

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of : DOCKET NO. 990649-TP
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INVESTIGATION INTO PRICING : :
OF UNBUNDLED NETWORK : :
ELEMENTS. : :

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PROCEEDINGS: PREHEARING CONFERENCE

BEFORE: COMMISSIONER E. LEON JACOBS, JR.
Prehearing Officer

DATE: Monday, August 28, 2000

TIME: Commenced at 1:35 p.m.
Concluded at 2:12 p.m.

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

REPORTED BY: TRICIA DeMARTE
Official Commission Reporter
(850) 413-6736



1 APPEARANCES:

2 FLOYD R. SELF, Messer, Caparello & Self, Post Office
3 Box 1876, Tallahassee, Florida 32302 and JAMES LAMOUREUX,
4 1200 Peachtree Street, Suite 1200, Atlanta, Georgia 32309,
5 appearing on behalf of AT&T.

6 DONNA McNULTY, MCI WorldCom, 325 John Knox Road,
7 Suite 105, Tallahassee, Florida 32303, appearing on behalf
8 of MCI WorldCom.

9 RICHARD MELSON, Hopping, Boyd, Green & Sams, Post
10 Office Box 6526, Tallahassee, Florida 32314, appearing on
11 behalf of MCI WorldCom and Rhythms Links.

12 JOSEPH McGLOTHLIN, McWhirter Law Offices, 117 South
13 Gadsden Street, Tallahassee, Florida 32301, appearing on
14 behalf of Florida Competitive Carriers Association (FCCA),
15 Intermedia Communications, Inc., and Z-Tel.

16 NANCY B. WHITE and KIP EDENFIELD, BellSouth
17 Telecommunications, Inc., c/o Nancy Sims, 150 South Monroe
18 Street, Suite 400, Tallahassee, Florida 32301, appearing
19 on behalf of BellSouth Telecommunications, Inc.

20 J. JEFFRY WAHLEN, Ausley & McMullen, 227 South Calhoun
21 Street, Tallahassee, Florida 32302, appearing on behalf of
22 ALLTEL.

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1 APPEARANCES CONTINUED:

2 JOHN FONS, Ausley & McMullen, 227 South Calhoun Street,
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4 Blairstone Road, Tallahassee, Florida 32301, appearing on
5 behalf of Sprint-Florida, Incorporated.

6 SCOTT SAPPERSTEIN, 3625 Queen Palm Drive, Tampa,
7 Florida 33619-1309, appearing on behalf of Intermedia
8 Communications, Inc.

9 MICHAEL A. GROSS, 310 North Monroe Street, Tallahassee,
10 Florida 32301, appearing on behalf of Florida Cable
11 Telecommunications Association, Inc.

12 MICHAEL HAZZARD, Kelley, Drye & Warren, LLP, 1200 19th
13 Street, NW, Fifth Floor, Washington, D.C. 20036, appearing
14 on behalf of Z-Tel Communications, Inc.

15 KELLY KESTER, Koger Center, Ellis Building, Suite 200,
16 1311 Executive Center Drive, Tallahassee, Florida 32301,
17 appearing on behalf of Supra Telecommunications.

18 PETER DUNBAR and KAREN CAMECHIS, 215 South
19 Monroe Street, 2nd Floor, Tallahassee, Florida 32302,
20 appearing on behalf of Time Warner, LP.

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1 APPEARANCES CONTINUED:

2 VICKI GORDON KAUFMAN, McWhirter Law Offices, 117 South
3 Gadsden Street, Tallahassee, Florida 32301 and NORTON
4 CUTLER and MICHAEL BRESSMAN, Five Corporate Centre, 801
5 Crescent Centre Drive, Suite 600, Franklin, Tennessee
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7 CHARLES PELLEGRINI, 2145 Delta Boulevard, Suite 200,
8 Tallahassee, Florida 32303 and CATHERINE BOONE, 10
9 Glenlake Parkway, Suite 650, Atlanta, Georgia 30328,
10 appearing on behalf of Covad Communications Company.

11 JEREMY MARCUS, Blumenfeld & Cohen, Suite 300, 1625
12 Massachusetts Avenue, NW, Washington, D.C. 20036,
13 appearing on behalf of Rhythms Links.

14 MICHAEL SLOAN, Swidler Law Offices, 3000 K Street, NW,
15 Suite 300, Washington, D.C. 20007, on behalf of Broadslate
16 Networks, Inc., Cleartel Communications, Inc., and Florida
17 Digital Network, appearing telephonically.

18 BETH KEATING, DIANA CALDWELL, and WAYNE KNIGHT, FPSC
19 Division of Legal Services, 2540 Shumard Oak Boulevard,
20 Tallahassee, Florida 32399-0850, appearing on behalf of
21 the Commission Staff.

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P R O C E E D I N G S

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COMMISSIONER JACOBS: Counsel, read the notice.

MR. KNIGHT: Notice was given on August 21st, 2000 in Docket Number 990649 that a prehearing would be heard at this time and place for the purpose set forth in the notice.

COMMISSIONER JACOBS: Take appearances.

MS. WHITE: Nancy White and Kip Edenfield for BellSouth Telecommunications.

MS. KESTER: Kelly Kester for Supra.

MR. SELF: Floyd Self on behalf of AT&T, and I'd also like to enter an appearance for Jim Lamoureux on behalf of AT&T.

MS. McNULTY: Donna McNulty, appearing on behalf of WorldCom.

MR. MELSON: Rick Melson, appearing on behalf of WorldCom and also appearing on behalf of Rhythms Links, Inc. And I'd like to enter an appearance for Jeremy Marcus on behalf of Rhythms Links.

MS. GORDON KAUFMAN: Vicki Gordon Kaufman, I'm appearing on behalf of BlueStar Networks, Inc. And I'd like to enter an appearance for Norton Cutler and Michael Bressman.

MR. McGLOTHLIN: Joe McGlothlin for the Florida Competitive Carriers Association. I'm also authorized to

1 appear today for Z-Tel Communications and Intermedia
2 Communications. Z-Tel is also represented by
3 Michael Hazzard, and Intermedia will be represented by
4 Scott Sapperstein.

5 MR. GROSS: Michael Gross on behalf of Florida
6 Cable Telecommunications Association.

7 MR. DUNBAR: Peter Dunbar with the Pennington
8 Firm on behalf of Time Warner Telecom; also entering an
9 appearance for Karen Camechis on behalf of Time Warner.

10 MR. PELLEGRINI: Charles Pellegrini entering an
11 appearance for Covad Communications. I would also like to
12 enter an appearance for Cathy Boone on behalf of Covad
13 Communications.

14 MR. WAHLEN: Good afternoon. Jeff Wahlen,
15 appearing on behalf of Alltel Communications, Inc.

16 MR. FONS: Good afternoon. John Fons, appearing
17 on behalf of Sprint; also entering an appearance for
18 Charles Rehwinkel.

19 MR. KNIGHT: And Wayne Knight, Beth Keating, and
20 Diana Caldwell on behalf of Commission Staff.

21 COMMISSIONER JACOBS: Very well. Counsel, do we
22 have any preliminary matters?

23 MR. KNIGHT: We have one more person on the
24 phone, I believe.

25 COMMISSIONER JACOBS: I'm sorry.

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1 MR. SLOAN: Mike Sloan on behalf of Broadslate
2 Networks, Cleartel Communications, and Florida Digital
3 Network.

4 COMMISSIONER JACOBS: Okay. You said there's
5 only one on the phone?

6 MR. SLOAN: Yes.

7 COMMISSIONER JACOBS: Great. Thank you. Are
8 there any preliminary matters?

9 MR. KNIGHT: There is one, Commissioner. On
10 August 22nd, 2000, Supra Telecommunications filed a motion
11 for leave to file a prehearing statement one day late.

12 COMMISSIONER JACOBS: If there are no
13 objections, we'll grant that. Great. What I'd like to do
14 is, first of all, see if we can get some agreement.
15 There's a fairly substantial witness list and exhibit
16 list. Has there been any thought or any discussion given
17 on the coordination and presentation of witnesses? Would
18 it be useful to take some time to go through that?

19 MR. MELSON: Commissioner Jacobs, I believe some
20 of the witnesses are listed more times than they actually
21 have filed pieces of testimony, so the list may be a
22 little longer. I think there are some pieces that
23 probably were originally combined. I'm not sure, but it
24 just -- I couldn't match it back up to the pieces of
25 testimony I physically had.

1 COMMISSIONER JACOBS: Okay. Before I get too
2 far ahead, why don't we just take it in due process.
3 Let's go through the rest of the prehearing order, and
4 then we'll take it up at that time. We'll just go section
5 by section.

6 Any revisions to the appearance list? Any
7 revisions to the conduct of proceedings? How about the
8 case background? Any questions or revisions on the
9 procedure for confidential treatment? Okay. How about --
10 do you want something? Okay. How about posthearing
11 procedures?

12 MR. SELF: Commissioner Jacobs, just to raise
13 the question, as I understand it, the posthearing briefs
14 will be for both the Phase I and the Phase II proceedings.

15 COMMISSIONER JACOBS: That was my understanding
16 originally.

17 MR. SELF: And given the number of issues that
18 we have in the combined Phase I and II, the question is
19 whether or not 65 pages would be adequate. I know some of
20 the parties at least on the ALEC side may try to file a
21 consolidated brief, but I just don't know if it's possible
22 to get all of the issues in plus summaries of positions
23 and still have any room left to brief the issues.

24 COMMISSIONER JACOBS: Normally, I wouldn't -- we
25 wouldn't take very much thought of that, but given the

1 work that Staff is going to be under to get through this
2 docket, I'll toss that at you if that is going to be a
3 particularly onerous burden to you if we exceed the page
4 limits for posthearing briefs.

5 MR. KNIGHT: Staff would have no objection to
6 them exceeding --

7 COMMISSIONER JACOBS: Okay. Any suggestions
8 about what would be sufficient?

9 MR. SELF: The room says 100.

10 COMMISSIONER JACOBS: That's a bit much.

11 MR. SELF: How about 80?

12 COMMISSIONER JACOBS: How about 75?

13 MR. SELF: 90?

14 COMMISSIONER JACOBS: 80? 80 pages it is.

15 MR. SELF: Thank you.

16 MS. McNULTY: Commissioner Jacobs, while we're
17 also on that section, with respect to the number of words
18 per position, because so many of the issues have subparts,
19 is that also 50 words per subpart?

20 COMMISSIONER JACOBS: I had been under the
21 impression it was per issue. Is it per subpart?

22 MS. McNULTY: I would like to request, is it
23 possible to do 50 words per subpart? Particularly given
24 Issue Number 7, it has practically the entire alphabet.

25 COMMISSIONER JACOBS: I noticed Issue 7.

1 MS. McNULTY: 7 and 9.

2 MR. KNIGHT: Staff would have no opposition to
3 that.

4 MS. McNULTY: Fifty words per subpart then?

5 COMMISSIONER JACOBS: Yes. Okay.

6 MS. McNULTY: Thank you.

7 COMMISSIONER JACOBS: That's a dangerous slope
8 to get on, but, yes, we will say 50 words per subsection
9 then. Any other -- on Subsection 4? That takes us to
10 Subsection 5, prefiled testimony procedures. We explored
11 those pretty thoroughly in this docket. And then that
12 takes us -- no revisions there; that takes us to order of
13 witnesses.

14 Now, any thoughts or suggestions as to how best
15 to coordinate this?

16 MS. WHITE: Are we going to combine direct and
17 rebuttal testimony?

18 MR. SELF: I would think we would want to.

19 COMMISSIONER JACOBS: I would hope so.

20 MS. WHITE: If we're going to do that, which is
21 fine with us, then maybe at the end of this or if you want
22 to take five minutes now and put the witness list
23 together, we could do that.

24 MR. SELF: That's fine with -- are you talking
25 about breaking or just --

1 MS. WHITE: Either that or do it at the end of
2 the prehearing. It doesn't matter to me.

3 COMMISSIONER JACOBS: Unless you prefer to break
4 now, I'd prefer to go on and finish this, and then you
5 guys kind of finish that up at the end if that's okay.

6 MS. WHITE: Okay. That's fine.

7 MR. SELF: That's fine.

8 COMMISSIONER JACOBS: And then that will
9 encompass also the revised directs and rebuttals and so
10 forth. Okay. Very well.

11 Now, I want to be sure, on the Phase II
12 rebuttal, is that -- that's where we allow rebuttal to --
13 actually the testimony that occurred in the previous
14 phase, but we're allowing it to be introduced here? Help
15 me understand which that is now.

16 MS. WHITE: I don't think so.

17 COMMISSIONER JACOBS: It's the reverse?

18 MR. KNIGHT: That would be rebuttal to the
19 issues being presented on the September hearing, the
20 second hearing.

21 COMMISSIONER JACOBS: Okay. Did we have some
22 issues like that, though?

23 MS. WHITE: I didn't think so.

24 MR. FONS: We took all of the testimony in
25 Phase I --

1 COMMISSIONER JACOBS: Right.

2 MR. FONS: -- on some of those -- or some of the
3 testimony that would also cover Phase II issues.

4 COMMISSIONER JACOBS: Right, right. Okay. I'm
5 sorry. That was the way it occurred. Okay.

6 MR. MELSON: Commissioner Jacobs, before we get
7 to the individual issues, I've got two requests. One, I
8 would like to suggest that we do opening statements in
9 this proceeding, and I was going to suggest either 15 or
10 20 minutes to the side with BellSouth being one side and
11 the intervenors being the other side. At least on behalf
12 of Rhythms and WorldCom, I think there's some points I'd
13 like to make, and an opening statement would last about
14 five minutes. And it seemed to me that some sort of equal
15 division of time between the two sides might be
16 appropriate to help frame the testimony you're going to
17 hear over the course of four days.

18 COMMISSIONER JACOBS: Okay. I think opening
19 statements are reasonable. I assume all the parties --
20 are you speaking for all the parties in terms of -- to get
21 their witness to agree to a block of time?

22 MR. MELSON: No. I was hoping they would see
23 the eminent good sense of it.

24 MS. KESTER: Unfortunately, I'm not the one --
25 I'm not the attorney for Supra that has been handling this

1 docket. Mark Buechele would have to make the opening
2 statement for Supra.

3 COMMISSIONER JACOBS: Okay.

4 MR. SELF: Well, I think what Mr. Melson is
5 suggesting is not that each attorney would necessarily say
6 something, but each side would agree there may be one or
7 two or four different speakers for our side as opposed to
8 whatever BellSouth is going to do with their time.

9 MS. WHITE: And BellSouth would have no problem
10 with that as long as all the parties except BellSouth have
11 a block of time, and then BellSouth has a block of time,
12 whatever you decide that block of time is to be.

13 COMMISSIONER JACOBS: Okay. Twenty minutes
14 sounds a bit long. I don't know.

15 MR. MELSON: Commissioner, I said that only
16 because of the number of people on this side, and if we
17 have four or five speakers, that's --

18 COMMISSIONER JACOBS: Yeah. That's only --

19 MR. MELSON: -- only on a subset of issues.

20 COMMISSIONER JACOBS: Why don't we say there's a
21 maximum of 20 minutes per side? And feel free to reduce
22 that as you deem appropriate.

23 MR. MELSON: My second request relates to
24 Rhythms witness -- Rhythms/BlueStar/Covad witness
25 Joe Riolo. As part of his summary, or at another

1 appropriate time if you don't think it's appropriate as
2 part of the summary, we would like to ask Mr. Riolo to do
3 a demonstration that takes about 15 minutes of the
4 physical process of removing load coils and bridge tap
5 from a cable.

6 One of the issues in this proceeding relates to
7 nonrecurring charges and charges for line conditioning,
8 loop conditioning, and there is some competing testimony
9 about the amount of time that that activity takes, and we
10 think that a live demonstration would help to put some of
11 that in context. And so we would ask for permission to be
12 allowed to do that, as I say, either as part of our --
13 Mr. Riolo's summary of his testimony, or if you would like
14 to schedule that specially for first thing in the morning
15 or last in the afternoon some -- one of the hearing days,
16 we would be happy with whatever we could get.

17 COMMISSIONER JACOBS: Don't have a real
18 preference?

19 MS. WHITE: Nancy White, again, for BellSouth.
20 I guess conceptually I don't have a problem with that, but
21 I don't want to waive any objections to the foundation
22 that would have to be laid to do that, and I don't
23 want to -- I want to be able to reserve BellSouth's right
24 to do a counter demonstration if they feel that's
25 necessary. So, I mean, I guess I'm not totally objecting

1 now, but there might be some objections at the time
2 depending on how it proceeds.

3 COMMISSIONER JACOBS: I would hope that --
4 first of all, I think it's reasonable to -- if -- it's
5 demonstrative evidence, I assume, and you can object to it
6 as you normally would. If you can maybe have some
7 discussions in advance to kind of work through whatever
8 issues you might have, that would be appreciated. The
9 first thought that came to me is, would it -- I guess but
10 you need a live demonstration. My first thought was,
11 would it be useful for it to be done by video or something
12 of that sort, but if you need it live, I think it would be
13 useful to go ahead and do that.

14 MR. KNIGHT: Staff did have one concern with
15 that in that there may be a problem as to what gets into
16 the record with a live demonstration, and we thought that
17 for clarification purposes, we'd like to have that
18 demonstration videotaped and the videotape entered in as
19 an exhibit, or to have some narrative, a step-by-step
20 narrative of what's actually taking place so that that
21 would be reflected in the record.

22 COMMISSIONER JACOBS: Okay.

23 MR. MELSON: Commissioner Jacobs, we could
24 arrange to have it videotaped as we're doing it. I
25 also -- Mr. Riolo will be prepared to do this during his

1 deposition later this week, if anyone asks him to, so that
2 the parties will have a preview of actually what takes
3 place.

4 COMMISSIONER JACOBS: Okay.

5 MR. MELSON: I share the concern about the
6 record, and we could arrange to have a video camera here
7 to videotape it.

8 COMMISSIONER JACOBS: Okay. I'll just -- I'll
9 allow you guys to sit down and chat and work through that.
10 Whether -- it would be preferable probably to do it at
11 deposition, I would think, rather than trying to do all
12 that at hearing, but if you need to do it at hearing, I
13 wouldn't oppose it, and I assume the Presiding Officer
14 wouldn't as well.

15 MR. MELSON: Commissioner Jacobs, our preference
16 actually would be to do it both, to do it at the
17 deposition so that the Staff and the other parties can see
18 it, but I think it's something that would be useful for
19 the Commissioners themselves to see it. And that's the
20 reason.

21 COMMISSIONER JACOBS: Okay. Well, I'll grant
22 it, again, subject to normal rights of objection.

23 MR. MELSON: Thank you.

24 COMMISSIONER JACOBS: Okay. That takes us to
25 the issues. First of all, basic positions. Before we get

1 into the parties' basic positions, we had a brief
2 discussion earlier, and I want to clarify that discussion
3 for purposes of going forward. And the discussion had to
4 do with the parties' view of the cost study going forward
5 and whether or not that cost study would be the basis of
6 their testimony, whether or not any party had an objection
7 to the use of the cost study in this docket.

8 And it was my understanding that we kind of got
9 a verbal agreement from the parties that they were
10 comfortable going forward with BellSouth's cost study.
11 When we sat down to discuss it with Staff, we did not
12 remember if that was an affirmative statement by the
13 parties that they would be comfortable moving forward in
14 this docket with the study as -- now revised study that
15 has been filed in this docket.

16 So I wanted to canvas the parties again to see
17 that -- to see what your position is relative to moving
18 forward in this docket with the study as having been
19 revised and filed in this docket. And I'll be honest with
20 you, it is -- I'm really focussed on appeal rights. I'm
21 focussing on whether or not -- if we can come to some
22 understanding whether or not on the surface without taking
23 away your appeal rights, whether or not you can give some
24 statement today that you view it a useful exercise to move
25 forward in this docket with the cost study as having been

1 filed and, of course, in view of the Eighth Circuit
2 decision.

3 And, obviously, the concern is -- I don't want
4 us to go through this process with somebody understanding
5 up front that they have serious concerns.

6 MS. WHITE: Commissioner Jacobs, BellSouth, we
7 obviously want to go forward. I'm not sure whether you
8 were addressing that to us or to the other parties. But,
9 yes, we want to go forward, and we are prepared to go
10 forward.

11 COMMISSIONER JACOBS: I remember that your
12 position was that you wanted to move forward.

13 MR. SELF: Commissioner Jacobs, I don't think
14 the rest of us would be here today if we didn't think --

15 COMMISSIONER JACOBS: Right.

16 MR. SELF: -- there was a basis for moving
17 forward with what we have.

18 COMMISSIONER JACOBS: I agree. I wanted to make
19 sure, though, because we were legitimately unclear about
20 that when we sat down to review the process.

21 MR. MELSON: Commissioner Jacobs, let me say, I
22 think there is nothing in the Eighth Circuit that prevents
23 you from going forward. We want to go forward at this
24 time. When you say, "on the basis of BellSouth's cost
25 study," recognize that all of the parties other than Bell

1 have got some serious criticisms of that study.

2 COMMISSIONER JACOBS: I understand.

3 MR. MELSON: And I just don't want my silence to
4 indicate that we agree that BellSouth's cost study is the
5 basis on which costs should be set, but we're willing to
6 litigate that issue at this time in this docket, and we
7 don't think there's anything in the Eighth Circuit that
8 precludes you from doing that.

9 COMMISSIONER JACOBS: Okay. Very well. Having
10 said that, any revisions to the basic positions of the
11 parties?

12 MR. FONS: Mr. Commissioner, John Fons for
13 Sprint. Before you get there, we have some suggested
14 changes to the issues that our witnesses are responsible
15 for. I've already e-mailed the revisions to Staff, but if
16 you would like, I can go through the issues. It would be
17 on Page 8 and Page 9. It would be witnesses: Sichtler,
18 Dickerson, McMahon, and Cox.

19 COMMISSIONER JACOBS: So you just have the same
20 lineup of witnesses. They would just be testifying to
21 different issues?

22 MR. FONS: Yes, sir, than are indicated here.

23 COMMISSIONER JACOBS: Okay.

24 MR. FONS: Much narrower.

25 COMMISSIONER JACOBS: I'm okay with just Staff

1 taking -- revising the order pursuant to your
2 modifications unless you --

3 MR. FONTS: No.

4 COMMISSIONER JACOBS: Okay. Very well.

5 MR. FONTS: Thank you.

6 COMMISSIONER JACOBS: Okay. Basic positions,
7 any modifications? Great. Issues and positions.

8 MR. WAHLEN: Commissioner Jacobs, Jeff Wahlen
9 for Alltel. On Friday, Alltel filed a revised prehearing
10 statement that reflected changes to its positions on the
11 issues. I've provided that to the copies today in person,
12 and I've given it to Ms. Keating on disk, and I'd like to
13 have the changes in the revised prehearing statement
14 reflected in the prehearing order without going through
15 them all one by one.

16 COMMISSIONER JACOBS: That's fine.

17 MR. KNIGHT: They will be reflected.

18 COMMISSIONER JACOBS: Okay. Very well. Now, so
19 we will go -- I thought that it may be useful just to
20 summarily go through the issues, but I think it would
21 be -- it sounds like it would be worthwhile to go issue by
22 issue today.

23 Well, let me ask the parties this: Is there any
24 particular need to go issue by issue? Okay. So we can
25 summarily look -- ask for any recommendation, I'm sorry,

1 any revisions to the parties' positions on Issues
2 1 through 12, and what we can do is, is if you have a
3 substantial change, we can just ask counsel to provide
4 that to Staff and it will be included in the final draft
5 of the prehearing order. Very well. So that takes us
6 through the issues and positions.

7 MR. SELF: Commissioner Jacobs?

8 COMMISSIONER JACOBS: Yes.

9 MR. SELF: As you know, some of the parties are
10 filing supplemental rebuttal testimony today, something --
11 we're filing something today, and I don't -- there are
12 some numbers that are going to fall out of that testimony
13 and the revisions and examination that we have done on the
14 revised BellSouth study. I don't know off the top of my
15 head whether any of the issues, excuse me, whether any of
16 the positions that are enumerated in here on behalf of
17 AT&T and MCI WorldCom, whether they specifically identify
18 a price for something. They are back at the office
19 working on that testimony now, so I just wanted to put you
20 on record that it's possible that it may impact a number
21 somewhere in the positions.

22 The other thing, since we're almost at exhibits
23 anyway, there are -- we are today filing two additional
24 exhibits; however, there are -- which I can identify for
25 the Staff in a moment, but there are two and possibly

1 three or four exhibits that need to be revised that were
2 filed on July 31st, because as we have been running the
3 study and the revisions to the revised study, it takes
4 time for that, and some of the outputs simply have not
5 come out yet because it takes so long to run the study.
6 Obviously, we will file those revised exhibits as quickly
7 as we can. The numbers -- the identification of those
8 exhibits that are in the prehearing statement is correct.
9 It's just that we will simply have a newer version of it.

10 COMMISSIONER JACOBS: You will be prepared to
11 present that at the hearing?

12 MR. SELF: Yes. And in fact, those revised
13 exhibits will be ready and distributed especially to
14 BellSouth in advance of the depositions of our two
15 witnesses that are scheduled for September 8th.

16 MS. WHITE: Can you tell me today which four
17 those exhibits are just so I can give our people a
18 heads-up?

19 MR. SELF: Yes, at least in part. I know that
20 Jeff King's exhibits --

21 MS. WHITE: I'm sorry, what page are you on?

22 MR. SELF: Sixty-seven.

23 MS. WHITE: Sixty-seven. Okay.

24 MR. SELF: The first thing I should say about
25 that page is JAK-2 involves GTE, so that one will be

1 withdrawn, so you should delete JAK-2. I don't know
2 whether it involves JAK-1 and 3 and also 4, which is not
3 listed here, and that was omitted in error. But it would
4 be those exhibits. There is also a Greg Darnell --

5 MS. McNULTY: It would be his Exhibit Number 8?

6 MR. SELF: That's right, yeah. Yes. This is on
7 Page 64, and it's identified as GJD-8, and that one will
8 be revised. And I have not been told that a particular
9 Donovan-Pitkin exhibits, which are on pages -- starting on
10 the bottom of Page 64 through 66, I have not been told
11 that any of those are going to be, but in view of the fact
12 that it's those two witnesses that are running a lot of
13 the model, it's possible that some of theirs and,
14 hopefully, this afternoon or tomorrow at least I can
15 specifically identify those, and I'll certainly let you
16 know immediately.

17 MS. WHITE: Thank you.

18 COMMISSIONER JACOBS: Okay. That moved us into
19 the exhibits. We probably should start at the beginning
20 and just go through them. No. This process we've been
21 doing all along. Let's merely ask: Any revisions to the
22 exhibit list, other than Mr. Self's revisions?

23 MS. McNULTY: WorldCom has one further revision
24 to Greg Darnell's Exhibit Number 9. That will be
25 withdrawn because it relates to GTE.

1 COMMISSIONER JACOBS: That's on 64 also?

2 MS. WHITE: Number 9?

3 MS. McNULTY: I know it says --

4 COMMISSIONER JACOBS: GJD-9.

5 MS. McNULTY: It is identified as a BellSouth
6 deaveraging, but it is really a GTE exhibit.

7 COMMISSIONER JACOBS: Okay.

8 MR. SELF: And Commissioner Jacobs, on Page 66,
9 which is the carryover for witnesses Donovan and Pitkin,
10 which is a panel, being filed today is a new JCD-BFP-16
11 and also a JCD-BFP-17. I don't know what the names of
12 those are because they have just arrived while we have
13 been here, but we'll get the names to the Staff this
14 afternoon. And then also just to be certain, with respect
15 to Mr. King on Page 67, if you'll delete JAK-2 and add
16 JAK-4, which is a CD-ROM, and I guess it would be titled,
17 "Revisions to BellSouth Cost Study."

18 COMMISSIONER JACOBS: Okay.

19 MR. SELF: Thank you.

20 COMMISSIONER JACOBS: Very well. Ms. McNulty.

21 MS. McNULTY: Thank you. I would also like to
22 retitile Greg Darnell's Exhibit Number 1. It currently is
23 called, "Rebuttal Testimony of Walter S. Reid." It should
24 be called, "BellSouth's Previous Common Cost
25 Calculations."

1 And I can repeat that. It should be called,
2 "BellSouth's Previous Common Cost Calculations."

3 COMMISSIONER JACOBS: Okay.

4 MR. MELSON: Commissioner?

5 COMMISSIONER JACOBS: Yes, Mr. Melson.

6 MR. MELSON: Just a typo on Page 68.

7 Mr. Riolo's Exhibit JPR-3 should be "Brief History of
8 Outside Plant Design," P-L-A-N-T. We got it wrong in our
9 prehearing statement, and Staff copied it accurately.

10 COMMISSIONER JACOBS: All right. Any others?
11 Excellent. No stipulations and no motions? The
12 outstanding confidentiality request we'll take care of.
13 Great. Mr. Self.

14 MR. SELF: Yes, Commissioner. Thank you. I'd
15 like to raise one more point. In view of the motion to
16 bifurcate and the moving of the GTE and Sprint out of this
17 phase, so far I've been able to identify that three of the
18 joint AT&T/MCI WorldCom witnesses have testimony that at
19 least in part addresses GTE issues. In one witness's
20 case, it's throughout, and another witness's case, it's
21 like one sentence on one page, and then the third witness,
22 it's three pages that are all together.

23 It's our intent to -- with respect to Mr. King's
24 testimony that had that sprinkled throughout to refile
25 his, and I'll work with the Staff to either refile the

1 other two. There's no substantive changes. It will
2 simply be to delete the references to GTE and Sprint to
3 the extent that they exist in their testimony. And we'll
4 make sure that everybody has that electronically and on
5 paper.

6 COMMISSIONER JACOBS: Okay. Very well. No
7 objections; I assume that's okay.

8 MS. WHITE: No, no objection.

9 COMMISSIONER JACOBS: Very well. I think it's
10 important to note, as we have indicated before, the
11 complexity of this proceeding. I think it's also
12 appropriate to say that the parties have, I can tell,
13 worked hard to be involved and engaged. I know we had
14 some tough sledding there for a moment, and I believe, you
15 know, given the complexity of the court case and all of
16 the other things that were going on, I understand that,
17 and I take that as a moment passed. I assume that
18 BellSouth is -- I know that they are going to be more than
19 responsive and appropriately involved in the case.

20 MS. WHITE: Trying to be as much as we can.

21 COMMISSIONER JACOBS: Good, good. But I do want
22 to emphasize that it's important that we all stay engaged.
23 This will take time. I expect that we will be in hearing
24 at least until 6:00, 6:30 unless we can expedite it in
25 some form or fashion. I'm all ears to suggestions on how

1 we can do that. There's a lot of subject matter to get in
2 in a relatively short period of time and, therefore, it
3 will require that we be as considerate and as deliberate
4 as possible.

5 Having said that, any -- I know that there will
6 be issues coming up with regard to confidentiality and
7 those sorts of things. I'm going to be available to deal
8 with those as expeditiously as possible, because I think
9 it's really important as we get closer to the hearing to
10 get those matters resolved and whatever exchange of
11 information that needs to occur, it does occur.

12 So having said that, is there anything else to
13 come before the Commission today?

14 MR. SLOAN: I just have one question about
15 Section 5, the witness list. Since the existing document
16 identifies several witnesses numerous times, will the next
17 draft just contain one list of witnesses recognizing that
18 each witness is only going to testify one time?

19 COMMISSIONER JACOBS: I see heads shaking here.
20 Let me -- do you understand the question, Staff? He
21 wants --

22 MR. SLOAN: Will there be a witness order list,
23 in other words?

24 COMMISSIONER JACOBS: He wants to consolidate
25 the witness order list to just have one list in order of

1 appearance.

2 MR. KNIGHT: We're going to meet on that issue
3 after the prehearing and try and consolidate everything.
4 We'll keep the line open.

5 COMMISSIONER JACOBS: Do we need to discuss the
6 continuance -- procedures and dates and so forth for the
7 continuance, or can we just take care of that at hearing?

8 MS. WHITE: What continuance?

9 COMMISSIONER JACOBS: I'm sorry, the
10 bifurcation. I said continuance, the bifurcation of
11 the -- we don't need to do that.

12 MR. KNIGHT: No.

13 COMMISSIONER JACOBS: Okay. That being the
14 case, then this prehearing is adjourned. Thank you.

15 (Prehearing conference concluded at 2:12 p.m.)

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1 STATE OF FLORIDA)

2 : CERTIFICATE OF REPORTER

3 COUNTY OF LEON)

4

5 I, TRICIA DeMARTE, Official FPSC Commission Reporter,
6 do hereby certify that the Prehearing Conference in Docket
7 No. 990649-TP was heard by the Florida Public Service
8 Commission at the time and place herein stated.

9 It is further certified that I stenographically
10 reported the said proceedings; that the same has been
11 transcribed under my direct supervision; and that this
12 transcript, consisting of 28 pages, constitutes a true
13 transcription of my notes of said proceedings.

14 I FURTHER CERTIFY that I am not a relative, employee,
15 attorney or counsel of any of the parties, nor am I a
16 relative or employee of any of the parties' attorney or
17 counsel connected with the action, nor am I financially
18 interested in the action.

19 DATED this 31st day of August, 2000.

20

21

Tricia DeMarte

22

TRICIA DeMARTE
FPSC Official Commission Reporter
(850) 413-6736

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