



ORIGINAL
Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: January 15, 1998
 TO: BLANCA BAYO, DIRECTOR OF RECORDS AND REPORTING
 FROM: DIANA W. CALDWELL, DIVISION OF APPEALS *DW*
 RE: COMMISSION STAFF'S PREHEARING STATEMENT - DOCKET NO. 970882-TI

Attached are an original and 15 copies of Commission Staff's Prehearing Statement.

DWC
Attachment

ACK _____
 AFA _____
 APP _____
 CAF _____
 CMU _____
 CTR _____
 EAG _____
 L 5 _____
 SEC 1 _____
 WAS _____
 OTH _____

DOCUMENT NUMBER-DATE
 [REDACTED] JAN 15 2
 FPSC-RECORDS/REPORTING

COMMISSION STAFF'S PREHEARING STATEMENT
DOCKET NO. 970882-TI

COMMISSION STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-97-1071-PCO-TI and PSC-98-0006-PCO-TI, issued September 12, 1997 and January 2, 1998, the Commission Staff (staff) files its prehearing statement as follows:

A. All Known Witnesses

Witness

Subject Matter

J. Alan Taylor

Facts and circumstances justifying the rules and amendments and the purpose of the proposed rules and amendments.

Jennifer Erdman-Bridges

Facts and circumstances justifying the rules and amendments and the purpose of the proposed rules and amendments.

B. All Known Exhibits

Staff has identified a list of exhibits which it intends to utilize at hearing which are appended hereto as Appendix A. Staff reserves the right to identify additional exhibits at the Prehearing Conference and at hearing for purposes of cross examination.

C. Staff's Statement of Basic Position

Staff supports the new and amended rules as proposed by the Commission at its December 16, 1997, Agenda Conference with the following changes:

1. Rule 25-24.110, Florida Administrative Code:

a. Staff suggests that the billing block option language found in subparagraph (11)(a)3. be numbered as a separate subsection (11), renumbering subsequent subsections and making the appropriate technical reference changes.

b. Staff further suggests the language be modified as

follows for clarity and to assure application to both regulated and unregulated services:

(11) Each LEC shall offer end user/subscribers a free billing block option to block all charges, regulated and unregulated, from a third party other than the subscriber's primary local toll and toll provider. Bills submitted by third parties with the subscriber's LEC-specific personal identification number will validate the subscriber's authorization of the charges and supersede the billing block. The subscriber is responsible for all such charges.

2. Rule 25-4.118, Florida Administrative Code:

a. The fourth sentence to Subsection (14) should be amended by adding the following language before the "period":

and be answered within 60 seconds after the last digit is dialed.

D. Issues and Staff's Respective Positions

The issue in the matter is what rules, if any, should the Commission adopt to reduce or eliminate the occurrences of slamming, cramming, and other related consumer problems. Slamming is a term that describes the unauthorized switching of a customer's preferred carrier. Cramming is a term that describes the unauthorized billing of third party charges to LEC subscribers.

The proposed rules and amendments incorporate federal requirements. In addition, the proposed rules and amendments are further tailored to reduce slamming and cramming as it occurs in Florida.

E. Stipulated Issues

There are no issues that have been stipulated at this time.

F. Pending Matters

The Office of the Attorney General has a Petition to Inspect and Examine Records of Sprint Communications Company Limited Partnership pending.

G. Requirements That Cannot be Complied With

There are no requirements of Orders No. PSC-97-1071-PCO-TI and PSC-98-0006-PCO-TI that cannot be complied with at this time.

Diana W. Caldwell

DIANA W. CALDWELL
Associate General Counsel

FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Boulevard
Tallahassee, Florida 32300-0862
(850) 413-6245

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the COMMISSION STAFF'S PREHEARING STATEMENT has been furnished by U.S. Mail, this 15th day of January, 1998, to the following:

Henry Rodriguez, President
LDC Telecommunications, Inc.
391 Roberts Road
Suite 4
Oldsmar, FL 34677-4918

Robert Taylor
600 Jefferson
Suite 500
Houston, TX 77002

Everett Boyd, Esq.
Ervin, Varn, Jacobs & Ervin
305 Southern Gadsden Street
Tallahassee, FL 32301

Russ Holder
Discount Network Services,
Inc.-& Telecom Compliance
Services, Inc.
6455 E. Johns Crossing
Suite 285
Duluth, GA 30155

Benjamin Fincher, Esq.
3100 Cumberland Circle
Atlanta, GA 30339

Drew Kenna
Vice President
Minimum Rate Pricing, Inc.
P. O. Box 8000
Bloomfield, NJ 07003

Ky E. B. Kirby
Warren A. Fitch
Don W. Blevins
Swidler & Blevins
3000 K Street, N.W.
Washington, D.C. 20007

Joseph A. McGlothlin
McWhirter, Reeves, McGlothlin,
Davidson, Rief & Bakas, P.A.
117 S. Gadsden Street
Tallahassee, FL 32301

Jim Butler
Excell Telecommunications,
Inc.
Lock Box #6
8750 North Central Expressway
Dallas, TX 75231

J. Clay Garey
All American Telephone, Inc.
9001 Airport Freeway
Suite 570
North Richland Hills,
TEXAS 76180-7773

Greg L. Eriksen
Levine & Eriksen
2560 N. Santiago Blvd.
Orange, CA 92667

Richard D. Melson, Esq.
213 South Calhoun Street
P. O. Box 6526
Tallahassee, FL 32314

Patrick K. Wiggins
Wiggins & Villacorta, P.A.
501 E. Tennessee St.
Suite B
P. O. Drawer 1657
Tallahassee, FL 32302

Marsha Rule
Tracy Hatch
AT&T Communications of the
Southern States, Inc.
101 N. Monroe
Suite 700
Tallahassee, FL 32301

Nancy B. White, Esq.
BellSouth Telecommunications,
Inc.
150 S. Monroe Street
Suite 400
Tallahassee, FL 32301

Greg Garrett
Vice President & CFO
Integrated TeleServices, Inc.
7108 North Fresno Street
Fresno, CA 93720

Hubert A. Streep
Executive Vice President
The Furst Group, Inc.
459 Oakshade Road
Shamong, NJ 08088

Michael L. Glaser
Canora T. Dodd
Halignman and Lottner, P.C.
First Interstate Tower North
633 Seventeenth Street
Suite 2700
Denver, CO 80202

Kimberly Caswell, Esq.
GTE Florida Incorporated
One Tampa City Center
P. O. Box 110, MC 7
Tampa, FL 33601

Dana Wilson
Home Owners Long Distance
Inc.
P. O. Box 690670
San Antonio, TX 78269

Martin J. West
Intercontinental Communi-
cations, Group, Inc.
1801 South Federal Highway
Suite 305
Delray Beach, FL 33483-3334

Charles Rehwinkel
Sprint/United Florida
Sprint/Centel Florida
P. O. Box 2214
Tallahassee, FL 32316

Thomas Bond
MCI Telecommunications Corp.
780 Johnson Ferry Road
Suite 700
Atlanta, GA 30342

J. Jeffrey Whalen, Esq.
Ausley & McMullen
227 South Calhoun Street
P. O. Box 391
Tallahassee, FL 32302

Michael J. Shortley, III
Gordon Grems
Frontier Communications
Services
180 South Clinton Avenue
Rochester, NY 14646-0500

Suzanne F. Summerlin
1311-B Paul Russell Rd.
Suite 201
Tallahassee, FL 32301

Ms. Kim Logue
Regulatory Counsel
LCI Intern'tl Telecom Corp.
8180 Greensboro Drive
Suite 800
McLean, VA 22102

Michelle Post, Vice President
Network Utilization Services
6080 Huntwick Terrace
Suite 308
Delray Beach, FL 33484-1843

Benjamin Fincher, Esq.
3100 Cumberland Circle
Atlanta, GA 30339

Jeffrey J. Walker
Andrew K. Kang
Preferred Carrier Services,
Inc.
500 Grapevine Highway
Suite 300
Hurst, TX 76054-2707

Charles J. Beck
Deputy Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400

Michael A. Gross
Assistant Attorney General
Dept. of Legal Affairs
PL-02, The Capitol
Tallahassee, FL 32399-1050

Diana W. Caldwell

DIANA W. CALDWELL
Associate General Counsel

FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Boulevard
Tallahassee, Florida 32300-0862
(850) 413-6245

ATTACHMENT "A"

I. STAFF'S COMPOSITE EXHIBIT NO. 1:

1. PROPOSED RULES
2. FLORIDA ADMINISTRATIVE WEEKLY NOTICE AND PROPOSED RULES
3. ORDERS ESTABLISHING PROCEDURE
4. STATEMENT OF FACTS AND CIRCUMSTANCES JUSTIFYING RULE;
STATEMENT ON FEDERAL STANDARDS; STATEMENT OF ESTIMATED
REGULATORY COST AS PROVIDED TO THE JOINT ADMINISTRATIVE
COMMITTEE, ISSUED DECEMBER 29, 1997
5. NOTICE OF RULEMAKING, ORDER NO. PSC-1615-NOR-TI, ISSUED
DECEMBER 24, 1997
6. COMMENTS OF INTERESTED PERSONS

II. J. ALAN TAYLOR COMPOSITE EXHIBIT (JAT 1-14)

| | <u>Exhibit No.</u> | <u>Subject Matter</u> |
|-----|--------------------|------------------------|
| 1. | JAT - 1 | Slamming |
| 2. | JAT - 2 | <u>Parker v. Brown</u> |
| 3. | JAT - 3 | Slamming |
| 4. | JAT - 4 | Cramming |
| 5. | JAT - 5 | Slamming |
| 6. | JAT - 6 | Cramming |
| 7. | JAT - 7 | Cramming |
| 8. | JAT - 8 | Cramming |
| 9. | JAT - 9 | Cramming |
| 10. | JAT - 10 | Cramming |
| 11. | JAT - 11 | Cramming |

12. JAT - 12 Rule 25-24.515(16), Florida
Administrative Code, Toll Fraud
Liability
13. JAT - 13 Slamming
14. JAT - 14 Slamming