize."

2 That was from a signed card that I signed up
3 for a freebie that they were offering, and this could
4 very well be tied up with that, too. But I certainly
5 did not want to, don't want to, and probably will not
6 want to as long as I am a rep for Excel, will not want
7 to have anybody else do my long distance service. And
8 so I thank you for listening to me. I hope that
9 something can come of it.

10 **COMMISSIONER GARCIA:** Ma'am, you might want
11 to speak to the Staff, but beyond that you also need
12 to -- when your GTE bill gets in, you're going to be
13 in dispute with that, and you might want to tell GTE
14 that you're not going to pay that part of the long
15 distance part of the phone because you've got the PSC
16 checking into it.

17 **WITNESS NUNEZ:** When I was talking to GTE on
18 the phone -- I live about five blocks from one of
19 their offices -- and I told her -- she told me about
20 the PIC freeze. I said, "Well, you don't need to send
21 me a form. I'll just go over to your office." She
22 said, "They don't have the forms yet, Mrs. Nunez, so
23 we have to mail it to you." I said, "Okay. Then mail
24 it to me."

25 I asked them for a copy of whatever

1 authorization they show as having my signatures on it.
2 She said, well, they don't usually do it. I said,
3 "Well, I'm going to have to have it or somebody is
4 going to have to show me where I requested this
5 change."

6 **COMMISSIONER GARCIA:** I'm certain that Staff
7 is going to ask for that, so you'll see it through us.
8 But you need to, when you get your bill, call GTE and
9 let them know you don't have to pay for that part of
10 the long distance because that is in dispute. And you
11 will probably find that with the help of Staff, that
12 the company will probably give you -- the company that
13 signed you may actually give you money to switch back
14 for the costs involved. Okay.

15 **WITNESS NUNEZ:** Okay. Well, thank you very
16 much.

17 **CHAIRMAN JOHNSON:** Thank you, Mrs. Nunez.

18 **MR. BECK:** Fernando Nunez.
19
20
21
22
23
24
25

FERNANDO NUNEZ

1
2 appeared as a witness and, swearing to tell the truth,
3 testified as follows:

DIRECT STATEMENT

4
5 **WITNESS F. NUNEZ:** My name is Fernando Nunez
6 I live at 4812 Sierra Madre Drive in Tampa.

7 I'll make it short, because I've got a
8 question for you. I understand that GTE is in the
9 long distance business just like all the other
10 carriers. How much can they charge to have a person
11 switched over, and who determines that charge? Does
12 anybody know?

13 **CHAIRMAN JOHNSON:** Mr. Moses, do you want to
14 answer that?

15 **MR. MOSES:** I'm sorry. I had a conversation
16 going behind me and I didn't understand the question.
17 Would you repeat it, please?

18 **WITNESS F. NUNEZ:** Okay. The question is,
19 GTE will charge you a certain amount to switch over
20 from one carrier to another. It used to be like
21 \$4.14. It's all of a sudden jumped up to \$10.00.
22 What I want to know is, how much can they charge, up
23 to what point, and who determines that charge?

24 **MR. MOSES:** I believe it is in their tariff
25 as far as what their charge is. I don't know of any

1 cap that is on it that is ordered by the Commission,
2 to my knowledge, but I can investigate that for you
3 and --

4 **WITNESS F. NUNEZ:** Because the way it looks,
5 you know, if they're not long distance service, I'm
6 pretty sure that if you choose GTE as a long distance
7 carrier, they'll waive that charge, whatever it is.
8 And I just want to know, because I've lost customers
9 because it used to be, like, \$4.14. And the customer
10 called up, the prospective customer, they told her it
11 was \$10.00.

12 And even though we provide the best rates, I
13 think -- I mean, nobody is going to pay \$10.00 to
14 switch over because GTE is charging that much, which
15 to me is creating a monopoly in this area, because if
16 you want to try somebody else, you can't because they
17 will charge you so much to switch over.

18 **CHAIRMAN JOHNSON:** Mr. Nunez, you said that
19 they recently changed --

20 **WITNESS F. NUNEZ:** Well, to me, I guess
21 since they've been in the long distance business,
22 which is, you know, a couple of months maybe. It used
23 to be \$4.14, which anybody can absorb, but when you're
24 talking 10 bucks and maybe higher, you know, I just
25 want to know if they -- if anybody with the capital

1 has to do with determining that cap.

2 **CHAIRMAN JOHNSON:** I think we will have
3 Staff look into that to see if they've changed the
4 tariff -- or if they had to have changed the tariff in
5 order to change that rate to \$10.00, and then get back
6 with you. You do raise a very interesting issue with
7 respect to how much can they actually charge, and I'm
8 not sure if there is a cap.

9 **MR. MOSES:** Let me get your telephone number
10 before you leave so I can contact you and get that
11 information.

12 **WITNESS F. NUNEZ:** Thank you for your time.

13 **COMMISSIONER DEASON:** I have a question for
14 Staff. Is that a level, a charge that is set for --
15 an interstate level by the FCC?

16 **MR. MOSES:** I don't know how that's set.
17 I'm not too familiar with the PIC changes as far as
18 how they're determined and what they're set at.

19 **MR. BECK:** Historically they've been set by
20 the PSC at cost, and I know it's varied company by
21 company. Southern Bell has one of the smallest. I'm
22 not aware of anything that authorized GTE to increase
23 their --

24 **COMMISSIONER DEASON:** That's why -- I'm not
25 aware of it either. That's why I was asking perhaps

1 if it's something that was done at the federal level,
2 I'm not aware of any authorization at the state level
3 to change it unless if it fits into a category where
4 they have the authority to increase their rates
5 without consent of the PSC, but I don't think it would
6 fall in that category.

7 UNIDENTIFIED SPEAKER: Is there someone --

8 MR. BECK: Is there a GTE representative?

9 UNIDENTIFIED SPEAKER: No, there hasn't been
10 a rate change --

11 COMMISSIONER DEASON: We need your name,
12 please.

13 MS. KAMPERT: Debbie Kampert, K-A-M-P-E-R-T,
14 GTE Florida, One Tampa City Center, Tampa 33601.

15 No, there has not been a rate change. It's
16 \$4.14 cents, and it's in the special -- the intrastate
17 access tariff.

18 COMMISSIONER CLARK: Let me ask a question.
19 If they change intraLATA and interLATA --

20 MS. KAMPERT: Yes, there's a charge for --

21 COMMISSIONER CLARK: -- do you charge twice?

22 MS. KAMPERT: -- each. Right. A PIC change
23 charge is a change charge, and right now I believe it
24 would be \$4.14 per change. I think -- I think it's
25 actually -- there's a -- I think the Staff is looking

1 at part of the intrastate on that.

2 COMMISSIONER CLARK: I think we are
3 looking --

4 MS. KAMPERT: The dual charge --

5 COMMISSIONER DEASON: -- because it didn't
6 seem right --

7 MS. KAMPERT: Right, and there's --

8 COMMISSIONER CLARK: -- twice when we're
9 just doing -- it was a one-time activity.

10 MS. KAMPERT: Right. I think the discussion
11 is if it's at the same time or a different time. But,
12 yes, right now it's \$4.14.

13 COMMISSIONER CLARK: But it is considered a
14 charge that you have to get our authorization for; is
15 that right?

16 MS. KAMPERT: Correct.

17 COMMISSIONER GARCIA: So we have an
18 investigation ongoing?

19 COMMISSIONER CLARK: I think, Mr. Nunez,
20 what has happened is that when you have a customer
21 that changes both interLATA and intraLATA, it's
22 treated as two PIC changes; and we are presently
23 looking into that to see if that's the appropriate way
24 to charge for it.

25 WITNESS F. NUNEZ: Okay. Because, you know,

1 the girl who was going to be a customer, they told her
2 10 bucks, so --

3 **COMMISSIONER GARCIA:** It's almost; \$8.28,
4 which is pretty close. And I think Mr. Beck's
5 recollection is correct that that fell under part of
6 what the company, I don't think, is allowed to change,
7 even though we're going into a competitive framework,
8 correct?

9 **MS. KAMPERT:** Correct.

10 **MR. BECK:** I'm pretty sure the Commission's
11 order when you last looked at this said there was only
12 one charge when you changed both at the same time.
13 They couldn't have separate charges for both, as I
14 recall. So that's probably why you're looking at it.

15 **COMMISSIONER CLARK:** Right.

16 **WITNESS F. NUNEZ:** So if they change it one
17 time, it's \$8.18?

18 **COMMISSIONER GARCIA:** No. No.

19 (Simultaneous conversation.)

20 **COMMISSIONER GARCIA:** We're looking at is it
21 should be \$4.14, but --

22 **MS. KAMPERT:** -- just didn't know what to
23 tell the people. That's all.

24 **COMMISSIONER GARCIA:** Well, yeah. But the
25 company may be charging it differently, and we're

1 investigating whether our order allows them to charge
2 you \$8.28 or \$4.14.

3 **WITNESS F. NUNEZ:** Right.

4 **COMMISSIONER GARCIA:** And I'm sure we'll be
5 getting back to you pretty quick.

6 **WITNESS F. NUNEZ:** Okay.

7 **CHAIRMAN JOHNSON:** We'll get back with you
8 as soon as we determine what the actual tariff and
9 what our policy and what the rule is on that point,
10 because there's a little uncertainty here tonight.

11 **WITNESS F. NUNEZ:** Thank you.

12 **CHAIRMAN JOHNSON:** Thank you, Mr. --

13 **COMMISSIONER GARCIA:** That is an important
14 issue, though, especially when you consider that
15 Southern Bell, you know, in the next year or so or two
16 may be getting into long distance. And I hadn't
17 looked at it the way Mr. Nunez describes it, but that
18 can be a big incentive not to change.

19 **COMMISSIONER CLARK:** It did come up, and it
20 came up when we changed the intraLATA presubscription
21 is when it surfaced.

22 **COMMISSIONER DEASON:** I believe for
23 BellSouth we set that at cost, and it was like a
24 dollar and a few cents of some sort.

25 **UNIDENTIFIED SPEAKER:** Yeah.

1 **CHAIRMAN JOHNSON:** Thank you.

2

- - - - -

3

MIKE GAIFFE

4 appeared as a witness and, swearing to tell the truth,
5 testified as follows:

6

DIRECT STATEMENT

7

WITNESS GAIFFE: I'm Michael Gaiffe,

8

G-A-I-F-F-E. I reside at 706 Camrose Drive in

9

Brandon.

10

For the Staff, a copy of a few of the

11

documents that I've compiled. My file is about

12

two inches thick, and I'll be happy to sit down with

13

one of your staffers afterwards and --

14

COMMISSIONER GARCIA: Those of us who

15

believe in recycling thank you.

16

WITNESS GAIFFE: You bet. We've killed

17

trees.

18

I've never been to a home show in my life,

19

and I've never signed up at a home show for a freebie.

20

Our scam began in October of 1995 when my wife

21

received a call from an alleged charity that goes by

22

various names; National Diabetes Foundation, National

23

Diabetes and Health Fitness Foundation, Defeat

24

Diabetes Foundation, and several other names.

25

One of the attachments you see is a report

1 by the National Better Business Bureau regarding
2 complaints that have been registered against that
3 charity.

4 But we received a phone call in the evening
5 which, because of the charity's status, bypassed our
6 Florida no-solicitation and the federal
7 Telecommunications Act because it's allegedly a
8 charity. During the phone conversation my wife was
9 asked if she would be interested in donating a portion
10 of our long distance phone bill to help support
11 diabetes research.

12 It would be, as it was alleged over the
13 phone, a painless way to donate to a worthy cause in
14 that the caller alleged the Defeat Diabetes Foundation
15 had an agreement with most of the major carriers that
16 the carrier would donate a portion of the long
17 distance bill, a relatively small portion, but donate
18 a portion to help fight diabetes.

19 All it required was either my wife's social
20 security number or date of birth. Since we've been
21 subject to some credit card issues in the past, the
22 social security number -- but he did get -- she did
23 get my wife's birth date.

24 It turned out we were at that point switched
25 to LDM Systems, a long distance carrier out of New

1 York City who bills through OAN services, an
2 independent billing agent in California. So it turned
3 out that our October calls after the switch were
4 showing up on our GTE bill until December. So there
5 was a built-in two-month delay of calls.

6 At no time during the phone conversation was
7 a mention made that there would be a change in long
8 distance service. The following day after my wife and
9 I discussed the phone call, the following day I called
10 GTE, requested that our long distance service be
11 frozen, that we have a PIC freeze; and as is normal
12 procedure, that cannot be done at present verbally
13 over the phone. We would have to receive a form in
14 the mail, complete that and mail that back.

15 COMMISSIONER GARCIA: Just for your
16 knowledge, Commissioner Clark asked today for a report
17 from the company on why they have a policy that way,
18 because it is strange. The other companies in the
19 state don't have it.

20 WITNESS GAIFFE: It seemed a bit unusual,
21 but policies are policies. I spent 20 years in the
22 Air Force, and there are some things that you just
23 can't fight, just bureaucracy.

24 We received that form and mailed it back to
25 GTE on October 19th. Our first bill, billed call,

1 from the changed company occurred about ten days
2 afterwards. On the 29th -- excuse me -- 28th of
3 October was the first call from LDM Systems that
4 showed up on our bill.

5 We had been Sprint customers. Phone call
6 was billed on the 28th of October, but we didn't find
7 that out until we received our December bill. Upon
8 receiving the December bill -- there were several
9 phone calls, three or four, I think. I've got a copy
10 of the bill in the package for you -- called GTE to
11 find out what our long distance carrier was to verify
12 again that it had been Sprint, since after receiving
13 the initial solicitation call, we had done the 700
14 call plus check with GTE several times. Consistently
15 we were told our carrier was Sprint.

16 In December queried GTE Customer Service,
17 who confirmed we were still Sprint, and we basically
18 chalked up the couple calls in October to a glitch in
19 the system in that it may have taken a couple extra
20 days to process our PIC freeze, or perhaps it was only
21 done once a month on the 1st.

22 Received the January bill, and had a
23 significant number of long distance calls from LDM
24 Systems, and at that time the red flags went up. Got
25 in contact with GTE Customer Service -- who, by the

1 way, has some outstanding helpful people -- and found
2 out that our PIC freeze had not gone into effect;
3 could not find out why we were still being reported as
4 Sprint customers when our service had obviously
5 changed. We were paying about 75% higher rates with
6 the new company. Subsequently I found out how that
7 happened.

8 LDM Systems leases lines from AT&T, MCI,
9 GTE; GTE, Sprint and others. So when they find out we
10 are a Sprint customer, they'll switch us to one of
11 their leased Sprint lines. So it's a little more
12 difficult to find out you've been switched after the
13 fact.

14 We were switched back to our original Sprint
15 service on the 28th of January of 1996, so it took
16 approximately three months for the PIC freeze that we
17 had sent in to be processed.

18 At that point, despite the issue I had had
19 with LDM Systems and the alleged charity and a few
20 other folks that I made a lot of phone calls and sent
21 some letters to, my concern then went to GTE insofar
22 as why it was that we were switched after -- ten days
23 after the PIC freeze request was sent, and why did it
24 take three months to have the PIC freeze to go into
25 effect, as you can see from the bills.

1 And we were told by GTE that we would be
2 done a favor if our rates would be re -- if our calls
3 would be rerated to what they would have been, which
4 GTE did right up front, the GTE customer rep, despite
5 a letter I received from GTE's San Antonio operations
6 that they wouldn't make any changes to it.

7 At that point, since we were having some
8 issues directly with GTE, I was in conversation and
9 letter back and forth between myself and Mr. Dax's
10 (phonetic) office, the GTE president for the local
11 area.

12 As you may see in here, Mr. Dax told you
13 that I was switched back, and the PIC freeze went into
14 effect sometime before it actually did. Mr. Dax told
15 you that the PIC freeze went into effect 11/2. In
16 fact, it didn't go into effect until two months after
17 that, January. And he also had a misstatement to the
18 Federal Communications Commission responding to a
19 complaint I had with them on the same issue.

20 And it's on the third page where I believe
21 there was some misstatements made to you all and the
22 Federal Communications Commission by not only GTE, but
23 the attorney for LDM, a firm out of the Chicago.

24 My concern was that we were slammed. I
25 would not have a gripe against GTE at all had they

1 not, in my opinion, been negligent in the processing
2 of the PIC, but I would suggest as one of my
3 recommendations in the back to you all it might not be
4 a bad idea for GTE and the other local carriers to
5 include in their phone book a page such as that last
6 page, Attachment 14, that is the PIC freeze form, is
7 provided with the opening of every service. The
8 yearly people will be able to see it, similar to the
9 information I have -- very helpful -- on the Florida
10 no solicitation.

11 Another suggestion I have in the text of the
12 letter, though, is that I believe if a local carrier
13 fails to properly process a PIC in a timely manner,
14 the local carrier should be responsible for all long
15 distance charges, not just rerate them down to what
16 they would have been, but be responsible for all
17 charges and be required to report that to the owners,
18 take it as a one-time charge against net earnings
19 available.

20 **COMMISSIONER GARCIA:** I think that's the
21 third time we've had that suggestion. I think Staff
22 is looking into that.

23 **WITNESS GAIFFE:** And be reported directly to
24 the shareholders. They ought to know what their
25 managers are doing. If you have any questions?

1 **COMMISSIONER CLARK:** Good job. As I was
2 listening to you, I note you have listed all your
3 suggestions back here, and we'll make them part of the
4 record and certainly consider it.

5 **WITNESS GAIFFE:** That's an abbreviated list,
6 and I'll be happy to sit down with your Staff to go
7 over any other questions you might have.

8 **COMMISSIONER CLARK:** Thanks for retaining
9 all the copies of this information so we can look at
10 it.

11 **WITNESS GAIFFE:** Not a problem.

12 **COMMISSIONER DEASON:** This is an extremely
13 thorough presentation and handout, and it is
14 appreciated.

15 I have one question, I guess, really
16 directed more towards our Staff. I notice that in a
17 letter dated June the 19th, 1996 to the Public Service
18 Commission from GTE in response to your case, it
19 states in there that you were switched to LDM, which
20 is a reseller of Sprint; and therefore it did not show
21 up on GTE's records as a change because your preferred
22 carrier was Sprint.

23 **WITNESS GAIFFE:** Correct.

24 **COMMISSIONER DEASON:** Is that a problem just
25 with GTE, or do other LECs have that problem?

1 **MR. MOSES:** No, it's not -- all the
2 companies are going to have a problem with that,
3 because what has probably happened is the billing
4 system with Sprint changed and it never was submitted
5 to the local exchange company; and that's how even a
6 PIC freeze doesn't always cure the problem.

7 **COMMISSIONER DEASON:** It seems to me that's
8 a big gap that needs to be addressed somewhere in our
9 review.

10 **MR. MOSES:** It is.

11 **WITNESS GAIFFE:** It was a very well-done
12 slam with a cherry lead-in which bypasses
13 restrictions, the delayed billing through
14 intermediaries on different coasts, and then the
15 switching to the same line for the service that you
16 had had; makes it very difficult to track.

17 **COMMISSIONER DEASON:** Once again, thank you
18 for all this information.

19 **CHAIRMAN JOHNSON:** Sir, I was looking at
20 Page 3, the middle of the summary of GTE charges and
21 credits during and after slamming. So there's still
22 amounts left in dispute?

23 **WITNESS GAIFFE:** There was at that point in
24 time. We received a disconnect notice from GTE that,
25 despite our ongoing battle, our phone would be

1 disconnected April 30th.

2 My wife is a sixth grade teacher, and that
3 was near the end of the grading period, and she wasn't
4 about to have me let that happen. So we went in and
5 we paid the charges that GTE had for us, which was
6 somewhat less, as I note, \$127.82, which is less,
7 because there was some additional recrediting of late
8 charges which were, in the customer service rep's
9 opinion, somewhat inappropriate.

10 And then if you'll notice on that following
11 Page 5, the final note, about 18 months after we
12 finally paid the bill we received a check out of the
13 blue from LDM Systems which happened to be in the same
14 amount that their attorneys had told the Federal
15 Communications Commission we had been -- we had owed.

16 Now, it was a little incorrect, but it was
17 close. And the attorneys had a little bit of an issue
18 because when the FCC sent me a copy of their response
19 to the FCC complaint, I did point out to the FCC that
20 the attorney firm was lying insofar as some dates that
21 they were quoting and that the FCC might want to take
22 that up as a separate issue with the Illinois Bar
23 Association.

24 CHAIRMAN JOHNSON: Did the FCC charge you
25 for handling the complaint?

1 **WITNESS GAIFFE:** No ma'am, not yet.

2 **CHAIRMAN JOHNSON:** We had some customers
3 testify that there was an informal process, that
4 they'll do some initial investigation for customers
5 free of charge, and then once they go into the formal
6 status and start getting involved, there's a charge.
7 I don't remember the exact amount, but that there was
8 a charge for their service.

9 **WITNESS GAIFFE:** No, I was not charged, but
10 I was approaching the FCC verbally over the phone with
11 messages through the Internet directly to the
12 Commissioners, e-mail addresses as well as hard copy,
13 summaries of bills, et cetera. So I was making the
14 case as easy for them as possible.

15 I would like to specifically commend,
16 though, a gentlemen on the Public Service Commission
17 Staff named Doug Martin. He did a superb job of
18 picking the ball up when the first contact I had at
19 PSC kind of dropped it.

20 **CHAIRMAN JOHNSON:** Again, we appreciate all
21 the good work, and we will be able to use this in our
22 deliberations in this rulemaking hearing as well as
23 our research into the companies that have been
24 slamming customers like yourself.

25 **WITNESS GAIFFE:** I don't know if you've got

1 the authority to look into the charity thing, but you
2 might want to look into that as well.

3 **CHAIRMAN JOHNSON:** That was interesting.

4 **WITNESS GAIFFE:** If I can get their status
5 as a charity revoked, my next call is to the IRS to
6 rerate their tax exempt status for the last five, ten
7 years.

8 **MR. MOSES:** Just for your information, this
9 company, LDM, that you had mentioned, we did bring
10 that before the Commission, and they were fined
11 \$30,000, and I believe that was in ninety --

12 **WITNESS GAIFFE:** Yes, sir, I saw that. I
13 saw that in your handout.

14 **MR. MOSES:** So you weren't the only one who
15 complained of the same situation.

16 **WITNESS GAIFFE:** I understand. Do you all
17 need originals on any of the bills, the full bills,
18 rather than just extracts?

19 **CHAIRMAN JOHNSON:** This is sufficient. This
20 is more than sufficient. Great job.

21 **WITNESS GAIFFE:** Thanks.

22 **CHAIRMAN JOHNSON:** Thank you again. I would
23 ask you to get with Staff, but Staff might need to get
24 with you so you can help them. This is great work.

25 **MR. BECK:** Okay. Sheila Berg.

SHEILA BERG

1
2 appeared as a witness and, swearing to tell the truth,
3 testified as follows:

DIRECT STATEMENT

4
5 **WITNESS BERG:** My name is Sheila Berg,
6 B-E-R-G. My address is 3420 Blowing Oak Street,
7 Valrico, Florida.

8 Quite a coincidence that he was slammed by
9 LDM, because that was my problem. My husband said he
10 got a phone call asking if our -- we would like some
11 of our AT&T dollars to go to the Diabetes Foundation.
12 When they called back, I verified -- I have to give
13 some background.

14 My husband works for a subsidiary of AT&T.
15 There is no way we would let anybody but AT&T and GTE,
16 which GTE owns part of his company, have our long
17 distance. This would be counter to our retirement
18 program, our stocks, everything.

19 Now, you know that you would not cut off
20 your foot. You know, I mean, that just doesn't make
21 sense. So I pointedly, when they called me, said, "Is
22 this still with my AT&T?" They informed me, yes, it
23 was. I asked again -- I'm very stubborn -- if there
24 will be no changes. They informed me again, yes.

25 I repeated again for the, you know, next

1 time, "Okay, as long as there are no changes, I am
2 still with AT&T, and it will not affect my bills, and
3 I will be billed the same, then yes, you may take some
4 of our AT&T dollars for the Diabetes Foundation. No
5 problem."

6 Now, I mean, like I said, I'm very stubborn.
7 Very pointedly -- because I had already heard about
8 the slamming; this was in November of '95. So we did
9 not get a bill in January or February, but in February
10 he received this silly, little letter saying: "Our
11 digital customers, welcome. We're having a new
12 billing system."

13 I called the number finally in March. Two
14 days later I received my bill. But I said, "What's
15 going on here, you know?" They said, "Oh, it's just
16 we're going to a new computerized system for our
17 billing." I said, "That's all it is?" They said yes.

18 I received my bill. My bill has AT&T on it.
19 No problem, right? But I got two months' worth of
20 billing, okay? My rates don't seem quite right.
21 There's no AT&T Rewards or anything mentioned on it.
22 I finally get around to calling them in, like, April.
23 Asked them "What's the problem here?" They said, "Oh,
24 it was just because of the new billing."

25 "Please," I said, "Are you AT&T?" They

1 said, "Oh, yes, we are." I said, "What is this
2 Software Defined Network?" "That is the new way we
3 are doing our billing." I said, "Okay, as long as
4 that's what this is." But I said -- I pointedly asked
5 them twice, "You are AT&T," and they told me yes.

6 Well, I go and get two more months of bills,
7 and I called them in May. "Hey, I still do not have
8 my AT&T True Rewards, I still do not have my AT&T
9 charges at the rate I was told. Are you AT&T?" Well,
10 "yes, we use AT&T lines." "No, no, no, no, no, no," I
11 said, "Are you AT&T?"

12 They finally said, "Well, no. We do our
13 billing for AT&T. We use their lines." I said,
14 "That's not what you told me twice when I called you
15 before." And I was a little irate with them.

16 So I finally got a hold of somebody, and I
17 said, "You take me off your list." I find out the
18 company is now called LDM. I called them up. I said,
19 "You take me off your list. I do not want you to have
20 a single thing to do with me. Do you understand me?"

21 I call my AT&T. They say, "Thank you for
22 coming back to us." I said, "I didn't know I had ever
23 left you. I called you asking to be sure." Still, no
24 problem. Tried to be nice about it.

25 We get our next bill. I get -- two months,

1 no bill, long distance charges, and then it's back on
2 my GTE bill like regular. Didn't pay much attention
3 to it. Didn't notice the little billing for LDM by
4 OAN. Didn't notice that the rates weren't my regular
5 rates.

6 You know, you're busy. But I almost -- you
7 know, three-quarters of a year goes by before I
8 finally realize something is wrong here, and I start
9 pulling out all my bills and start noticing I'm still
10 LDM, you know, billing for OAN. I called them up and
11 said, "Excuse me. Who is my long distance carrier?"

12 I called GTE. They give me an 800 number to
13 call to find out who. There's a PIN number that it
14 will tell you, machine will come back and tell you who
15 your long distance carrier is. It says "AT&T SDN."
16 Well, on my bill "Software Network Defined." I said,
17 "I'm sorry. I'm not with AT&T. I'm still with this
18 dumb company, whoever it is." And they said, "Oh, no,
19 you're with AT&T." I said, "Excuse me. I am not. I
20 just called."

21 You know, I -- finally going through five
22 different people, and they were very, very polite to
23 me and so forth, from GTE. But we found out that I am
24 not with AT&T. There's an AT&T Direct. There's an
25 AT&T Software Defined, which is how LDM goes and uses

1 their lines, and that's how they got me.

2 So they didn't -- I mean, they kept telling
3 me telling me, and I kept calling them and they're
4 telling me I'm with AT&T. You know, I mean, I did
5 everything at that point that I thought I could.

6 Then I found out you have this little paper
7 you can fill out so they can't slam you. I sent that
8 in immediately. LDM did give me a refund, all my
9 money that -- at that rate at my -- of my regular, you
10 know, rate. So that was no problem, but it was
11 extremely upsetting that I called them and said,
12 "Please release me."

13 I cannot go to your house, mow your grass
14 and then put a bill in for you and you don't have to
15 pay me. You can sit there and laugh at me if I -- I
16 didn't ask you to do that. You don't have to pay it.
17 But they can go and come to -- through our house, bill
18 us. And if you don't pay it, you've got the biggest
19 problem on your credit that it's unreal. It's not
20 fair.

21 Now, I was a little bit mad. I said, "What
22 right do you have to call my house and do this?" And
23 the gentleman, you know, tried to calm me down
24 because -- but he knew I was mad. I have several
25 letters that I've written and so forth. If you need

1 any of the information, I have more information at
2 home. I only brought part of it. But it shouldn't be
3 allowed. I can't do this to you. I can't just get
4 money arbitrarily.

5 You -- they should not be allowed to do this
6 to me, especially -- like I said, it was very, very
7 clear they outright lied. I asked them at least six
8 different times "Are you AT&T?" That's an outright
9 lie. I don't care what anybody says. I know I would
10 not agree to this because --

11 **COMMISSIONER GARCIA:** Mr. Moses, under the
12 rule they can no longer do this, or is that, in fact,
13 existing now they cannot bill through another company,
14 correct?

15 **MR. MOSES:** Oh, they can continue to bill
16 through another company, but the name of the company
17 that is actually claiming the customer has to be on
18 the bill, and plus the misleading factor that is --

19 **COMMISSIONER GARCIA:** Right.

20 **MR. MOSES:** -- because that is very
21 misleading. What they were doing is technically
22 correct. I mean, you are using AT&T lines, but you're
23 being switched to a different company.

24 **WITNESS BERG:** AT&T here. Here's the little
25 logo at the top. (Indicating) I got it for three

1 months, the AT&T logo and so forth.

2 **MR. MOSES:** Just in case nobody ever
3 explained the Software Defined Network to you, what
4 that is is a billing system of AT&T where they
5 actually carve it up into different accounts, and
6 those accounts are then assigned to resellers, and the
7 resellers, LDM in this case --

8 **WITNESS BERG:** I know. I asked them that,
9 but I -- I -- I mean, I came out and pointedly asked
10 them if there was to be any changes that, no, I did
11 not want it. You know, I was not taking any chances.

12 **COMMISSIONER GARCIA:** Let me ask you, did
13 AT&T put you back on your Rewards program and all
14 the --

15 **WITNESS BERG:** I think they missed a few
16 months of the Rewards. But at that point I was so
17 glad just to get it straightened out --

18 **COMMISSIONER GARCIA:** Not --

19 (Simultaneous conversation.)

20 **WITNESS BERG:** -- I was not going to argue
21 with them. I mean, I got \$264 back. That's how long
22 it took them to straighten out all the long distance
23 charges and so forth. But it was just it took so long
24 and it was such a aggravation and it -- like I said, I
25 don't -- I can't do that to you.

1 And if I hadn't paid and then straightened
2 it out afterwards, it would ruin your credit. Like I
3 said, it --

4 **COMMISSIONER GARCIA:** It shouldn't. And
5 just so those of you who are listening, when you are
6 in a dispute with the company, you do not have to pay
7 the dispute portion of the bill. All you have to pay
8 is you'll -- I'm sure that they didn't say that to
9 you, but all you have -- well, I can see you shaking
10 your head. But if you are in a dispute with the
11 company, they can -- by the Florida rules, they cannot
12 charge you for the long distance until that dispute is
13 resolved. If the dispute is resolved, then it's
14 against you.

15 **MR. MOSES:** Well, let me make that real
16 clear. That is only if they dispute it with the
17 Commission.

18 **COMMISSIONER GARCIA:** Correct.

19 **MR. MOSES:** Okay. Not just the company.

20 **WITNESS BERG:** Well, see, I told them. I
21 said, "I shouldn't have to pay you a dime. I should
22 just be able to not pay you at all, because --

23 **COMMISSIONER GARCIA:** No --

24 **WITNESS BERG:** -- I never --

25 (Simultaneous conversation.)

1 **WITNESS BERG:** -- gave you permission. But
2 you know, like I said, you can't do that. But it got
3 straightened out, but it was a mess, and like I said,
4 the same lead-in. It's very misleading. But they
5 lied.

6 **CHAIRMAN JOHNSON:** Ma'am, you might have
7 explained this, but did the name LDM ever show up on
8 your bill?

9 **WITNESS BERG:** Yes. Well, I got this --
10 Like I said, in February -- no, that letter didn't
11 have LDM on it. Yes, it did. (Indicating) On
12 several -- I think when -- there's the LDM Systems
13 letter. Software Defined Network for -- when it went
14 back in May after I had called them and told them to
15 completely release me no matter what and went back to
16 my GTE carrier, then in small print it says "OAN
17 billing for LDM."

18 If I had looked, I would have seen it. I
19 didn't. I thought, oh, it's back on my GTE bill. I'm
20 back with AT&T. Thank God it's over with. You know,
21 I didn't look further. That's my own fault. I will
22 read everything now. But it was on there.

23 **CHAIRMAN JOHNSON:** If you could get with one
24 of our Staff members to help allow us to review those
25 bills.

1 **WITNESS BERG:** Sure.

2 **CHAIRMAN JOHNSON:** Thank you, ma'am.

3 **MR. BECK:** Hector Jimenez.

4 **CHAIRMAN JOHNSON:** Sir, while you're coming
5 forward, I did just want to mention for the record
6 that Mr. -- sir, I'm sorry. I did just want to
7 mention one thing for the record. That Mr. Chris
8 Floyd, the legislative assistant for Senator Tom Lee
9 was present and participating in this workshop earlier
10 today.

11 Senator Lee is very interested in this
12 issue, and he has been in contact with my office and
13 the Public Service Commission. He's very interested
14 in determining what he might do to file legislation to
15 help further protect the consumers of the state of
16 Florida, and I did just want to mention that for the
17 record. Sir?

18

- - - - -

19

HECTOR JIMENEZ

20 appeared as a witness and, swearing to tell the truth,
21 testified as follows:

22

DIRECT STATEMENT

23

WITNESS JIMENEZ: My name is Hector Jimenez;

24

that's J-I-M-E-N-E-Z.

25

I'm having a complaint just about the same

1 thing as these ladies over here have been talking
2 about; that I've been switched three or four different
3 times from my long distance carrier, and every time
4 they switch me, there come that charge of \$4.14, and
5 then the bills are all different.

6 I got AT&T for a long distance carrier since
7 1990, and this happens in January last year. I have
8 the problem here with the billing of this company for
9 \$85.00 that they say that I owe them, that GTE try to
10 collect from me.

11 I have talked with you people before, with
12 Mr. Sam Gonzalez and some other gentleman about that
13 problem that they've been trying to help me. Before I
14 went to you people, I called your lawyers and I talked
15 to them.

16 Out of the two companies, one company took
17 care of the bill real fast. They pay GTE, and that
18 close that company. But the other company they send
19 me the check for a different company, just, you know,
20 making the check for GTE, they send it to -- oh my
21 gosh, I can't read this other -- they send the check
22 to BellSouth, and GTE won't accept that check.

23 So we return the check. That was in July,
24 at the end of July, something like that. We return
25 the check back to them requesting that they send the

1 check with -- for GTE, just, you know, BellSouth. And
2 I wait over two months before I call you people back
3 again, and I explain to you people that I receive a
4 check, but I haven't got no -- I haven't got no
5 satisfaction whatsoever from these people.

6 I send them a letter explaining the problems
7 with that check, and I haven't got no answer back on
8 them either.

9 COMMISSIONER GARCIA: Was Mr. Gonzalez or
10 the other Staff person at the Commission helpful?

11 WITNESS JIMENEZ: Right. Mr. Gonzalez was
12 helping at the -- you know, from the beginning. Then
13 there was another fellow that was answering the phone
14 on the -- I explain to him, too, what was happening,
15 and they say, don't worry, we take care of it; we call
16 their lawyers, and no problem.

17 So I wait about a week before I try to get
18 in contact with you again, but instead of doing that,
19 what I did, I called their lawyer, and I talked to
20 them. The lawyer guarantee me --

21 COMMISSIONER GARCIA: You need to get with
22 Ms. Pena, and she's -- we'll be able to -- I think
23 we've got the computer up out there. Do we? So we'll
24 be able to find out your case and what the status is
25 of that and, hopefully, we can fix it.

1 **WITNESS JIMENEZ:** Like I say, you know, the
2 lawyer told -- told me there's no problem; I'll get
3 this -- I'll get the company to send you the check for
4 this money. That was about four months ago. I
5 haven't got nothing.

6 **COMMISSIONER GARCIA:** Yeah. We may be
7 showing it as resolved, because they might have
8 sent -- they might have said, we already sent the
9 check to Mr. Jimenez, and then everything is done, but
10 much as that -- GTE may try, they just can't cash
11 BellSouth's checks.

12 **WITNESS JIMENEZ:** I know, but the check was
13 for GTE -- for BellSouth --

14 **COMMISSIONER GARCIA:** Right.

15 **WITNESS JIMENEZ:** And they told me, "No, we
16 can't accept that check." So I return the check. I
17 got correspondence with that, the correspondence that
18 I send them, and I haven't got no satisfaction
19 whatsoever.

20 **COMMISSIONER GARCIA:** Check with Ms. Pena,
21 and she'll look up in the computer right now, and
22 we'll see what status we have with that; and, if not,
23 we'll reopen it.

24 **WITNESS JIMENEZ:** Okay. Thank you. I think
25 that's one of the problems, just -- besides they keep

1 changing me around, you know, three times in one --

2 COMMISSIONER GARCIA: You need to request a
3 PIC freeze.

4 MR. BECK: Mr. Jimenez, who was the company
5 that slammed you?

6 WITNESS JIMENEZ: I got three companies.

7 MR. BECK: Three different companies slammed
8 you?

9 WITNESS JIMENEZ: Let me see. OAN, that's
10 Atlas --

11 COMMISSIONER GARCIA: Right.

12 WITNESS JIMENEZ: That's what --

13 COMMISSIONER GARCIA: OAN --

14 WITNESS JIMENEZ: -- I find out was Atlas.

15 COMMISSIONER GARCIA: What is the billing?

16 WITNESS JIMENEZ: But the billing is OAN.

17 COMMISSIONER GARCIA: What was the name of
18 the company?

19 WITNESS JIMENEZ: Atlas.

20 COMMISSIONER GARCIA: Okay.

21 WITNESS JIMENEZ: Then I got another one,
22 Matrix. Matrix is the other one. Like I say, you
23 know, this get out of hand sometimes with these people
24 changing you around and you don't know who --

25 COMMISSIONER GARCIA: Speak to Ms. Pena, so

1 we can also get -- you should be able to get a freeze.
2 Apparently you're such a good customer that they all
3 want to steal you.

4 **WITNESS JIMENEZ:** I mean, you people tried
5 to help, but like I say, the companies are the ones
6 that have to put the money out. So I don't know how
7 you people could do it. That's for sure. Because
8 like I tried to talk to Mr. Gonzalez sometime and I
9 get that voice mail. I call you back and then I wait
10 two, three days. Nothing happened and --

11 **COMMISSIONER GARCIA:** That shouldn't be
12 happening.

13 **WITNESS JIMENEZ:** I understand, but it's
14 pretty hard sometimes. Well, okay; thank you.

15 **CHAIRMAN JOHNSON:** Thank you, s'ir.

16 **MR. BECK:** Linda Saliga.

17

18 **LINDA SALIGA**

19 appeared as a witness and, swearing to tell the truth,
20 testified as follows:

21 **DIRECT STATEMENT**

22 **WITNESS SALIGA:** I'm Linda Saliga, and my
23 address is 15208 Arbor Hollow Drive, Odessa, Florida,
24 33556.

25 **CHAIRMAN JOHNSON:** Would you spell your last

1 name?

2 **WITNESS SALIGA: S-A-L-I-G-A.** My husband
3 and I own our own business, and I was slammed twice at
4 home, in my home phone number, and also my long
5 distance at work, at my husband's office and my
6 office.

7 This all began, I guess, last year. I guess
8 it was April of last year. We had AT&T, and I decided
9 to switch to Sprint because Sprint gave me better
10 rates, so I was satisfied with Sprint.

11 By the end of that year I got a call from
12 MCI to switch. This was in August of last year -- no.
13 Excuse me. It was -- no, it wasn't last year, it was
14 this year. It was February this year I got a call
15 from MCI, and they gave me some very good rates, and I
16 decided to switch. So I went through the process of
17 switching.

18 And then around April I noticed on our
19 business bill that I had LDC Telecom, which is a --
20 their billing service is with Integretel, Inc. And I
21 was saying, what in the world is this, and who is this.
22 Okay. And so I called GTE right away to find out what
23 was going on.

24 And she says, "Well, that's a long distance
25 carrier there." And I said, "A long distance carrier?"

1 I'm supposed to have MCI at the office here." And
2 they said, "Well, you've evidently been switched. I
3 said, "How could I be switched without my permission?"
4 And she says, "Well, it can happen." I said, "It
5 can?"

6 I said, "I had no idea people can switch
7 around your long distance carrier without your
8 permission." And so I -- she gave me the number for
9 LDC Telecom, and I proceeded to call them up and
10 express my upset about being switched without my
11 permission. And they said they had my permission.

12 I said, "Well, how could you have had my
13 permission? I've never talked to anybody from your
14 company." And they said, "Well, we have actually a
15 tape recording that you gave us permission." And I
16 said, "Well, I sure would like to hear that tape
17 recording, because I have never talked to anybody from
18 LDC Telecom." And so I said, "I want to be taken off
19 your books right away." And so they proceeded to tell
20 me that they would.

21 Well, I didn't get them off my books at the
22 office until August and that was -- that started in
23 April, and it took me months and months to get them
24 off of our billing; and every time, of course, they
25 would rerate us at a lower rate, and I'd have to call

1 GTE to tell them that, "Well, I'm not paying my full
2 bill this time around because I'm going to get
3 credited."

4 So I had to go through this every single
5 month with these people, and it was like a form of
6 harassment to me because this took time out from work
7 and it was very, very upsetting. And I wish I had all
8 the time I spent in dollars dealing with these people,
9 okay?

10 And then at the same time this was happening
11 it happened on my home phone. And I've had Sprint for
12 almost eight years. And they came in on my home phone
13 long distance, and so I was going through this not
14 only at our office, I was going through this at home;
15 and this got to be ridiculous, okay.

16 And so finally I got a PIC freeze in May of
17 this year with GTE, and even after the PIC freeze, I
18 was still getting a \$5.00 charge, because they charge
19 you \$5.00 just to have them as a carrier. So LDC
20 Telecom is continuing to charge me \$5.00 a month on my
21 bill at the home and at the office.

22 So I got real irate finally with -- I said,
23 "I want to talk to the manager, manager, manager,
24 whoever is the top person here." So finally I got to
25 someone that must have been a higher authority, and I

1 told him, "If I get one more of these bills, I've had
2 it. I'm going to see an attorney."

3 So finally they took me off, and I haven't
4 had any problems since, but when this was all
5 happening I had called the Public Service Commission
6 and filed a complaint and had no idea this was
7 happening to so many people, but I was so glad to see
8 when I got a letter from your Commission that y'all
9 were looking into this, because this to me is nothing
10 but greed amongst these long distance carriers, and
11 we're having to suffer because they're so greedy and
12 they want to take over the whole thing, okay? They
13 don't want to share in the profits of long distance.

14 And I actually think there's a war going on
15 with long distance people. I remember at the office
16 we were getting calls almost every day from AT&T
17 asking us to switch, and it was very intrusive in our
18 business because, you know, we had to answer these
19 calls constantly every day when we had customers and
20 other things going on, and they would interrupt us.
21 They wouldn't get off the phone. They would insist
22 that we change.

23 And when I called the Florida Service
24 Commission, they said that there was nothing they
25 could do about a business, that we were open season

1 for long distance carriers to harass us on the phone.
2 And I thought that was disgusting, because we're
3 trying to run a business and we've got these people
4 harassing us constantly and changing our telephone
5 system.

6 And they said the only thing you could do is
7 at home you could file something so they won't harass
8 you at home, but they can continue to harass you at
9 work. And I really think something needs to be done
10 about interrupting business during the day with trying
11 to change your long distance carrier. It's very
12 upsetting, you know, when you're trying to conduct a
13 business, okay, to get these calls. I mean, every day
14 I was getting them, every day.

15 **COMMISSIONER GARCIA:** Did you get your money
16 back from the company?

17 **WITNESS SALIGA:** I just got rerated. I did
18 get rerated, but it was like a constant thing. Every
19 month I had to go through that. I had to call GTE so
20 they knew I wasn't trying not to pay my bill, and I
21 said, "I'm supposed to get a credit, so I want you to
22 know that I'm only going to pay this an hour, or
23 whatever," and -- but it was just -- it was just
24 astronomically upsetting. And I got very, very upset
25 to the point where it was physically upsetting me,

1 okay?

2 But I did -- I do have my bills and I have
3 the names of people that I talked to at LDC Telecom,
4 and they're actually -- it's Integretel, Inc.
5 Regulated Service is the name of the company, and they
6 do the billing for LDC Telecom, and they're located,
7 from what I hear, in Oldsmar, Florida.

8 So I'm sure glad I got to speak my piece
9 today, because all those months I went through this, I
10 really wanted to talk to somebody about it.

11 **COMMISSIONER GARCIA:** Could you speak to
12 Mr. Durbin before you leave? Obviously if you've
13 filed a complaint, we've got most of the information,
14 but if you could just check with him so he can look at
15 the file real quick off our computer system.

16 **WITNESS SALIGA:** Thank you for allowing me
17 to come here today. I appreciate it.

18 **MR. BECK:** Ma'am, did they ever play the
19 tape recording for you?

20 **WITNESS SALIGA:** No, they did not.

21 **MR. BECK:** Because we've heard some people
22 think they jury-rig them up and paste them around.

23 **WITNESS SALIGA:** Well, what I think is that
24 LDC Telecom rents lines from Sprint, and when I left
25 Sprint to go to MCI, they must have somehow found out

1 February of '95. I got a letter from GECCS saying
2 "Welcome to our new services. Please call to verify
3 your change." I had never requested a change. I
4 called them and said "I didn't request a change. I
5 don't want a change. I don't want to change. Do not
6 change me."

7 In March I got a bill for all of my long
8 distance calls. I paid that bill because I recognized
9 that those were my calls. I also called them back and
10 said, "I don't want to be with you folks. Change me
11 back." In April I got another bill. I called them
12 back again. I wrote a letter and told them to cancel
13 me.

14 In May I got another bill. I called. A
15 Mrs. Remington called me back promising that they
16 would send me a copy of the form that I signed to make
17 my change. I said, "I never signed anything. You
18 send me something and I will believe it." That never
19 came either.

20 In June I got another bill --

21 COMMISSIONER GARCIA: That's interesting,
22 but obviously they weren't going to change you at all.
23 I mean, you were telling them to change you, and they
24 weren't changing you and --

25 WITNESS KEITH: Right.

1 **COMMISSIONER GARCIA:** -- when you were
2 trying to change, they were saying, "If you want,
3 we'll send you something saying you wanted to be with
4 us." But that doesn't change you, that --

5 **WITNESS KEITH:** Well --

6 **COMMISSIONER GARCIA:** -- just proves --

7 **WITNESS KEITH:** -- several times they
8 promised to send me, and they never sent anything.
9 She was one person who did call me back. Because in
10 the previous calls, each time the person said, "I'll
11 have my manager call you tomorrow." And, of course,
12 most of the time I never got those back either.

13 In June I paid just the section -- I sent a
14 check for \$9.76, which was just the phone bill
15 charges. It was not all the carrier charges,
16 additional adjustments, et cetera, et cetera. And at
17 that point I called A&T (sic) myself and said, "I want
18 it changed back to you." That's where I had been for
19 years. I wanted to stay with them.

20 They said, "We can't accept it over the
21 phone. You have to write us a letter." Now, they
22 never said anything about this freeze form. I mean, I
23 don't know what that is. I wrote them a letter and
24 said, "I want to stay with you. I do not want anybody
25 to change me out of you."

1 From July of '95 until March of '96, GECCS
2 continued to send me the same bill over and over and
3 over again, and I just ignored it.

4 **COMMISSIONER GARCIA:** This is the bill you
5 hadn't paid?

6 **WITNESS KEITH:** Right. This was the fees
7 and adjustment part that I had not paid.

8 **COMMISSIONER GARCIA:** Who was sending you
9 this? GTE?

10 **WITNESS KEITH:** GECCS out of Pittsburgh or
11 someplace. In March I got through my GTE, my local
12 phone company, the little flier from Public Service
13 Commission saying that your local rates -- your local
14 services might change, if you have questions call
15 this -- the 800 number. So that's when I first found
16 out what I could do about it.

17 I called Public Service Commission in March.
18 I talked to someone named John, and then I talked to
19 someone named Stella Malloy, and I faxed them some of
20 my bills. On March the 9th I got a letter from GECCS
21 for the amount of my payments, all the payments that I
22 had made up to that point, and I got another bill for
23 a higher amount.

24 They finally in March of '96 credited me for
25 the check that I had sent them in June of '95, but

1 they added \$41.00 of additional adjustments. I called
2 them in April and they said that, oh, we'll take you
3 off. I called in May to Public Service Commission
4 again because I got another bill. I talked to someone
5 named Ruth and turned in another complaint.

6 In June I got another bill. In July I
7 called the Public Service Commission again. This is
8 now '96, so it's over a year. I talked to a
9 Mrs. Stokes, and then again to Stella Malloy. At that
10 point someone from GECCS called me and gave me the
11 name of someone in Atlanta, I think, and said that if
12 I wanted to get out of their services, I had to call
13 him.

14 So I called him long distance. He said,
15 "Well, if you want to get out of these services, you
16 have to fax me a copy of your GECCS bill," and that I
17 should have called them first instead of going to
18 Public Service Commission and raising complaints. So
19 in July of 1996, they finally just quit sending me the
20 bills.

21 I never paid the final bills, and they did
22 refund the money that -- most of the money that I had
23 paid them, but it took me a year and five months to
24 get out of what I had told them in the first place I
25 did not want to be on.

1 So at this point --

2 **COMMISSIONER GARCIA:** Then when you --

3 **WITNESS KEITH:** -- I got a lot of help from
4 the Public Service Commission and --

5 **COMMISSIONER GARCIA:** You worked through
6 most of our Staff, then.

7 **WITNESS KEITH:** I don't know how many you
8 have, but they were all very useful and they were all
9 very helpful and very pleasant. And after the first
10 check coming back, I did call the number again, and I
11 don't know who I talked to then, but I said, "I just
12 want you folks to tell John, whoever he is, that he
13 has worked miracles," because at that point it had
14 been over a year. But, unfortunately, the miracle
15 didn't stick and it took another five months.

16 **COMMISSIONER GARCIA:** Do you have the -- I
17 would suggest that you do the PIC freeze, that you
18 call up GTE and whoever it is that you want your
19 service with, and tell them that that's who you want
20 your service -- I think GTE has a different system.
21 They're going to send you a form. You fill out the
22 form and you send it back to them. GTE is your local
23 service provider at this point. And that way they
24 won't -- they can't slam you.

25 And if they do, we're considering the rule

1 change, which I think someone mentioned here, that if
2 you do have a PIC freeze in with the company and you
3 get slammed, that perhaps the company is not able to
4 collect for that slam.

5 **WITNESS KEITH:** Okay.

6 **CHAIRMAN JOHNSON:** They never did send you
7 the letter that they said you signed to sign up with
8 them originally, did they?

9 **WITNESS KEITH:** No, they never sent me
10 anything other than bill after bill after bill.
11 Right.

12 **COMMISSIONER GARCIA:** We'll make sure that
13 Staff gets it from them anyway, and if you have a
14 complaint with us, we may even have it on our file.

15 **CHAIRMAN JOHNSON:** Following up on what
16 Commissioner Garcia just said, GE Capital
17 Communications Services, we fined them, or they
18 entered into a settlement agreement for \$90,000. So
19 they have been one of the companies that we've
20 received a lot of complaints about and, of course, our
21 investigations are always -- and our review is always
22 ongoing.

23 **WITNESS KEITH:** Well, I saw them on the
24 list. And I appreciate it, and I have no idea, and I
25 haven't gone to home shows or anything like that, and

1 I very rarely play any of the mail-in contests, so I
2 don't know where it came from.

3 **COMMISSIONER GARCIA:** I don't want to be a
4 bad publicity for home shows. This happens at almost
5 all -- fairs and -- I don't want to hurt the home show
6 business with our --

7 **WITNESS KEITH:** I'm more likely to go bird
8 watching, and they're not out in the woods. Thank
9 you.

10 **CHAIRMAN JOHNSON:** Thank you.

11 **MR. BECK:** Dan Moore.

12 - - - - -

13 **DAN MOORE**

14 appeared as a witness and, swearing to tell the truth,
15 testified as follows:

16 **DIRECT STATEMENT**

17 **WITNESS MOORE:** My name is Daniel F. Moore.
18 My mailing address is 4026 Henderson Boulevard.
19 That's where my company is located, Dan Moore Realty.

20 My first slam was sometime prior to
21 October 13th, 1995. I know that because I got a
22 letter from Ms. Kate Smith saying that my problem had
23 been resolved and that the G.E. Capital Exchange had
24 refunded me the money, which they did, and there was
25 no charges even for long distance that I had made that

1 I had been charged for. So I appreciate Ms. Smith's
2 help. I also appreciate the Commission's help.

3 But another couple of times, and in some of
4 my weaker moments -- and, believe me, people I've had
5 people call me on the phone, say they're with AT&T,
6 and tell me that they want to switch me to some
7 outlandish sort of a gratuity that AT&T is giving, and
8 I agreed, and then I -- after thinking about it, I
9 called the number that I have for AT&T, and they told
10 me there's no such program, there never was such a
11 program.

12 In any event, I do have a PIC freeze with
13 GTE. I do have a contact in AT&T in New Orleans that
14 I have been talking with. And since 1995 I have added
15 phones. I've even added my personal residence phone
16 on there. I have changed my personal residence phone
17 within the past six months.

18 In doing that, GTE assigned me a reserve
19 number that Triple A of Florida has. They reserve a
20 block of 100 numbers, I guess, and this is one of
21 their numbers that they use for some of their outlying
22 areas.

23 This number happens to be a 1-800 number for
24 MCI, which I found out. It is a hospital in Michigan.
25 I was getting a 1-800 number on my personal residence

1 phone for this hospital in Michigan. I don't know how
2 an 813 area code can become a 1-800 number. But in
3 any event, with talking with Sherry Johnson of GTE,
4 she explained to me that the residence department of
5 GTE had made the mistake and GTE wanted to get me out
6 of that number.

7 I wanted to keep the number because I have
8 all my business cards, all my stationery and
9 everything else with my personal residence number on
10 it, and I didn't want to go through that hassle of
11 getting it all reprinted and changed over, plus my new
12 wife has several hundred friends that we have to call
13 and tell them we've got a new number. So GTE agreed
14 to leave the intercept on for the full year of the
15 telephone directory.

16 In the process of trying to get this
17 resolved, I thought it might have been something that
18 AT&T had done, because I had a young man come to my
19 office with proper credentials. He had an AT&T tag
20 identification tag, on his pocket. All of his
21 stationery was AT&T, but like some of the others, the
22 fine print says "AT&T Business Communications."

23 Now, it also happens on his card he had
24 "AT&T Authorized Agent, Gabe Enterprises Incorporated"
25 (phonetic).

1 So in talking with the representative of
2 AT&T in New Orleans, I mentioned that this might be
3 what was happening with me getting long distance 1-800
4 numbers for the hospital in Michigan at midnight on my
5 personal residence number, and she said, "No, that is
6 not an AT&T number. It is not anything to do with
7 them," And they had never heard of this Gabe
8 Enterprises.

9 And so she asked me to fax all the
10 information over to New Orleans and -- which I did,
11 and I have all this information. She assured me,
12 number one, that I have been switched out of AT&T. I
13 called GTE. The PIC freeze is still in effect. So
14 I'm sitting on pins and needles wondering if -- when
15 this fellow is going to strike. Hopefully, never.

16 But I don't know whether you're interested
17 in any of these papers or not, but I have them, if you
18 are.

19 One other instance. When I moved out of my
20 townhouse into my new house, the week that I moved out
21 it seems that someone called my number, which was
22 still in effect at that time, from Cuba. I don't even
23 speak good southern English. I don't speak Spanish.
24 I don't know how in the world somebody could have
25 called collect from Cuba and charged it to my number

1 because there was nobody there.

2 Because of my business being a real estate
3 broker, I keep track of what I do each day, so I know
4 that I was not on the premises. No one else was on
5 the premises at that time that it came through at 8:00
6 morning. And so this \$15-and-some-cent charge was an
7 MCI charge from a collect call from Cuba to my home
8 number.

9 So it would appear that, as some of the
10 other folks have said, those that are out there trying
11 to gouge the public will go to any extent, even those
12 companies who supposedly have a good reputation such
13 as --

14 **COMMISSIONER GARCIA:** Did you pay that?

15 **WITNESS MOORE:** Pardon me?

16 **COMMISSIONER GARCIA:** Did you end up paying
17 that? No; right?

18 **WITNESS MOORE:** Oh, no. My mama didn't
19 raise no dummy, not after 20 years of being conned
20 into every kind of scam that you could find; the Xerox
21 scam, the -- I mean, the copier scam; the ballpoint
22 pen scams and all of that. You know, after a few
23 times I've learned.

24 I appreciate the service that the Public
25 Service Commission did provide back in '95, and I can

1 assure you that if something comes up that I can't
2 resolve, I'll be calling you folks immediately to let
3 you know that it's happening again.

4 **CHAIRMAN JOHNSON:** We appreciate your
5 testimony very much and look forward to -- well,
6 actually we hope we don't have to assist you again in
7 the future.

8 **WITNESS MOORE:** I do, too, but I'm sure that
9 somewhere along the line you will.

10 **CHAIRMAN JOHNSON:** You're right, and we'll
11 be here. Any questions? Thank you, sir.

12 **MR. BECK:** Ahmad Erchid.

13

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14

AHMAD ERCHID

15 appeared as a witness and, swearing to tell the truth,
16 testified as follows:

17

DIRECT STATEMENT

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19 **WITNESS ERCHID:** My name is Ahmad, first
20 name is Ahmad, A-H-M-A-D; last name E-R-C-H-I-D,
21 Erchid.

22

23 My story starts in 1992 when I was with MCI.
24 I think it was May '92. MCI gave me a promotion that
25 they were running. It was like up to \$1,000 worth of
phone calls during one month. And they sent me this
card. (Indicating) The card says, "When you decide

1 to use this free month, you need to call us before you
2 use it."

3 So I called MCI, and I told them I was going
4 to use it in May '92. Towards the middle of the month
5 I get a -- I got a bill from GTE, and there was the
6 phone calls that I made, long distance calls, during
7 that month. And then I called GTE. GTE said I was
8 with AT&T.

9 I said I never requested to be switched to
10 AT&T. Then they told me to call AT&T. I contacted
11 AT&T and spent hours and hours over the phone going
12 from one person to another with getting nowhere, and I
13 had to place phone calls, long distance, on my own to
14 their corporate office to try to get a hold of their
15 supervisors.

16 And finally they faxed me a form saying that
17 GTE requested AT&T to switch me to their lines. And
18 then I called GTE and spent again hours and hours with
19 GTE with getting nowhere, and eventually they
20 disconnected my lines. So I called them from a
21 different phone and -- no.

22 Before that, I called the local TV station,
23 Channel 8. And they have this "8 on Your Side
24 Program." And they told me that they had a similar
25 program -- that's the first time I heard the term

1 "slamming". They told me they had this program on TV
2 about two months ago, and they told me to mention this
3 to them, and if they don't resolve it peacefully,
4 Channel 8 will get involved. So I called GTE and
5 explained to that to them. They put the service back
6 on.

7 And at the beginning of this year I was in
8 the process of buying a new house, and in the process
9 of checking my credit application, this shows in my
10 credit that I owe GTE about \$600. So I called them up
11 and explained to them what happened and went through
12 the hassle again, the pain and suffering, and they
13 took it off my credit.

14 Now, it's not there anymore, but I hope it's
15 not coming back. It might come back. You know, once
16 in a while it might -- you need to get the credit
17 report. It might show up again. So I just wanted to
18 bring this case so some attention might be paid to
19 this problem.

20 **COMMISSIONER DEASON:** Were you ever told why
21 you were switched to AT&T?

22 **WITNESS ERCHID:** There was no answer on why
23 I was switched to AT&T. They, AT&T, sent me a form
24 saying that GTE requested that change.

25 **COMMISSIONER DEASON:** And GTE never

1 indicated why there was a form showing that GTE had
2 requested it?

3 **WITNESS ERCHID:** They never answered my
4 question.

5 **CHAIRMAN JOHNSON:** Any other questions?

6 **WITNESS ERCHID:** Well, thanks for --

7 **COMMISSIONER DEASON:** If you could get with
8 our Staff, I think it's important to find out how it
9 is was that the LEC got involved with a -- when I say
10 LEC, that's the local exchange company; GTE in this
11 situation -- how they got involved in this.

12 Perhaps there was some type of a written
13 request sent to GTE and somehow they forwarded it to
14 AT&T. I'm not sure. But it appears that this is a
15 little bit different of a situation, and perhaps we
16 need to look into it. Mr. Durbin is right here. He
17 will be glad to --

18 **WITNESS ERCHID:** Thanks.

19 **CHAIRMAN JOHNSON:** Thank you.

20 **MR. BECK:** Sara Westbrook.

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SARA WESTBROOK

appeared as a witness and, swearing to tell the truth,
testified as follows:

DIRECT STATEMENT

WITNESS WESTBROOK: Sara Westbrook. I'd
like to use the business address, because that's been
the most active in slamming as far as this. 181 North
Missouri, Largo, and it's Robinson Concrete.

I took a late flight, so my file is at the
office, but I'm very well documented through Ruth in
your Commission, the many times and many problems that
I've had. So all of the -- all of my data is with
your Commission, and it's at my office because I
couldn't get back to Largo from the airport.

I think the first word that comes to mind is
my -- it's unconstitutional. I think that we are
unfortunately living in a society where the United
States Government has deregulated, apparently, the
long lines of our country, and all of a sudden our
constitutional rights are being challenged.

There were two women who wrote my script.
The AT&T lady, she wrote my script completely. I
won't even go into the details, because what you heard
from her, the lady in black and the lady in green,
pretty much typifies the nightmare that I've been

1 through.

2 The first evidence of slamming or
3 changing -- Ruth with your Commission, is the one that
4 used the word to me first -- was I got the phone bill,
5 because I open all the mail at our company. And I
6 opened the mail from this LDC Company -- I think it's
7 LDC -- and there was this phone bill.

8
9 Well, we're AT&T, and died-in-the-wool AT&T.
10 I would never change from AT&T. And I began to
11 investigate, spent considerable hours on the phone
12 trying to investigate it. I won't go into all the
13 details. I got Ruth on the phone. We got the company
14 on the phone. They played the tape. They had a tape
15 of me. I said, "Why did you -- where did you get --
16 how did you have permission to do this? This is not
17 right."

18 And he said, "Well, we have a tape." So
19 Ruth and I got on a conference call with the company
20 where they played the tape for us. It was not my
21 voice. They asked for my birth date, which was not my
22 birthday. They asked for my social security number,
23 which was not my social security number. They
24 actually had the title of what I do at Robinson
25 Concrete, which is I am in charge of all the

1 administrative duties, assistant to the president, who
2 happens to be my fiance.

3 So they had my title right and my name
4 right, but it was a -- it was a theatrical dialogue, a
5 script that somebody had taped. So needless to say,
6 we went through it. We got through that, and I didn't
7 pay it.

8 I got a phone call about a week later from
9 some very high echelon with the company apologizing in
10 writing -- they subsequently wrote me a letter -- but
11 apologizing for this tape and blaming it on their
12 marketing company that they hired to do the phone
13 calls, to try to do the telemarketing to get people to
14 change over.

15 So at any rate, that was the first
16 nightmare. And then about a week later or so, then
17 our telephone was changed over by the same company.
18 And, interestingly enough, I'm not in the phone book
19 under Sara Westbrook, but my fiance, William B. Jones,
20 on Buena Vista is in the phone book.

21 So the bill that I got for our home had all
22 the data that I went through for Robinson Concrete on
23 the phone bill as if they -- as if it was my home
24 phone number, but I'm not even listed as that number.
25 So it's just -- it's a nightmare, and it's so

1 unconstitutional how they are continuing to do this.

2 We were slammed again before I found out
3 about the freeze. Ruth finally told me about the
4 freeze, or somebody did. And we got slammed again.
5 This afternoon I was told by one of the girls in the
6 office that she got another one of the phone calls,
7 on -- talked to the AT&T long line person who handles
8 your AT&T accounts. That's the way they put it. And
9 it was the same, I was -- she said it was General
10 Corporate Services.

11 But, yes -- and it's the dialogue that's so
12 interesting, is that to an innocent person who hears
13 it -- and I think of these elderly people and just
14 people who are naive and innocent might be so taken,
15 flim-flammed by these -- by the fact that they're
16 saying, "We are your AT&T billing service," and that's
17 what they've used with me many times when they've
18 called.

19 We get an average of one to two a week. Now
20 I answer the phone, and one other girl answers the
21 phone if I'm out of town, and she knows how to pick up
22 on it. Because if you're not careful, all you have to
23 do is say "yes," because it's happened to so many of
24 our friends. You say the word "yes," the next thing
25 you know you're sucked into their little scam.

1 So I could play a major tape for you to give
2 you the nightmare of what I've been through. I've
3 never had to pay a bill. I haven't paid it. Ruth
4 took control. I just -- I felt so violated almost to
5 the point of being raped because of the nightmare that
6 I went through of trying -- the hours -- like this
7 lady said who owns the business, the hours that she
8 spent trying to undo it and the hours that you spend
9 trying to get to the right people and to get this
10 nuisance and this albatross off your back.

11 And I would -- when I finally found out
12 about Ruth, I just called Ruth. She took control, and
13 then it was a done deal. It was out of my hands, so I
14 felt really comfortable.

15 Interestingly enough, though, I did get the
16 FCC to fax me a telephone slamming -- three letter --
17 what to do. And I guess I don't understand why this
18 continues to happen. If the FCC does what they say in
19 this fax about the letter of agency, then it should be
20 stopped. If they would be doing what they said had to
21 be done, then prosecute these people.

22 I did a tape for Tampa News several weeks
23 ago about this. Ruth had given them my name. And one
24 of the questions she asked, the news gal asked me, she
25 said, "What do you think we should do to stop this or

1 enforce the violators?" And I said, "Well, short of
2 deporting them or hanging them in the square, I think
3 you should fine them and put them out of business."
4 And of course then they'll pop up under another name
5 probably around the corner.

6 But when is it going to stop? And thank
7 goodness for finally we do live in a country where we
8 can have freedom of speech, because there for a while
9 I thought our constitutional rights had totally been
10 violated for somebody to come in and take over your
11 life like this, and that's what they're doing. It's
12 totally Communist, as far as I'm concerned.

13 But I really appreciate -- Ruth has all my
14 letters and all the documentation in the file, and
15 it's at my office right now, so I didn't bring it with
16 me because I took a late flight in.

17 **MR. GROSS:** Ms. Westbrook, I'd like to ask
18 you a question. My name is Michael Gross. I'm with
19 the Attorney General's Office.

20 Do you think that your written
21 authorization, a person's written authorization,
22 should be required before switching their long
23 distance carrier?

24 **WITNESS WESTBROOK:** Well, that's precisely
25 what the FCC says in here; letter of agency, and then

1 it spells it out in this fax that I received from
2 them. Absolutely it should be documented in writing.

3 **MR. GROSS:** Do you have any concerns -- some
4 people have suggested that -- well, there are a lot of
5 the discounts available. And some people like to call
6 up the various phone companies and take advantage of
7 the discounts, and doing it in writing would make that
8 more difficult.

9 **WITNESS WESTBROOK:** Why would it make it
10 more difficult? What do you mean?

11 **MR. GROSS:** Well, you couldn't just pick up
12 the phone and call MCI and say, "I want to switch to
13 you because I just heard your ad that you're offering
14 a better deal than AT&T." These are just
15 hypotheticals. If you had to do it in writing, would
16 that delay, discourage you?

17 **WITNESS WESTBROOK:** If I wanted to, upon my
18 own request, to change? In other words, if I wanted
19 to change to MCI?

20 **MR. GROSS:** If you wanted to change
21 voluntarily, would a written requirement be
22 discouraging to you or --

23 **WITNESS WESTBROOK:** No, because I live by
24 contracts. I think life is -- you can't operate your
25 life without contracts. I mean, you don't buy a house

1 without a contract.

2 **MR. GROSS:** I agree with you, and I'm just
3 playing the devil's advocate, because this is a
4 real --

5 **WITNESS WESTBROOK:** It would not be a timing
6 issue. I wouldn't mind waiting for MCI to send me --
7 if I wanted to change, for them to send me a form to
8 sign. That's not a problem. I wouldn't be in that
9 big of a hurry to change.

10 **MR. GROSS:** And even though it might take
11 longer, you'd rather have that kind of protection in
12 place?

13 **WITNESS WESTBROOK:** To have the protection
14 and know that when I sign something, that's my choice
15 would be worth it, even if it took two weeks or a
16 month. It's the fact that if I go to buy a car, I
17 have to sign a document -- or a house -- it doesn't
18 happen overnight. So what's the problem? And just a
19 little time to sign a document.

20 **MR. GROSS:** Would you be disappointed if
21 telemarketing was not permitted? I mean, if you
22 couldn't -- would you feel that you missed
23 opportunities if you didn't get telemarketing phone
24 calls?

25 **WITNESS WESTBROOK:** I would love not to get

1 telemarketing, because I automatically tell people
2 when I walk in the door at night at 5:30 the phone is
3 ringing, you know, Ms. Westbrook, would you like to --
4 I said, I do not take solicitations; send it to me in
5 writing.

6 And the girls at the office are trained --
7 and now we just say we don't take solicitations, send
8 it to me in writing. I mean, I don't even talk to
9 these people anymore, because you say the wrong thing
10 and you're going to own a Cadillac or something or a
11 new yacht. I mean, it's ridiculous.

12 **MR. GROSS:** I'm very sympathetic to your
13 predicament --

14 **WITNESS WESTBROOK:** But I don't believe that
15 anything -- that you should conduct your personal
16 business or business business in this world without
17 signing something to verify that's your freedom of
18 choice. So, no; a contract would be welcome.

19 **MR. GROSS:** Well, thank you for answering my
20 question. It's very important for me to know what the
21 consumers would like.

22 **WITNESS WESTBROOK:** Well, that's what
23 clearly the FCC says, a letter of agency should be
24 required.

25 **MR. GROSS:** Well, actually, that's a little

1 bit misleading, if that's the only option,
2 verification option they indicate, because there are
3 other alternative verification options which do not
4 require that it be done in writing. That's just one
5 option that's available under the FCC rules.

6 **WITNESS WESTBROOK:** I see. That's the one
7 they explained --

8 **MR. GROSS:** But they're also reevaluating
9 their rules and may come back with more stringent
10 verification requirements.

11 **WITNESS WESTBROOK:** Do you see an end to
12 this?

13 **MR. GROSS:** I really think that the Public
14 Service Commission, the Office of Public Counsel,
15 which represents the citizens in utility matters, and
16 in this case particularly telecommunications matters,
17 and the Attorney General are all working together to
18 come up with more stringent verification requirements,
19 tougher penalties, tougher enforcement, and we think
20 that we can mitigate the problem.

21 **WITNESS WESTBROOK:** Why can't you just sign
22 a law?

23 **MR. GROSS:** Well, I think that's what we're
24 taking under advisement right now.

25 **WITNESS WESTBROOK:** Under state level or

1 national level?

2 **MR. GROSS:** State level. We only have the
3 authority to operate on a state level, but --

4 **WITNESS WESTBROOK:** Do you ever see it to be
5 a national --

6 **MR. GROSS:** Yes. The FCC -- this is a
7 national problem, and the FCC is also presently
8 reevaluating its own rules. They have a rulemaking
9 proceeding that's pending right now.

10 **CHAIRMAN JOHNSON:** And, in fact, there's
11 several bills in congress right now looking at the
12 slamming issue in trying to determine whether they can
13 come up with more protective rules for the
14 constituents also.

15 **WITNESS WESTBROOK:** Excellent. I look
16 forward to that day when we become America again.
17 Thank you for this opportunity. Driving across the
18 bridge is frightening, but I'm going to do it.

19 **CHAIRMAN JOHNSON:** Thank you for testifying.

20 **MR. BECK:** Ms. Westbrook was the last person
21 to sign up ahead of time.

22 **CHAIRMAN JOHNSON:** Are there any other
23 individuals that did not sign up to testify but that
24 would like to testify this evening?

25 Seeing none, I'd like to thank everyone for

1 coming out tonight and participating in the process.
2 Again, your comments will be made a part of our
3 official record and we'll use them when making our
4 final determination. Thank you very much.

5 This hearing is adjourned.

6 (Thereupon, the hearing concluded at 8:30
7 p.m.)

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1 STATE OF FLORIDA)

2 :

CERTIFICATE OF REPORTER

3 COUNTY OF LEON)

4 I, H. RUTHE POTAMI, CSR, RPR Official
Commission Reporter,

5 DO HEREBY CERTIFY that the Workshop in
Docket No. 9708882-TI was heard by the Florida Public
6 Service Commission at the time and place herein
stated; it is further

7 CERTIFIED that I stenographically reported
the said proceedings; that the same has been
8 transcribed under my direct supervision; and that this
transcript, consisting of 95 pages, constitutes a true
9 transcription of my notes of said proceedings.

10 DATED this 2nd day of December, 1997.

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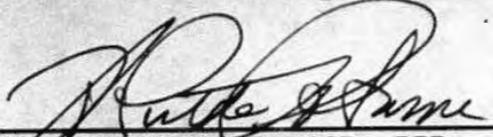
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