

ORIGINAL

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March 22, 2004

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Mrs. Blanca S. Bayó
Division of the Commission Clerk and
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 030300-TP (Petition of the Florida Public
Telecommunications Association for Expedited Review of BellSouth
Telecommunications Inc.'s Tariffs With Respect to Rates for
Payphone Line Access, Usage, and Features)

Dear Ms. Bayó:

Enclosed are an original and fifteen copies of BellSouth Telecommunications, Inc.'s Pre-hearing Statement, which we ask that you file in the captioned docket.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served to the parties shown on the attached Certificate of Service.

Sincerely,

Meredith E. Mays
Meredith E. Mays

Enclosure

cc: All Parties of Record
Marshall M. Criser III
R. Douglas Lackey
Nancy B. White

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**CERTIFICATE OF SERVICE
DOCKET NO. 030300-TP**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Electronic Mail, Hand Delivery* and FedEx this 22nd day of March, 2004 to the following:

Lee Fordham*
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Meredith E. Mays

**(+) signed Protective Agreement
(*) via Hand Delivery**

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for expedited review of)
BellSouth Telecommunications, Inc.'s) Docket No. 030300-TP
Intrastate tariffs for pay telephone access)
Services (PTAS) rate with respect to rates for) Filed: March 22, 2004
Payphone line access, usage, and features, by)
Florida Public Telecommunications Association)
_____)

**PREHEARING STATEMENT OF
BELLSOUTH TELECOMMUNICATIONS, INC.**

In compliance with the Order Establishing Procedure and Consolidating Dockets For Hearing (Order No. PSC-03-1066-PCO-TL, "Procedural Order") issued in this docket on September 24, 2003 BellSouth Telecommunications, Inc. ("BellSouth") respectfully submits its Prehearing Statement.

1. Witnesses

BellSouth will call the following witnesses to offer direct and rebuttal testimony on the issues in this matter:

<u>Witness</u>	<u>Subject Matter of Testimony</u>
W. Bernard Shell Mr. Shell is adopting the prefiled testimony of Ms. D. Daonne Caldwell. (Direct and Rebuttal – through adoption of the prefiled testimony of D. Daonne Caldwell)	Mr. Shell describes the cost methodology used in BellSouth's cost study for public telephone access service (PTAS) in Florida. Mr. Shell also sponsors the cost study. His testimony relates to Issue 2(b).

Kathy K. Blake
(Direct and Rebuttal)

Ms. Blake addresses the policy issues in this proceeding and responds to all of the issues set forth in the Procedural Order.

BellSouth has made a good-faith attempt to identify the subject matter addressed by these witnesses; however, any given witness' testimony may also relate to other issues in this docket.

BellSouth reserves the right to call witnesses to respond to Florida Public Service Commission ("Commission") inquiries not addressed in direct or rebuttal testimony and witnesses to address issues not presently designated that may be designated by the Prehearing Officer at the Prehearing conference to be held on April 19, 2004.

2. Exhibits

BellSouth reserves the right to file exhibits to any testimony that may be filed under the circumstances identified in Section "A" above. BellSouth also reserves the right to introduce exhibits for cross-examination, impeachment, or any other purpose authorized by the applicable Florida Rules of Evidence and the Rules of the Commission.

<u>Witness</u>	<u>Document Indicator</u>	<u>Title of Exhibit</u>
W. Bernard Shell	DDC-1 (includes proprietary information)	BellSouth's PTAS Cost Study
	DDC-2 (includes proprietary information)	Summary of Cost Results
	DDC-3	Basic Network Components considered in PTAS cost study
Kathy K. Blake	KKB-1	Revised BellSouth PTAS Tariff, GSST Section A7.4

KKB-2

BellSouth's Motion to
Dismiss, filed April 15, 2003

KKB-3

Analysis of BellSouth Rates
for Payphone Access Lines

3. Statement of Basic Position

BellSouth has and continues to charge payphone service providers (PSPs) in Florida lawful PTAS rates that comply with all applicable legal requirements. In the event that this Commission chooses to prospectively set new PTAS rates, the appropriate statewide rate would be \$17.23.

The FPTA's claims for a refund are legally deficient and seek a remedy that this Commission is without authority to order. Notwithstanding the lack of authority, the FPTA's claims are also barred by a number of legal and regulatory doctrines, including, but not limited to, the prohibition against retroactive ratemaking as well as the filed tariff doctrine, applicable statutes of limitation and BellSouth's tariff provisions (*see* General Subscriber Service Tariff (GSST) Sections A2.5.5 *and* A2.4.3) (BellSouth shall not be liable for any damages when a claim is not presented within sixty days after the alleged delinquency occurs *and* requirement that customers "promptly report" objections to billed charges).

4, 5, and 6 BellSouth's Position on the Factual, Legal, and Policy Issues

Issue No. 1 (a): Has BellSouth reduced its intrastate payphone line rates by the amount of the interstate EUCL? If not, has BellSouth ceased charging the EUCL on payphone lines?

Issue No. 1 (b): As of what date was BellSouth required to reduce its intrastate payphone line rates by the amount of the interstate EUCL?

Issue No. 1 (c): Can the FPSC order refunds to FPTA's members for the time period bracketed between (a) and (b)? If so, what is the expected amount of any required refunds and how should any refunds be effected?

Position: BellSouth reduced its intrastate payphone line rates by the EUCL amount effective November 10, 2003, although it was not required to do so. This Commission has no authority to order refunds nor would refunds be appropriate in this case.

Issue No. 2: In Docket No. 9702810TL, PAA Order No. PSC-98-1088-FOF-TL, issued on August 11, 1998, this Commission determined BellSouth's intrastate payphone rates to be in compliance with the FCC's "new services" test.

- (a) Are BellSouth's intrastate payphone rates no longer compliant with the new services test? If so, when did they become noncompliant?
- (b) If BellSouth's intrastate payphone rates are not compliant with the new services test, at what rate levels will BellSouth's intrastate payphone rates comply with the new services test?
- (c) Can this Commission order BellSouth to revise its intrastate payphone rates? If so, as of what date should any rate changes be effective?
- (d) If BellSouth's payphone rates become noncompliant with the new services test, can the FPSC order refunds to FPTA's members for the time period from when they became noncompliant to the date identified in Issue 2(c)? If so, what is the amount of any required refunds, and how should any refunds be effected?

Position: BellSouth's intrastate payphone rates have been and continue to be compliant with the new services test; as such, no rate modification is required. This Commission can order BellSouth to prospectively revise its intrastate payphone rates if it so chooses; if it does so the appropriate statewide rate would be \$17.23, which rate would likewise comply with the new services test. Because BellSouth's intrastate payphone rates have never been noncompliant with the new services test, there is no basis for any refunds. Moreover, this Commission has no authority to order refunds based upon well-settled legal and regulatory principles, and if the Commission considered a refund claim

(which it should not) such a claim would be barred by the applicable statute of limitations as well as BellSouth's filed tariffs.

7. Stipulations

The parties have entered into no stipulations at this time.

8, 9. Pending Motions

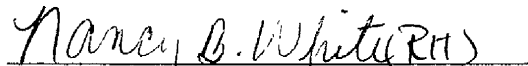
BellSouth may have pending various Requests for Confidential Classification.


10. Other Requirements

BellSouth knows of no requirements set forth in any Prehearing Order with which it cannot comply.

Respectfully submitted this 22nd day of March, 2004.

BELLSOUTH TELECOMMUNICATIONS, INC.


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