



JACK SHREVE
PUBLIC COUNSEL

STATE OF FLORIDA
OFFICE OF THE PUBLIC COUNSEL

c/o The Florida Legislature
111 West Madison St.
Room 812
Tallahassee, Florida 32399-1400
850-488-9330

ORIGINAL

RECEIVED-FPSC
01 MAY 16 PM 1:53
RECORDS AND
REPORTING

May 16, 2001

Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 991376-TL

Dear Ms. Bayo:

Enclosed for filing in the above-referenced docket are the original and 15 copies of Citizens' Prehearing Statement. A diskette in Word format is also submitted.

Please indicate the time and date of receipt on the enclosed duplicate of this letter and return it to our office.

Sincerely,

Charles J. Beck,
Deputy Public Counsel

APP _____
CAF _____
CMP CJB:bsr
COM 3
CTR _____
ECR _____
LEG 1
OPC _____
PAI _____
RGO _____
SEC 1
SER _____
OTH _____

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

06152 MAY 16 01

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Initiation of Show Cause)
Proceedings against GTE Florida,)
Inc., for Violation of Service Standards)

Docket no. 991376-TL

Filed May 16, 2001

CITIZENS' PREHEARING STATEMENT

Pursuant to order no. PSC-01-0834-PCO-TL issued March 30, 2001, order no. PSC- 00-1191-PCO-TL issued June 30, 2000, order no. PSC-00-1121-PCO-TL issued June 20, 2000, and order no. PSC-00-0686-PCO-TL issued April 12, 2000, the Citizens of Florida (Citizens), by and through Jack Shreve, Public Counsel, file this prehearing statement.

Witnesses

Mr. R. Earl Poucher filed direct and surrebuttal testimony on behalf of Citizens. His testimony shows that Verizon Florida, inc., willfully violated the Commission's rule governing installation of new service 204 times during the period 1996 through 1999, and Verizon Florida, Inc., willfully violated the Commission's rule governing out of service repair 569 times during this period.

Exhibits

The following exhibits are sponsored by Mr. Poucher:

EXHIBIT NAME	EXH. NO.
NETWORK TROUBLES PER 100	<u>REP-1</u>
BALANCING COST AND QUALITY	<u>REP-2</u>
ONLY REAL ANSWER..CHANGE REGULATION	<u>REP-3</u>
CORPORATE STRATEGY TO LOWER STANDARDS	<u>REP-4</u>
FIND THE DOLLARS TO FIX OUSIDE PLANT	<u>REP-5</u>
DEFECTIVE OSP EXPENDITURES	<u>REP-6</u>
WEATHER vs. TROUBLE LOAD	<u>REP-7</u>
INADEQUATELY GROUNDED CROSSBOXES	<u>REP-8</u>
DETERIORATION OF OSP NEVER STOPS	<u>REP-9</u>
UNSATISFACTORY PLANT CONDITIONS	<u>REP-10</u>
TAC FOCUS SPENDING	<u>REP-11</u>
ACTUAL vs. PROJECTED PRODUCTIVITY	<u>REP-12</u>
1997 RESULTS vs. BUDGET	<u>REP-13</u>
BUDGET REDUCTION - 1998	<u>REP-14</u>
BUDGET REDUCTION - 1999	<u>REP-15</u>
NEGATIVE IMPACT - BUDGET REUDCTIONS	<u>REP-16</u>
HEADCOUNT REDUCTIONS - 1999	<u>REP-17</u>
HEADOUNT - 1998	<u>REP-18</u>

CAITAL SPENDING REDUCTIONS - 1999	<u>REP-19</u>
FLORIDA APPEALS BUDGET CUTS	<u>REP-20</u>
COMPETITIVE STRATEGY	<u>REP-21</u>
COST PER LINE REDUCTIONS	<u>REP-22</u>
PSC AUDIT "SPECIAL" PREPARATIONS	<u>REP-23</u>
MARKET SHARE	<u>REP-24</u>
PSC RULES - ALL STATES	<u>REP-25</u>
INSTALLATIONS HAVE TROUBLE	<u>REP-26</u>
PSC MEASURES NOT TO BE TRADED OFF	<u>REP-27</u>
MEETING BUDGETS AND PSC EXPECTATIONS ARE MINIMUM STANDARDS	<u>REP-28</u>
1999 HEADCOUNT BASED ON TARGETS YOU HAVE RECEIVED	<u>REP-29</u>
SERVICE IMPROVEMENT PLAN 1999	<u>REP-30</u>
OVER BUDGET (5/2/96)	<u>REP-31</u>
FLORIDA CAN ASBORB INCREASED DEMAND	<u>REP-32</u>
DAKS REQUEST FOR HELP	<u>REP-33</u>
WE HAVE GOT TO FIND THE DOLLARS TO FIX OUTSIDE PLANT	<u>REP-34</u>
SERVICE ASSURANCE 1/98 RECOMMENDATIONS	<u>REP-35</u>
BUDGET CUT '98	<u>REP-36</u>
REPORTS BEYOND CLEARING CAPACITY OF FORCE	<u>REP-37</u>
FAILING TEST, GTE HAS RULES CHANGED	<u>REP-38</u>
LINES CROSSED FOR PHONE COMPANY	<u>REP-39</u>

VERIZON PROBLEMS MID '99	<u>REP-40</u>
COST CONTROLS -- LESS COMPETITIVE EXCHANGES	<u>REP-41</u>
PHONE CUSTOMERS STEAMING ABOUT SERVICE	<u>REP-42</u>

Basic Position

Verizon willfully violated the Commission's out of service repair rule 179 times during 1996, 124 times during 1997, 164 times during 1998, and 102 times during 1999, for a total of 569 willful violations during the four year period.

Verizon also willfully violated the Commission's installation rule 26 times during 1996, 13 times during 1997, 18 times during 1998, and 127 times during 1999, for a total of 204 willful violations during the same period.

These repeated, continuous violations over the four year period reflect Verizon's decision to place profits before service. In pursuit of profits, the company dramatically reduced its expense per access line during the four year period, but in doing so it failed to provide the resources necessary to install and repair lines in compliance with the intervals established by this Commission.

The Commission should fine Verizon \$19.3 million for its repeated, willful violations during the four period. Such a fine would send a message that the Commission will not condone the willful violation of its service rules by a company that chooses to place profits before meeting minimum customer service standards.

Issues and Position

Issue 1:(a) During the time period of January 1996 through December 1999, was GTE Florida Incorporated in willful violation of Rule 25-4.070(3)(a), *Florida Administrative Code*, which requires restoration of interrupted service within 24 hours of report for 95% of the repairs in each exchange?

(b) If so, how many violations were there, if any, and what is the appropriate action, penalty, and/or fine amount to be imposed by the Commission for any violations?

Citizens' Position: Verizon willfully violated the Commission's out of service repair rule 179 times during 1996, 124 times during 1997, 164 times during 1998, and 102 times during 1999, for a total of 569 willful violations during the four year period. The Commission should fine Verizon \$25,000 for each violation.

Issue 2: (a) During the time period of January 1996 through December 1999, was GTE Florida Incorporated in willful violation of Rule 25-4.066(2), *Florida Administrative Code*, which requires installation of primary service within 3 working days for 90% of the installations in each exchange?

(b) If so, how many violations were there, if any, and what is the appropriate action, penalty, and/or fine amount to be imposed by the Commission for any violations.

Citizens' Position: Verizon willfully violated the Commission's installation rule 26 times during 1996, 13 times during 1997, 18 times during 1998, and 127 times during 1999, for a total of 204 willful violations during the four year period. The Commission should fine Verizon \$25,000 for each violation.

Pending Motions and Other Matters

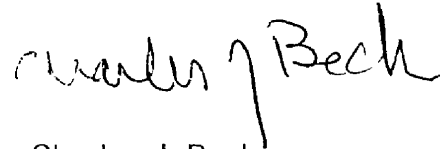
All testimony is currently confidential in its entirety because Verizon claims the testimony contains confidential information. However, Verizon has yet to make any specific showing of confidentiality.

Verizon made similar initial claims in docket 990362, but it never supported the claims in that docket. In that case the Prehearing Officer gave Verizon a chance to make specific claims of confidentiality, but after Verizon failed to make any specific showings, the Prehearing Officer ruled that all of the testimony and depositions in that case were public records.

Citizens urge the Prehearing Officer to immediately order Verizon to make specific claims of confidentiality related to all testimony and exhibits filed in the docket, or to relinquish its claims of confidentiality. Verizon should be ordered to make these specific claims of confidentiality in a short time frame so that any disputes can be ruled upon well before the hearing.

Requirements of Prehearing Order

Citizens believe we have complied with all requirements of the Prehearing Order.

A handwritten signature in black ink that reads "Charles J. Beck". The signature is written in a cursive style with a large, stylized "B".

Charles J. Beck
Deputy Public Counsel
Fla. Bar. No. 217281

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


(850) 488-9330

Attorneys for the Citizens
of Florida

DOCKET NO. 991376-TL
CERTIFICATE OF SERVICE

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

Mail or hand-delivery to the following parties on this 16th day of May, 2001.



Charles J. Beck

Kimberly Caswell
Verizon Florida Incorporated
P.O. Box 110, FLTC0007
Tampa, FL 33601-0110

Lee Fordham
Division of Legal Services
FL Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Rick Moses
Communications Division
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399