

ORIGINAL



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January 30, 1998

Ms. Blanca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0870

RE: Docket No. 980048-T1

Dear Ms. Bayó:

Enclosed are an original and fifteen copies of Direct Testimony of Senator Jack Latvala for filing in the above-referenced docket.

Also enclosed is a 3.5 inch diskette containing the Direct Testimony of Senator Jack Latvala in WordPerfect for Windows 6.1. Please indicate receipt of filing by date-stamping the attached copy of this letter and returning it to this office. Thank you for your assistance in this matter.

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMH *Green*
- CTH _____
- EP _____
- LE *JCJB/dsb*
- L *SM*
Enclosure
- _____
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Sincerely,

Charles J. Beck
Deputy Public Counsel

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for review of)
proposed numbering plan relief)
for 813 are code)

Docket 960046-TL

Filed: January 30, 1996

DIRECT TESTIMONY
OF
SENATOR JACK LATVALA

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**DIRECT TESTIMONY
OF
SENATOR JACK LATVALA**

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 980048-TI**

- Q. Please state your name and position.**
- A. My name is Jack Latvala, and I represent District 19 in the Florida Senate.**
- Q. Do you receive telephone service from GTE Florida?**
- A. I have been a GTE customer almost all of my life. I grew up in Polk County with GTE and the 813 area code. I currently reside in Palm Harbor and continue to receive telephone service from GTE.**
- Q. What is the purpose of your testimony?**
- A. The purpose of my testimony is to address the proposal by GTE to implement an overlay area code plan for the 813 area code. I conclude that the interests of the citizens residing within the 813 area code will be better served by implementing a geographic split to provide additional numbers in the area.**

1 Q. Do you have any observations about the Tampa Bay area?

2 A. The Tampa Bay area as a whole, and particularly Pinellas and Pasco
3 Counties, has one of the highest concentrations of retirees and elderly
4 citizens in Florida.

5

6 Pinellas County and West Pasco County also do not have the growth rates
7 of many areas of Florida. According to the Pinellas Planning Department,
8 Pinellas County is approximately 91% built-out. There is virtually no room
9 left to construct new housing. Projected growth in Pinellas' population over
10 the next 10 years is only 8%. In this respect, it is very similar to the
11 situation the Commission confronted in Monroe County, where there was
12 little room for growth. With relatively slower growth in housing and
13 population than in other areas of Florida, there may be slower growth in
14 telephone numbers and less of a need for additional telephone numbers in
15 the future.

16

17 Q. What are your concerns with the overlay area code proposal of GTE?

18 A. An overlay area code plan will require the citizens of Tampa Bay to dial ten
19 digits for all local calls, whether calling next door or across town. Mandatory
20 ten digit dialing, along with the existence of two area codes serving the same
21 geographic area, will be very confusing and inconvenient for everyone.

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23 People in the same neighborhood could have different area codes. In fact,
24 a person with two lines in their house could wind up having one line with the

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1 **813 area code and the second line with the new area code. This same**
2 **problem would confront businesses, where some lines could be in one area**
3 **code and other lines in another area code, resulting in confusion to their**
4 **customers.**

5

6 **Unless absolutely necessary, the Commission should be hesitant to impose**
7 **unnecessary inconvenience and confusion on consumers. The high**
8 **concentration of retirees and elderly in the area makes this even more**
9 **important.**

10

11 **Q. Are you aware of any other problems with the overlay area code plan?**

12 **A. Yes. When I attended the public workshop in Tampa, a number of persons**
13 **representing alarm monitoring companies testified about the hardship they**
14 **and their customers would endure with an overlay area code plan. I**
15 **understand that in some cases, with mandatory ten digit local dialing, they**
16 **would have to reprogram equipment located on the customer's premise. In**
17 **other cases, with equipment installed many years ago, they would not be**
18 **able to reprogram the equipment to make the ten digit local calls. In those**
19 **cases new equipment would have to be installed that could cost customers**
20 **several hundred dollars.**

21

22 **Q. Do you believe the overlay plan is appropriate for the 813 area code?**

23 **A. An overlay area code should only be use as a last resort when their is no**
24 **practical means of implementing a geographic split. This occurred in Miami,**

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1 where there was no sensible geographic split available. In the Tampa Bay
2 area, however, there are a number of very practical ways to divide the area
3 geographically.

4

5 There are also significant demographic differences between the Tampa Bay
6 area and the metropolitan Miami area. I believe we have a greater
7 proportion of retirees and elderly in the Tampa Bay area than in the
8 metropolitan Miami area. The impact of mandatory ten digit dialing would be
9 particularly difficult on this segment of our population.

10

11 Q. Have you prepared a statement concerning the 813 area code?

12 A. Yes. I have attached a position statement to this testimony as exhibit A. I
13 would like to personally deliver this statement at the hearing scheduled for
14 February 24, 1998.

15

16 Q. What is your recommendation to the Commission?

17 A. I recommend that the Commission implement a geographic split to provide
18 numbering relief for the 813 area code.

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20 Q. Does that conclude your testimony?

21 A. Yes.

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Statement
of
SENATOR JACK LATVALA
Before the
FLORIDA PUBLIC SERVICE COMMISSION
Docket # 980048-T1

7 I would like to thank the Chairman of the Public Service Commission,
8 Julia Johnson, and the commissioners for this opportunity to testify before you
9 today on this matter of vital importance to my constituents in the 19th Senate
10 District of Florida and to all the people of the Tampa Bay area.

11 My constituents and the people of this region purchase their local
12 telephone service from GTE Corporation. In this, they have no option. GTE
13 has a traditional monopoly on local land-line telephone service. GTE is also
14 a major provider of non-traditional telephone and data communications services
15 here. GTE also provides ancillary services such as telephone directories. In
16 the recent past, at least one major competitor to GTE in the directory business
17 abandoned that business. As of now, I know of no other large competitor to
18 GTE in the telephone directory business. Therefore, it is fair to say that when
19 most of my constituents and, indeed, most of the people in the Tampa Bay area
20 consider their options in telecommunications, they find few or no alternatives
21 to GTE. The company controls the business.

1 When a company so dominates a particular business in a particular
2 market, a monopoly or a near-monopoly can be said to exist. Since the turn of
3 the century, government at various levels has accepted the responsibility of
4 controlling monopolistic practices so to better the lives of the people. This is
5 particularly the case when the business in question provides a vital public
6 service. GTE certainly does so. In Florida, when a vital public service is
7 provided by a single company, or by so few companies that a near-monopoly
8 exists, it is the obligation of state agencies, and in particular the Public Service
9 Commission, to control the practices of that company so to better the lives of
10 the people. That is one of the things people buy with their taxes.

11 Chairman Johnson and Commissioners, I believe I can speak for my
12 constituents and for the people of this region in expressing our gratitude for
13 your swift and forceful response to the appearance of a situation in which GTE,
14 with its near monopoly, is attempting a practice which militates against the best
15 interests of the people at large.

16 GTE is attempting to impose a new area code on the people of my
17 district. In so doing, it argues that it is necessary because the number of
18 individual telephone numbers available for assignment to new telephone
19 service is running out. Imposing a new area code, it says, is a logical response
20 to this problem. Recent experience from across America shows it is a common
21 response. Acknowledging that I am not a telephone engineer, I must
22 nevertheless question if indeed the quantity of available telephone numbers is

1 as limited as GTE has suggested. After all, every area code should have
2 available to it nearly 7.84 million telephone numbers. Of course, there are
3 good reasons why many of these cannot be used. Nevertheless, given the
4 population of our area, perhaps two and a half million people, it is difficult to
5 imagine that the quantity of available numbers is as inadequate as has been
6 suggested. One wonders whether, with the technical expertise available to
7 GTE, it could not develop alternatives to the assignment of a new area code
8 across the entire region--alternatives that would be far less disruptive to the
9 average residential customer, particularly those who have resided in our area
10 the longest.

11 Assuming, however, that is absolutely necessary for GTE to impose this
12 new area code--not just merely a business convenience--the next question that
13 must be clearly and fully answered is why GTE has chosen the overlay model
14 in opposition to a geographic separation. I would not attempt to answer that
15 question, but I would say that GTE has not answered that question to my
16 satisfaction nor to the satisfaction of many of my constituents, its customers.
17 What is the benefit to GTE of this model? GTE has represented to me that this
18 overlay model is the least expensive way for the company to accomplish its
19 goal. The company apparently recognizes some benefit, for there is little
20 reason for it to believe that the overlay model benefits its customers. Quite the
21 contrary, in fact. This is the essential point of this issue. The overlay model,
22 while it may be in the best financial interest of the service provider, is not in the

1 best interest of the public. Decisions about telephone service should be made
2 in the best interest of the public.

3 Chairman Johnson and Commissioners, imposing a new area code on
4 top of the existing 813 area code is a formula for an incalculable inconvenience
5 to my constituents and to the customers of GTE. Under this proposal, all
6 telephone numbers assigned to new service after a certain date (presumably
7 next fall) in the present 813 area would be assigned the 727 area code. At
8 present, the proposal would effect all types of service: cellular, pager,
9 commercial and, most important, residential. I have heard of no plans to
10 exempt any particular class of service or group of customers, regardless of
11 reason. The proposed change is so sweeping that it takes no account of the
12 problems it will pose to individuals. GTE apparently believe there would be few
13 problems or that these problems, regardless of their severity and frequency,
14 would be insignificant in the face of its technical need to increase the quantity
15 of telephone numbers available. My main purpose in testifying before you
16 today is to tell GTE it is wrong. The problems GTE's plan would cause will be
17 both many and significant. Let me cite some examples.

18 The first example has to do with new residential service. I personally
19 have more than one residential telephone line. If I were to purchase another
20 after the effective date of the overlay, it would come with a new area code. I
21 would have two area codes in one home. I would be forced to advise everyone
22 who wished to contact me using this service that it has an area code different

1 from that for my original service. As elected officials, my wife, who is a member
2 of the Pinellas County School Board, and I frequently use our home offices to
3 do the business of public service. The number of our public contacts is
4 unlimited. In fact, our success as public servants may be measured, in part, by
5 the number of contacts we have with the public. The confusion over the area
6 codes between the different communications services we would use in our
7 home would inhibit public contact and, therefore, affect our ability to do the jobs
8 our respective constituencies elected us to do. This is a disservice. Many
9 other people, who are not elected officials but whose personal success
10 depends on easy public communication from their homes, would find
11 themselves in a similar situation.

12 The next example of the inconvenience this plan would present to my
13 constituents has to do with new service within a community. Individuals
14 relocating into a community later this year might find themselves with an area
15 code differing from that used by their neighbors and their neighborhood
16 businesses. Not only does this present the ludicrous scenario of people having
17 to go from door to door to learn who has what area code, it also presents a
18 serious disadvantage to neighborhood businesses. Assume, for example, a
19 new business begins in an old neighborhood. Will the potential customers for
20 this business have to determine the new area before they can call for service?
21 Will this not inhibit people and debilitate the start-up business? Might GTE
22 have in mind offering the old area code to the new business--perhaps at an

1 additional cost? Will GTE be willing to suspend the charge on its information
2 service for several years while people get used to the new system?

3 One of the reasons I have heard GTE advance for choosing the overlay
4 is that it wishes to avoid disunity between counties within this region. While
5 I commend GTE for the thought, I regret that I find its logic suspect. Unity
6 within political boundaries does not begin at the county level. Instead, unity is
7 a neighborhood-by-neighborhood matter. As good as it is to work for regional
8 unity, it is illogical to sacrifice neighborhood unity in the process, and that is
9 what this overlay proposal would do.

10 Another example of the serious inconvenience this proposal would
11 produce is the example of older Floridians. I have the second highest
12 concentration of senior citizens of any district in the Florida Senate. A
13 significant number of these people have reached the age of 85 and so are
14 numbered among the "old old." They came here to retire to a life of ease and
15 simplicity. Over the years, they developed routines of living adapted to their
16 circumstances. Sadly to say, for many these circumstances include failing
17 eyesight and unreliable memory. No longer are the numbers in the telephone
18 directory easy to read. No longer are telephone numbers easy to remember.
19 No longer do aged and arthritic fingers, scarred by decades of hard work, dial
20 the phone as easily as before.

21 Under GTE's overlay proposal, each and every telephone subscriber,
22 regardless of the length of time they have had service, will have to adapt to a

1 new way of dialing the telephone. Each will have to dial ten digits each and
2 every time they place a call. Even worse, three of those digits very likely will
3 change whenever new service is added. Imagine, for example, a person having
4 two or three health care providers whom they consult each week. Should these
5 providers add or change telephone service, elderly Floridians with dim eyes
6 and rusty memories could easily find themselves juggling telephone area codes
7 trying to reach their health care providers.

8 This is not merely a disservice, it could pose a serious problem for a class of
9 people who already face more problems than they can easily deal with. Keep
10 in mind, each of us in this room will one day find ourselves in similar
11 circumstances. Because of the number of taxpayers who are affected by these
12 conditions, Florida is considered to be a model state in which new ways of
13 assisting them are explored and adopted. I say that this overlay proposal
14 retrogresses from the model of intelligent, compassionate service an
15 organization like GTE, with all its technical and business capacity, should be
16 expected to provide its customers.

17 Let me now briefly consider the affect of this change on businesses. I
18 have already cited the prejudicial effect it will have on new businesses serving
19 neighborhood markets, an affect brought about by the difference between the
20 business's area code and that of all its potential customers in the surrounding
21 neighborhoods. In its presentation last month, GTE said that separating area
22 codes geographically would compel some businesses to replace their

1 stationery and other printed material. While this is undoubtedly true, I will note
2 that this could also happen under the overlay plan whenever new service is
3 added. Most businesses reprint their stationery periodically, anyway. I believe
4 the effects on business of the overlay and the geographic separation models
5 for the assignment of new area codes are approximately equivalent.

6 Considered in total, I believe GTE's overlay proposal has serious
7 negative consequences, particularly for the most vulnerable class of residential
8 customers, senior citizens. It ought not to be adopted. If we are to respect the
9 company's statement that it needs a new area code, however, we must find an
10 acceptable alternative. I wish to propose one.

11 I recommend GTE create separate area codes for each of the three
12 counties in the service area or, at a minimum, a single split. If the 813 area
13 code is running short of numbers, it ought to be reserved to that area where
14 there will be the least pressure on the remaining supply. Clearly, that area is
15 Pinellas and West Pasco Counties. In Pinellas County, after many years of
16 rapid growth, the sheer physical capacity to grow is now severely limited. It is
17 hard to find a building lot in most of Pinellas County. Statistically, Pinellas
18 County is expected to grow by about 77,000 people in the next 12 years.
19 During that same period, Hillsborough County will grow by 156,000 people--
20 double the growth in Pinellas County. Pasco County will grow about half as
21 much as Hillsborough County. According to information provided to me by the
22 PSC, there were only 189 working NXX's (1.89 million phone numbers) in

1 Pinellas County in mid-1997, leaving 5.95 million available numbers for future
2 assignment. It is inconceivable to me that there will be enough growth in
3 Pinellas to ever merit another area code.

4 Chairman Johnson and Commissioners, a utility exists to serve the best
5 interests of its customers. In attempting to convince you of the rectitude of its
6 overlay plan, GTE will testify about technical matters I am not prepared to
7 address. As a member of the Florida Senate, however, I have attempted to
8 address matters that appear to lie outside the scope of GTE's expertise--the
9 real effects GTE's proposal will have on real people of all demographic classes,
10 in particular, senior citizens. GTE has said it surveyed a statistical sample of
11 its customers and found they would agree to the overlay. Having spent the last
12 25 years surveying public opinion as part of my profession, I would say that
13 GTE's survey questionnaire was biased. Based on the order in which
14 questions were asked, I believe it was designed to elicit a response favorable
15 to GTE's overlay plan.

16 I would be remiss in my duty to my constituents and, in particular, the
17 older residents of my district if I refused to stand in opposition to GTE's bad
18 idea or if I refused to take the opportunity to formally present my objections to
19 it today.

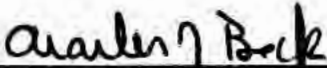
20 In conclusion let once again thank you, Madam Chairman, and the
21 Commissioners for their concern, effort and patience. When the Legislature
22 created the Public Service Commission it was to deal with matters just like this.

- 1 I am confident that you will justify the faith that the Legislature and, most
- 2 importantly, the people of Florida have placed in you.

**DOCKET NO. 980048-TL
CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a copy of the foregoing has been furnished by U.S.

Mail or hand-delivery to the following parties on this 30th day of January, 1998.



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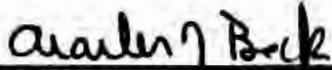
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Charles J. Beck

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