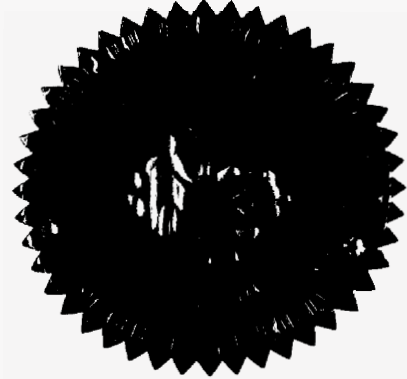


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 040604-TL

In the Matter of:

ADOPTION OF THE NATIONAL SCHOOL
LUNCH PROGRAM AND AN INCOME-BASED
CRITERION AT OR BELOW 135% OF THE
FEDERAL POVERTY GUIDELINES AS
ELIGIBILITY CRITERIA FOR THE
LIFELINE AND LINK-UP PROGRAMS.



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THE .PDF VERSION INCLUDES PREFILED TESTIMONY.

PROCEEDINGS: PREHEARING

BEFORE: CHAIRMAN BRAULIO L. BAEZ
 Prehearing Officer

DATE: Wednesday, January 5, 2005

TIME: Commenced at 9:30 a.m.
 Concluded at 9:45 a.m.

PLACE: Betty Easley Conference Center
 Room 148
 4075 Esplanade Way
 Tallahassee, Florida

REPORTED BY: JANE FAUROT, RPR
 Chief, Office of Hearing Reporter Services
 FPSC Division of Commission Clerk and
 Administrative Services
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FLORIDA PUBLIC SERVICE COMMISSION

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1 PARTICIPATING:

2 NANCY WHITE, ESQUIRE, CATHY FORBES, ROD DeYONKER and
3 EVELYN PETERS, BellSouth Telecommunications, Inc., 150 South
4 Monroe Street, Suite 400, Tallahassee, Florida 32301-1556,
5 representing BellSouth Telecommunications, Inc.

6 CHARLES J. BECK, ESQUIRE, Office of Public Counsel,
7 c/o The Florida Legislature, 111 West Madison Street, Room 812,
8 Tallahassee, Florida 32399-1400, appearing on behalf of the
9 Citizens of the State of Florida.

10 KENNETH HOFFMAN, ESQUIRE, and MARSHA RULE, ESQUIRE,
11 Rutledge Law Firm, P.O. Box 551, Tallahassee, Florida
12 32302-0551, appearing on behalf of ALLTEL Florida, TDS Telecom,
13 GT COM and NEFCOM.

14 CHARLES J. REHWINKEL, ESQUIRE, and SUSAN MASTERTON,
15 ESQUIRE, Sprint Communications Company Limited Partnership, 315
16 Calhoun Street, Tallahassee, Florida 32301, appearing on behalf
17 of Sprint Communications Company Limited Partnership.

18 RICHARD CHAPKIS, Verizon Florida Inc., P.O. Box 110,
19 FLTC0007, Tampa, Florida FL 33601, appearing on behalf of
20 Verizon Florida Inc.

21 MIKE B. TWOMEY, ESQUIRE, AARP, P. O. Box 5256,
22 Tallahassee, Florida 32314-5256, appearing on behalf of the
23 American Association of Retired People.

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1 PARTICIPATING CONTINUED:

2 TRACY HATCH, ESQUIRE, 101 North Monroe Street, Suite
3 700, Tallahassee, Florida 32301, representing AT&T.

4 DONNA McNULTY, ESQUIRE, DE O'ROARK, ESQUIRE, 1203
5 Governors Square Blvd, Suite 201, Tallahassee, Florida, and
6 FLOYD SELF, ESQUIRE, Messer Caparello & Self, P.A, 215 South
7 Monroe Street, Tallahassee, Florida, representing MCI.

8 VICKI GORDON KAUFMAN, ESQUIRE, McWhirter Reeves Law
9 Firms, 117 South Gadsden Street, Tallahassee, Florida 32301,
10 representing FCCA/CompSouth.

11 ADAM TEITZMAN, ESQUIRE and KIRA SCOTT, ESQUIRE, FPSC
12 General Counsel's Office, 2540 Shumard Oak Boulevard,
13 Tallahassee, Florida 32399-0850, appearing on behalf of the
14 Florida Public Service Commission Staff.

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P R O C E E D I N G S

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2 CHAIRMAN BAEZ: Good morning, everyone. Call this
3 prehearing to order.

4 Counsel, would you read the notice, please.

5 MS. SCOTT: Pursuant to notice issued December 23rd,
6 2004, this time and place has been set for a prehearing
7 conference in Docket 040604-TL, adoption of the national school
8 lunch program and an income-based criterion at or below 135
9 percent of the Federal Poverty Guidelines as eligibility
10 criteria for the Lifeline and Link-Up programs.

11 CHAIRMAN BAEZ: Thank you. And we'll take
12 appearances.

13 And, Ms. White, if you will just hold up a second. I
14 think we have someone on the phone.

15 Mr. Feil, are you on?

16 MR. FEIL: Yes, sir, Mr. Chairman.

17 CHAIRMAN BAEZ: Go ahead and make your appearance,
18 first, please.

19 MR. FEIL: This is Matthew Feil with FDN
20 Communications.

21 CHAIRMAN BAEZ: Thank you.

22 MS. WHITE: I'm Nancy White with BellSouth
23 Telecommunications.

24 MR. CHAPKIS: Richard Chapkis for Verizon.

25 MS. MASTERTON: Susan Masterton and Charles Rehwinkel

1 for Sprint.

2 MR. HOFFMAN: Kenneth Hoffman and Marsha Rule on
3 behalf of TDS Telecom, ALLTEL Florida, Northeast Florida
4 Telephone Company, and GT Com.

5 MR. HATCH: Tracy Hatch on behalf of AT&T.

6 MS. McNULTY: Donna McNulty, Dee O'Roark, and Floyd
7 Self on behalf of MCI.

8 MS. KAUFMAN: Good morning. Vicki Gordon Kaufman of
9 the McWhirter Reeves Law Firm. I'm appearing on behalf of the
10 Florida Competitive Carriers Association and the Competitive
11 Carriers of the South.

12 MS. FORBES: Cathy Forbes on behalf of BellSouth; Rod
13 DeYonker on behalf of BellSouth; and Evelyn Peters on behalf of
14 BellSouth.

15 CHAIRMAN BAEZ: Mr. Beck.

16 MR. BECK: Charlie Beck, appearing on behalf of the
17 Citizens of Florida.

18 MR. TWOMEY: Mike Twomey appearing on behalf of AARP.

19 MS. SCOTT: Kira Scott and Adam Teitzman on behalf of
20 the Commission.

21 CHAIRMAN BAEZ: All right. And I have been notified
22 that Mr. Gross from FCTA is running a tad late. And, Counsel,
23 I don't know how we deal with that. I am willing to let them
24 enter an appearance as soon as they get here so we can just
25 hold that.

1 MS. SCOTT: That sounds fine, Mr. Chairman.

2 CHAIRMAN BAEZ: Any preliminary matters? Do we have
3 any preliminary matters that you know of?

4 MS. SCOTT: There are no preliminary matters at this
5 time, Mr. Chairman.

6 CHAIRMAN BAEZ: Parties have nothing preliminary to
7 bring up at this point? All right, great. Lot of nodding
8 heads or shaking heads. Okay. Either way, good. All right,
9 let's move on to the prehearing order. And unless there is any
10 objection, we can start at Section VI with the order of
11 witnesses.

12 MS. WHITE: Chairman Baez, I just have a question on
13 5. Are we going to do direct and rebuttal at the same time?

14 CHAIRMAN BAEZ: I don't have a problem with it. Is
15 there any objection with taking direct and rebuttal? Everybody
16 in agreement? Staff, are you all right with that? Very well.
17 If we need to reflect that in the prehearing order, we will go
18 ahead and make that change. Thank you, Ms. White.

19 And, Ms. White, while we are on you, are you okay
20 with your witness order at this point?

21 MS. WHITE: Yes, sir. I guess I don't have a problem
22 with our order. I'm wondering, though, if possibly the staff
23 witness should go first since it is the staff's order that's
24 being defended. I mean, the staff's recommendation that
25 subsequently became an order that is being defended.

1 CHAIRMAN BAEZ: Staff, do you have -- it seems to
2 make sense. Is there any inconvenience or anything that I need
3 to be aware of why that shouldn't be?

4 MR. TEITZMAN: Well, I think staff would prefer that
5 Mr. Mann actually go last because he will be defending the
6 recommendation. So I think right now it is staff's preference
7 that Mr. Mann would be the last witness to take the stand.

8 CHAIRMAN BAEZ: We are not even going to flip a coin
9 on that. I think, Ms. White, we are going to go ahead and have
10 staff go last. I'm persuaded that it should remain that way.
11 Any changes to the order of witnesses? And you can speak up
12 out of order if you have any. Seeing none.

13 Section VII. Any changes to the basic positions?
14 Seeing none. Section VIII, Issue 1. Any changes?
15 Issue 2. Issue 3. Issue 4. Issue 5A. 5B. 6. 6A.

16 All right. Section IX. Any changes to the exhibit
17 list?

18 I am not seeing any proposed stipulations, and I have
19 a couple of pending motions and requests. I know that, Mr.
20 Chapkis, you have one, a request for confidentiality, and I
21 think that that order has already been drafted, so I will most
22 likely be taking care of that later today after the meeting.
23 And, Mr. Twomey, I am showing a motion for reconsideration.

24 MR. TWOMEY: I thought that was denied, but if it
25 hasn't been, I will withdraw it.

1 CHAIRMAN BAEZ: Well, fill me in on that.

2 MR. TEITZMAN: The motion has not been ruled on yet,
3 if Mr. Twomey would like to withdraw the motion.

4 MR. TWOMEY: Yes. Push forward.

5 CHAIRMAN BAEZ: We will show that motion withdrawn.
6 And I also have one notation here concerning a meeting that is
7 going to be held later, I guess, after we adjourn here, to
8 discuss BellSouth's proposal, a proposal BellSouth had filed in
9 its direct.

10 MS. WHITE: Yes, sir.

11 CHAIRMAN BAEZ: Okay. Discuss proposal set forth in
12 direct testimony filed on behalf of BellSouth and the
13 possibility of settling unresolved issues. Great. The
14 participation, for everyone's information, is limited to staff
15 and BellSouth, but I think you are all cordially invited to
16 attend. And can you give me a location for that?

17 MS. SCOTT: It is in the Internal Affairs room.

18 CHAIRMAN BAEZ: In the Internal Affairs room. Not
19 ten feet from here. We have got that. Ms. Masterton, you have
20 got -- you offered a decision, I guess, on Section XIII. You
21 offered a decision that may impact. I just want to make sure
22 that you have got -- it's like an FCC decision. I'm showing
23 here Docket 03-109.

24 MS. MASTERTON: Right. I mean, I just did that
25 because that was one of the requirements.

1 CHAIRMAN BAEZ: I just wanted to make sure you got
2 it. Okay. Everyone okay for ten minutes per party on the
3 opening?

4 Ms. White.

5 MS. WHITE: I wanted to ask you and the other parties
6 about that. I mean, I don't see the need for an opening
7 statement. And if we can find out what the rest of the parties
8 think, then we may not need an opening. I would like to know
9 before we leave or before the hearing whether we are going to
10 need to be prepared for opening statements or not. At least as
11 far as BellSouth is concerned, we don't need one.

12 CHAIRMAN BAEZ: We can do this kind of freely. If
13 there is anyone that has their heart set on an opening
14 statement, that's fine, we can accommodate it. If not, the
15 suggestion may be good in the interest of time.

16 MR. TWOMEY: Mr. Chairman, Mike Twomey. I don't know
17 that ten minutes will be inquired, but I personally think that
18 opening statements are valuable to the Commission to focus
19 where the parties are coming from. And AARP would like to make
20 one, albeit short.

21 CHAIRMAN BAEZ: Very well. Ms. White, now -- and
22 again, forgive me. I already apologized to staff. I'm in a
23 fog at the beginning of the year for some reason, I don't know
24 why. I think it was the poppy seeds in the muffins yesterday.
25 You know, I would like to afford everyone that has something to

1 say to be able to say it. I don't think it is any negative
2 reflection on anyone if they decide they have nothing to add in
3 the way of an opening statement. If it is your concern that --
4 you know, I don't know where you are coming from, I guess.

5 MS. WHITE: No, I understand what you're saying. And
6 I don't have problem if people want to make an opening
7 statement. But with the number of parties we have, ten minutes
8 per party if everyone decides they have to give one seems like
9 an awfully long time, and maybe we can cut it in half at least.

10 CHAIRMAN BAEZ: Let's do this. Let's officially cut
11 it in half. But I will also say this unofficially, is that no
12 one is compelled to make an opening statement, and there is
13 no -- you know, I don't want anyone to feel prejudiced if they
14 decide they don't have anything to say as an opening statement.
15 It is really your choice.

16 Mr. Hoffman, you were poised to say something.

17 MR. HOFFMAN: So are we going to make it five
18 minutes, is that what you are saying, Mr. Chairman?

19 CHAIRMAN BAEZ: Officially five minutes. If you
20 choose to use it, that is what you have got. If not, no harm.

21 That leaves the balance of the prehearing order,
22 which I don't think needs discussion. I have some important
23 dates coming up. The discovery cutoff is set at January 10th.
24 The prehearing order issued on the 12th, correct?

25 MS. SCOTT: That is correct, Chairman.

1 CHAIRMAN BAEZ: And then the hearing, as you should
2 all have marked in red on your calendars, is January 20th and
3 21st have been set aside for the hearing dates.

4 Are there any questions?

5 MS. KAUFMAN: Commissioner, I don't have a question,
6 but I have a request, I guess.

7 CHAIRMAN BAEZ: That's usually in the form of a
8 question don't you think?

9 MS. KAUFMAN: You're right. And that is that
10 CompSouth/FCCA be excused from attendance at the hearing. We
11 don't have any cross-examination for the witnesses, and the
12 witness that we are jointly sponsoring will be ably handled by
13 my colleagues.

14 CHAIRMAN BAEZ: Very well.

15 MS. KAUFMAN: Thank you.

16 CHAIRMAN BAEZ: CompSouth is excused.

17 MR. FEIL: Mr. Chairman, this is Matt Feil with FDN.
18 I would make the same request on behalf of FDN, and the same
19 rationale.

20 CHAIRMAN BAEZ: Very well, Mr. Feil. Show FDN
21 excused from the hearing. Am I smelling a stampede of excused
22 absences? Mr. Criser, you have got to be here.

23 MR. REHWINKEL: Since he's not here, let's excuse Mr.
24 Gross from the hearing.

25 CHAIRMAN BAEZ: You want to excuse Mr. Gross? I

1 thought you would. I'm not going to let you off that easy, Mr.
2 Rehwinkel. You weren't even on the prehearing order. They had
3 to add you on. You are coming in here with all of your
4 requests and suggestions, how dare you? (Laughter.)

5 Anything else that we need to discuss? If not, very
6 well. Thank you all for coming. And if there are any updates
7 or any other matters that need to come to my attention, just
8 let staff counsel know in the interim.

9 We are adjourned. Thank you.

10 (The prehearing concluded at 9:45 a.m.)

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STATE OF FLORIDA)

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CERTIFICATE OF REPORTER

COUNTY OF LEON)

I, JANE FAUROT, RPR, Chief, Office of Hearing Reporter Services, FPSC Division of Commission Clerk and Administrative Services, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

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

DATED THIS 7th day of January, 2004.



JANE FAUROT, RPR
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