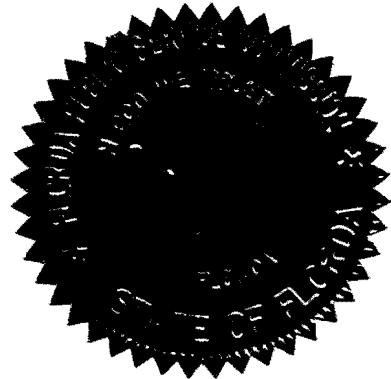


FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of :
:
Request for Submission of :
Proposals for Relay Service :
beginning in June 2000, for :
the Hearing and Speech :
Impaired, and other :
implementation matters in :
compliance with the Florida :
Telecommunications Access :
System Act of 1991. :

DOCKET NO. 991222-TP



PROCEEDINGS: **BIDDERS CONFERENCE**

DATE: **Thursday, October 14, 1999**

TIME: Commenced at 9:30 a.m.
 Concluded at 12:30 p.m.

PLACE: Betty Easley Conference Center
 Room 152
 4075 Esplanade Way
 Tallahassee, Florida

REAL-TIME
REPORTED
BY: JOY KELLY, CSR, RPR
 Florida Public Service Commission
 Chief of Reporting

DOCUMENT NO.
12778-99
10/19/99

1 **IN ATTENDANCE:**

2 CHARLES ESTES, MCI.

3 DOUGLAS McDONALD, GC Services Ltd.

4 MIKE ELLIS, Sprint

5 GAIL SANCHEZ, AT&T (via telephone)

6 TOM O'NEILL, Vista Information Technologies, Inc.

7 DAVID MEERMANS, Relay consultant

8 GARY WARREN, Hamilton Telecommunications

9 CHARLES J. REHWINKEL, Sprint

10

11 **FOR THE FPSC:**

12 RICHARD TUDOR, LAURA KING, RICK MOSES,

13 MARTHA BROWN and DON McDONALD, FPSC Division of

14 Communications.

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16

17 **INTERPRETERS:**

18 TRISH CLEMONS

19 YVONNE SIMONSON

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P R O C E E D I N G S

(Conference convened at 9:30 a.m.)

MR. TUDOR: Good morning. All right. Let's go ahead and begin.

Good morning. Glad to have everybody here today. Of course, we're here today, this meeting was noticed to provide an overview of the RFP for Florida Relay Service and to address questions concerning the RFP. I want to welcome everybody here. It's good to see you. A lot of old friendly faces and some new faces. And we hope everybody has found us okay and glad you made it here. We have some people also on the telephone and we'll do some introductions in just a moment.

One thing I wanted to start with is we'd like to have as many of the people as we can, at least one person representing each potential bidder, at the front table. Might make it easier for visual -- for seeing each other and also for maybe asking questions. And I believe we're in pretty good shape there.

One thing I wanted to mention early on here is that if we could have each person identify themselves when they speak, that will help the people that are on the telephone and also the court reporter and all of us to make sure we know who everybody is,

1 but particularly for the court reporter and the people
2 on the telephone. So if you would identify yourself
3 before you begin speaking we'd appreciate that this
4 morning.

5 One thing I did want to mention early on is
6 one provision in the RFP which deals with restrictions
7 on communications before there's any potential problem
8 there.

9 Item A-10 of the RFP, that section is
10 intended to make sure that everyone gets fair and
11 equal treatment. We hope that when this process is
12 concluded, that everyone will feel like they have had
13 equal information and an equal opportunity to be
14 heard. So that's the purpose of that restriction.

15 What it calls for is to make all
16 communications regarding this RFP be directed to me,
17 and that can be by letter or fax or e-mail and all of
18 those addresses are in the RFP. But rather than going
19 to another staff member or anyone else at the
20 Commission, anyone in the Advisory Committee, if you
21 would come directly to me with any questions, I'll
22 make sure that those questions are provided to anybody
23 else who has indicated an interest in receiving the
24 RFP, and make sure that you also get the answers that
25 we might have for any questions that are asked.

1 We've handed out some folders this morning,
2 one for each of the primary contact people. What I
3 would like to do at this point is to take a little bit
4 of a roll call and make sure we know who is here and
5 who is representing each company.

6 The names that I have here for each
7 potential bidder that has asked for a copy of the RFP,
8 what I would also like to know is if that is still the
9 correct name we should be using for our contact. We
10 will not be responding to but a single person in the
11 company and that will make it much easier to make sure
12 that communications are flowing correctly.

13 So starting with AT&T, I believe we have
14 AT&T on the phone. And perhaps we could ask those
15 that are on the phone from AT&T to introduce
16 themselves.

17 **MS. SANCHEZ:** Thank you. Good morning
18 everyone. My name is Gail Sanchez and I'm the RFP
19 manager for AT&T and I'm located in Chicago.

20 **MR. TUDOR:** Thank you. Is there anyone else
21 from AT&T on the telephone?

22 **MS. SANCHEZ:** I believe I'm the only one.

23 **MR. TUDOR:** Okay. We have shown, as our
24 primary contact with AT&T, Ms. Kelly Stephens. Is
25 that the correct name to use for our contacts?

1 **MS. SANCHEZ:** I will be replacing Kelly
2 Stephens.

3 **MR. TUDOR:** Okay.

4 **MS. SANCHEZ:** So all RFP communications can
5 be directed to me.

6 **MR. TUDOR:** Okay. I'll need from you a
7 mailing address, telephone number, fax number, e-mail
8 information.

9 We also have here today Rhonda Merritt from
10 AT&T, and, Ms. Sanchez, she has your package of
11 information and she'll be delivering that to you
12 today.

13 **MS. SANCHEZ:** That's perfect. I appreciate
14 that.

15 **MR. TUDOR:** Ms. Merritt, do you have
16 Ms. Sanchez's mailing and telephone number and so
17 forth, information that you could maybe give to us
18 later today? Okay. We'll collect that later. If you
19 will provide that to me.

20 From GC Services we have Mr. Douglas
21 McDonald.

22 **MR. McDONALD:** Yes, that information is
23 correct.

24 **MR. TUDOR:** Okay. Then we'll use that
25 information. In your folders there is a list of RFP

1 contact information and that is the information we'll
2 be using, unless it's corrected this morning. So
3 please check that as the day goes by and please let me
4 know if there are any changes.

5 From Hamilton Telephone Company we have
6 listed as Dixie Whitlow.

7 **MR. WARREN:** Leave that there. She's
8 getting married this weekend, so --

9 **MR. TUDOR:** So she's occupied. But today in
10 her place is Gary Warren. Welcome, Gary.

11 **MR. WARREN:** Good morning.

12 **MR. TUDOR:** Does the information appear to
13 be correct there for Dixie?

14 **MR. WARREN:** Yes, it is.

15 **MR. TUDOR:** Thank you. For MCI we have
16 listed Charles Estes. Mr. Estes, is the information
17 there for you correct?

18 **MR. ESTES:** Right. B-4301 to the address
19 line.

20 **MR. TUDOR:** That is "B" as in "boy."

21 **MR. ESTES:** B-4301.

22 **MR. TUDOR:** "B" as in "boy," 4301. Thank
23 you.

24 Mr. Meermans; David Meermans.

25 **MR. MEERMANS:** Yes.

1 **MR. TUDOR:** Is the information there for you
2 correct?

3 **MR. MEERMANS:** Yes, it is.

4 **MR. TUDOR:** Great. Thank you. For
5 Precision Response Corporation, Ms. Lisa Stevens.

6 **MS. STEVENS:** Yes, the information is
7 correct.

8 **MR. TUDOR:** Thank you. And for Sprint,
9 Mike Ellis, is the information correct?

10 **MR. ELLIS:** Yes, it is.

11 **MR. TUDOR:** Thank you. Vista Information
12 Technologies, Mr. Tom O'Neill, is that information
13 correct?

14 **MR. O'NEILL:** That is.

15 **MR. TUDOR:** Great. What I have -- the
16 information on the list is correct with the exception
17 of the addition for Mr. Estes on his address, and the
18 change for AT&T from Kelly Stephens to Gail Sanchez,
19 and Ms. Merritt will be providing correct mailing,
20 telephone number, so forth, information for her.

21 **MR. WARREN:** Richard, this is Gary Warren.
22 I just noticed the telephone number on Dixie, the four
23 digits should be 5101.

24 **MR. TUDOR:** So instead of 694-4343, it's
25 694-5101.

1 **MR. WARREN:** Right.

2 **MR. TUDOR:** Thank you. Appreciate it.

3 Great. Thank you.

4 In the folders that each of the primary
5 contact people have received, are these items of
6 information -- just want to make sure you have it all.

7 There's a contact list that we just went
8 over and made changes to. There's a copy of the RFP,
9 and that was sent out last week and we'll be
10 discussing that in detail later.

11 There's a computer disk in the folder. That
12 disk has a copy of the RFP in both Word and
13 WordPerfect format. We had a request for that and
14 wanted to provide that to everyone. Let me please
15 confirm for you that that is an unofficial version of
16 the RFP. I believe it to be correct in matching the
17 paper version, but if any questions should arise about
18 any conflicts, the paper version is the official
19 version of the RFP. The disk version will certainly
20 be useful in terms of doing things like word searches
21 and maybe even moving text from one document to
22 another, but please understand that any error that's
23 caused by information on the disk being incorrect --
24 just understand that the paper version is the official
25 version. But I hope that this version may be of some

1 help to you.

2 I also want to mention that in the package
3 there's a recommendation dated October 11th from the
4 Commission Staff to the Commissioners. That was dated
5 October 11th. I believe we sent it out Monday. Some
6 of you may have received it already but it's in this
7 package today also.

8 The Commissioners will be discussing that
9 recommendation at the October 19th agenda, which would
10 be next Tuesday. That agenda meeting is an open
11 meeting. Everyone is welcome to attend if you would
12 like to do so. But the issue that will be discussed
13 is whether any changes should be made in the time
14 schedule in the RFP. Before they do that, they'll
15 technically have to decide whether to reconsider their
16 vote where the current schedule was adopted and then
17 another issue they will decide on that day will be
18 whether interested persons can speak at that agenda.
19 But it is an open meeting. You are invited and
20 welcome to be there to hear everything that happens.

21 The Commissioners will decide at the meeting
22 itself whether parties can speak, but if that
23 opportunity is made available, you're welcome to speak
24 also. Is there anything else I should say about that,
25 Cindy?

1 **MS. MILLER:** No. I think you've covered it.

2 **MR. TUDOR:** And also in the package is a
3 copy that was requested by one party of the current
4 contract with MCI. That's the contract that's a
5 little over two years old. And the information there
6 will probably look similar to the contract that we
7 will sign with the potential -- or the winning bidder
8 on this contract.

9 It basically consists of several documents.
10 The first document is a fairly short document entitled
11 "Agreement," and lays out a few details. But the
12 primary parts of the contract are the original RFP
13 itself and the bid proposal made by MCI in this case.
14 So that's primarily the content of the contract.

15 As I say, there was a request made for that.
16 I wanted everybody to have a copy so everyone will
17 have that available to them. So that's what is in
18 your package. Questions?

19 **MS. MERRITT:** Richard, Rhonda Merritt with
20 AT&T.

21 Did I understand that there was a copy of
22 the RFP in each, a paper copy, in each folder?
23 Because mine did not have one. I just wanted to
24 clarify --

25 **MR. TUDOR:** Okay. There may not be because

1 we mailed those out earlier. If you do not have one,
2 we have extras. Does anyone not have a copy of the
3 RFP? Okay. I believe everyone has a copy of the RFP.
4 Anyone else? (Hands out documents.)

5 Okay, I believe everyone has a copy of the
6 RFP.

7 Let me take care of just an introductory
8 matter here of introducing the folks here that you may
9 be in contact with over the life of this RFP and so
10 forth.

11 I've already introduced myself as Richard
12 Tudor. On the Staff, also, of the Commission is
13 Laura King, Rick Moses, Martha Brown, Don McDonald,
14 Cindy Miller, and you may have already been in contact
15 with my assistant, June Hooper. So at some point in
16 time you may hear those names and I just wanted you to
17 be able to put a face with those names.

18 What I'd like to do today --

19 **MS. MILLER:** You said in contact with, but
20 you don't really want them in contact with us, do you?

21 **MR. TUDOR:** I would like you to be able to
22 recognize them but not to communicate with them under
23 the Restrictions of Communications Provision of the
24 RFP. But should you see them in the airport, feel
25 free to wave and recognize that you have seen their

1 face before. Thank you, Cindy. (Laughter)

2 What I'd like to do is to go over briefly
3 the format of the RFP, and then to talk about just
4 some major individual items. And then to discuss some
5 questions that were submitted by PRC. And then to
6 discuss some questions that were provided by AT&T.
7 And then at that point to take any other questions you
8 have about other provisions of the RFP.

9 So before we proceed with that, let me see
10 if there are any preliminary types of questions about
11 the process for today. (No response.)

12 Okay. What I'd like to do first, to give
13 you an understanding of the RFP and the major
14 sections, the first section is called Section A, deals
15 with Administrative Requirements and Procedures.

16 Section B describes the relay service
17 itself; what we're hoping to see in the relay service.
18 What it would look like.

19 Section C describes the format of what you
20 will be submitting as your technical bid proposal.
21 There's a reference in Section C; also to Section E,
22 which is a checklist. I'm going to talk about that
23 little bit more later.

24 Section D is the format of your price bid
25 proposal.

1 Section E has a couple of important items.
2 One is the description of the evaluation process. And
3 another item which I just talked about earlier, the
4 checklist of items.

5 Section F is informational. It's a copy of
6 the last Annual Report on the current Florida Relay
7 Service.

8 In Section A-2 of the RFP it mentions that
9 there appears to be one error in that document that
10 was identifiable. And so I just want to mention that
11 now, and then I think there's a question about that
12 in, I believe it's PRC's questions, and we'll touch on
13 that in more detail. But I did want to just reiterate
14 what's in the RFP, which says that while that's
15 provided for your information, that's a public
16 document on file at the Commission, but the bidder has
17 to assume responsibility for accuracy of the
18 information contained in that. Again, that's a public
19 document that was filed with the Commission providing
20 traffic information, and we knew you'd be interested
21 in seeing that. But again we cannot verify that it is
22 100% accurate.

23 Section G is some information, again taken
24 from a public record, which is the bills -- billable
25 minutes that were contained on the bills from the

1 current FRS prior for the last several months. That
2 information was provided partly to deal with the error
3 that we identified in Section F, the Annual Report,
4 just to provide you information to substitute for what
5 appears to be an error in the current Florida Relay
6 Service Annual Report.

7 Okay, that's the general layout of the RFP.
8 What I'd like to do now is to go into detail with
9 probably a couple of dozen items that are in the RFP
10 and just specifically mention those.

11 I've already mentioned a couple of times
12 Section A-2 which deals with restrictions on
13 communications. And, again, I just want to emphasize
14 that's to make sure everyone feels like they are
15 operating on a level playing field and that everybody
16 is getting the same information.

17 I've mentioned already Section A-1, which is
18 dealing with the fact that all communications should
19 come through me and the address information is
20 contained in Section A-1.

21 If you'd skip over to Page 10, Page 10 of
22 the RFP, at the top of the page, contains some key
23 dates. As I mentioned earlier, the Commission will be
24 discussing changes to that at their next meeting, or
25 at least they are scheduled to meet at that time and

1 discuss that. But unless such changes are made, you
2 need to understand that the current dates in the RFP
3 are the ones we're operating under. They may well not
4 be changed. But at this point in time all I can tell
5 you is that there's a possibility that the
6 Commissioners will discuss that. But as for now, the
7 dates that are shown in the current RFP are the dates
8 we're operating under. Question?

9 **MR. WARREN:** Richard, I'm trying to get a
10 little feel for the nature of why this is being
11 brought up again on next Tuesday, or Wednesday,
12 whenever it is, at the Commission.

13 Is there something particularly that they
14 are concerned about in the timetable? Or -- and I
15 direct my concern specifically, the most concern I
16 would have about the timetable probably is the -- if
17 the Letter of Intent date were moved back closer to
18 implementation, that becomes a very, very tight
19 timetable for implementation of an in-state center.

20 With that in mind, I was trying to get a
21 feel for whether I should worry about coming back
22 Tuesday and seeing if I could say something.

23 **MR. TUDOR:** The reason it's being brought
24 back is that at the agenda where the Commissioners
25 voted on the RFP, a question was raised specifically

1 about the time to file the proposals. And after the
2 agenda, one Commissioner asked that it be brought back
3 to be discussed again. So that's why it's coming
4 back. To the extent any date is changed in the RFP,
5 that could have a domino effect somewhere in the
6 process. And so in terms of the particular item you
7 mentioned, Letter of Intent, but, in fact, every other
8 item in the RFP time schedule, any of those could be
9 impacted. And I understand your question and concern.

10 One of the questions that was raised in --
11 one of the two sets of questions we got was about the
12 implementation date. And we could talk about that a
13 little bit more when we get to that point. But, yes,
14 I understand. And you're welcome to participate in
15 that conference on Tuesday. And I believe you could
16 do that by telephone. We'd have to make arrangements
17 to do that, but if you would check about our Division
18 of Records and Reporting, they could give you
19 information about how to do that over the telephone.
20 I think each of you have a copy of the recommendation
21 in your folder there, also.

22 **MR. O'NEILL:** Richard. Tom O'Neill with
23 Vista.

24 Coming off of Gary's question, if we were
25 unavailable to attend, either in person or by phone,

1 would the Commission accept written statement of,
2 let's say, an opposing position to the Sprint request?

3 **MR. TUDOR:** That could be provided -- the
4 earlier the better -- so that they have a chance to
5 review that prior to their agenda on Tuesday.

6 **MR. O'NEILL:** But you would accept that for
7 entry?

8 **MR. TUDOR:** You can file that in the docket,
9 and the number of the docket is -- 991222 would be the
10 place to file that with our Division of Records and
11 Reporting. But address that to me and I'll see it
12 gets into that docket file and transmitted also to the
13 Commissioners.

14 **MR. O'NEILL:** Very good. Thank you.

15 **MR. TUDOR:** But, again, it would be best the
16 earlier you could get that to them. Thank you.
17 Mr. Rehwinkel.

18 **MR. REHWINKEL:** Richard, wouldn't it be
19 appropriate if any written comments are submitted that
20 they be faxed to the parties on the contact list?

21 **MR. TUDOR:** That would be appropriate. I
22 will do that if I have a fax number, which I do not
23 have for everyone. I do not have a fax number for
24 AT&T. I do not have a fax number for GC Services and,
25 in fact, do not have a telephone number on the list

1 here. There is no telephone number. So I need to get
2 that as well as a fax number.

3 **MR. McDONALD:** 209-863-3007. For my fax
4 number the last four would be 3091.

5 **MR. TUDOR:** Same number with the last four
6 digits being 3091.

7 Gail Sanchez, let's just go ahead and take
8 care of this now, what would your fax number be?

9 **MS. SANCHEZ:** 312-230-8615.

10 **MR. TUDOR:** You're going to give me
11 information for our telephone number; Ms. Merritt is.

12 For Hamilton, what's your fax number?

13 **MR. WARREN:** 402-694-5037.

14 **MR. TUDOR:** And for MCI, your fax number?

15 **MR. ESTES:** 972-729-6068.

16 **MR. TUDOR:** Very good. Mr. Meermans, your
17 fax number.

18 **MR. MEERMANS:** 972-379-3467, and if I may,
19 change my voice phone number.

20 **MR. TUDOR:** Yes.

21 **MR. MEERMANS:** 972-379-3466.

22 **MR. TUDOR:** Okay. And Ms. Stevens?

23 **MS. STEVENS:** 561-241-4433. Although I
24 would suggest that it might be more expeditious to
25 e-mail everyone since you have our e-mail address.

1 **MR. TUDOR:** I will not have the document in
2 electronic form. For Sprint, Mr. Ellis.

3 **MR. ELLIS:** 303-297-7951.

4 **MR. TUDOR:** Thank you. Mr. O'Neill.

5 **MR. O'NEILL:** We're missing both the phone
6 number here as well as. 413-493-1100, and the fax is
7 1190.

8 **MR. TUDOR:** Very good. Thank you.
9 Mr. Rehwinkel.

10 **MR. REHWINKEL:** Richard, I was not
11 suggesting that the burden be on you, but perhaps we
12 could ask if anybody does file written comments they
13 fax them at the time they submit them.

14 **MR. TUDOR:** I think just for the purpose of
15 maintaining the flow of what I'd like to have happen
16 with communications is anything I get I'll make sure
17 everybody gets, and that way I'll be pretty
18 comfortable that everybody has gotten it. So I think
19 I'll just go ahead and take that on. I think that
20 will be best. Thank you for the offer, though.
21 Appreciate it.

22 Again, on the discussion about the key
23 dates, if the Commission does make any changes, we
24 will certainly let you know just as quickly as we can.

25 On Page 10 of the RFP, Item 8, I just wanted

1 to emphasize that date there. We would like to get
2 questions about the RFP by October 25th, if possible.
3 We will attempt to answer questions we get after that
4 date. But if at all possible, if you could try to get
5 those questions to us by that date we'd appreciate it.
6 You'll get, perhaps, a more complete answer or -- if
7 it comes in too late, we may not be able to get the
8 answer out at all depending on the amount of research
9 it might take to answer it. So if you'll direct
10 yourselves towards attempting to do that, we'd
11 appreciate it.

12 On Page 10, you don't really need to refer
13 to that -- excuse me, Page 11, Item 18, we had
14 discussed already restrictions on communications so I
15 won't repeat that.

16 On Page 11, Item 12, I just want to
17 highlight that proposals are due to be filed at 3:00
18 eastern time on November 10th, 1999, and late
19 proposals will not be accepted. That would be the due
20 date for both the technical and the price proposal.

21 On Page 17, this deals -- Sections B-3 and
22 B-4, I just wanted to emphasize the beginning date of
23 service which is June 1st of the Year 2000. I just
24 wanted to, first of all, make sure you understood that
25 it was the month of June because that may seem like a

1 little bit of an odd time -- not being July 1, but the
2 June 1 date is when service originally began. It was
3 tied to Legislative mandates, and so the current
4 contract expires May 31st. So the beginning of the
5 service for the new contract would be June 1st. So
6 June 1, the Year 2000, assuming we make it past
7 January 1, 2000. And I have every confidence that we
8 will. (Laughter)

9 That section also lays out that the contract
10 is for -- the initial contract is for a three-year
11 period and there will be a provision for up to two
12 one-year additional extensions.

13 Page 18, Item B-6. I just wanted to
14 highlight the approach we've taken on the location of
15 the relay center. The requirement will be that there
16 must be a relay center in Florida. And then it goes
17 on and requires that in addition to their being a
18 relay center in Florida, that it would be required to
19 handle 80% of the relay traffic. There's a question
20 later on when we discuss one of the two bidders
21 questions that deals with this, and I'll touch on that
22 later -- but just wanted to highlight that the
23 service, 80% of the traffic, relay traffic, does need
24 to be handled out of a Florida-located center.

25 There is an exception, and that deals

1 with -- and may relate, also, to the question that
2 Mr. Warren asked about implementation date.

3 We did specifically put an exception into
4 the RFP that deals with the first three months of
5 service. During the first three months of service,
6 which would be the months of June, July and August,
7 service does not have to be provided out of the
8 Florida Relay Center. Because of the time frames
9 involved we thought it might be helpful for a bidder,
10 in order to locate a center in Florida, to be able to
11 begin service through out-of-state locations but still
12 meeting all of the other requirements in the RFP, but
13 not having to have physically all service being -- 80%
14 of the traffic being provided in Florida.

15 So that requirement of a Florida located
16 relay center handling 80% of the traffic does not kick
17 in until the fourth month, beginning of the fourth
18 month, so that would be September 1.

19 Is there any question about that? I didn't
20 want that to be confusing. I wanted to make sure that
21 was clear to everyone.

22 Okay. If you'd turn to Page 33. This is
23 Item 41. I wanted to make sure everyone understood
24 this portion of the RFP.

25 This portion is provided to provide an

1 opportunity for you, as a bidder, to identify features
2 that you would like to offer as a part of your basic
3 relay service. These would be features that are not
4 otherwise required in the RFP, but would be features
5 that you might want to offer as a part of the basic
6 program that you're offering.

7 There is, =from a bidder's viewpoint,
8 there's an upside and a downside. The upside would be
9 that points will be evaluated on the technical
10 proposal based on these additional features. The
11 downside is there quit likely would be a cost
12 associated with them and that will, perhaps, impact
13 our bottom line price. So while one might make your
14 proposal more attractive, it might at the same time
15 make another part of your proposal less attractive.
16 But you seem to understand that the points can be
17 awarded for this particular item, but it is optional
18 for you, as a bidder, to propose any additional
19 features you would like to.

20 **MR. WARREN:** Mr. Tudor, Gary Warren from
21 Hamilton.

22 Everything makes sense to me except when I
23 read the examples at the end of Paragraph 41, it
24 included two items: video interpreting and then
25 enhanced transmission speed and interrupt capability.

1 **THE INTERPRETER:** The -- ?

2 **MR. WARREN:** Enhanced transmission speed and
3 interrupt capability.

4 Those were listed as examples of things that
5 might be included in the base bid but then they are
6 listed separately as items to price separately.

7 **MR. TUDOR:** Yes. Let me explain.

8 We use those as examples because they could
9 be things that you would like to offer as a part of
10 your basic proposal, recognizing you would get points
11 to that -- or could get points for that -- but
12 recognizing it would also be incorporated in some way
13 in the price proposal for basic service.

14 And the next item on Page 34, Item 42, that
15 is a list of services that the bidder does not have to
16 include in their price proposal -- excuse me, in their
17 technical proposal -- but may, if they wish to.

18 The items in Section 42, those are items
19 which, if you include them with your proposal, will
20 only be -- well, will not have any points awarded to
21 them. They will not affect, in other words, whether a
22 particular bidder would be selected because points
23 will not be associated with it if they are filed as a
24 part of Item 42. Likewise they would not affect your
25 basic service price proposal.

1 So those items would only come into play at
2 the point in time where a bidder has been selected to
3 be the provider. And then as a provider we would look
4 at those items in your proposal and discuss with you
5 any particular ones of those service which we might
6 want to add on to the basic service that you're
7 providing.

8 And that is why an item could be under 41,
9 which is an optional item that you propose as a part
10 of your basic proposal, or you could incorporate that
11 item as an item you would like to suggest as a
12 possible addition if you're the winning provider.

13 **MR. WARREN:** Can I ask one follow-up? Gary
14 Warren from Hamilton.

15 So to give a specific example then, enhanced
16 transmission speed -- typically we talked about Turbo
17 Code but that's one of them -- I could choose to put
18 that in my base bid and take the chance that the
19 points will help me enough there, or I could say no,
20 I'm not going to do that in a base bid. I'm going to
21 price it separately.

22 **MR. TUDOR:** That would be correct.

23 **MR. WARREN:** Okay.

24 **MR. TUDOR:** And you state correctly that the
25 points might help you if it were in the basic section.

1 And if there is virtually no cost to it, any
2 particular item you might put there, you would not
3 have much of a downside, if any, on the price side of
4 the evaluation.

5 So it's a trade-off depending on what the
6 cost would be of that feature you might wish to
7 include in basic service. But if you include it in
8 basic service, then we would expect that if you're the
9 winning bidder, that you would provide that service.
10 It would no longer be optional once you proposed to
11 include it in your basic service.

12 **MR. WARREN:** Sorry. One more follow-up
13 question.

14 But if I choose to, for example, bid Turbo
15 Code separately as a price item, you're going to
16 evaluate the bids without looking at that item or that
17 price and make the reward decision first without
18 weighing that in.

19 **MR. TUDOR:** That's correct.

20 **MR. WARREN:** Okay.

21 **MR. TUDOR:** That part of your proposal would
22 only come into play if you were the one selected to be
23 the provider, then we would have discussions about
24 which of those features the Commissioners might wish
25 to add to the service, to the basic service.

1 It might be helpful to look in the price
2 proposal section at Page 46. On Page 46, about
3 halfway down the page, would be the format of the
4 price proposal. Item No. 1 is your basic relay
5 service. Anything you wish to include in addition to
6 the items we specifically called for in the RFP, you
7 would price under that Item 1.

8 Item 2, you can see all the references there
9 are to Section B-42. Those are features that you
10 could price separately, and we may choose or not
11 choose to pick those additional services up if we have
12 selected you as a winning provider. Those would be
13 discussions after the decision is made about the
14 provider.

15 Certainly any of those could be proposed to
16 be offered during the second, third, fifth year of the
17 contract down the road. But if you wish to suggest to
18 the Commission that you would be willing, if you're
19 the winning provider, to offer these other services,
20 you might want to do that at the beginning. If you
21 don't choose to do it at the beginning, that's no
22 problem. There's no requirement that you file
23 anything under Section 42, or, in fact, there's no
24 requirement that you file anything under Section 41.
25 Those are both additional features beyond the features

1 that we have called for in the RFP.

2 **MR. ESTES:** Is this on (Referring to the
3 microphone?)

4 Charles Estes with MCI.

5 A question about minutes of use payment
6 under 900 and 976 services. Richard, does the state
7 agree to pay all of those minutes because they are not
8 now part of the --

9 **MR. TUDOR:** Are you referring to a specific
10 item in the RFP?

11 **MR. ESTES:** Yes. 42 -- 42(b).

12 **MR. TUDOR:** That would be something that you
13 would describe in your proposal. The Commission has
14 not at this point reached any agreement about how we
15 would deal with 900 service being offered. You would
16 need to explain in your proposal how you would suggest
17 that you be reimbursed for those calls. There are
18 probably several ways that could be structured, but
19 you would need to state that in your proposal.
20 Mr. Ellis.

21 **MR. ELLIS:** Mike Ellis with Sprint.

22 Richard you mentioned pricing in Year 4 and
23 5. Does that mean that you're wanting bidders to give
24 you prices for base service and optional services for
25 a full five years?

1 **MR. TUDOR:** If we extend the contract for
2 the fourth and fifth year, and that is with mutual
3 agreement of both parties, we would extend it -- I
4 cannot tell you what we would agree to in Year 4. If
5 you propose for the first three years a bid of 50
6 cents per minute, and that is the contract, when the
7 decision about Year 4 arrives, you would, for example,
8 propose to continue for Year 4 at the rate of 50 cents
9 per minute. If the Commission feels like that's a
10 reasonable thing to do and you believe it's a
11 reasonable thing to do, we would reach agreement to
12 extend the contract for Year 4. If in Year 4 you
13 believe the price should be \$1 per minute, the
14 Commission will look at that and decide whether a new
15 RFP should be issued, or whether it would be
16 reasonable to extend the contract in Year 4 at a rate
17 of \$1 per minute.

18 I cannot tell you what that decision would
19 be at this point in time. I would simply say that
20 your bid is for the first three years of the contract,
21 and you're under no obligation, nor is the Commission
22 under any obligation, to extend the contract for the
23 fourth and fifth year.

24 **MR. ELLIS:** As a follow-up question. Again
25 Mike Ellis with Sprint.

1 That is obviously to both your advantage and
2 our advantage not to give you prices for Year 4 and 5
3 because that would not be factored in the initial
4 evaluation proposal; is that correct?

5 **MR. TUDOR:** That's correct. We'll only be
6 looking for a price for the first three years. The
7 decision about the fourth and fifth year will be made
8 closer to those dates, but your bid proposal should be
9 based on that first three years.

10 **MR. ELLIS:** That being established then, are
11 you asking for a firm fixed price for all three years
12 or varied price in Year 1, Year 2 and Year 3?

13 **MR. TUDOR:** A single price for all three
14 years.

15 **MR. ELLIS:** Thank you.

16 **MR. TUDOR:** We would like to see a price per
17 minute for all three years.

18 The RFP describes on Page 46 that we looked
19 at earlier, for Item 1, the bid price should be on the
20 basis of a flat rate per billable minute for all
21 billable minutes and not vary depending upon the
22 volume of traffic.

23 **MR. ELLIS:** That reads correct, but it
24 doesn't indicate fixed flat, because we could give you
25 flat years in Year 1 and a different flat rate in Year

1 2.

2 **MR. TUDOR:** We would like to see a bid, a
3 rate that would apply through the life the three years
4 of the contract, of the initial contract.

5 **MR. ELLIS:** Very good.

6 **MR. TUDOR:** Great. Thank you.

7 If we could turn to Page 42, this deals with
8 the format of the technical proposal. Just some
9 things that will help us and all of the evaluators
10 review the proposals, and we'll make it easier to make
11 sure that we know we have read your proposal and
12 evaluated the proper items. We would like to see your
13 proposal filed in the same order as the checklist,
14 which is on Page 50.

15 Page 50 identifies the items that we would
16 like to see filed in your technical proposal. Asks
17 for you to initial that each item is contained in
18 there, and also asks you to identify the page number
19 where we can find that information in your proposal.
20 That page also identifies for your information as a
21 part of the evaluation process whether something is on
22 a pass/fail basis or points are awarded and shows the
23 points that apply for that particular item.

24 Also in regard to format, what we would like
25 for you to do is to -- just more easy reference and to

1 lessen possibilities of confusion -- if you would
2 simply number every page consecutively so there are
3 not, for example, two Page 10s in your document. If
4 you would make the first piece of paper be Page No. 1
5 and the last piece of paper in your proposal be
6 Page 100 or 1,000, or whatever it is, rather than have
7 an item that's Item 1, Page 1 of 10, 3 of 10 and then
8 an Item 2, that's 1 of 10, 2 of 10, it might help
9 eliminate some confusion. And it's a request we make,
10 and it might help, just assuring everybody understands
11 what's been filed and what's in your proposal.

12 There may be some items, for example -- you
13 may attach something that's just a copy of some
14 document that's in your Appendix A that's a 200-page
15 document, you know. You may not want to number those
16 as a part of the process, but to the extent possible
17 please try to number everything consecutively.

18 **MR. ELLIS:** Richard. Mike Ellis with
19 Sprint. On that same Page 42 you are requesting 20
20 copies of the proposal.

21 **MR. TUDOR:** Yes.

22 **MR. ELLIS:** And yet in the docket that is
23 referenced as 991222 it's referenced that only six
24 proposals will be used to evaluate the bids. So 14 --
25 used for other purposes?

1 **MR. TUDOR:** No. I think they are referring
2 to two different things. Let me find the
3 recommendation.

4 **MR. ELLIS:** On Page 4 of the docket, at the
5 very top, it makes reference to the evaluators need
6 time to analyze this approximately six proposals. I'm
7 just seeking clarification. Do you want six or do you
8 want 20?

9 **MR. TUDOR:** Yes. I understand.
10 First of all, just as a general guideline,
11 the RFP always is the ruling document. But secondly,
12 this is a reference to something totally different.
13 What we're talking about here in terms of time frames
14 is how much the evaluators are going to have to look
15 at to evaluate. And at the point in time I wrote
16 this, I was estimating that we would have six
17 proposals -- six companies, if you would -- six
18 companies proposing. We may have as many as eight
19 proposals it appears now. So that's what I was
20 referring to was the time it would take to look at
21 eight different proposals.

22 **MR. ELLIS:** Thank you.

23 **MR. TUDOR:** Yes, sir.

24 I just want to mention, again, that the
25 price proposal should be filed separately from the

1 technical proposal. We will not be opening the price
2 proposal at the same time we open the technical
3 proposal. We will complete our evaluation of the
4 technical proposal before we open the price proposal.
5 So please file it clearly marked as the price proposal
6 in a sealed envelope, and there are instructions in
7 the RFP about doing that. But I just want to
8 highlight that for you; that should be filed
9 separately so that no one that's doing evaluations or
10 anyone else is looking at the price until after the
11 technical evaluation has been completed.

12 **MR. O'NEILL:** Tom O'Neill of Vista.

13 Do you require 20 copies of the Price
14 Proposal?

15 **MR. TUDOR:** Yes. I assume that's going to
16 be a single sheet, not much more than that. Thank
17 you.

18 On Page 43 there's a reference to -- in
19 Section C-2, Transmittal Letter. If at the point in
20 time that the bid is filed, if there's been a change
21 in who we should be contacting concerning the
22 proposal, we'd like to ask that you identify them at
23 that time so that we know there's been a change and
24 who we should contact.

25 It could be that during the process in your

1 particular procedures for your company there may be
2 some change made, and if so, we just need to be made
3 aware of that, so -- at any time in the process -- but
4 just wanted to highlight at the time you file the RFP,
5 that would be an another time you could identify to us
6 if there's a change in who we need to be contacting at
7 your company. Again, we'd like to have this single
8 point of contact, if at all possible.

9 Just on Page 47 is a description of the
10 evaluation system we'll be using. I just wanted to
11 highlight that the -- in that system we're basically
12 giving an weight of 60% to the technical points and a
13 weight of 40% to the price. Just so you understand,
14 there's a slightly heavier weight given to the
15 technical proposal than the price proposal.

16 If you could look at Page 58. Paragraphs 2
17 and 3 on that page both use a number of 1,955,072.
18 It's our belief -- because first of all, in the second
19 paragraph that number is used to describe calls, but
20 in the second paragraph is used to describe minutes,
21 that that is an incorrect number and probably a
22 typographical error. But in the third paragraph the
23 number -- the fourth, fifth word in, the number
24 1,955,872 call minutes is not the correct number for
25 call minutes.

1 Recognizing that is apparently an error, we
2 have provided in Section G of the RFP monthly billable
3 minutes for several months from June of '98 to August
4 of '99. So I would not use that number in Paragraph 3
5 of Page 58 in terms of minutes being provided by the
6 current service.

7 **MR. ELLIS:** Mr. Tudor. Mike Ellis with
8 Sprint.

9 Thank you for explaining this. It was very
10 helpful. Would it be possible to also get billable
11 minutes since the inception of the contract from '96
12 to present? That would give us a better indicator of
13 the actual growth over the years to better forecast.

14 **MR. TUDOR:** I will provide you additional
15 historical information. I should be able to go back
16 into the contract, so I'll provide that to all
17 bidders.

18 **MR. ELLIS:** Thank you.

19 **MR. WARREN:** Mr. Tudor. Gary Warren from
20 Hamilton.

21 Maybe as a follow-up to that -- I don't know
22 if you know or not without checking -- is that on
23 those minutes, where they rounded -- are they being
24 rounded to a tenth of a minute now, and the numbers we
25 have here are rounded to a full minute on individual

1 calls or do we know?

2 **MR. TUDOR:** You're talking about the
3 individual calls?

4 **MR. WARREN:** Right.

5 **MR. TUDOR:** Let me look that up during the
6 break. I believe that's in the current RFP, though.
7 The RFP from the last -- for the current contract.
8 I'll look that up during the break.

9 **MR. ELLIS:** Richard, as a follow-up to that.
10 Mike Ellis with Spring.

11 These are billable minutes to the state.
12 These do not include interstate --

13 **MR. TUDOR:** This is intrastate minutes
14 billed to Florida, that's correct. This does not
15 include any interstate minutes billed to the federal
16 jurisdiction.

17 **MR. ELLIS:** If you have that information
18 available, could that be provided to us as well?

19 **MR. TUDOR:** We do not have that.

20 **MR. ELLIS:** You don't have that.

21 **MR. TUDOR:** No. We have in the reports that
22 are -- the Annual Report that's attached, there's
23 information about interstate and international calls,
24 but not specifically what's billed to NECA, the
25 National Exchange Carriers Association. But there is

1 think we need to probably clarify so that everybody is
2 on the same sheet of paper that per call billing
3 should be done on -- not billing to end user but
4 billing for billing to the state's purposes, each call
5 should be rounded to the nearest tenth of a minute,
6 and then the bill should be submitted on the basis of
7 the nearest tenth of a minute accumulating all those
8 calls which are rounded to the nearest tenth of a
9 minute. Is there any concern or problem with that?

10 **MR. WARREN:** My question is really directed
11 at the historical data, was it the same way, and I
12 found you had the same paragraph in your last RFP, so
13 I'm presuming it is.

14 **MR. TUDOR:** Which paragraph are you
15 referring to?

16 **MR. WARREN:** In the definition section of
17 the former RFP under "Billable Minutes" it appears to
18 me you have the same language both times.

19 **MR. TUDOR:** Yes. I don't believe we changed
20 that language. (Pause)

21 Yes. I don't believe we made any changes in
22 that.

23 Okay. We have identified on your contact
24 list Page 8 individuals who have requested copies of
25 the RFP today. I just wanted to emphasize that, of

1 course, anyone else could bid. There's no restriction
2 on when you can enter into the process other than
3 you'd have to file by the due date. Is anyone here
4 aware of any others besides the ones on this list that
5 may possibly be bidding? (No response.)

6 I just wanted to emphasize that anyone else
7 could bid up to the date that the filings are due, the
8 proposals are due.

9 Okay. What I'd like to do now is go into
10 the questions that were raised by PRC. And in your
11 manila folder there -- and I think there may be a few
12 extras on the table -- are questions that were raised
13 by PRC. And so if any of these, as we go through,
14 trigger a question in your mind that's related to
15 that, you can ask them at that time.

16 The first question on the PRC list deals
17 with the error that was described earlier. And I
18 believe we probably have discussed that pretty
19 thoroughly. But the question for PRC is the total in
20 the third paragraph, the one we are referring to as
21 the erroneous number and the answer would be yes.

22 The second question from PRC --

23 **MR. ELLIS:** Excuse me. We also found in
24 there it was different from that on Page 60. The June
25 '97 to May '98 total incoming call total of 1,886,219

1 is not accurate, does not reflect the sum total of the
2 month column there; it's two million something. So
3 this number is not correct either. The exact number,
4 if you wanted to have --

5 **MR. TUDOR:** Very well. If you've added
6 that, yes.

7 **MR. ELLIS:** 2,004,698. This was relevant to
8 Sprint specifically in terms of trying to estimate the
9 increase of volume over the previous year. If you
10 used that 1.8 million number compared with the 204
11 number, that's not correct. It's more like only a 1%
12 growth annually. That became a serious concern to
13 Sprint as how to forecast the future. If there's only
14 a 1% or 8% growth, you have very different prices as a
15 result.

16 So that's why we've asked for historical
17 data. The billable minutes -- we don't care about the
18 calls, but the billable minutes since '96; that would
19 help us forecast the trend.

20 **MR. TUDOR:** Very well. Thank you.

21 We had not identified to what appears to be
22 an addition error, although there could be an error in
23 the actual numbers that are added there. But as
24 requested, we will provide you with more historical
25 information on the actual billable minutes. And thank

1 you for pointing that out to us.

2 The second question from PRC dealt with the
3 funding source for the Florida Relay Service. Let me
4 just identify what is stated in the statute, Section
5 427.704, that says that the funding source is a
6 monthly surcharge on all local exchange
7 telecommunication company subscribers on an individual
8 line basis, except that the surcharge shall not be
9 imposed upon more than 25 basic telecommunication
10 access lines per account bill rendered.

11 And in terms of your proposal, that
12 information is generally unrelated to what your bid
13 will be or how you will bid, but that information is
14 relevant to how we decide how much we will make the
15 monthly surcharge be on the end user's bill.

16 In Florida, the fund that is collected goes
17 to basically two principal uses: One is to pay the
18 relay provider and the other is to pay for our
19 equipment distribution program. The current surcharge
20 on end user bills is 9 cents per month. I believe it
21 has been as high as 12 cents a month over the life of
22 this program, with the exception of some start-up
23 period back in the early '90s when the statute caused
24 the rate to start out at 5 cents per line. I believe
25 the current 9 cents per line has been the lowest it

1 has been. There's a maximum cap in the statute of 25
2 cents per line.

3 The third question on PRC's list basically
4 asks if silent call quality monitoring is allowed as a
5 part of making checks to ensure that courteous service
6 is being rendered.

7 The RFP in Section B-17 talks about training
8 and monitoring of calls. But I'd also like to mention
9 that in all cases confidentiality is also required.
10 So understand that while a supervisor may be
11 involved -- or, in fact, a PSC staff member may be
12 involved in monitoring a call for purposes of assuring
13 compliance with the standard in the contract, that
14 regardless of who is monitoring that call -- and
15 certainly, of course, including the CA themselves --
16 confidentiality is a very important requirement of our
17 program. But that would not preclude -- my point is
18 that confidentiality would not preclude a supervisor
19 from monitoring a call.

20 **MR. MEERMANS:** May I ask a follow-up
21 question, please?

22 **MR. TUDOR:** Sure.

23 **MR. MEERMANS:** As written here, this infers
24 that this is an actively monitored call, a third party
25 is listening at the time the call is being placed.

1 Would the RFP or regulations permit the automated
2 recording of a call for subsequent analysis by a
3 supervisor or a quality assurance person and then
4 ultimate destruction of that recording?

5 **MR. TUDOR:** I'm not aware of any prohibition
6 of that being done. However, that would certainly
7 increase the possibility of confidentiality being
8 jeopardized. But there is not a provision in the RFP
9 that would prohibit it.

10 **MR. MEERMANS:** Thank you. Outside of the
11 RFP process, there are general laws about recording of
12 telephone calls. And you would need to be in
13 compliance with those. And I cannot at this point in
14 time tell you if what you just suggested would -- how
15 that would deal -- how that would apply in that
16 situation. It could be that general laws -- excuse
17 me. Let me go to the RFP, which says in Section B-17:
18 "No written or electronic script shall be kept beyond
19 the duration of the call." So let me reverse what I
20 said earlier. There is a prohibition, I believe,
21 against recording a telephone conversation, even for
22 monitoring purposes contained in the RFP.

23 **MR. MEERMANS:** That clarifies it.

24 **MR. TUDOR:** Yes. I had forgotten about
25 that. I'm sorry that I misspoke, but the RFP does

1 prohibit that.

2 The next question from PRC is basically the
3 question about the discount on toll calls, and its
4 applicability to a group which PRC describes as
5 noncarrier relay service providers.

6 The way I interpret that question is a relay
7 service provider, which is not a carrier, would be
8 someone like Vista or GC Services, which is not a
9 telecommunication company, to the best of my
10 knowledge. But the answer to the question is partly
11 answered by the question, I think, because if you're
12 not a carrier, you're not billing calls. And so that
13 may answer the question all by itself.

14 But regardless of that, if you are billing
15 toll calls, the 50, 60% discounts do apply. Does that
16 answer your question? Okay.

17 **MR. ELLIS:** Mr. Tudor. Mike Ellis with
18 Sprint.

19 So if you're basically -- maybe I'm
20 misunderstanding, correct me if I'm wrong. In the
21 evaluation score sheet, end user billing, I believe --
22 has 50 points allocated to it. And if you receive a
23 proposal from a bidder who is not a carrier, does not
24 offer discounts, and compare that with a bidder who is
25 a carrier and does offer discounts, does that mean

1 that those bidders that are carriers would receive
2 points and those that are not would not receive
3 points?

4 **MR. TUDOR:** No, it would not mean that.

5 We have a rule that applies to all local and
6 long distance telephone companies that's outside the
7 scope of the RFP. This applies to all local and long
8 distance telephone companies. And that rule requires
9 all local and long distance carriers to provide these
10 same discounts. So that, for example, under carrier
11 of choice, if a nonprovider telephone company handled
12 a particular call, by our rule he's also required to
13 give those same discounts.

14 So in other words, regardless of whether the
15 provider is a telephone company or not, the telephone
16 companies involved in billing the calls must give
17 those discounts.

18 **MR. WARREN:** Mr. Tudor, this is Gary Warren
19 from Hamilton.

20 In a follow-up question to that -- because
21 this actually happens to affect us in a similar manner
22 as it does the other relay providers who are not
23 carriers because we're a local exchange carrier but
24 not an interexchange carrier -- that's not entirely
25 accurate. But we are not an interexchange carrier in

1 every state. We are in some places but not
2 everywhere.

3 And if I understand the answer to your
4 question correctly, then if all of our toll traffic in
5 relay typically goes out whatever the provider or the
6 user's carrier is, the carriers bill all of those
7 calls now with intraLATA dialing parity and we bill
8 none of those calls, if I understand what you're
9 saying, then I would get the 50 points because I'm
10 sending it out over a certified carrier in Florida. I
11 mean, it may be one of ten certified carriers or 20.
12 But if they are certified in Florida I'm sending the
13 traffic over them, you're telling me they are already
14 required to do that.

15 **MR. TUDOR:** Yes. We have a Commission rule
16 that requires that discount on a call handled from the
17 relay center.

18 **MR. WARREN:** And the only danger I would
19 have is if I chose to be a carrier myself and not
20 follow your rules and then I might not get the 50
21 points. Am I reading that right?

22 **MR. TUDOR:** If you were a carrier in
23 Florida, whether you were the provider or not, and you
24 handle a call that was a relay call and did not follow
25 the rule and give the discount, you would be subject

1 to a penalty outside of the RFP, outside of the
2 provision of the relay service.

3 So if you were the relay provider and did
4 not provide bills for any calls, then it becomes a
5 nonissue for you because you have no calls to
6 discount. If you are the billing company responsible
7 for the billing of a relay call, you would, whether
8 you're the provider or some other carrier of choice,
9 you still have to give the discount. Is that clear,
10 Mr. Warren?

11 **MR. WARREN:** That answered the question for
12 me.

13 **MR. TUDOR:** Okay. Thank you.

14 Just also a comment about -- I don't think
15 this was part of your question but let me just respond
16 that you would not necessarily get the 50 points --
17 any item that's listed in the checklist has a maximum
18 number of points that a bidder might receive for that
19 particular item, whatever the item is. And each
20 evaluator will look at the requirements of the RFP and
21 determine how responsive, how significant your
22 proposal is in determining whether to give you one
23 point or 50 points or somewhere in between. So you
24 would not necessarily get 50 points, but you would get
25 some number of points based upon the evaluator's view

1 of what you had to say about any particular item.

2 Just wanted to clarify that.

3 Just one other mention -- that rule I
4 referred to about the discounts, it's our Rule
5 25-4.160, and that describes that the discounts apply
6 to time-sensitive portions of the call. For example,
7 if a call were 25-cent per call, no discount would
8 apply because it wouldn't matter how long the call
9 lasts mit's still 25 cents for the call. But if it's
10 a call based a time-sensitive element, like 20 cents a
11 minute for toll call, that would be the discounted
12 portion of the charge.

13 The next question for PRC relates to that,
14 asking for a definition of nonmessage toll relay
15 calling. That's described to an extent at the end of
16 the third paragraph under Item 34, examples of a
17 nontoll relay call would be, for example, an EAS call
18 which generally would be not charged for in many
19 cases, for example, from one exchange to a neighboring
20 exchange, we may have extended area service and there
21 might be no charge. We could, though, have extended
22 calling service situations, for example from one
23 exchange to another, where, as I described earlier,
24 some customers might pay 25 cents a call where no
25 discount would apply because it's not time sensitive.

1 But in another case the rate may be 10 cents a minute
2 and that would be discounted.

3 **MR. MEERMANS:** Mr. Tudor, Dave Meermans
4 again. Follow-up question: At one time the Florida
5 Public Service Commission provided information that
6 identified local calling areas, particularly the
7 extended areas that had the 25 cents -- sorry, the 25
8 cent call fees, those kind of things. Is that
9 information still available? Ralph -- and I've
10 forgotten the man's last name.

11 **MR. TUDOR:** Yes. Mr. Wydell has retired.
12 Certainly that information is available in
13 the tariffs, and we do have a document that we produce
14 annually that also identifies those.

15 **MR. MEERMANS:** Very good. Thank you.

16 **MR. TUDOR:** Document -- we call it our cost
17 statistics but it's basically the rates in each
18 exchange.

19 Let me back up and correct something that I
20 said. When we were talking about the PRC's question
21 about nonmessage toll relay calls, I believe I
22 misspoke and said that the discount applies. That's
23 not the issue in these types of calls. The earlier
24 discussion we had about the discount applies to toll
25 calling. The third paragraph is what the question is

1 about, which says "The provider shall not charge the
2 end user more for nonmessage toll relay calling than
3 will be charged for the same call if billed by the end
4 user's local company." There the discount does not
5 apply. The requirement there is simply that they not
6 pay more than they would pay from their local -- their
7 local company. So the discount does not apply in
8 those ECS calls. The discount applies to the toll
9 calls, but in Paragraph 3 the issue is not charging
10 more than the local company for the call, such as
11 extended calling service calls, for example, a 25-cent
12 per call or a 10-cent per minute call. The discount
13 does not apply in those cases. The discount applies
14 in the case of toll. T-O-L-L calls. Does everybody
15 understand that? I misstated that earlier.

16 The last question asks what checks are used
17 to verify invoicing. And the Commission might use a
18 multitude of things. Those could vary. We might use
19 our internal auditors to do that. We might hire an
20 outside consultant to do that. But we would -- be
21 able to review billing records and traffic records and
22 any other records that would be needed to verify
23 billing, but that could take many forms, whatever form
24 we thought would be best to accomplish verification of
25 the bills.

1 Let me just ask if I've addressed PRC's
2 questions adequately? Okay.

3 Let's then turn to the AT&T questions. And
4 I believe there's one in everybody's package and there
5 are some extras on the table over there.

6 The first of those deals with the issue of
7 confidentiality, and asks for a description of the
8 process to go through. And I'll just simply refer you
9 to the statutory references and the Commission rule
10 which deals with that.

11 Confidentiality is discussed specifically
12 regarding the RFP in Florida Statute Section
13 427.704(3)(d), as in "dog," and also in Chapter
14 364.183, and then in more detail in Commission Rule
15 25-22.006.

16 The second question from AT&T --
17 Ms. Sanchez, are you still on the phone?

18 **MS. SANCHEZ:** Yes, I am.

19 **MR. TUDOR:** Okay, I just wanted to make
20 sure.

21 **MS. SANCHEZ:** Thank you.

22 **MR. TUDOR:** The AT&T question asks for who
23 would be preparing the contract document after the
24 Letter of Intent is issued. And, of course, that will
25 be whoever -- AT&T or whoever the winning provider is,

1 it will be your representative. And then at the
2 Commission, probably several people will be involved,
3 including myself and some of the staff members I've
4 introduced to you here today, perhaps others. But I
5 wasn't sure exactly what the intent of the question
6 was, but there could be several people involved in
7 that.

8 The third question deals with basically
9 rerouting a call to the correct CA or the correct
10 capability, either voice or TDD, if the customer dials
11 the wrong number. In Florida, of course, we have
12 multiple numbers. And if a call gets directed to the
13 wrong place, the RFP calls for the system to redirect
14 that call so that the customer does not have to be
15 told to hang up and redial. The question from AT&T is
16 would that also apply if the call went to an English
17 CA but the person had desired to go to a
18 Spanish-speaking CA. So the answer would be yes, we
19 would expect that, again, the call would be rerouted
20 to, in that case, a Spanish CA so he did not have to
21 hang up and redial.

22 The next question deals with feedback and
23 the question is about the system providing feedback
24 within ten seconds. The RFP uses the term "ten
25 seconds after the caller has provided the number to

1 call." AT&T has asked if the intent there is after
2 the caller has finished providing call details -- and
3 this goes to the issue of there may be conversation in
4 addition to receiving the call -- the number to be
5 called at the time the CA is making that initial setup
6 with the caller. And so yes, the intent would be --
7 as stated in AT&T's question, that after the caller is
8 finished providing call details. So if there was an
9 additional question to be asked, such as what credit
10 card to bill to or something like that, whether to be
11 a person-to-person call, that might not be the last
12 item -- the last item of discussion might not be the
13 number itself. So the intent there is after the call
14 detail information has been provided, then feedback
15 would continue ten seconds after that point.

16 The next question from AT&T asks for
17 information about the frequency of various meetings
18 with the Commission. The question specifically was
19 how many of these were conducted during 1999?

20 There were no workshops. There were two
21 Advisory Committee meetings. And I would add that
22 probably that's a low number in a typical year and we
23 would probably have three or four or five in as many
24 years. So I think the ones we have had this year
25 might be a little lower than normal. We have had zero

1 hearings this year.

2 The last question on the first page of
3 AT&T's list deals with whether the provider can
4 terminate the customer's service number outside of the
5 Florida Relay Centers in question. But the rest of
6 the question, I believe, applies; can it be answered
7 outside of the state?

8 The answer would be yes, the RFP only
9 requires that 80% of the relay traffic be in-state.
10 So if you chose to answer customer service calls at a
11 location either not at the relay center but in-state,
12 or even out of state, that could be done. Only the
13 relay traffic itself needs to be handled in-state or
14 80% of it.

15 The next question from AT&T inquires about
16 the issue about last number dialed. And the question
17 from AT&T is: Does that refer to the last number
18 dialed during that particular call session or does it
19 mean the last number dialed from that customer or that
20 customer's number? And the answer would be the
21 latter. It's the last number dialed from that
22 caller's number. So it could have been two weeks ago
23 but would not necessarily have been during that same
24 session.

25 Mr. O'Neill.

1 **MR. O'NEILL:** Richard, I believe there was a
2 further clarification specifying through relay rather
3 than from the user's number.

4 **MR. TUDOR:** Yes, thank you.

5 The RFP does say that it's the last number
6 called via relay; that's correct. And the reason for
7 that being there is that certainly if somebody made a
8 TDD call to their next door neighbor and then called
9 relay the next day, we would not expect the relay
10 provider to know about that TDD, the TDD call to the
11 next-door neighbor the day before. So yes, it is a
12 call via relay. Yes, thank you. That's correct.

13 But particularly in response to the AT&T
14 question, this would be a call via relay at any point
15 in time in the past the most recent call, not
16 necessarily the same session. Thank you, Mr. O'Neill.

17 The next question from AT&T deals with the
18 term "user charge" as that's used in the discussion
19 under the optional features about video relay.

20 I'm not sure if I can directly answer the
21 question, which is does that mean the same as a
22 surcharge or service charge? because I'm not sure what
23 those terms would be defined as either, but let me
24 clarify what our intent was.

25 This is an optional feature, video relay.

1 And the bidder may propose to recovery his costs on
2 that in various ways. One way might be to bill all of
3 the costs to the state. Another way might be to bill
4 all of the costs to each user as they make a call, or
5 even on a subscription basis, perhaps. And, of
6 course, there could be combinations of those. Any of
7 those are possible.

8 Our point in the RFP is that if the user of
9 the video relay service is going to directly incur a
10 cost, have to pay a charge which we've called the user
11 charge, as opposed to what the state may be paying for
12 video relay, if that user is paying -- for example,
13 let's say that the bidder says "I'm going to charge
14 each caller \$5 for every video relay call," then that
15 would be the charge that we are asking that the user
16 be aware of before the call is placed.

17 This is a matter of consumer information
18 making sure that a caller knows that this call, a
19 video relay call, is different from other relay calls
20 and there is an additional incremental charge for
21 that.

22 Now, as I said, you may not have user
23 charge. You may propose to charge it all to the
24 state. And that would be a consideration the state
25 would take in deciding whether to buy video relay.

1 But the issue here is if there is an user charge
2 that's over and above the normal charges for a relay
3 call, then the caller should be aware of that before
4 he commits to making the call. So that's the issue
5 there.

6 The next several questions deal with the
7 issue of liquidated damages. And I guess what I want
8 to say before I go into the specific questions is
9 simply to say our goal is to have the service provided
10 and to provide it in a efficient and adequate manner
11 for our citizens. Our goal is not to assess
12 liquidated damages to anyone. Any effort to collect
13 liquidated damages would be based on the conditions at
14 the time. You know, I would say, you know, a variance
15 would need to be material in nature before, certainly,
16 I would recommend attempting to collect liquidated
17 damages.

18 So, again, I just want to say our emphasis
19 is not on this section of the RFP. Our emphasis is on
20 having the service provided and provided well. That's
21 our goal. So having said that, I think that might
22 help with responding to each of these as we go through
23 them individually.

24 The first question that was asked is will
25 the Commission consider setting forth any more detail

1 about how liquidated damages will be assessed and will
2 there be a sliding scale for inability to meet certain
3 requirements?

4 The decision about any individual collection
5 of liquidated damages is going to be tied directly to
6 the individual situation that occurs at the time.
7 That will depend upon how material those are, and will
8 also -- in terms of the sliding scale, there actually
9 is one built into that fee. The charges that are
10 listed are not absolutely charges, they are maximums.
11 Depending upon the situation they could be anywhere
12 from zero up to those numbers that are listed in the
13 RFP.

14 The second question is, is there a cap for
15 any or all of the violations? And, again, the answer
16 there is those caps are shown in the RFP. If the
17 question is if every single item that's listed in the
18 RFP were not complied with, the cap would be a total
19 of all of those items for which liquidated damages
20 would apply. I don't think that's likely to be the
21 situation.

22 The third part of that question is if
23 there's a delay -- and this goes a little bit to your
24 question, Mr. Warren -- if there's a delay in the
25 award of the contract or issuing a Letter of Intent,

1 would we consider modifying the requirement for
2 liquidated damages related to providing the services
3 on time?

4 Again, that will depend -- depend upon the
5 point in time we are at. If there is a delay, the
6 issue will certainly revolve around whether the delay
7 is one day or six months. That obviously would affect
8 the answer to that question.

9 Certainly our -- a major goal is going to be
10 to have service in place by June 1st.

11 Another thing I would mention is that as I
12 discussed earlier, we did provide in the RFP that the
13 first three months of service would not have to be
14 provided by the in-state center, and we think that
15 will help resolve that.

16 But specifically to the question, the answer
17 is that would depend upon the circumstances at the
18 time, and I can't anticipate what all the
19 possibilities would be. We would certainly want to
20 work with any provider in getting the service up on
21 time, though.

22 The next question deals specifically with
23 liquidated damages related to the line that deals with
24 blockage rates or transmission levels. And the
25 question is: Does the \$5,000 maximum that's shown

1 there apply to either one or both of those? And the
2 answer is that there's an "or" that is used as the
3 conjunction. It could apply to either one if both
4 were missed; it would apply to both, "each," if you
5 would. If you missed "each," you could be subject to
6 \$5,000 for each, is the answer to that question.

7 The next deals with liquidated damages
8 regarding complaints. And the section that deals with
9 complaint resolution has several requirements. And
10 the question AT&T asks is which of these qualifies a
11 requirement for purposes of assessing liquidated
12 damages? And the answer would be any one of them. We
13 expect compliance, totally, with all of them. Any one
14 of them could result in liquidated damages.

15 Again, let me highlight materiality is going
16 to be an issue. And our goal is to have the service
17 provided. That's what we're after.

18 The next question deals with liquidated
19 damages regarding reports. And the question is if a
20 report misses a few elements but is -- for the
21 majority of the report it is complete, will liquidated
22 damages be assessed? Again, that's, to some extent, a
23 crystal ball question. It depends on the situation at
24 the time. But, again, materiality is the issue here.

25 What I would anticipate is that for any

1 given report, we would first bring that to your
2 attention because our goal is to simply have the
3 information provided in a report.

4 If after bringing it to your attention the
5 RFP requirement was not complied with, then
6 consideration would be given to liquidated damages.
7 But again materiality is an issue, and also
8 willingness to deal with what might just simply be an
9 oversight. We bring that to your attention and ask
10 for discussions about why the information was left out
11 or provided incorrectly, and those sorts of things,
12 long before we would deal with the issue of liquidated
13 damages.

14 The next question on liquidated damages
15 deals with the last items of that section which talks
16 about "all other system deficiencies." Basically the
17 question is what's covered there? And the answer is
18 everything that's not specifically mentioned in the
19 items above. We tried to identify certain specific
20 items, but anything in the contract that's not
21 complied with has the potential for liquidated damages
22 being applied.

23 Now, having completed that section about
24 liquidated damages, let me just again say that our
25 goal is to have the service provided and provided

1 well. Our emphasis is not going to be on liquidated
2 damages. Our emphasis is going to be having the best
3 relay service that can possibly be provided in
4 Florida. And that's our goal. And we hope that's the
5 intent and goal of any of the providers.

6 The next question deals with answer time.
7 And, again, I'm sorry, this is one more question about
8 liquidated damages. But the question is: On what
9 basis would we be viewing that standard in order to
10 determine whether there was a failure? And the answer
11 is that the RFP states and sets out that the standard
12 is monthly. And also in the liquidated section it
13 talks about monthly. So the answer time standard is a
14 monthly standard in the RFP. And that is the end of
15 the questions about liquidated damages.

16 Let me say one more thing about liquidated
17 damages. The RFP sets out also that any effort to
18 collect liquidated damages has to go to the
19 Commissioners themselves first before there's any
20 collection made. And that means that there's a
21 process where the Staff would recommend to the
22 Commissioners, and there would be an open forum where
23 you could come and speak and state your position. And
24 it would only be after the Commissioners vote that any
25 additional efforts would be made -- well, any efforts

1 would be made to actually collect any liquidated
2 damages. And certainly that process, even where the
3 Commissioners vote, is subject to appeal,
4 reconsideration and those sorts of things.

5 So once again, our goal is not to collect
6 liquidated damages, our goal is to have a good relay
7 service in Florida.

8 The last question from AT&T deals with the
9 issue of a customer service number, is to some extent
10 similar to the earlier question about that, but just
11 simply asks whether the provider will be required to
12 use the existing toll-free customer service number now
13 in use for four of the Florida Relay Centers. And the
14 answer would be no, the RFP does not require that. We
15 do have requirements about the numbers that will be
16 used for TDD access and voice access and so forth.

17 The current contract requires that the
18 current provider, if there's a change in providers,
19 would not do anything to limit your capability of
20 accessing or getting to those numbers. But in regards
21 with customer service number, the only requirement
22 is -- and this is in B-31 -- is that you shall have a
23 customer service number. There's no restriction on it
24 being in-state or out-of-state, or that it be the
25 current number that's being used. We would probably

1 want to talk with a provider about how to deal with
2 the transition period, but there is no requirement in
3 the RFP that any particular number be used or that
4 that number be answered in-state.

5 Okay. Ms. Sanchez, were there other -- were
6 there questions there that I did not answer adequately
7 for you or that you need information on?

8 **MS. SANCHEZ:** No. Everything was addressed.

9 **MR. TUDOR:** Okay. Thank you. Appreciate
10 you're sending those in.

11 **MS. SANCHEZ:** You're very welcome. Thank
12 you.

13 **MR. TUDOR:** Now I just ask if -- that's all
14 that I had and what I'd like to see is if you have
15 additional questions?

16 Mr. O'Neill.

17 **MR. O'NEILL:** Tom O'Neill with Vista.

18 On Page 36 at 42.d and 42.e the optional
19 services video relay and speech, if such services
20 either individually or together were offered and
21 subsequently agreed to for service within the state,
22 would the Commission allow for the exclusion of the
23 calls from the computation of the 80% in-state
24 requirement? And I ask this specifically because quit
25 often these types of services are most effectively

1 delivered from a specialty center, which may not be
2 in-state located.

3 **MR. TUDOR:** Again, these are optional
4 services. The Commission would consider your proposla
5 at the time it's received. If you were the winning
6 bidder, the Commission would consider that after that
7 determination has already been made that you are the
8 winning bidder. The Commission at that point in time
9 could consider whether these additional services, such
10 as video or speech-to-speech, could be offered from a
11 out-of-state location. So that could be a
12 consideration in their decision about whether to
13 purchase that particular service. So you could
14 propose it as an in-state and an out-of-state service
15 if you want it, it's up to you. But if you propose to
16 provide it outside of that 80% requirement, then you
17 certainly should make that clear.

18 To an extent that 20% leeway may take care
19 of that for you by itself, the 20% of the traffic that
20 you might from time to time send to other states or
21 other locations could be for dealing with peak traffic
22 issues, but it could also be for dealing with sending
23 your video calls or your speech-to-speech calls,
24 because the volumes of those are fairly low. So it
25 may turn out that as you look at the volumes you may

1 not even need to because those could fall within the
2 20% criteria at any rate.

3 But you could propose that it be outside of
4 that and the Commission would have to decide whether
5 they want it for those particular calls that are not
6 part of the basic relay where the 80% requirement does
7 exist, whether they would want that to occur. And
8 that could be something to highlight in your proposal.

9 Other questions?

10 Mr. Ellis.

11 **MR. ELLIS:** On a related topic 900/976 or
12 really any of these optional services for that matter,
13 is it agreeable that a vendor could propose
14 alternative methods of processing the call.
15 Specifically 900/976 you indicate you want the agent
16 to take control of the call by telling the consumer
17 you will get charges for this, which is very different
18 from a typical relay call where the agent does not get
19 involved with that type of detail. So I would like to
20 propose that vendors be given that flexibility to
21 provide alternative methods of processing these calls.

22 **MR. TUDOR:** Let me understand the reference
23 you made with what's in the RFP. You were talking
24 about something where the --

25 **MR. ELLIS:** Specifically on Page 35.

1 **MR. TUDOR:** Yes.

2 **MR. ELLIS:** Last sentence, second paragraph.

3 **MR. TUDOR:** Okay.

4 **MR. ELLIS:** Makes reference to "that before
5 the call is being placed, the CA has to advise the
6 caller that there will be charged."

7 **MR. TUDOR:** This is similar to the issue we
8 talked about earlier with video relay where we believe
9 that if a customer is going to be charged for a call,
10 that he be aware of that. Is what you're suggesting
11 is that your alternative might not let that customer
12 know that there will be a charge before he places the
13 call?

14 **MR. ELLIS:** That's more in the spirit of the
15 intent of functional equivalency and transparency that
16 the agent assumes and their additional role as a relay
17 agent. Again, I guess the question is: Are you open
18 to alternative solutions and perhaps other ways of
19 providing these quality of services based on our
20 experience? (Pause)

21 **MR. TUDOR:** Okay. How about this in
22 response to your question? If you're not proposing to
23 offer the optional service as we've described it under
24 42.b, you can propose pretty much anything under 42.f.
25 So if you have a service that's different than the

1 900/976 service we've described in 42.b, then you
2 could propose it, but identify it as an item under
3 42.f, because it would be different than the concept
4 of 900/976 service, which the Commission voted on in
5 the RFP. Since it will be different than what we're
6 talking about in 42.b, it would be a different
7 proposal.

8 **MR. ELLIS:** Mike Ellis again. A second
9 question. This relates to some other discussion the
10 vendors have had regarding the 80% traffic.

11 You verify on Page 18, Section B, No. 6,
12 that a calculation for 80% of the traffic in the
13 center would be a mathematical formula that -- an
14 enumerator would be the Florida number of calls
15 handled monthly in that center and the denominator
16 would be the Florida total number of calls handled.
17 (Pause)

18 **MR. TUDOR:** If I understand your denominator
19 there, what you're talking about is any call that
20 originates in Florida, whether it's handled in the
21 Florida center or the Colorado center, it would be
22 part of the denominator; is that correct?

23 **MR. ELLIS:** The total number of Florida
24 calls handled would be the denominator.

25 **MR. TUDOR:** When you say "Florida calls"

1 that would be any call originated by a Florida caller.

2 **MR. ELLIS:** Any of the access numbers.

3 **MR. TUDOR:** Any of the access numbers, and
4 regardless of where that call is heading eventually,
5 intrastate or international it doesn't matter, it's
6 any call originating in Florida.

7 **MR. ELLIS:** Correct.

8 **MR. TUDOR:** Yes. That definition would work
9 fine. The Florida number of calls handled out of the
10 Florida centers -- you could have more than one center
11 in Florida. But if you had more than one center it
12 would be all the Florida located centers. You could
13 have the North Florida and the South Florida center,
14 for example. So it wouldn't necessarily be a single
15 center but the numerator being that and the
16 denominator being all calls handled out of Florida,
17 made by people in Florida dialing the Florida Relay
18 Center.

19 **MR. ELLIS:** Perhaps I'm confused.

20 Again, we're just asking for clarification
21 as to how you are going to calculate the 80%. And
22 perhaps if you could respond in writing, we'll submit
23 this question to you in writing.

24 **MR. TUDOR:** That would be fine.

25 **MR. ELLIS:** There are lots of different ways

1 you can calculate the 80%. We just want to make sure
2 we're all on the same playing field.

3 **MR. TUDOR:** Right. Mr. O'Neill.

4 **MR. O'NEILL:** Tom O'Neill with Vista.

5 Perhaps to eliminate some of the confusion,
6 we distinguish between calls offered to the system
7 versus calls actually handled, being those answered.
8 So that can make quite a distinction in the numbers
9 for computation.

10 And if I may, another question, and this
11 goes back to the --

12 **MR. TUDOR:** Can we answer this one first?
13 I'd appreciate it.

14 Well, Mr. O'Neill has raised a point that
15 the calculation was not defined in the RFP, and so I'd
16 like to try to resolve that.

17 Mr. O'Neill has raised another, I think,
18 very appropriate question, which is are we talking
19 about calls offered versus handled, and maybe those
20 aren't even the best terms, but does anybody have any
21 thoughts about the best term to use there?

22 **MR. ELLIS:** Mike Ellis with Sprint.

23 Sprint specifically put number of calls
24 handled for that purpose because it's very different
25 than the number of calls offered. But it also raises

1 the issue of what types of calls. All calls, and as a
2 result the access numbers, including possible optional
3 services or just traditional relay calls. So it's a
4 two-pronged issue.

5 **MR. TUDOR:** Okay. I think I can -- I think
6 I maybe responded to that to some extent, your second
7 question earlier in talking about video. This
8 standard applies to the basic relay traffic. If you
9 offer a video or speech-to-speech service and want to
10 propose that it be considered differently, not a part
11 of the 80/20 split, simply say so in your proposal and
12 the Commission will have to decide if they would want
13 to have, for example, a speech-to-speech service
14 that's all handled out of Texas. They could decide
15 that as they decide whether to purchase that service.
16 So --

17 **MR. ELLIS:** The first part regarding
18 handling versus offered. Mr. Estes.

19 **MR. ESTES:** Charles Estes with MCI.

20 Richard, can you clarify what the purpose of
21 that section is? Is it to assure that 80% of Florida
22 calls were answered in Florida or 80% of the Florida
23 volume is actually in Florida?

24 **MR. TUDOR:** Clarify for me the difference in
25 your two examples?

1 **MR. ESTES:** Suppose 100,000 calls a month
2 are offered in Florida and 80,000 are handled in
3 Florida, but that 80,000 includes 50,000 Florida,
4 40,000 California, 10,000 Massachusetts.

5 **MR. TUDOR:** Okay. The definition that I
6 believe we can use is the Florida number of calls
7 handled per month in that center -- or I'll say
8 instead of that center in Florida centers, if there
9 are more than one -- divided by the Florida total
10 number of calls handled. Okay. That definition
11 would -- it would be dealing with calls, first of all,
12 versus minutes. It will be dealing with "handled"
13 versus "offered". Does that seem understandable to
14 everyone?

15 Mr. Estes?

16 **MR. ESTES:** Where does the word "Florida"
17 come in? Did I hear it? Did I hear you say the
18 number of Florida calls offered over the number of
19 Florida calls handled.

20 **MR. TUDOR:** No. Florida number of calls
21 handled per month in Florida centers divided by
22 Florida total number of calls handled; numerator and
23 denominator are both "handled."

24 **MR. ESTES:** Yes.

25 **MR. TUDOR:** Okay.

1 **MR. ESTES:** Both include Florida and
2 Florida?

3 **MR. TUDOR:** Yes. The difference is where
4 they are handled. The numerator is just those that
5 are handled in Florida centers and the denominator are
6 those that are handled anywhere all over the country.

7 **MR. McDONALD:** But originate in Florida.

8 **MR. TUDOR:** Yes, Florida calls.

9 **MR. ELLIS:** That's very different from what
10 we agreed to -- Mike Ellis, again, with Sprint.

11 Not calls that originated in Florida.
12 You're including all interstate international calls;
13 any call that accesses any of the access numbers is
14 included in the total number of Florida calls.

15 **MR. TUDOR:** But I believe his statement was
16 "Florida originated." We're not talking about where
17 they terminate. When you use the term "Florida
18 calls," do you see that as being different than
19 "Florida originated calls"?

20 **MR. ELLIS:** Oh, absolutely.

21 **MR. TUDOR:** Okay. Tell me the difference.

22 **MR. ELLIS:** In some relay environments they
23 would allow a call from California to Montana to be
24 completed utilizing the Florida access numbers. That
25 would be considered a Florida call because it was

1 utilized over the Florida 800 access numbers. But the
2 call did not originate nor terminate in Florida. We
3 typically refer to that as a roaming call, and could
4 be significant in nature depending on the size of the
5 state, and is provided to consumers from that state
6 who travel and don't want to go through the hassle of
7 trying to figure out what that state's number is.

8 So it's a convenience to consumers but it is
9 considered as a billable minute to the state as a
10 roaming call.

11 **MR. TUDOR:** Tell me again the example. The
12 person is located where when they make the call?

13 **MR. ELLIS:** California.

14 **MR. TUDOR:** They are sitting in a hotel in
15 Sacramento.

16 **MR. ELLIS:** And they want to call someone in
17 California or Montana. They are not in Florida. But
18 they use the Florida access number.

19 **MR. TUDOR:** Right. So you're not really
20 talking about Florida-originated traffic, you're
21 talking about a Floridian who happens to be on
22 business in California?

23 **MR. ELLIS:** And wants to call that business
24 if California and he wants to use the Florida relay
25 number. It's a very real part of the business today

1 in other states. It's a very nice, convenient
2 service.

3 **MR. O'NEILL:** Tom O'Neill.

4 Another facet to this, you could have
5 Floridians up in Georgia on a shopping trip making a
6 call home to Florida through the Florida relay. So it
7 would not be seen as a Florida originating call but a
8 Georgia-originated call terminating in Florida. So
9 you can have a multiplicity of sources of calls.

10 **MR. TUDOR:** Tell me what would keep a
11 Californian from dialing the Florida Relay Service to
12 call another Californian and then Florida paying for
13 that Californian's phone call?

14 **MR. ELLIS:** There's nothing to prevent --
15 this is Mike Ellis with Sprint -- there's nothing to
16 prevent those customers from doing that. It's the
17 risk that those states who have the service have
18 decided to take. It's worth the benefit to the
19 consumer.

20 **MR. O'NEILL:** Tom O'Neill with Vista.

21 I would argue that. That properly would be
22 seen as an interstate call and would be billable to
23 NECA and not to the state. N-E-C-A.

24 **MR. ELLIS:** Mike Ellis, again, with Sprint.

25 The agreement within the contract would be

1 that the state would agree to reimburse the provider
2 for those types of calls, considered roaming calls.
3 You might want to incorporate that into your
4 definition of calls that originate or terminate
5 outside of the state of Florida but can be billed to
6 the state, not as interstate -- that's a whole
7 different type of catch.

8 **MR. MEERMANS:** If I might offer just a
9 thought. My thinking is your objective with the
10 statement is to ensure that at least 80% of the work
11 done be done by Florida operators, Florida relay
12 operators. It doesn't really matter what work they do
13 per se so long as they do 80% -- so as long as the
14 work that they do represents 80% of some set of
15 Florida traffic. As Mr. Estes was stating earlier, if
16 there's a million calls, that's the total pot of
17 Florida calls. And you can define what fits into that
18 pot by whatever you find to be an appropriate
19 definition as long as 800,000 minutes -- did I say
20 calls or minutes? Calls? It doesn't matter. As long
21 as -- pick uniform units -- as long as 800,000
22 that million are handled by Florida operators, you've
23 achieved your objective of keeping that much of the
24 services employment within the state, whether those
25 are 800,000 Florida calls or 800,000 California calls,

1 it doesn't really matter in that calls are relatively
2 fungible in large quantities, you still achieve 80% of
3 the work that was paid for by Florida Relay handled by
4 Florida operators. Did I say that right?

5 So it doesn't really matter so much where
6 the calls came and went as long as you can figure out
7 how big is the denominator, and then 80% of that -- or
8 was 80% of that handled by Florida operators? 80% of
9 that number. I'll be quiet now.

10 **MR. TUDOR:** That's okay.

11 I appreciate what you're saying in terms of
12 employment and that sort of thing.

13 The intent in Florida's RFP is that the
14 traffic that's handled and paid for by the state be
15 calls that both originate and terminate in the state
16 of Florida.

17 If you want to propose as a roaming service
18 or something similar to that, either as an optional
19 item that's included in basic relay that the state
20 would pay for, or as an optional item under Section 42
21 that would be paid for separately, you should propose
22 that separately.

23 The intent is that the basic Florida Relay
24 Service pay for calls that are originated and
25 terminated in Florida. And given that, the term that

1 Mr. McDonald used, of Florida originated calls, may be
2 more clear for the purpose of the definition of the
3 80/20% split, where the numerator would be the number
4 of originated Florida calls handled per month in
5 Florida centers divided by the total number of
6 Florida-originated calls handled.

7 **MR. ELLIS:** This is a final comment. We'll
8 move on. At least I'll move on.

9 That definition significantly impacts your
10 price per minute and the size of the center that any
11 vendor might locate here in Florida. So I emphasize
12 that's a very important thing to consider. If you're
13 going to narrow it down to that then your center got a
14 lot smaller. So --

15 **MR. TUDOR:** And what we're excluding, if I
16 understand correctly, is we're excluding the call that
17 does not originate in Florida.

18 **MR. ELLIS:** Which is a significant number if
19 you include interstate minutes.

20 **MR. TUDOR:** Well, the interstate minutes
21 would be paid for by NECA and would not affect the
22 price paid for intrastate Florida calls.

23 **MR. ELLIS:** Okay.

24 **MR. TUDOR:** Okay. So the intent in the
25 basic relay service is that it be for originated

1 calls -- calls originated in Florida and terminated in
2 Florida. If you wish to propose that roaming option,
3 whereby a Floridian in California could call another
4 location in California through the Florida Relay
5 Service with the state of Florida paying for that, you
6 need to identify that as an option; whether it be
7 under a basic service or under an actual optional
8 service under Section 42.f or under F-42. Need to
9 clarify that.

10 Someone else had a question? Mr. O'Neill.

11 **MR. O'NEILL:** Yes. I had a question back at
12 the 900 calls at 42.b on Page 35.

13 In the response to the prior question, I
14 ended up now confused as to the intent. I had read
15 this to suggest that if the provider were to be
16 imposing a charge on the user for 900 service, that
17 the CA would then need to advise the user of that. At
18 the same time if the relay provider were simply
19 handling and facilitating 900 calls, and not
20 separately charging the user, then I would agree with
21 Sprint's position that the CA would not then be
22 required to advise the user, no more than your
23 telephone advises you if you pick it up and happen to
24 dial a 900 number. (Pause)

25 **MR. TUDOR:** Mr. O'Neill, what we're

1 attempting to accomplish with that notification
2 requirement is just to, of course, to make sure that
3 the caller is aware that there may be a charge or --
4 it's not an attempt to make sure that the CA gives a
5 particular charge level to the caller. I just want to
6 make that clear first.

7 The only identification is that there is, or
8 could be, a charge for the call. The concern is that
9 if the caller is not aware of that and the CA proceeds
10 with dialing the call, while they're submitting a
11 preamble that's a 900/976 that would actually say that
12 and how much the charge is, if it for example were an
13 international call or, you know, go to the Carribean
14 or something, that preamble might not be there. If it
15 were, it would just be a part of the normal relay
16 process and it would be announced not actually by the
17 CA on her initiative but actually by the 900/976
18 provider.

19 If that 900/976 provider does not provide
20 that information about a call, the customer might be
21 billed for that call without having obtained the
22 information that there is a charge for the call.
23 While that information might be provided in a preamble
24 by the 900/976 provider, it might be that it would end
25 up showing up as a charge on the bill because the

1 customer didn't hang up soon enough in the call;
2 because of the relay process, the preamble information
3 might not get passed through quick enough. So the
4 concern is that the customer is aware up front that
5 there might be a charge for 900/976 calls.

6 Mr. Estes.

7 **MR. ESTES:** Charles Estes with MCI.

8 Richard, the Commission needs to consider
9 the fact that bearing information in these kind of
10 calls are passed on real-time once the 900 service
11 provider answerer captured the information. So I
12 think all such service providers are required to
13 provide warning about charges that may be made. I'm
14 concerned that it should be addressed, the fact that
15 there is such a lag between the message and the relay
16 that the caller may be billed even if they hang up.

17 **MR. TUDOR:** You said it better than I did.

18 Our concern is that the customer needs to be
19 aware that there's a 900/976 call charge that's not
20 100% true. There are times when a 900 call is free.
21 But for the most part, there is a charge.

22 The 900/976 information service provider may
23 provide a preamble that says what the charge is and
24 that there is a charge, but that information might not
25 get relayed in time for the caller to hang up and

1 avoid the charge. In addition, that 900/976 provider
2 might not even provide that preamble in some cases.
3 So our suggestion was that -- in the RFP requirement
4 was that the CA advise the caller of that before the
5 call is placed and before the ANI information is
6 flowed through to the entity.

7 Again, if you, as a provider, would like to
8 offer a 900/976-type of service under different
9 circumstances and conditions than we have in Section
10 42.b, you could propose a similar type service,
11 identify the differences, and propose it as a part of
12 your proposal under 42(a). Good questions.

13 **MR. ELLIS:** Mike Ellis with Sprint.

14 This question from Sprint has to do with
15 Outreach and marketing costs as they are presented to
16 the regular service tied into Page 32, Special Needs.

17 It's our understanding that you do not want
18 the providers to include any Outreach costs or account
19 management costs, marketing costs in this bid; is that
20 correct?

21 **MR. TUDOR:** I think I heard more than one
22 question. Let me talk about Outreach a second.

23 The way the Florida system is designed is
24 that there is an administrator called the Florida
25 Telecommunications Relay, Inc. They are basically in

1 two or three roles. One of these roles is to be the
2 banker. They collect the money that comes from that
3 9-cent per month surcharge. They collect it from the
4 local companies. So they are in charge of the funds
5 with oversight from the Commission.

6 They also handle the equipment distribution
7 program and payout of that. They also pay the relay
8 provider, but they have one other job and that job is
9 Outreach. So the Florida law places the
10 responsibility for Outreach on the administrator. So
11 in terms of Outreach, the bidders are not asked in the
12 RFP to provide any particular level of Outreach. You
13 do not need to include in your bid any Outreach. You
14 may choose to do -- and that's certainly your choice,
15 you can include it as an optional feature that would
16 be considered a part of basic relay or you could
17 propose it as an optional feature that's not part of
18 basic relay. Either one. But there's no requirement
19 in the RFP that you provide Outreach. There's
20 certainly advantages, perhaps, in terms of stimulation
21 of traffic to you to provide Outreach. The more
22 people that know about relay and use it, the more
23 calls go through the relay center and the more you get
24 paid. But that would be an advantage to you in terms
25 of marketing relay service. But, again, it is not

1 required. That responsibility is placed in the law on
2 the administrator, FTRI. And so there's no
3 requirement in the RFP that you provide and include in
4 your bid any costs or expenses for Outreach.

5 Mr. Ellis, you talked about Outreach then
6 you talked about a couple of other things. And that's
7 why I thought there might be more than one question
8 there.

9 MR. ELLIS: I'm just trying to clarify the
10 expectation of bidders to -- to do Outreach.
11 Marketing of dedicated staff to the account typically
12 in other states, a designated staff person that works
13 directly with the state, we don't see a requirement
14 for that, where a marketing person or account manager
15 would be involved; is that correct?

16 MR. TUDOR: There's no requirement.
17 Certainly there has to be a contact person with
18 Sprint. But we do not care, from a managerial
19 viewpoint -- use the same person for Florida that you
20 use for another state or structure your management
21 differently. That would be up to you. There simply
22 has to be a contact person with the provider.

23 MR. ELLIS: Thank you.

24 MR. TUDOR: Have any of the answers caused
25 more confusion than helped? I hope not.

1 Other questions? Mr. Warren.

2 **MR. WARREN:** Just one question. On
3 Paragraph 5 on Page 6, Certificate of Public
4 Convenience and Necessity, I think there's a period or
5 comment in the wrong place. I'm not sure, but it
6 doesn't -- but if I want to understand this correctly,
7 for example, our company today is not a certificated
8 carrier in Florida for any inbound and outbound
9 traffic. And if we were to come here we would use a
10 certified carrier. If I read this paragraph right
11 then I'm okay. But the last line indicates that you
12 might tell me, "Hey, I'd like to get certified
13 anyway," if I'm reading it right. Is that right?

14 **MR. TUDOR:** Yes. If you were required under
15 Florida Statutes to have a telecommunication
16 certificate because you provide telecommunication
17 service in Florida, then you would be required to get
18 a certificate. But if you were only providing, say,
19 the human resources aspect of relay, and all calls
20 were billed through another provider that you route
21 the calls through, that provider would need a
22 certificate.

23 **MR. WARREN:** Then let me ask a follow-up
24 question because I think we're in between a little bit
25 maybe.

1 **MR. TUDOR:** Okay.

2 **MR. WARREN:** Maybe the follow-up question --
3 I don't know how long a certificate takes to get in
4 Florida. But is a condition of filing a bid proposal
5 that the certificate already be granted?

6 **MR. TUDOR:** To answer your second question,
7 you would not have to have one prior to beginning to
8 provide service.

9 **MR. WARREN:** We would have to have it by
10 then, right?

11 **MR. TUDOR:** If you're required to have one,
12 you would have to have it by the time you begin to
13 provide service. In terms of duration of time to
14 obtain a certificate, you could anticipate roughly 60
15 days, something like that. Other questions? Okay.

16 **MR. WARREN:** I'll ask one more. This is not
17 critical.

18 But the bond amount is significant, which it
19 should be because it's a significant contract and I'm
20 not trying to argue with that. I was wondering if any
21 thought or consideration has ever been given to doing
22 something like three months or six months, as opposed
23 to 12 months? And, really, all I'm thinking about is
24 that the cost of a surety bond is a significant dollar
25 amount when you get up to the full year. And it seems

1 to me that a three-month or six-month amount brings a
2 significant leverage for the Commission.

3 And I'll just -- you don't have to answer
4 that question right now. But -- I was just curious
5 what the thinking was on that or if you would take it
6 back and consider that at all.

7 **MR. TUDOR:** We have used this in the last
8 two contracts, and, you know, this is what the
9 Commission voted on so we'll continue with this one.

10 Other questions? Mr. Rehwinkel.

11 **MR. REHWINKEL:** Richard, Charles Rehwinkel
12 with Sprint.

13 I want to make sure the 900/976 section, I
14 know the Commission has a rule that defines calls may
15 be even broader than calls that have those NXX, i.e.
16 pay per calls. Is there an intent here only to limit
17 those requirements about notifying the customer about
18 a charge to those calls with those NXXs?

19 The reason I ask that is that there may be
20 some calls that the CA would have no way of knowing
21 that there's a charge.

22 **MR. TUDOR:** Yes. We certainly do not need
23 to include that.

24 It could be, though, for example, that 900
25 and 976, the FCC or some other entity could say that

1 977 is now like 976. It's a pay-per-call number. If
2 that were to be opened up, we would certainly expect
3 to include that under this. I think your point is a
4 pertinent one. The CA would have to be able to
5 recognize that number as a pay-per-call number. And
6 at this point in time I would say the answer is it's
7 900/976. But, again, if during the life of the
8 contract 900/976, another number called 977 became
9 available for pay-per-call-type calls, and it was
10 something recognizable by everyone, that it is a
11 pay-per-call-type number, we would expect to include
12 that in this.

13 Does that respond -- okay.

14 **MR. WARREN:** This is my last question. It
15 would be a little bit helpful -- I take it you
16 probably don't have it from reading the reports -- is
17 there isn't any data available on the percentage of
18 Spanish-to-Spanish relay calls?

19 **MR. TUDOR:** That's not reported and we don't
20 know that.

21 **MR. WARREN:** Thanks.

22 **MR. TUDOR:** That is a requirement in the new
23 RFP to include that in the reports but we don't have
24 that.

25 Other questions? Okay.

1 I just wanted to thank all of you for being
2 here. We're looking forward to seeing your proposals,
3 and just remind you again that next Tuesday the
4 Commissioners are at least currently scheduled to
5 discuss that recommendation on the calendar. But
6 until such time as there is any change, the current
7 schedule is the one we're operating under.

8 So if you have additional questions, please
9 feel free to send them to me by letter or fax or
10 e-mail, and we'll try to get a response back to you as
11 quickly as we can.

12 Thank you all for coming. We appreciate it
13 and look forward to working with you.

14 (Thereupon, the hearing concluded at
15 12:30 p.m.)

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1 STATE OF FLORIDA)

CERTIFICATE OF REPORTER

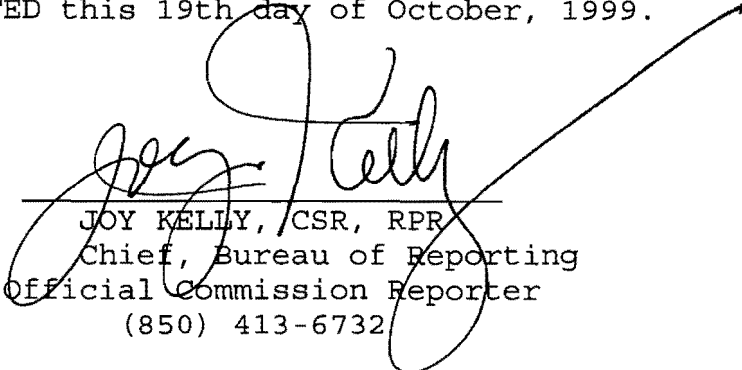
2 COUNTY OF LEON)

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

5 DO HEREBY CERTIFY that the Bidders
6 Conference in Docket No. 911222 was heard by the Staff
7 of the Florida Public Service Commission at the time
8 and place herein stated; it is further

9 CERTIFIED that I stenographically reported
10 the said proceedings in real-time translation and that
11 the same has been transcribed by me; and that this
12 transcript, consisting of 91 pages, constitutes a true
13 transcription of my notes of said proceedings.

14 DATED this 19th day of October, 1999.

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