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May 31, 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. 991378-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

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FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Initiation of Show Cause )  
Proceedings against BellSouth ) Docket no. 991378-TL  
Telecommunications, Inc., ) Filed May 31, 2001  
for Violation of Service Standards )

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CITIZENS' PREHEARING STATEMENT

Pursuant to order no. PSC-01-0813-PCO-TL issued March 28, 2001, 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 BellSouth Telecommunications willfully violated the Commission's rule governing installation of new service 2045 times during the period 1996 through 1999; willfully violated the Commission's rule governing out of service repair 4275 times during this period; willfully violated the Commission's rule governing repair service answer times 85 times during this period; and willfully violated the Commission's rule governing business office answer times 47 times during this period

## Exhibits

The following exhibits are sponsored by Mr. Poucher:

EXHIBIT NAME	EXH. NO.
BELLSOUTH, VERIZON, SPRINT INSTALLATION VIOLATIONS _____	<u>REP-1</u>
BELLSOUTH, VERIZON, SPRINT REPAIR VIOLATIONS _____	<u>REP-2</u>
BELLSOUTH, VERIZON, SPRINT INSTALLATION 1996-1999 _____	<u>REP-3</u>
BELLSOUTH, VERIZON, SPRINT REPAIR 1996-1999 _____	<u>REP-4</u>
1999 FORCE ADDITIONS _____	<u>REP-5</u>
NETWORK HEAD COUNT _____	<u>REP-6</u>
TOTAL SERVICE REPRESENTATIVES _____	<u>REP-7</u>
NO DOCUMENTS EXIST _____	<u>REP-8</u>
MULCAHY LETTER 1/10/00 _____	<u>REP-9</u>
MULCAHY LETTER	

1/8/98	<u>REP-10</u>
—————	
SOUTH FLORIDA PERFORMANCE vs. SMALL COMPANY PERFORMANCE	<u>REP-11</u>
—————	
LARGE COMPANY PERFORMANCE	<u>REP-12</u>
—————	
ACCESS LINE FORECASTS	<u>REP-13</u>
—————	
BETTER SERVICE FOR BUSINESS	<u>REP-14</u>
—————	
BUSINESS REVENUE GROWTH	<u>REP-15</u>
—————	
94 DAYS OF HELL	<u>REP-16</u>
—————	
HIRING FREEZE SAVINGS	<u>REP-17</u>
—————	
DECLINING SERVICE-CONSUMER	<u>REP-18</u>
—————	
APPOINTMENTS NOT KEPT	<u>REP-19</u>
—————	
DECLINE-SATISFIED CUSTOMERS	<u>REP-20</u>
—————	
CUSTOMERS DO CARE	<u>REP-21</u>
—————	
BELLSOUTH OBJECTIVE INTERVALS	<u>REP-22</u>
—————	
ACKERMAN MANDATE	<u>REP-23</u>
—————	
UNACCEPTABLE SERVICE INTERVALS	<u>REP-24</u>
—————	

SOUTH FLORIDA OVERTIME —————	<u>REP-25</u>
DIRECT EXPENSE PER ACCESS LINE —————	<u>REP-26</u>
YEAR 2000 FORCE —————	<u>REP-27</u>
DECLINING BELLSOUTH SERVICE LEVELS —————	<u>REP-28</u>
COST REDUCTIONS —————	<u>REP-29</u>
JANUARY, 1999 CONSUMER CONTACT EMPLOYEES —————	<u>REP-30</u>
1999 HEAD COUNT CURTAILMENT —————	<u>REP-31</u>
HEADQUARTER'S BUDGET CUT —————	<u>REP-32</u>
CONSUMER ORGANIZATION ATTACKS NETWORK —————	<u>REP-33</u>
PEOPLE SHORT —————	<u>REP-34</u>
HUMAN RESOURCES PERFORMANCE —————	<u>REP-35</u>
1999 REDUCTIONS —————	<u>REP-36</u>
HIRING FREEZE PROBLEMS —————	<u>REP-37</u>
TRAINING CLASS CANCELATIONS —————	<u>REP-38</u>
REVERSING TREND OF DECLINING SERVICE —————	<u>REP-39</u>

1999 CONSUMER RESULTS _____	<u>REP-40</u>
SOUTH FLORIDA BUSINESS PLAN _____	<u>REP-41</u>
BELLSOUTH POTS REPAIR REGRESSION _____	<u>REP-42</u>
EXCLUSIONS TO PSC REPORTS _____	<u>REP-43</u>
IMPACT FROM USE OF FINAL STATUS TIME _____	<u>REP-44</u>
INSTALLATION ORDERS FOR PRIMARY SERVICE COMPLETED W/O PREMISE VISITS _____	<u>REP-45</u>
LIST OF NEW SERVICES _____	<u>REP-46</u>
J.D. POWER AWARD _____	<u>REP-47</u>
KEY FACTORS FOR CUSTOMER SATISFACTION _____	<u>REP-48</u>
SPEED OF INSTALLATION AND REPAIR ARE MAJOR DRIVERS OF CUSTOMER SATISFACTION _____	<u>REP-49</u>
SPEED AND REPRESENTATIVE EFFECTIVENESS HAVE THE MOST IMPACT OF CUSTOMER SATISFACTION _____	<u>REP-50</u>
NEGLIGIBLE 1999 FORCE ADDITIONS _____	<u>REP-51</u>

## **Basic Position**

BellSouth willfully violated the Commission's out of service repair rule 1113 times during 1996, 1064 times during 1997, 988 times during 1998, and 1110 times during 1999, for a total of 4275 willful violations during the four year period. BellSouth also willfully violated the Commission's installation rule 317 times during 1996, 473 times during 1997, 645 times during 1998, and 610 times during 1999, for a total of 2045 willful violations during the same period. Finally, BellSouth willfully violated the Commission answer time rule 46 out of 48 months for the business repair centers, and 39 out of 48 months for the residential repair centers.

These repeated, continuous violations over the four year period reflect BellSouth's decision to place profits before service and to deliberately ignore the service requirements of the Commission.

The Commission should fine BellSouth \$25 million for each of the four years of its repeated, willful violations. 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 period of January 1996 through December 1999, was BellSouth Telecommunications, Inc. in willful violation of Rule 25-4.070(3)(a),

Florida Administrative Code, which requires restoration of interrupted service within 24 hours of report?

(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.

(c) In determining the appropriate action to be taken, if any, for violation of a service rule, what factors in mitigation or aggravation, if any, should be considered?

Citizens' Position: BellSouth willfully violated the Commission's out of service repair rule 1113 times during 1996, 1064 times during 1997, 988 times during 1998, and 1110 times during 1999, for a total of 4275 willful violations during the four year period. The Commission should fine BellSouth in the aggregate \$25 million per year for willful violation of all of the rules at issue in this proceeding. The Commission should consider that the rule violations took place on a continuous basis over the four year period; that the reason for the violations was BellSouth's decision to place profits over compliance with the Commission's minimum service standards; and that BellSouth could have complied at any time by committing the resources required to meet the Commission's rules.

Issue 2: (a) During the period of January 1996 through December 1999, was BellSouth Telecommunications, Inc. in willful violation of Rule 25-4.073(1)(d), Florida Administrative Code, which requires 95% of all calls to repair services to



be transferred to a live attendant within 55 seconds when utilizing a menu driven, automated, interactive answering system?

(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.

(c) In determining the appropriate action to be taken, if any, for violation of a service rule, what factors in mitigation or aggravation, if any, should be considered?

Citizens' Position: BellSouth willfully violated the Commission's repair services answer time rule 18 times during 1996, 23 times during 1997, 20 times during 1998, and 24 times during 1999, for a total of 85 willful violations during the four year period. The Commission should fine BellSouth in the aggregate \$25 million per year for willful violation of all of the rules at issue in this proceeding. The Commission should consider that the rule violations took place on a continuous basis over the four year period; that the reason for the violations was BellSouth's decision to place profits over compliance with the Commission's minimum service standards; and that BellSouth could have complied at any time by committing the resources required to meet the Commission's rules.

Issue 3: (a) During the period of January 1996 through December 1999, was BellSouth Telecommunications, Inc. in willful violation of Rule 25-4.073(1)(d),

Florida Administrative Code, which requires 85% of all calls to the business office to be transferred to a live attendant within 55 seconds when utilizing a menu driven, automated, interactive answering system?

(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.

(c) In determining the appropriate action to be taken, if any, for violation of a service rule, what factors in mitigation or aggravation, if any, should be considered?

Citizens' Position: BellSouth willfully violated the Commission's business office answer time rule 12 times during 1996, 12 times during 1997, 11 times during 1998, and 12 times during 1999, for a total of 47 willful violations during the four year period. The Commission should fine BellSouth in the aggregate \$25 million per year for willful violation of all of the rules at issue in this proceeding. The Commission should consider that the rule violations took place on a continuous basis over the four year period; that the reason for the violations was BellSouth's decision to place profits over compliance with the Commission's minimum service standards; and that BellSouth could have complied at any time by committing the resources required to meet the Commission's rules.

Issue 4: (a) During the period of January 1996 through December 1999, was BellSouth Telecommunications, Inc. in willful violation of Rule 25-4.066(2), Florida Administrative Code, which requires 90% of all requests for primary service in any calendar month to be satisfied within three working days?

(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.

(c) In determining the appropriate action to be taken, if any, for violation of a service rule, what factors in mitigation or aggravation, if any, should be considered?

Citizens' Position: BellSouth willfully violated the Commission's installation of service rule 317 times during 1996, 473 times during 1997, 645 times during 1998, and 610 times during 1999, for a total of 2045 willful violations during the four year period. The Commission should fine BellSouth in the aggregate \$25 million per year for willful violation of all of the rules at issue in this proceeding. The Commission should consider that the rule violations took place on a continuous basis over the four year period; that the reason for the violations was BellSouth's decision to place profits over compliance with the Commission's minimum service standards; and that BellSouth could have complied at any time by committing the resources required to meet the Commission's rules.

Issue 5: (a) During the period of January 1996 through December 1999, was BellSouth Telecommunications, Inc. in willful violation of Rule 25-4.070(1)(b), Florida Administrative Code, which requires rebates be issued to customers whose service is interrupted other than by a negligent or willful act of the subscriber and it remains out of service in excess of 24 hours after being reported to the company?

(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.

(c) In determining the appropriate action to be taken, if any, for violation of a service rule, what factors in mitigation or aggravation, if any, should be considered?

Citizens' Position: BellSouth violated this rule 72 times during the four year period.

Issue 6: (a) During the period of January 1996 through December 1999, was BellSouth Telecommunications, Inc. in willful violation of Rule 25-4.070(3)(b), Florida Administrative Code, which requires that clearing of service affecting trouble reports be scheduled to insure at least 95% are cleared within 72 hours of report?

(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.

(c) In determining the appropriate action to be taken, if any, for violation of a service rule, what factors in mitigation or aggravation, if any, should be considered?

Citizens' Position: BellSouth violated this rule 567 times during the four year period.

### **Pending Motions and Other Matters**

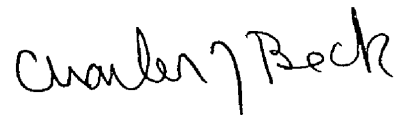
All testimony is currently confidential in its entirety because BellSouth claims the testimony contains confidential information. However, BellSouth has yet to make any specific showing of confidentiality.

Verizon made similar initial claims in docket 990362, but like BellSouth here, Verizon 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, exhibits, and depositions in that case were public records.

Citizens urge the Prehearing Officer to immediately order BellSouth to make specific claims of confidentiality related to all testimony and exhibits filed in the docket, or to relinquish its claims of confidentiality. BellSouth 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.



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

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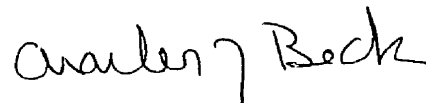
(850) 488-9330

Attorneys for the Citizens  
of Florida

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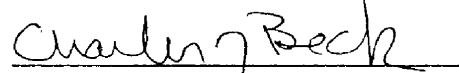
(850) 488-9330

Attorneys for the Citizens  
of Florida



DOCKET NO. 991378  
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 May 31, 2000.

  
Charles J. Beck

Nancy Sims  
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