

ORIGINAL

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SPEAKER



September 23, 2003

Ms. Blanca S. Bayó, Director
Division of the Commission Clerk
and Administrative Services
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0870

RE: Docket No. 030869-TL

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03 SEP 23 PM 3:27
COMMISSION
CLERK

Dear Ms. Bayó:

Enclosed are an original and fifteen copies of Citizens' Second Motion to Compel Answers to Interrogatories and Production of Documents from BellSouth Telecommunications, Inc. for filing in the above-referenced docket.

Please indicate receipt of filing by date-stamping the attached copy of this letter and returning it to this office. Thank you for your assistance in this matter.

Sincerely,

H F. Mann
Associate Public Counsel

HFM/dsb

Enclosures

- AUS _____
- CAF _____
- CMP _____
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DOCUMENT NUMBER-DATE

0-9116 SEP 23 03

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by BellSouth)
Telecommunications, Inc.,) Docket No. 030869-TL
To Reduce Its Network Access Charges)
Applicable To Intrastate Long Distance) Filed: September 23, 2003
In A Revenue-Neutral Manner)

**CITIZENS' SECOND MOTION TO COMPEL ANSWERS TO
INTERROGATORIES AND PRODUCTION OF DOCUMENTS
FROM BELL SOUTH TELECOMMUNICATIONS, INC**

The Citizens of Florida (Citizens), through the Office of Public Counsel, pursuant to Rule 28-106.204, Florida Administrative Code, and Rules 1.280, 1.340, 1.350, and 1.380, Florida Rules of Civil Procedure, request the Prehearing Officer issue an order compelling BellSouth Telecommunications, Inc. ("BellSouth" or "Company") to immediately answer all interrogatories and produce all documents identified in the paragraphs below.

1. On September 12, 2003, BellSouth served its General and Specific Objections to Citizens' Second Set of Interrogatories and Second Request for Production of Documents, dated September 5, 2003.

2. BellSouth lists eleven "General Objections" to Citizens' discovery, none of which identifies a single interrogatory or request for production of documents to which any or all of them may apply. As such, the Company has presented to Citizens a wonderful game of "Read the Company's Mind."

3. Citizens assert emphatically that these "General Objections" of BellSouth are wholly inapplicable to Citizens' discovery requests. The following are what the Company suggests are appropriate discovery objections made pursuant to the Florida Rules of Civil Procedure:

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09116 SEP 23 03

FPSC-COMMISSION CLERK

a) “BellSouth objects to the interrogatories and requests for production to the extent they seek to impose an obligation on BellSouth to respond on behalf of subsidiaries, affiliates, or other persons that are not parties to this case on the grounds that such interrogatories and requests for production are overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules.”

b) “BellSouth objects to the interrogatories and requests for production to the extent they are intended to apply to matters other than Florida intrastate operations subject to the jurisdiction of the Commission. BellSouth objects to such interrogatories and requests for production as being irrelevant, overly broad, unduly burdensome, and oppressive.”

c) “BellSouth objects to each and every interrogatory and request for production and instruction to the extent that such request or instruction calls for information that is exempt from discovery by virtue of the attorney-client privilege, work product privilege, or other applicable privilege.”

d) “BellSouth objects to each and every interrogatory and request for production insofar as the interrogatories and requests are vague, ambiguous, overly broad, imprecise, or utilizes terms that are subject to multiple interpretations but are not properly defined or explained for purposes of these interrogatories and requests for production. Any answers provided by BellSouth in response to the interrogatories and requests for production will be provided subject to, and without waiver of, the foregoing objection.”

e) “BellSouth objects to each and every interrogatory and request for production insofar as it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this action. BellSouth will attempt to note in its responses each instance where this objections applies.”

f) “BellSouth objects to providing information to the extent that such information is already in the public record before the Commission.”

g) “BellSouth objects to OPC's discovery requests, instructions and definitions, insofar as they seek to impose obligations on BellSouth that exceed the requirements of the Florida Rules of Civil Procedure of Florida Law.”

h) “BellSouth objects to each and every interrogatory and request for production, insofar as any of them are unduly burdensome, expensive, oppressive, or excessively time consuming as written.”

i) “BellSouth is a large corporation with employees located in many different locations in Florida and in other states. In the course of its business, BellSouth creates countless documents that are not subject to Commission or FCC retention of records requirements. These documents are kept in numerous locations that are frequently moved from site to site as employees change jobs or as the business is reorganized. Therefore, it is possible that not every document has been identified in response to these requests. BellSouth will conduct a search of those files that are reasonably expected to contain the required information. To the extent that the requests

purport to require more, BellSouth objects on the grounds that compliance would impose an undue burden or expense.”

j) “BellSouth objects to each and every interrogatory and request for production to the extent that the information requested constitutes "trade secrets" pursuant to Section 90.506, Florida Statutes. To the extent that OPC request proprietary confidential business information, BellSouth will make such information available in accordance with a protective Order, subject to any other general or specific objections contained herein.”

k) “BellSouth objects to each and every interrogatory and request for production to the extent that the information requested is beyond the scope of discovery permitted in this proceeding as set forth in Section 364.164, subsections (3) and (4), Florida Statutes, or seeks documents that are beyond the scope of those issues the Legislature has determined are to be considered by the Commission in this proceeding, or seeks documents that are beyond the matters contained in BellSouth's testimony and exhibits addressing these same issues.”

4. The Prehearing Officer, Commissioner Bradley, in his Order Establishing Procedure, No. PSC-03—0994-PCO-TL, instructed the parties regarding discovery, that “Any objection to . . . discovery requests shall be made within five business day of service of the discovery request.”

5. Citizens do not believe that that instruction envisioned a listing of any and all objections available to a party in the event that some specific

discovery request was made of that party to which one or more of those available objections might be claimed and argued.

6. Not one of the eleven General Objections made by BellSouth identifies a single interrogatory or request for production of a document to which it might apply. If these objections were somehow allowed to be applied to Citizens' discovery, Citizens would be faced with the impossibly absurd task of responding directly to eleven "general" objections, all of which address nothing in particular. Accordingly, these objections are wholly inappropriate and totally irrelevant to Citizens' discovery requests and should accordingly be dispatched from any consideration by this Commission.

7. After listing the above eleven "General Objections" to any and all of Citizens' discovery as each of the objections may or may not apply, BellSouth does identify some specific objections to particular discovery requests, as required by the Florida Rules of Civil Procedure. Others, however, still fail to qualify as a specific objection, in that the Company has qualified them to the extent that they are not claimed to apply to a specific discovery request. These discovery requests, the Company's objections, and Citizens' response to those objections follow below.

8. Interrogatory No. 23:

Provide the company's (and/or the related long distance affiliate) intrastate pricing units/volumes separately for MTS, and all "other optional calling plans" (all "other optional calling plans" should be provided separately if available, or on a combined basis), and provide this

information for both residential and business customers. The above information should be provided for day, evening, and night/weekend categories. The information should be provided for both the test period, and the year prior to the test period.

SPECIFIC OBJECTION:

BellSouth objects to Interrogatory No. 23 to the extent that it seeks information from BellSouth Long Distance, Inc. who is not a party to this docket. In addition, BellSouth objects to this interrogatory on the grounds that it is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes. Moreover, there is no "test period" in this docket.

CITIZENS' RESPONSE:

The issues in this docket relate directly to the access charge reductions proposed by BellSouth and the beneficial impact for customers that the company claims will flow through to them in the form of reduced intrastate long distance charges. If the Commission is to understand fully the benefits that may or may not accrue to Florida consumers, then it needs to know what impacts the proposals will have on all Florida long distance customers, including the volume of traffic, applicable rates charged to customers, access charges paid by the carriers, benefits that will be passed directly to customers and any other information that supports the ultimate prices that customers pay for long distance service in Florida. Further, BellSouth witness Gordon states that "Economic

activity in Florida will increase as a result of the companies' plans because rebalancing generates substantial consumer benefits," and he states that "consumers will likely increase their purchases of those services whose price has come down." (Page 4, lines 17-19) Sections III and IV of witness Gordon's testimony describe the customer benefits from the rebalancing proposals and on page 32 of his testimony he states that Florida consumers will use more toll services as a result of the reduction in intrastate toll prices. This interrogatory goes directly to the issue of intrastate toll rate reductions that Florida consumers may, or may not, experience. (Also, see witness Taylor's testimony, page 5, lines 5-12, where he states that the flow-through of access rate reductions "would make intrastate long distance calling more attractive for both residential and business customers, and for competitive entrants who wish to offer long distance service alongside basic local services.) (Also, see witness Gordon's testimony, page 15, lines 3-11, where he states that the "access charge price reductions for the three companies would also benefit end users statewide. Citizens' discovery relates to the testimony of BellSouth's witnesses, and is, therefore, relevant. As for the test period, BellSouth should interpret the test period reference in a manner that is consistent with BellSouth's interpretation of the most recent 12 month statutory requirement that is applicable in this docket. Finally, the Company's reliance on section 364.164(3), Florida Statutes, is misplaced. Citizens stress that the discovery limitation addressed in that section pertains only to the rate adjustment filings identified in section 364.164(2), and further addressed in section 364.164(3) and section 364.164(7), Florida Statutes.

9. Interrogatory No. 24:

Provide the company's (and/or the related long distance affiliate) average revenues per minute separately for MTS, and all "other optional calling plans" (all "other optional calling plans" should be provided separately if available, or on a combined basis), and provide this information for both residential and business customers. The information should be provided for both the test period, and each of the two years prior to the test period.

SPECIFIC OBJECTION:

BellSouth objects to Interrogatory No. 24 to the extent that it seeks information from BellSouth Long Distance, Inc. who is not a party to this docket. In addition, BellSouth objects to this interrogatory on the grounds that is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes. Moreover, there is no "test period" in this docket.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objection to Interrogatory No. 23, above.

10. Interrogatory No. 25:

Provide the average intrastate toll/long distance usage charges (billed/invoiced amount) separately for customers of residential MTS, all

other combined residential “optional calling plans”, business MTS, and all other combined business “optional calling plans”. Provide this information for the test period and the prior twelve months. Explain if this includes any PICC charges.

SPECIFIC OBJECTION:

BellSouth objects to Interrogatory No. 25 to the extent that it seeks information from BellSouth Long Distance, Inc. who is not a party to this docket. In addition, BellSouth objects to this interrogatory on the grounds that it is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of section 364.164(3) and (4), Florida Statutes. Moreover, there is no test period in this docket.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objection to Interrogatory No. 23, above.

11. **Interrogatory No. 26:**

Assume that the company's proposal is adopted. Provide all information to show that the decrease in residential long distance rates (from the flow-through impact) will equal or exceed the increase in residential local rates. Provide all supporting calculations, assumptions, and explanations, and provide information in electronic format. Explain

how this can be determined if the time period that long distance rate reductions will be in place is not known or determinable.

SPECIFIC OBJECTION:

BellSouth objects to Interrogatory No. 26 to the extent that it seeks information from BellSouth Long Distance, Inc. who is not a party to this docket. In addition, BellSouth objects to this interrogatory on the grounds that it is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objection to Interrogatory No. 23, above.

12. **Interrogatory No. 27:**

Assuming that the company's proposal is adopted without changes (and that the company, and/or its long distance affiliate would flow-through the rate reductions) provide the company's best estimate of the flow-through impact on reduced long distance rates for the company (and/or its long distance affiliate), and reduced long distance rates generally for all of the Florida long distance market for all other carriers. In addition, assuming that the proposals for the other two LECs are adopted without change, provide the company's best estimate of how the combined flow-through impact of all LECs affects the long distance rates generally for all

of the Florida long distance market for all other carriers. This information can be expressed as the best estimate impact of the reduction in average long distance revenues per minute, or some other basis for long distance rates. Provide all supporting calculations and explanations.

SPECIFIC OBJECTION:

BellSouth objects to Interrogatory No. 27 to the extent that it seeks information from BellSouth Long Distance, Inc. who is not a party to this docket. In addition, BellSouth objects to this interrogatory on the reasonable calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

See Citizens' response to BellSouth Objection to Interrogatory No. 23, above.

13. **Interrogatory No. 28:**

a) Address the following regarding potential long distance rate reductions for the company (and/or its long distance affiliate):

Explain if the company (and/or its long distance affiliate) will flow-through access reductions to long distance rates, and provide its best estimates of rates it will offer for each long distance service assuming its rebalancing proposal is adopted. Explain why the company will not reduce rates if this is the case.

b) Explain the time period the company will maintain its reduced long distance rates, before it subsequently increases long distance rates and explain the rationale for this approach.

c) Explain if the company will lower its "intrastate" long distance rates to match (or go below) the rates of all similar lower priced "interstate" long distance rates. Provide and list of these long distance services, and explain why the company will or will not reduce its intrastate rates to match (or go below) interstate rates.

SPECIFIC OBJECTION:

BellSouth objects to Interrogatory No. 28 to the extent that it seeks information from BellSouth Long Distance, Inc. who is not a party to this docket. In addition, BellSouth objects to this interrogatory on the grounds that it is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objection to Interrogatory No. 23, above.

14. **Interrogatory No. 29:**

Assume that the LEC (and/or its long distance affiliate) and other long distance carriers will flow-through long distance rate reductions to customers. Explain what actions the Florida Commission should take if

the LEC and/or other long distance carriers subsequently increase their long distance rates (to negate all or some impact of the access flow-through) within a 6-month period, 1 year period, or some other period. Explain why local rates should be permanently increased if long distance rates will not be permanently decreased, or at least decreased for some substantial time period.

SPECIFIC OBJECTION:

Bellsouth objects to Interrogatory No. 29 to the extent that it seeks information from Bellsouth Long Distance, Inc. who is not a party to this docket. In addition, BellSouth objects to this interrogatory on the grounds that it is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objection to Interrogatory No. 23, above.

15. **Interrogatory No. 31:**

Explain all proof that access reductions will be flowed through equitably to both residential and business customers of the LEC (and/or its long distance affiliate) and other carriers, or indicate if carriers could choose to flow-through the entire impact of the access reduction to business long distance customers (and not residential long distance

customers). Provide all information to support the company's statements or opinion.

SPECIFIC OBJECTION:

BellSouth objects to Interrogatory No. 31 to the extent that it seeks information from BellSouth Long Distance, Inc. who is not a party to this docket. In addition, BellSouth objects to this interrogatory on the grounds that it is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes. Moreover, the law does not allow companies to flow through the access reduction solely to business customers.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objection to Interrogatory No. 23, above. Also, BellSouth states that the law does not allow companies to flow through the access reduction solely to business customers; however, the Interrogatory asks the company to demonstrate that the flow-through will be equitable.

16. **Interrogatory No. 34:**

For those states which have reduced access and rebalanced local rates in the past few years, such as indicated in Mr. Gordon's testimony (i.e., California, Illinois, Ohio, Massachusetts, Maine and any others), provide a list of services introduced or available in these states that are

not available in other states that have not rebalanced local rates (to supposedly eliminate support).

BELLSOUTH OBJECTION:

BellSouth objects to Interrogatory No. 34 to the extent that it is not relevant to the subject matter of this docket, is not reasonable calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

Please refer to witness Gordon's testimony, beginning on page 38, line 18, where he introduces the issue regarding rate rebalancing in other states. This issue continues through page 43, line 5. Witness Gordon takes five pages of testimony to extol the virtues of rate rebalancing in Massachusetts, Maine, California, Illinois and Ohio (page 38, lines 20-21). Witness Gordon also states, on page 6, lines 2-4 of his testimony that, "Cost-based prices provide the incentives needed to bring to market the new services that customers demand. This cannot be accomplished by distorted prices." Citizens seek to test the validity of witness Gordon's statement by requesting proof that the new services and innovations that he promises to Florida consumers have actually been made available in the states he references in his testimony. Finally, the Company's reliance on section 364.164(3), Florida Statutes, is misplaced. Citizens assert that the discovery limitation addressed in that section pertains only to the rate adjustment filings identified in section 364.164(2), and further addressed in section 364.164(3) and section 364.164(7), Florida Statutes.

17. Interrogatory No. 35:

Provide an explanation of all increases in residential long distance rates for each service for the period January 2000 to the most recent date. For each service, provide the prior rate (and the date), the increased rate, (and date of increase) and an explanation of the reason for the increase in long distance rates.

BELLSOUTH OBJECTION:

BellSouth objects to Interrogatory No. 35 to the extent that it is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes. In addition, the information requested is a matter of public record, equally available to Public Counsel.

CITIZENS' RESPONSE:

If the Commission is to understand fully the benefits that may or may not accrue to Florida's residential basic local exchange customers as a result of the BellSouth proposals, then it needs to know what impacts the proposals in this docket will have on all Florida long distance customers, including the volume of traffic, applicable rates charged to customers, access charges paid by the carriers, benefits that will be passed directly to customers, and any other information that supports the ultimate prices that customers pay for long distance service. This interrogatory is relevant to the issues in this case and the information is readily available to the company. Moreover, BellSouth's witnesses have testified extensively as to the benefits that Florida's residential customers

will enjoy if the Commission adopts their proposals. (See witness Taylor's testimony, page 5, lines 5-12, and witness Gordon's testimony, where he states that lower access prices will result in lower intrastate toll prices that will increase Florida consumers' use and create new value that will result in an increase in economic activity. (Page 32, lines 8-14)

Citizens seek to quantify the extent that the claims of BellSouth's witnesses might actually come to fruition. The starting point for that analysis is the level of current prices and price changes that BellSouth customers are paying for long distance services in Florida. Finally, the Company's reliance on section 364.164(3), Florida Statutes, is misplaced. Citizens assert that the discovery limitation addressed in that section pertains only to the rate adjustment filings identified in section 364.164(2), and further addressed in section 364.164(3) and section 364.164(7), Florida Statutes.

18. Interrogatory No. 36:

Address the following regarding long distance rates:

a) For the company (and/or its long distance affiliate) operations in Florida, provide a comparison and brief description of all current residential long distance calling plans and a comparison of the rates available on an "intrastate" basis and an "interstate" basis. Identify those similar "intrastate" and "interstate" long distance plans, and explain the reason for any difference in rates.

b) Explain if this situation of having different intrastate and interstate rates for similar calling plans is unique to the company's Florida

operations, or if it is unique to states which have not rebalanced local rates and provide documentation to support this (such as comparing rates in other states of the company operations, including states which have and have not rebalanced local rates).

c) For the company (and/or its long distance affiliate) operations in Florida, provide the name and a brief description of all current residential long distance calling plans that are available on an "interstate" basis, but not an "intrastate" basis. Explain why this situation exists and provide documentation to support this.

d) Explain if this situation of having certain "interstate" long distance calling plans (but not similar "intrastate" plans) is unique to the company's Florida operations, or if it is unique to states which have not rebalanced local rates and provide documentation to support this (such as comparing rates in other states of the company operations, including states which have and have not rebalanced local rates).

e) For items (a) to (d) above, address these issues as it relates to those states which have rebalanced local rates in the past few years per the testimony of Dr. Gordon (i.e., California, Illinois, Ohio, Massachusetts, Maine and others).

SPECIFIC OBJECTION:

BellSouth objects to Interrogatory No. 36 to the extent that it seeks information from BellSouth Long Distance, Inc. who is not a party to this docket. In addition, BellSouth objects to this interrogatory on the grounds

that it is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes. In addition, the information requested is a matter of public record, equally available to Public Counsel.

CITIZENS' RESPONSE:

See Citizens' response to Interrogatory No. 34 and Interrogatory No. 35, above. Further, the burden of proof here is upon BellSouth to demonstrate whether its proposals are beneficial to consumers and the Citizens should not be required to travel to other states in order to evaluate the testimony of Bellsouth's witness. The request in this Interrogatory is to determine whether the beneficial impacts cited by witness Gordon have been experienced by the customers in those states that witness Gordon has used as role models, and whose lead he urges the Florida Commission to follow. The Citizens have a right to test the validity of his assertions. Finally, the Company's reliance on section 364.164(3), Florida Statutes, is misplaced. Citizens assert that the discovery limitation addressed in that section pertains only to the rate adjustment filings identified in section 364.164(2), and further addressed in section 364.164(3) and section 364.164(7), Florida Statutes.

19. Interrogatory No. 38:

Dr. Gordon's testimony addresses a list of states that have rebalanced rates in recent years (i.e., California, Illinois, Ohio, Massachusetts, Maine and others). For these states, explain if the

reduced access and increased local rates has induced an increased competitive response and market entry by the RBOCs and larger LECs in these states. For example, explain if RBOCs have entered the service territories of other incumbent LECs to compete for residential and business customers, and explain if other incumbent LECs have entered the service territories of RBOCs to compete for residential and business customers. Explain this status to the address the level of competition among and between RBOCs and incumbent LECs in these states.

BELLSOUTH OBJECTION:

BellSouth objects to Interrogatory No. 38 to the extent that it is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

Although the Company has entitled its statement regarding this interrogatory as an "objection," Citizens are left to speculate whether BellSouth is actually stating any objection or not. The Company has now not only presented ins meaningless "general" objections; it now asserts meaningless "specific" objections, prefaced as they are with its qualifier, "to the extent that." In the event that the Company wishes to argue at some point, however, that there is some hidden "extent" to which this interrogatory is "not relevant" to the subject matter, "not reasonably calculated" to lead to admissible evidence, and/or "beyond the scope" of the statute, Citizens direct the Commission to Citizens'

Response to BellSouth Objection to Interrogatory No. 34 and Interrogatory 35, above. Also, the Company's reliance on section 364.164(3), Florida Statutes, is misplaced. Citizens assert that the discovery limitation addressed in that section pertains only to the rate adjustment filings identified in section 364.164(2), and further addressed in section 364.164(3) and section 364.164(7), Florida Statutes.

20. Interrogatory No. 39:

For the calendar years ending December 31, 2001, and December 31, 2002, as well as the study period associated with Caldwell Exhibit DDC-1, Attachment J, provide the total state jurisdictional revenue, basic area service revenue (Account 5001), basic local service revenue (Account 5000), and other local revenue (Account 5060) billed to residential customers.

BELLSOUTH OBJECTION:

BellSouth objects to Interrogatory No. 39 to the extent that it is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes. In addition, BellSouth objects to the extent the request applies to any service other than single line business.

CITIZENS' RESPONSE:

Please refer to Interrogatory No. 38, above. Also, remarkably, BellSouth declares that the number of customer lines, accounts, revenues or access lines is not relevant to the company's testimony. To the contrary, BellSouth witnesses, who have referred to the various revenues and customer accounts throughout

their testimony, including in their exhibits, have made it relevant. The number of accounts is a valid check for primary lines. The number of access lines provides a similar check that is the starting point for BellSouth's various revenue calculations. The total revenues of the company are just the starting point for analysis of not only the price proposals, but also the cost analysis that is presented by the BellSouth witnesses. This information is relevant and essential for Citizens to evaluate the company's testimony. Also, the Company's reliance on section 364.164(3), Florida Statutes, is misplaced. Citizens assert that the discovery limitation addressed in that section pertains only to the rate adjustment filings identified in section 364.164(2), and further addressed in section 364.164(3) and section 364.164(7), Florida Statutes.

21. Interrogatory No. 41:

For each month in the calendar years ending December 31, 2001, and December 31, 2002, as well as the study period associated with Caldwell Exhibit DDC-1, Attachment J, provide the number of residential accounts and billable access lines.

BELLSOUTH OBJECTION:

BellSouth objects to Interrogatory No. 41 to the extent that it is not relevant to the subject matter in this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objection to Interrogatory No. 38, as well as Interrogatory No. 39, above.

22. Interrogatory No. 42:

For each month in the calendar years ending December 31, 2001, and December 31, 2002, as well as the study period associated with Caldwell Exhibit DDC-1, Attachment J, provide the number of business accounts and billable access lines.

BELLSOUTH OBJECTION:

BellSouth objects to Interrogatory No. 42 to the extent that it is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objection to Interrogatory No. 38, as well as Interrogatory No. 39, above.

23. Interrogatory No. 43:

For each billing cycle in the calendar year ending December 31, 2001, and December 31, 2002, as well as the study period associated with Caldwell Exhibit DDC-1, Attachment J, provide the number of business bills sent to customers.

SPECIFIC OBJECTION:

BellSouth objects to Interrogatory No. 43 to the extent that is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objection to Interrogatory No. 38, as well as Interrogatory No. 39, above.

24. Interrogatory No 44:

For each billing cycle in the calendar year ending December 31, 2001, and December 31, 2002, as well as the study period associated with Caldwell Exhibit DDC-1, provide the number of residential bills sent to customers.

BELLSOUTH OBJECTION:

BellSouth objects to Interrogatory No. 44 to the extent that is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objection to Interrogatory No. 38, as well as Interrogatory No. 39, above.

25. Interrogatory No. 45:

With regard to BellSouth Complete Choice plans and other services offerings that combine local service with any deregulated service explain how marketing costs are shared among the regulated and deregulated service.

SPECIFIC OBJECTION:

BellSouth objects to Interrogatory No. 45 to the extent that is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objection to Interrogatory No. 38, as well as Interrogatory No. 39, above. Also, BellSouth witness Gordon states in his testimony that it is correct for the Commission to assign the full costs of the local loop to the basic local exchange ratepayer (page 5, lines 6-7). Witness Gordon amplifies his testimony on page 35, showing that the full cost of the local loop should be included in the forward-looking cost of residential service and it should thus be recovered from residential ratepayers. Interrogatory No. 45 seeks to quantify how the Company applies its economic theories to the recovery of its marketing costs among the various regulated and unregulated services it provides. Witness Caldwell's Appendix J, Page b.6, identifies the Company's marketing expense. Citizens seek to know how the Company divides this expense among the services that it provides, including basic residential local

service. Also, the Company's reliance on section 364.164(3), Florida Statutes, is misplaced. Citizens assert that the discovery limitation addressed in that section pertains only to the rate adjustment filings identified in section 364.164(2), and further addressed in section 364.164(3) and section 364.164(7), Florida Statutes.

26. Interrogatory No. 46:

For BellSouth Complete Choice plans and other services offerings that combine local service with any deregulated service:

(a) For the calendar year ending December 31, 2001, and December 31, 2002, as well as the study period associated with Caldwell Exhibit DDC-1, provide the total marketing expenses prior to the allocation of any marketing expenses to the non-regulated services.

(b) For the calendar year ending December 31, 2001, and December 31, 2002, as well as the study period associated with Caldwell Exhibit DDC-1, provide the amount of marketing expenses allocated to non-regulated services and BellSouth affiliates.

(c) For the calendar year ending December 31, 2001, and December 31, 2002, as well as the study period associated with Caldwell Exhibit DDC-1, provide the amount of marketing expenses allocated to BellSouth's state jurisdictional service.

SPECIFIC OBJECTION:

BellSouth objects to Interrogatory No. 46 to the extent that is not relevant to the subject matter of this docket, is not reasonable calculated

to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objection to Interrogatory No. 38, as well as Interrogatory No. 39, above.

27. Interrogatory No. 47:

For the calendar year ending December 31, 2001, and December 31, 2002, as well as the study period associated with Caldwell Exhibit DDC-1, provide total regulated and state jurisdictional expenses in Account 6613.1 Sales Advertising – Business; Account 6613.2 Sales – Advertising- Residential, revenue; Account 6613.3 Sale Advertising – Public; Account 6613.9 Sales Advertising – Other.

SPECIFIC OBJECTION:

BellSouth objects to Interrogatory No. 47 to the extent that it is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objection to Interrogatory No. 38, as well as Interrogatory No. 39, above.

28. Interrogatory No. 48:

With regard to the previous question, state whether any of the advertising is for non-basic services such as long distance, vertical

SPECIFIC OBJECTION:

BellSouth objects to Request for Production No. 26 to the extent that it seeks information from BellSouth Long Distance, Inc. who is not a party to this docket. In addition, BellSouth objects to this interrogatory on the grounds that it is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objection to Interrogatory No. 23, above.

29. Request for Production No. 27:

Provide, in electronic format, the company's (and/or the related long distance affiliate) average revenues per minute separately for MTS, and all "other optional calling plans" (all "other optional calling plans" should be provided separately if available, or on a combined basis), and provide this information for both residential and business customers. The information should be provided for both the test period, and each of the two years prior to the test period. Please provide all supporting documents.

SPECIFIC OBJECTION:

BellSouth objects to Request for Production No. 27 to the extent that it seeks information from BellSouth Long Distance, Inc. who is not a party to this docket. In addition, BellSouth objects to the interrogatory on

services such as Call Waiting or Centrex. If so, provide separate advertising expenses for long distance, vertical services and Centrex.

SPECIFIC OBJECTION:

BellSouth objects to Interrogatory No. 48 to the extent that is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objection to Interrogatory No. 38, as well as Interrogatory No. 39, above.

PRODUCTION OF DOCUMENT REQUESTS

28. **Request for Production No. 26:**

Provide, in electronic format, the company's (and/or the related long distance affiliate) intrastate pricing units/volumes separately for MTS, and all "other optional calling plans" (all "other optional calling plans" should be provided separately if available, or on a combined basis), and provide this information for both residential and business customers. The above information should be provided for day, evening, and night/weekend categories. The information should be provided for both the test period, and the year prior to the test period. Please also provide all supporting documents.

the grounds that it is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objections to Interrogatory No. 23, above.

30. Request for Production No. 28:

Provide, in electronic format, the average intrastate toll/long distance usage charges (billed/invoiced amount) separately for customers of residential MTS, all other combined residential "optional calling plans", business MTS, and all other combined business "optional calling plans". Provide this information for the test period and the prior twelve months. Please also provide all supporting documents.

SPECIFIC OBJECTION:

Bellsouth objects to Request for Production No. 28 to the extent that it seeks information from BellSouth Long Distance, Inc. who is not a party to this docket. In addition, BellSouth objects to this interrogatory on the grounds that it is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objection to Interrogatory No. 23, above.

31. Request for Production No. 29:

Assume that the company's proposal is adopted. Provide all documents in your possession, custody or control to show that the decrease in residential long distance rates (from the flow-through impact) will equal or exceed the increase in residential local rates. Please provide information in electronic format.

SPECIFIC OBJECTION:

Bellsouth objects to Request for Production No. 29 to the extent that it seeks information from BellSouth Long Distance, Inc. who is not a party to this docket. In addition, BellSouth objects to this interrogatory on the grounds that it is not relevant to the subject matter of this docket, is not reasonably calculated to the discovery of admissible evidence, and beyond the scope of Section 364.164(3) and (4), Florida Statutes.

CITIZENS' RESPONSE:

See Citizens' Response to BellSouth Objection to Interrogatory No. 23,
above.

Respectfully submitted,

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Attorney for Florida's Citizens

**CERTIFICATE OF SERVICE
DOCKET NO.: 030869-TL**

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

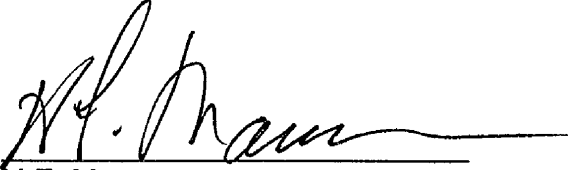
Mail or hand-delivery to the following parties on this 23rd day of September, 2003.

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