1 BEFORE THE 2 FLORIDA PUBLIC SERVICE COMMISSION 3 4 In the Matter of Comprehensive review of : DOCKET NO. 920260-TL 5 revenue requirements and rate: stabilization plan of 6 SOUTHERN BELL TELEPHONE AND : 7 TELEGRAPH COMPANY. 8 9 FT. LAUDERDALE SERVICE HEARING PROCEEDINGS: 10 11 BEFORE: J. TERRY DEASON, CHAIRMAN COMMISSIONER LUIS J. LAUREDO 12 COMMISSIONER JULIA L. JOHNSON 13 14 DATE Thursday, December 2, 1993 15 16 Convened at 6:00 p.m. TIME: 17 Concluded at 8:20 p.m. 18 19 PLACE: Broward Community College North Campus Omni Auditorium 20 1000 Coconut Creek Blvd. 21 Coconut Creek, Florida 22 REPORTED BY: 23 JOY KELLY, CSR, RPR Chief, Bureau of Reporting 24 25

DOCUMENT, NO. 1

3.70	TOTAL	A TO	7. 3.1		
AΡ	PE	AR	ΑN	ICES	:

ROBERT G. BEATTY, BellSouth Telecommunications,
Inc., Museum Tower Building, Suite 1910, 150 West Flagler
Street, Miami, Florida 33130, Telephone No. (305)
347-5561, appearing on behalf of BellSouth
Telecommunications, Inc.

WILLIAM C. LANTAFF, Southern Bell, Suite

1901, 150 W. Flagler Street, Miami, Florida 33130,

Telephone No. (305) 347-5310, appearing on behalf of

Southern Bell Telephone and Telegraph Company.

JACK SHREVE and CHARLIE BECK, Office of
Public Counsel, c/o Florida Legislature, 111 West
Madison Street, Room 812, Tallahassee, Florida
32399-1400, Telephone No. (904) 488-9330, appearing on
behalf of the Citizens of the State of Florida.

NOREEN DAVIS, FPSC Division of Legal Services, 101 East Gaines Street, Tallahassee, Florida 32399-0863, Telephone No. (904) 487-2740, appearing on behalf of the Commission Staff.

ĪŅDĒX

2	MISCELLANEOUS	
3		PAGE NO.
4	OPENING STATEMENT BY MR. LANTAFF	7
5	OPENING STATEMENT BY MR. SHREVE	10
6	CERTIFICATE OF REPORTER	89
7	WITNESSES	
8	STEWART COHAN	27
9	STEPHEN HELLER	30
LO	ABE ASOFSKY	21
11	JULIE JONES	27
12	EDYTHE MARINOFF	30
L3	JERRY NOYH	32
L4	HARRY WOLF	33
15	SHELLEY KAHN	35
L6	DAVID DICKSTEIN	39
L7	VIRGINIA BROSCIOUS	42
18	GEORGE BOLTON	43
19	ROSEMARIE DALLIO	49
20	WILLIAM HOWARD SECKER	51
21	MARTIN SCHUTZMAN	58
22	MARION STREITFELD	60
23	JOHN MACHNIC	62
24		
5 6		

1	Index of Witnesses (Continued)		3-A
2	Name:		Page No.
3	JOANN ALDERMAN		65
4	ROBERT ALDERMAN		66
5	AL LEVIN		69
6	RICHARD JETTE		78
7	LYDIA ECHAVARRIA		80
8	JIM JAKUBEL and LAURIE LATIMER		83
9	EVUIDIMO		
10	EXHIBITS	Thermieren	3 DVTmmpp
11		IDENTIFIED	ADMITTED
12	6 (Beatty) Notice of Public		
13	Hearing	7	
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

PROCEEDINGS 1 (Hearing convened at 6:00 p.m.) 2 CHAIRMAN DEASON: Ladies and gentlemen, if I 3 could have your attention please, we will call this 4 hearing to order. We will begin by having the notice 5 read. Counselor. 6 Thank you, Mr. Chairman. This 7 MS. DAVIS: 8 time and place have been set for a service hearing by notice issued September 28th, 1993, in the consolidated 9 Southern Bell dockets, numbers 920260-TL, 910163-TL, 10 910727-TL, 900960-TL, and 911034-TL. 11 CHAIRMAN DEASON: Thank you. Take 12 13 appearances. MR. SHREVE: Jack Shreve and Charlie Beck, 14 Office of the Public Counsel, representing the Citizens 15 of the State of Florida. 16 MR. BEATTY: Robert Beatty, general attorney 17 for BellSouth Telecommunications. 18 MR. LANTAFF: Court Lantaff, AVP, Corporate 19 and External Affairs, representing Southern Bell. 20 21 MS. DAVIS: I'm Noreen Davis appearing on behalf of the Commission Staff. 22 23 CHAIRMAN DEASON: Thank you.

introduce myself. My name is Terry Deason, I'm

24

25

FLORIDA PUBLIC SERVICE COMMISSION

I'd like to take this opportunity to

Chairman of the Public Service Commission and to my left is Commissioner Julia Johnson, and joining us shortly this evening will be Commissioner Luis Lauredo.

I want to take this opportunity to welcome everyone out to this public hearing this evening. The purpose of the hearing is to hear from you, the customer, concerning the quality of service provided by Southern Bell and the various proposals that are currently pending before the Public Service Commission in the dockets which were just mentioned by Staff counsel.

The procedure which we will follow this evening will be we will begin by hearing opening statements from Southern Bell and the Office of Public Counsel. Following those brief opening statements, I will ask all of the members of the public who wish to testify this evening to stand and to be sworn in. It is necessary for you to be sworn in because your testimony will become part of the official record in this proceeding and will become evidence upon which the Commission will rely in making its decision in these dockets.

This hearing is being recorded by an official court reporter. And I ask that the audience keep in mind that this is an official hearing of the Commission and to please act accordingly.

The procedure will be that your name will be

called by Mr. Shreve, who is maintaining a list of those individuals who have indicated they wish to testify. When your name is called, please come forward to the podium at the front of the stage and give us your name and your address and if you feel that it would be helpful to the court reporter, please spell your name.

You may give your statement, and I ask that you please be mindful that there are a number of individuals who wish to testify this evening and to keep your statements as brief as possible. We don't want to cut anyone short. We're not imposing any time limits on anyone, but we just request that you be mindful of your friends and neighbors, that there are people waiting for their turn to testify as well.

In addition to testifying this evening, you may wish to avail yourself of the opportunity to mail in your comments.

There is a sheet which is attached to the back of the blue information handout. This sheet may be detached. You may provide your written comments and mail this to the Public Service Commission. This is an option which is available to you as well.

With that, we can begin with opening statements. Counselor, is there an exhibit which you

wish to identify at this time? 1 MR. BEATTY: Yes, sir. With your permission, 2 I'd like to offer into evidence as a --3 UNIDENTIFIED SPEAKER: Can't hear. 4 5 MR. BEATTY: Mr. Chairman, with your 6 permission, I'd like to offer into evidence as an 7 exhibit in this record, the legal notice of public hearing for this proceeding this evening. 8 9 CHAIRMAN DEASON: Thank you. We will identify that as Exhibit 6 and if you could provide 10 that to the court reporter. You may begin your opening 11 statement. 12 (Exhibit No. 6 marked for identification.) 13 MR. LANTAFF: Thank you, Mr. Chairman. 14 Good evening, I'm Court Lantaff and I'm 15 assistant vice president, corporate and community 16 affairs, for Southern Bell in Florida. 17 I want to thank all of you for coming this 18 evening. I'm going to be very brief tonight so we can 19 get to your views. However, there are a few things I 20 believe need to be said to set the context for 21 tonight's discussion. 22 We need to look no further than the headlines 23 of recent newspapers and news mazagine articles to 24 realize that the telephone industry is changing at an 25

ever-increasing pace. A recent front-page article in a major Florida newspaper said, and I quote, "In Florida the merger of Bell Atlantic and TCI may challenge Southern Bell's decade-old dominance of local telephone service."

The story continued that by mid-1994 the Bell Atlantic/TCI system will link living rooms in major portions of Florida with American's data superhighway through a single outlet in the home. And, in today's USA Today is an example because these stories are coming faster and faster. An article said "High-tech rivals jam superhighway. Leading cable telephone and computer companies are racing to build the information superhighway."

The announcement said that six cable TV companies have joined -- five, I'm sorry -- five of the six biggest cable TV companies said they will work together to provide telecommunications services to their cable customers. Yes, America, and Florida in particular, are in the middle of a Communications revolution, not an evolution. And yet our traditional regulatory process never envisioned this changing market. The regulatory policies of the past do not address the changes that are occurring today, let alone tomorrow's changes.

1

2

3

4

5

6

7

8

10

11

12

13

14

15

16

17

18

19

20

21 22

23

24

25

That brings me to the proposal that we have before the Public Service Commission. That proposal is really about continuing Florida's transition to this new world. It's about providing you options. It's about providing reasonably priced reliable service, and yes, about positioning Southern Bell to be able to compete in this new world of competition. Since we have already sent our customers a bill insert that describes our proposal in detail, and the Commission has provided information as well, and we also have a open letter that we've handed out at the door for you, I will not belabor these points tonight. If you still have questions, we have some employees here who can talk with you individually about our proposal. However, I do want to emphasize three primary points about our proposal.

First, this is a rate reduction case. Since 1988, when the PSC approved Southern Bell's current incentive regulatory plan, you, our customers, have received more than \$1.4 billion in rate reductions and refunds. In our proposal that we're talking about tonight, we're suggesting another reduction of over \$26 million to you, in addition to the 49 million in reductions already scheduled.

And secondly, if Southern Bell is able to

continue offering reasonably priced services, we must have a regulatory environment that encourages efficiency and provides the capital resources so we can bring the benefits of the Information Age to you.

And third, there has been a great deal of publicity about Southern Bell's expanded local service plan. As a matter of fact, even today's Sun Sentinel carried a front-page story entitled, "Consumers Blast Bell's Proposal." Despite what you may have heard, this plan is not a mandatory plan. It is, and will remain, an option that will benefit some of our customers. Even if our proposal was approved, you would still have the option of having the same flat rate service you have today.

There are many other beneficial features of our proposal, but I promised to be brief. Tonight is about hearing from you.

Thank you for coming and I look forward to hearing your comments. That's the end of my remarks, Mr. Chairman.

CHAIRMAN DEASON: Thank you. Mr. Shreve.

MR. SHREVE: Thank you, Mr. Chairman. I'll
be very brief. I appreciate all of you coming out
tonight. We're here to represent you. Just a couple
of comments on some of the things that Mr. Lantaff

∥ said.

The \$1.4 billion that he was talking about was ordered by the Public Service Commission. But that did not come off of your bill. A large part of that included depreciation which never should have been granted, so you're still paying that money in to Southern Bell even though that was added into that 1.4 billion.

Now, they say this is about a rate reduction and they have offered \$26 million as rate reductions. That is peanuts. This is a rate reduction case. Bell was ordered to come in and file a case. The only problem is their rates have not — the offer that they have made is not nearly enough. Their rates should be cut by hundreds of millions. The biggest change, one of the biggest changes that are coming about with the new technology and the things that are going on right now, the change is a decreasing cost for Bell.

In the article that Mr. Lantaff was reading from a few minutes ago, he neglected to say -- and I believe this is the same article that talked about the astronomical amounts of profits that would be made by those companies he was reading about.

The reference to the local measured service, which I know a great many of you are interested in, the

choice is there, but they have connected it to the ability to get a reduction in long distance rates. if you elect to keep your flat rate service, you will not receive the reduction in long distance rates. have been trying to get the local measured service for at least 15 years that I know of. This is another hook, but this one is even worse because they connect it to that reduction in long distance rates, which should be made. But you shouldn't have to give that up or take that depending on whether you're willing to give up your flat rate. Most anybody, even Southern Bell people will admit, that economically, local measured service does not stay optional. When people go on to local measured service, that pushes more cost on to flat rate. I think that's a choice that should be made by the people, whether you want to continue to have your flat rate throughout, or give Southern Bell the opportunity to start putting in local measured service. And that's where I think we should hear from the people and do what the people want in that area.

2

3

4

5

б

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

We're looking forward to putting on our case, showing that the incentive program that was described by Mr. Lantaff has led to abuses, investigations into both manipulation of records on outages, which prevented people from getting refunds they were

entitled to, as well as sales fraud. We will be presenting that evidence in the case and feel there should be a penalty leveled against Southern Bell because of those actions. And that penalty should benefit the customers of Bell in the State of Florida, because those are the people that received the detrimental treatment throughout that period of time. We look forward to representing you in this case and appreciate very much you being here tonight, now we're looking forward to hearing from you.

Thank you. (Applause)

CHAIRMAN DEASON: Thank you. I failed to indicate earlier that the Public Service Commission has representatives here this evening which may provide assistance to you. You may have already met them earlier. They are at the table in the foyer area as you entered the auditorium. If you have questions, you may wish to refer your questions to them, and I'm sure that they can either answer them, or take your name and will be able to contact you later with detailed answers to your questions.

At this time, we're going to swear in all of those members of the public who wish to testify this evening. So everyone who does wish to testify, if you will please stand and raise your right hand.

1	(Witnesses collectively sworn.)
2	CHAIRMAN DEASON: Mr. Shreve, you may call
3	your first witness.
4	MR. SHREVE: Thank you, Mr. Chairman. Mr.
5	Stewart Cohan.
6	STEWART COHAN
7	was called as a witness on behalf of the Citizens of
8	the State of Florida and, having been duly sworn,
9	testified as follows:
10	WITNESS COHAN: Thank you for letting me talk
11	tonight, gentlemen. But prior to my discussion, as the
12	public defender or attorney, and the phone company has
13	mentioned, I left one question in mind: Doesn't the
14	Public Service Commission have discretionary powers on
15	these hookers you brought up? Don't they have the
16	discretion to open or close it themselves without
17	bringing it up before us? What I came about is
18	CHAIRMAN DEASON: Sir, sir? Could you give
19	us your name and address?
20	WITNESS COHAN: Yes. Yes, Stewart Cohan,
21	Sunrise, Florida. It's spelled like George.
22	Relatives, you know.
23	What I'm talking about is really basically or
24	the discretion of the Commission.
25	When the Commission grants facilities to

Southern Bell or any other Florida company, they are not giving reciprocity. I only can use one example, which I mentioned to Mr. L before.

A few years ago Southern Bell put in a -whatever type of service you call, from Boca Raton to
Fort Lauderdale for a flat rate. Naturally, a lot of
us are elderly, and we're fortunate to have elder
people. I have a mother 100 years old living in Boca.
I'm her only heir and she calls me a lot, so I had to
find the money and I thank God they had that plan.
Now, I have to call her.

Their bill from there to me is \$6.80 a month; she can call me 500 phone calls. I make 50 calls back and my bill is \$40, round figures, I'm not giving you the exact cents. Why, when that service was installed and approved by the Commission, didn't they have the reciprocity that it works two ways? Why couldn't Fort Lauderdale call Boca for that same amount of money?

My complaint isn't with Southern Bell. It's with the discretion of the Commission. And I'm sure others that I've spoken to before we got in here tonight, is the public phone. Many a time, and I've written to the Commission, to give an example: I was in Miami Beach and I had to make a quick phone call because I was late to Hollywood, a distance of less

than ten miles. The only thing was the public phone.

It cost a \$1.20 in a public phone for ten minutes -
for ten miles for three minutes. That's kind of high.

And I know others here are complaining about the rates.

Another thing, Delray and Boca Raton is less than seven miles from the city boarders. Using Southern Bell's phone from Boca to Delray, it's a quarter a call. Even though they have whatever all the different types of plans involved. This, I think the Commission is not evaluating from the full circuit. And I think a lot of the problems are from the full circuit.

Another thing current in the modern

Commission today that we're having that bothers me -
I'm not trying to take a lot of time going into

multiple detail, I'm just surfacing it. The thing is

this today with the nuisance calls that you people -
and the security phone calls that a lot of us are

getting, threatening, ponographic, the whole gamut of

improper calling.

They have caller ID, that's wonderful. I like it, but I'm limited. Why can't the Public Service Commission tell the phone company if the people want it and it's a fair rate to have it. Why can't the phone company supply it like they supply the phones on rental? Instead of saying, "We'll give you the service

with charge or no charge for hookup, but you've got to go out to a store and buy it from \$75 to \$150."

Today, the seniors in Broward, Palm Beach and any of the Southern Bell areas could use Caller ID because some are hard of hearing, some are getting poorer eyesight. All of these things are not in the public's interest unless it's to them at a reasonable, affordable rate, that they have leased us the equipment. Why do we have to buy it? Why not be the phones? All these things. Everybody looks at it for dollars and cents. They do not look at it, for us, the people, the users, the retirees, the limited income. Not everybody is fortunate to have high-bank-interest bank accounts that can pay it. It's us retired people that work and don't have a high income that have to share the bill. These are the things we're asking the Commission to evaluate.

You're looking at the positive proposals,
look at the negatives. Send it out with the bill.
Have an official form go out with our phone bill.
We'll mail it back to the state. But do something
about it. Let's not play politics. Let's analyze it
for the good of the poor as those that can afford it.

Thank you. (Applause)
(Witness Cohan excused.)

MR. SHREVE: Thank you, sir. Mr. Stephen Heller.

STEPHEN HELLER

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

WITNESS HELLER: Good evening, my name is

Steven Heller. My wife and I have lived in Delray

Beach. I'd like to thank the Commissioners, members of

the phone company, and the consumer advocates for

allowing me to say a few words tonight.

I come to you -- first, I'm a stockholder in Southern Bell, and I'm very pleased with the management because I think my investment has done very well.

I'd like to tell a little story. There's a woman standing by the door with a big dog and there's a telephone repairman about to go into her house. And the repairman says to the woman, "If I go past you, will your dog bite me? And the woman says, "My dog doesn't bite." So the man walks by, the dog attacks him, bites him in the leg and he's bleeding. And he says, "Madam, didn't you say your dog doesn't bite?"

And she says, "That's not my dog."

One of the reasons I'm here tonight is I think the telephone company is about to bite me. This proposal

may look good. It's a beautiful package, it looks like a rate reduction. But somewhere in the middle is a joker. And the joker is the elimination of the flat rate and the imposition of a message rate. I've heard it repeatedly that it's optional. It may be optional when it's originally implemented, but a lot of optional things, such as taxes, they change in time. It may be optional today, and tomorrow we may not have a choice.

Today our bills may be running maybe \$25 or \$35 a month; if we are imposed upon with a message rate and the elimination of the flat rate, our \$25 month a bill may rise to \$200 or 300 a month. And that's what I'm afraid of.

And I feel that the Commissioners should reject this proposal until they can eliminate this optional clause. I feel that the people here tonight -- I'm disappointed I thought there would be a lot more -- should make their feelings known. They should let the Commissioners know because it depends upon the Commission whether this proposal is approved or rejected. The way to let them know is to write to them, go back to your condominium, tell your neighbors and your friends to write. If you work, tell your fellow workers to write. Let the Commission know how we feel. If it were up to me I would say let's reject

this proposal. Let them come back with another 1 proposal that does not eliminate the flat rate and 2 impose this message charge. Thank you. And God bless you. (Applause) (Witness Heller excused.) 5 6 7 MR. SHREVE: Thank you, Mr. Heller. Mae 8 Rich. Is that Mac Rich? 9 MAC RICH 10 was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, 11 testified as follows: 12 WITNESS COHAN: Mac. Good evening, Mr. 13 14 Chairman, members of the Commission, honored guests, ladies and gentlemen. I came down here from Tamarac 15 because I was annoyed with what's going on, picking on 16 17 Southern Bell for no reason whatsoever. I have been 18 with Southern Bell for many years and let me explain to 19 you why. 20 CHAIRMAN DEASON: Sir, could we get your name and address? 21 22 WITNESS RICH: My name is Mac, last name is R-I-C-H. 4930 Sable Palm Boulevard, Tamarac. 23 24 CHAIRMAN DEASON: Thank you. 25 WITNESS RICH: I'm down here with my wife

this evening. We had other appointments that we had to attend, but I thought that this issue was very important. I know for a fact that Southern Bell has been honest, as far as rates are concerned, and I leave it to their judgment, and I think people should be aware that Southern Bell is trying to do the best they can. I think, according to what I read in the paper, they're going to save the people \$100 million. I wish I had it. I would have done something about it, but I have faith in Southern Bell, and I wish that everybody else that's down here has the same.

Thank you very kindly.

MR. SHREVE: Thank you, Mr. Rich. Mr. Abe Asofsky.

ABE ASOFSKY

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

WITNESS COHAN: My name is Abe Asofsky, A as in Adam, S as in Sam, O as in Oscar, F as in Frank, S as in Sam, K as in Katie, Y, yours truly. I live in Coconut Creek in Windmore Village, right across the street.

(Applause) Thank you.

I'm a volunteer in the ranks of AARP. I receive no salary, certainly not a six-figure salary.

I'm a volunteer. My salary was doubled over what it was last year. Last year it was zero, today it is two times that amount.

I am a member of AARP's State Legislative

Committee. This is a group of about 17 people from all

over the state of Florida representing the 2.5 million

AARP members in the state. I represent -- and I'm

privileged to do so, the 250,000 AARP members in

Broward County.

My committee conducts poles, we visit various chapters, we get letters, phone calls. From all of this input, we establish a legislative policy; that is what we will support and what we will oppose. But our members tell us loud and clear, day by day, "We want a basic telephone service devoid of frills and gimmicks." End of quote. And why we ask them? And they respond, "Because it is another person in a lonely home. It is essential to the older person to maintain social contacts. It preserves the older person's health and safety. And finally, it permits easy communication during an emergency."

This boils down to an acronym which we have developed which we call "POTS and PANS." Pots,
P-O-T-S, plain old telephone service, from PANS, a practical affordable necessary system.

Accordingly, we oppose and oppose most strenuously Southern Bell's push for local measured service. Why? Let me enumerate the reasons.

One, it restricts the concept of basic service so essential to the senior citizen.

Two, because of economic circumstances it would be unnecessary -- it would unnecessarily discourage the essential use of the telephone. In effect, it would put a telephone booth in your living room. The rooms are small enough, we need no further equipment in them. It makes phone networks that service older persons costly to run. There is a gentlemen in this room, I won't embarass him by identifying him who makes three calls every morning to his neighbors, simply to get a response at the other end to determine whether his neighbor is still alive, if he or she responds, he says, "Good morning" and hangs up. But that becomes a hundred telephone calls approximately a month.

Any LMS, local measured service, would force flat rates higher. The evidence is clear in whatever jurisdictions of other Bell operating companies, flat rates that are based on local measured service have increased obscenely through the years.

In this connection, by the way, AARP strongly

supports the development of expanded local dialing areas. It's absurd for me, living here in Coconut Creek, when my wife wants to call the kosher butcher in Delray, to have to pay a toll call. Or, when she wants to have the venetian blind fixed and the man lives in Hallandale, to pay a local toll call.

I suggest most respectfully that Southern

Bell Palm Beach County, Broward County, Northern Dade

County are one big economic community. By expanding

local unlimited dialing services to this broader area,

you would be helping the small business person, who

can't afford an 800 number, who can't afford a WATS

line or whatever technical terms you use. We object to

the residential customers of Southern Bell funding the

development of costly technical and information

services, one of the most frequently asked question of

me is, "Where does Southern Bell get all that money to

seek the purchase of a cable system in the state of

Texas?" The answer is very simple, "From your

telephone bills." (Applause)

And the plea of Southern Bell for additional funds to fight the cable companies seems to me to be fairly empty, empty and vacuous. If you want to fight the cable companies, get it from your stockholders.

Therefore, we urge you, whenever you hear the

clanging of of pots and pans in your home, in restaurants, let it be a reminder of my acronym, "POTS and PANS."

Now, I don't want to introduce a note of levity in this serious presentation. But I have brought a visual aid with me. This, ladies and gentlemen, is a pot and a pan. (Applause) And every time -- every time you see this, let the Public Service Commission know that you are in favor of a POTS and PANS program. (Applause)

I will close with the following comments.

First, I most respectfully suggest that if you haven't seen it in today's Sun Sentinel, in the business section, the column by its featured business writer, Jack Niece, (ph) about Southern Bell's request for funds. If I'm permitted to do so, I made a photocopy of it and I'd like to submit it for the record. I will do that later.

In closing, I ask the Public Service Commission, accept the challenge, improve your image amongst your constituents, be a leader, give us POTS and PANS by saying, "No" to Southern Bell. You've had enough.

Finally, I respectfully request that you recognize that the P in PSC, Public Service Commission, P, stands for public, not private profiteering by public utilities.

Thank you very much. (Applause)

1	(Witness Asofsky excused.)
2	
3	MR. SHREVE: Thank you, Mr. Asofsky.
4	This isn't a question, Mr. Chairman, but I
5	think this would be a good time to point out, and I
6	appreciate your continued interest and the time you
7	have spent in the past. AARP, the Florida Consumer
8	Action Network, the Attorney General and our office
9	banded together about two years ago to file for the
ro	reduction in Bell's rates which led to this proceeding
.1	And I want to tell you how great it was to be working
12	with all of you. Thank you. (Applause)
L3	WITNESS COHAN: I just have this copy of the
L4	lease article, if you haven't seen it.
L5	(Hands document to counsel.)
L6	MR. SHREVE: Thank you, sir.
L7	(Witness Cohan excused.)
L8	
19	MR. SHREVE: Julie Jones.
20	
21	
22	
23	
24	
25	

JULIE JONES

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

WITNESS JONES: That's a tough act to follow.

I'm Julie Jones, and I live in Plantation.

I wanted to share with you just a couple of quick experiences that I had with Southern Bell regarding their level of service, and I own a business in Plantation. We have eight incoming phone lines that are local lines and some WATS lines, so we have a high phone bill. We examine that phone bill closely monthly.

When our August bill came in, it was \$300 over its norm, and that was really unusual. So my partner, who pays those bills, started examining the phone bill and discovered five of our phone lines had one-minute phone calls to 976 adult numbers. And so we spent the afternoon playing detective and we started calling trying to determine what this 976 adult phone service was. And when we determined what it was, we also knew that no one in our office had made the phone calls.

We were getting frustrated. We couldn't get the business office of the 976 to even answer their

answering machines. So we called Customer Service at Southern Bell, and we got an Anna Thomas on the phone who said, "Let me look into this. This doesn't sound right. Are you sure you don't have a cleaning service that was there at 10:00 in the morning?" No. I have had the same ten employees that I've had for years and years. Okay. So Anna said, "Let me play detective and I'll get back to you."

24 hours later Anna Thomas called me back at my office and said, "This is really strange." She said, "What kind of location is your business in?"

I said it's in the strip shopping center.

She said, "It's interesting that whoever is calling for this adult fun on these phone lines has less than 30 seconds per call." She said, "Would you be willing to kind of walk around your shopping center and see if anyone else has had the same problem?" And so I did.

I found five merchants that also had 976 calls in the month of August. But they only had one on their bill and they didn't notice it. Five showed up real big on our bill.

Anna said, "Have you considered that maybe your meter room might not be as secure as you think it is?" Oh, so I took a walk with our maintenance man, and I find our meter room is wide open and somebody has

been in there playing on the phone lines. So by 4:00 that afternoon, she had all phone records cleared up, our bill was straightened out, the meter room was locked, and we were happy customers. And I thought that's about as good a service as you could ask for from one business to another. Because I don't have time -- I don't want to spend my business hours doing that kind of thing, so she was a big help.

My only other experience with service with Southern Bell, was my partner's husband built a small office, a small professional building in Plantation. He was ready to move in. He's a dentist, and he was ready; moving day arrived, and he didn't have his phone service.

In that morning he discovered that there was a miscommunication between the general contractor and Southern Bell. One thought one had done something, one thought someone else had, and there was a 30-day application for phone service that had never been filed, and he was told you can't have your phone for 30 days. And he said, "But I'm going in today." Called Customer Service that afternoon, and, by the way, he got Anna Thomas, who said, "I think we can get around this." I think you probably need it in less than 30 days. And 36 hours later he got his new phone

1 So I wanted to bring that out that as a 2 business person, we're getting unbelievably good customer service from Southern Bell. 3 4 Thank you. (Applause) 5 MR. SHREVE: Thank you. (Witness Jones excused.) 6 7 8 MR. SHREVE: Edythe Marinoff 9 **EDYTHE MARINOFF** 10 was called as a witness on behalf of the Citizens of 11 the State of Florida and, having been duly sworn, testified as follows: 12 13 WITNESS MARINOFF: I hope I'm tall enough. 14 Does this work? 15 I'm Edythe Marinoff; I'll spell my It's E-D-Y-T-H-E, and it's Marinoff, that's like 16 "marina," with two f's on the end, like "frankfurter." 17 I live in Sunrise, and I wouldn't leave 18 Sunrise for anything, because I can make phone calls 19 20 all the way up to Hillsborough Boulevard and all the way down to Hallandale Beach Boulevard on my local 21 calling service, so I can't leave Sunrise for anything. 22 In addition to that, I have to be on call 23 most of the time because a few of my friends, three to 24 25 be exact, have chosen message rate service. And they

are finding that they are averaging 80 calls a month,

not 30. And they have now asked me to answer the phone

on one, two or three rings -- not to answer the phone

on one, two or three rings so that I can call them

back. That's their signal to me so that I can make the

phone calls back to them. And that's what happens when

you have message rate service.

Now, I not only represent myself and my husband who has to listen for this one, two or three rings without answering the phone, but I represent at least a thousand Broward members of the retirees of 1199, which it's a union for National Health and Human Service employees. And we're the retirees, and I represent them as their president.

And they have sent me here to say that they feel that any change in the service that they have been getting would be detrimental. They are all retirees; they need the telephone for their social, for their health, for their every reason that they are alive for. And if they have to have message rate service where they are going to have to call me and signal me to call them back, that isn't going to give them an access to anybody that they need.

I also represent a large number of older women who are called "The Older Women's League" or "OWL

of Broward Florida." We're not only older, some of us 1 2 are mid-life and older, but we address the concerns of 3 the mid-life and older women. They, too, have sent me 4 here to speak on their behalf. They do not want to have any changes in the service that they know, since 5 they live in Florida with their unlimited phone calls 6 7 that they are able to make. So I also address the Public Service Commission and ask you to turn Southern 8 Bell down on any changes that they are suggesting to 9 10 you. 11 I'd like to give my cards in to --MR. SHREVE: Thank you very much. (Applause) 12 13 (Witness Marinoff excused.) 14 15 MR. SHREVE: Jerry Noyh. JERRY NOYH 16 was called as a witness on behalf of the Citizens of 17 the State of Florida and, having been duly sworn, 18 testified as follows: 19 20 WITNESS NOYH: My name is Jerry Noyh. I live in Plantation. I'm what is known as a "civic 21 activist." 22 I'll make it very short and sweet. I don't 23

FLORIDA PUBLIC SERVICE COMMISSION

want to become redundant and hear these specific

stories of personal activities. I'm very satisfied

24

25

1 with the service and the prices of Southern Bell. 2 I see people, through my business -- as I said before, I'm the president of the Crime Watch of Broward. And 3 I've listened to their stories. 4 5 May I cut it nice and short. Go back on your 6 way out, get one of these, digest the options, and if 7 you have any problems, speak to Southern Bell. And I'm 8 sure Jack Shreve would also listen to your answers. 9 So, ladies and gentlemen, let's continue with other 10 people beside me. (Applause) 11 MR. SHREVE: Thank you, sir. 12 (Witness Noyh excused.) 13 14 MR. SHREVE: Mr. Harry Wolf. HARRY WOLF 15 was called as a witness on behalf of the Citizens of 16 the State of Florida and, having been duly sworn, 17 testified as follows: 18 WITNESS WOLF: My name is Harry Wolf. I live 19 20 in Windmore. 21 I was reading the brochure and if I interpreted it correctly about the flat rate, well, you 22 23 see, I don't think that's going to work out well and I'll tell you why. I have noticed that women are not 24

FLORIDA PUBLIC SERVICE COMMISSION

like they were 30 years ago and their enjoyment is to

25

call other women for socially and for health and what
not. Now, if you say to them you can have one call a
day, assuming it's 30 calls a month, that's ludicrous.
My God, my wife gets on the phone and when she's
finished with the phone, I could put it in a bucket of
water it's so hot, and you're going to give her one
call a day. That's ridiculous.

Now, about the flat rate, if I understand it correctly, \$20. Okay. And then you're going to have in addition to that your basic rate. That's not \$20 anymore. Because let's say this: my rate now is 15 -- without the tax. Okay. Now you add \$20 to that, well, what are you going to reduce it, \$2 maybe? So now instead of paying \$15 a month I'll be paying maybe \$35 a month. That's not fair.

Now, in addition to that -- it's been rehashed but this is the way I feel about it. I feel its exorbitant to make a phone call what Bell Telephone considers Delray -- they consider that out of town. Do you want to know something folks, I made a phone call to Delray from a pay telephone. My daughter lives in New York, I could call her darn near for the same price. What kind of equity is that? That's not right. And no matter what the mumbo-jumbo is they say you have options. Sure you have options. Leave us the way we

are. That's the option.

I'm talking about our rates for private telephone, and these long distance phone calls, I don't think that's a fair schedule that they have. I think they are asking too much. They call somebody in Delray, talk to them for a few minutes and you get a bill for \$2.50 for what? I can call New York cheaper than that. That's what I'm here for folks and that's the way I feel. Thank you. (Applause)

MR. SHREVE: Thank you, sir.

(Witness Wolf excused.)

SHELLEY KAHN

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

WITNESS KAHN: My name is Shelley Kahn, and I live in Pembroke Pines, Florida. Last September 14th, 1992, I attended and spoke at the public hearing held in Plantation on the issue of Southern Bell's proposition for a two cents per minute, metered service charge. At that time I briefly touched on the ramifications and repercussions this charge could and would cause to private homes and families and, more importantly, to public services.

Although Commissioner Lauredo, who was present at the September meeting, listened and took an interest in what I had to say to the extent of asking me to put it in writing and then responding to me with a letter of his own, I knew that he alone could not change Southern Bell's proposition and that at some point in time this subject would again come up, which explains why I'm here this evening.

I would like to make you aware of excellent reasons why the phone services should not be changed. Metered service would cut off the lifeline of many teenagers like my own who spent countless hours on the phone after school hours. Although the constant use of my phone is an inconvenience to me, I would much prefer that to the alternative of her hanging out on a street corner or in a mall waiting to get in trouble.

Public services: There are numerous free services available to people via telephone, not the service itself but the call. Many of these services are lifesaving, and two cents per minute would certainly reduce the use and advantages these services provide. Allow me to explain.

Homework Hotline, a telephone service available to Broward County school students. This service is open four hours per day for -- four days per

week, excuse me, for only a couple of hours per day.

However, during that time teachers who give their time receive 95 calls per hour. ITV Homework Hotline, a more extensive version of the Homework Assistance Program, which is not only operated by the telephone but also appears on television so students can visually see problems worked out and not only explained on the phone, handles between 275 and 300 calls per hour. As a matter of fact, on January 25th, 1993, Southern Bell monitored the number of calls trying to get into that phone number and recorded 17,000 calls in one hour.

This information was given to me by the director of the Homework Hotline. Phone Friend, a children's help line for lonely or frightened latch-key children, who are forced to come home to empty houses because of today's economy, receives 50 calls per day just for a child to hear a friendly voice.

First Call for Help, Crisis Intervention

Hotline, which encompasses such things as suicide

intervention, welfare, disabled services and many, many
more, has received 125,000 calls thus far in 1993. In

1992 they received 120,000 calls, and their
representatives have made more than 250,000 outgoing
calls in response to the calls they receive for help.

Mobile Crisis, an intervention team who goes

to the seen of a crisis and tries to defuse a situation before it becomes a statistic, receives 60 calls per shift, three shifts a day, seven days a week.

HRS in Fort Lauderdale, this office alone receives 400 calls per day handled five days a week.

The Teen Hotline receives an average of 20 to 30 calls a day from teens facing problems such as loneliness, anger, drugs, depression, pregnancy, gangs, peer pressure, family or parent problems and abuse.

Other agencies such as Alcohol Information and Referral Center, Drug Abuse Information and Referral Center and the Women's Sexual Assault Treatment Center, whose figures were not obtained, would also be affected if not put totally out of business.

These are some of the public agencies who are but a phone call away. In today's stressful times, we cannot afford to discount the available services currently offered and available through just a telephone call.

The professionals who man these telephone lines cannot do anyone any good if they have to worry about cutting short a telephone conversation to save money. The lives that they save are certainly worth more than the money Southern Bell would make by

39 changing the service. Thank you. (Applause) 1 2 MR. SHREVE: Thank you. 3 (Witness Kahn excused.) 4 5 MR. SHREVE: David Dickstein. 6 DAVID DICKSTEIN 7 was called as a witness on behalf of the Citizens of 8 the State of Florida and, having been duly sworn, 9 testified as follows: 10 WITNESS DICKSTEIN: My name is David 11 Dickstein. I live in Windmore, Coconut Creek. I don't 12 directly represent anybody but myself. But I do have a conscience, and I think about the people who would like 13 to have a telephone for emergencies to call 911, for 14 which I think there is a charge, as a matter of fact, 15 on the telephone bill, and they can't make these calls. 16 One of the reasons is something that does not 17 18 impinge directly on what we have here tonight but which many people that I've spoken to were not familiar with. 19 There's a charge on every telephone bill of \$3.50, 20 which is \$42 a year. And every telephone in the United 21 States, not only in Florida -- and I think that this is 22 something that's a crime, it was put in in 1986 to help 23

I think the Baby Bells have grown up and I

the Baby Bells.

24

25

don't think that they are entitled to that \$3.50. This is no option on the part of people who do not make long distance calls. They have to pay for it the same as people who make long distance calls. I don't think that it's fair.

The United States government has said that there cannot be tie-in sales. You cannot tell somebody they can't have something else because they won't buy the other thing. This is a tie-in sale. You are saying to these people, "You don't have the right to have a telephone that you need for your purposes because you must pay \$3.50."

Now, I also have been told that the PUC can't do anything about it. But it seems to me that I read from time to time of the Attorneys General in the United States representing the 50 states of the union, who have approached the federal government for various things that they felt were important to the people in their states; and I think it may be incumbent upon the PUC in Florida to join with other people from PUCs around the country to do something about this problem. And I'll tell you why I am so upset about this.

I was in a drugstore in Houston, Texas. And I went to get a prescription that was called in for my daughter. While I'm standing there, there were two

people there, one woman appeared to be about 50 and the other appeared to be about 70 or 75. She presented — they had presented prescriptions to a pharmacist. The older woman then said to the older woman, "Make sure you find out how much these prescriptions will be. I may not have enough money." So she said that to the pharmacist. The pharmacist gave a price and the older woman said, "I don't have enough money for that; you'll have to cut all the prescriptions in half and hope that I can manage with them."

The pharmacist subsequently said to the ladies, "What is your telephone number in case I have to reach you for something?" And the older woman said, "I don't have a telephone, I can't afford it."

I think a telephone is so urgent to most people in the United States that just as the President of the United States and his wife are fighting for health care for everyone, I think it is important to these people, not me, not most of the people who are in back of me now -- but the people who are not here, most of them, that you do something about helping these people to have an absolutely basic phone service at a reasonable price without the \$3.50.

Thank you. (Applause)

MR. SHREVE: Thank you, sir.

FLORIDA PUBLIC SERVICE COMMISSION

- -

(Witness Dickstein excused.)

2

1

3 MR. SHREVE: Virginia Brosious.

4

VIRGINIA BROSCIOUS

5 6 was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

7

8

9

WITNESS BROSCIOUS: Virginia Broscious from Lauderdale Lakes. That's spelled, B-R-O-S-I-O-U-S, like ferocious, only I'm really not.

11

12

13

14

10

Except last summer when I was in Illinois, I could not believe how horrendous the phone bills had become for my friends and relatives out there because they went into the same system that Florida is going to, trying to go to. And we found it cheaper to drive to one another's homes then it did to telephone one

15 16

another.

18

19

17

thinking of the people that live in my condo, and I won't go into that because the gentlemen with pots and

Now, I can still drive a car, but I'm

21

20

pans said it much better than I did.

22

company says, "reach out," they need to reach out to

24

somebody. And I suggest if Southern Bell is losing

money, I am a stockholder; I am of the Baby Bells.

25

FLORIDA PUBLIC SERVICE COMMISSION

These people need to reach out. As the phone

Maybe they ought to cut some of the dividends and the stock options that they are giving to the people that 2 3 sit on their boards, and then we can have some help for the people who need it. (Applause) 4 5 MR. SHREVE: Thank you. 6 (Witness Broscious excused.) 7 8 MR. SHREVE: Annette Dover. (No response) 9 George Bolton. 10 GEORGE BOLTON 11 WITNESS BOLTON: My name is George Bolton, 12 and I live in Cooper City, unfortunately, about 200 13 yards north of Sterling Road. 14 Again, can you hear me now? My name is George Bolton, and I live in 15 Cooper City, unfortunately, about 200 yards north of 16 Sterling Road. I'd have many more thousands of dollars 17 in my pocket if I had moved south about 200 yards. 18 19 Before I get into my own personal situation, 20 it should be very clear to the members of the Public Service Commission, to Southern Bell and to the council 21 here that it is absolutely imperative that the present 22 unlimited, flat rate local calling service be 23

FLORIDA PUBLIC SERVICE COMMISSION

continued. Under no circumstances should this be taken

away from the public, from the people of Florida.

24

(Applause)

I also feel that for those of us who need it, there should be an extension of the former long distance calls. 200 yards north of Sterling Road to 15 miles south of me was a long distance call. If I had lived on the other side of Sterling Road, it would have been a free call.

When I moved into Cooper City just about five years ago -- we moved because a lovely area that we lived in in Dade County had literally become uninhabitable. On the street in which we lived, there were four muggings in the three months before we moved. You were literally afraid to come home into what was once a beautiful neighborhood and so we moved to the suburbs, Broward. We had left all of our friends and our family in Dade County. It was 20 minutes by car, but many thousands a year over the five years by telephone call. Because of my wife's needs, and they were very considerable for physical reasons, I had to put in a Dade line so that we could call and receive calls from 20 minutes away by car.

I was charged \$600 for the installation of this one telephone line. And since I had to have it, I paid \$120 for the use of that telephone connection with our friends and family in Dade County. You should say

well, why did you need it? Believe me, the reasons were sufficient. I needed that line and my wife needed that communication. And for the past four and a half years we have been paying that \$120 a month after the \$600 installation cost. Then Southern Bell had what I consider the unmitigated gall to say "Well, that isn't enough. Now you pay \$130 a month, plus ten cents a minute for your calls."

Unfortunately, I can't discontinue that phone line. What we have adopted is calling our friends and family and saying, "Please, we're going to hang up instantly and call us back." That cuts down the ten cents a minute because they can call us back free. But that doesn't cut out that \$130 a month, which I am still paying and which I will continue to pay, unfortunately, until something is changed.

You spoke, sir, of the refunds that have been given to people. Now, if the papers and the financial journals are correct, Southern Bell has been earning approximately 13 to 14% return on their capital, and this is totally obscene. This is totally unbelievable, and I don't know how many companies in this country can afford to earn that kind of money. There's only one way of doing it, by gouging your customers. You can't get that kind of return with fair prices to your

customers. The major department stores are thrilled to get 5%. Other businesses work on 4, 5 and 6. 13 to 14%? Where is your gun? How do you manage this without coming into our homes with a gun? You do it through the mail and you do it because no one had the audacity to challenge you.

Thank God you mentioned, Mr. Lantaff, that these two corporations have now put you on your metal and you have to compete. They haven't been competing. Not in my house.

I ask you, sir, you mentioned refunds, is there anything I can do about the way I have been gouged over the past five years? You're not asking me, are you?

MR. SHREVE: I'd love to take a look at the bill as far as the amount that you were charged for the installation. And as far as the fact that nobody has challenged them if you go back in the books you'll find that we challenged them from Day One --

WITNESS BOLTON: No, sir. When I say "challenged," I didn't mean you, I meant the competitors.

MR. SHREVE: Okay.

WITNESS BOLTON: You have been trying, and you have been trying and doing -- this little

concession that they are making is due to your efforts, but so much more is needed than this pittance that they 2 are reducing their rates, and what about the refunds 3 you mentioned? 4 5 MR. SHREVE: I don't think I mentioned 6 refunds, \$100 million refund that we went after and got back. 7 8 WITNESS BOLTON: Who received that? 9 MR. SHREVE: The customers did, all of them 10 did. 11 WITNESS BOLTON: They didn't spell my name 12 right. (Laughter) 13 MR. SHREVE: We can check that out. Plus, the \$26 million reduction that he mentioned, I agree, 14 and I think I said that is a pittance. 15 16 WITNESS BOLTON: Ridiculous. MR. SHREVE: It's absolutely ridiculous. 17 Their rates should be cut in the hundreds of millions 18 to get them down to a proper return. 19 We fought the case last time -- the Public 20 Service Commission that is sitting now is not the same 21 one that allowed the rates that they have right now. 22 23 We're fighting that same battle. We tried two years 24 ago to bring them back in and were not allowed to.

FLORIDA PUBLIC SERVICE COMMISSION

Now, we're fighting that battle to try to get the pot

-	right, speaking of pots and pans. We get the pot
2	right, and I agree with what you're saying. I'd like
3	very much to see the charges that you have. I am not
4	in a position to say whether or not
5	WITNESS BOLTON: Can we subpoena their
6	records, sir?
7	MR. SHREVE: I think we can get them without
8	subpoenaing them.
9	WITNESS BOLTON: Well, let's get them.
10	MR. SHREVE: Okay. But I'd like to see that.
11	I think \$600 installation charge is surprising, to say
12	the least.
13	WITNESS BOLTON: Well, I tried to hook up tin
14	cans and a string but that didn't work. (Laughter)
15	Just one other point.
16	MR. SHREVE: Mr. Chairman, as a matter of
17	fact, if it would be all right with you, perhaps the
18	Commission could request those records for that
19	particular installation and charges so we could take a
20	look at them?
21	CHAIRMAN DEASON: Is there a problem with
22	getting that information?
23	MR. LANTAFF: Just get his number.
24	WITNESS BOLTON: I'll be glad to give you my
25	number.

1 One other point just in conclusion: The State of Florida has an Insurance Commission that 2 regulates insurance companies' rates. They had to 3 fight like hell to get 6% and most of them didn't get 4 5 it. 13 to 14%, I should have bought that stock. 6 Thank you. (Applause) 7 MR. SHREVE: Mrs. Burns. 8 MS. BURNS: Since I wasn't sworn in and all 9 my questions were answered, I think I'll omit just saying anything, okay? 10 MR. SHREVE: Thank you very much. (Applause) 11 Rosemarie Dallio. 12 ROSEMARIE DALLIO 13 was called as a witness on behalf of the Citizens of 14 the State of Florida and, having been duly sworn, 15 testified as follows: 16 WITNESS DALLIO: My name is Rosemarie Dallio. 17 18 I live in Margate. Right now I'm unemployed. I have to make 19 maybe five or six phone calls per day to the companies 20 that I have sent resumes to. Some of these companies 21 have these mail -- machines, talking machines. Well, 22 you leave a message. They never call you. You've got 23 to call maybe two, three, four times in that day in

24

25

order to get them.

Now, if the -- I get a flat rate. If the rates are changed, my bills are going to go up. Right now, as I say, I'm unemployed. I live on food stamps. I can't find a job. If I can't pay for my phone, that phone will come out. And in order to get it back in again, I will have to pay an awful lot of money to get

I can't afford to lose my phone. I need a job and I need it bad. So if the Commission will please let the rates stay the way they are.

it back in.

Also, I noticed on my bill there are things on that bill that I don't think are right, especially that \$3-and-some odd cents that that gentlemen mentioned. There are other charges that we have to pay. Now, if you have a flat rate of \$10, with those other charges it brings it up to \$20. If you change the rates, I don't know where the phone bill is going to go, especially with all of these other little charges that you put in here. I think those charges should be removed. I don't think that they are right.

so please think these charges over because, as far as I'm concerned, they are not fair to the public. They only bring the phone bill up. And let's face it, we have senior citizens out there that are on fixed incomes that if they can't pay their bills, that

phone is going to be snatched away from them. 1 2 you. 3 MR. SHREVE: Thank you. 4 (Witness Dallio excused.) 5 6 MR. SHREVE: Mr. Secker. 7 WILLIAM HOWARD SECKER 8 was called as a witness on behalf of the Citizens of 9 the State of Florida and, having been first duly sworn, testified as follows: 10 11 WITNESS SECKER: First of all, I arrived late, so I'm not sworn in. I hereby do swear that I 12 will tell the truth, the whole truth and nothing but 13 the truth. 14 My name is William Howard Secker. I live on 15 the 2080 Kudza, K-U-D-Z-A, Road, West Palm Beach, 16 Florida 33415. I spoke to some of you gentlemen last 17 night at a hearing in West Palm Beach, but I had one 18 half-hour to prepare, and I forgot to mention what I 19 consider the most important issue here. 20 And I had very little bit of time to prepare 21 today and I'll do the best I can. 22 One thing I'd like to tell the people behind 23 me, that I noticed last night and I'm beginning to 24

FLORIDA PUBLIC SERVICE COMMISSION

notice tonight, is that as we subsequent speakers come

to this podium, many of the things that we intended to say have already been said. And there's a tendency for us to come up and say something like, "Well, I was going to say these things, but since they've already been said I won't say them." Please, those of you behind me, don't do that. What matters here is what is on the record. And what is on the record is what is produced by this poor lady, who is frantically typing away and making a transcript of these proceedings. That's what eventually will become important in the real battle. So please state your positions and state them emphatically.

Regarding Southern Bell's poor financial position, is it correct that they are making somewhere in the area of 13.5%, at least that's what they admit to. I'm sure there's some creative bookkeeping involved in that.

Southern Bell, you are already earning plenty of money to implement expanded local calling area. It's something that needs to be done. You should have done it already. You don't need more. You don't need to gouge us anymore to do that. Please do that, provide good service to your customers. Your customer base is your single most important asset. You must keep that in mind. Competition is coming, and as you

attempt to gouge, deceive, infuriate your existing customer base, you will lose it. You are, indeed, shooting yourself in the foot by your past methods and your present methods.

The refunds you mentioned you imply were freely given; they were not. They were forced upon you. You have grudgingly given them out. You should not be praised and you should not try and infer that you're a fine upstanding company for giving them out. That's deceptive.

wish I could turn. Well, I guess I can -- I won't -do you realize that right now, for six to eight cents,
you can send the equivalent message to a friend or
relative that you now pay 25 cents to send through the
postal service? It's called E-mail, electronic mail.
And I believe that the real issue here, I believe that
Southern Bell's repeated attempts to get metered
service actually represents an attempt on their part to
place them between the consumer and the electronic
superhighway. For those of you who are not familiar
with it, our highest levels of government, President
Clinton himself, has stated that a high priority on a
national basis is to establish an electronic
superhighway. There exists currently an electronic

highway; unfortunately, it's more like a series of bumpy country roads. It's called the Internet. But the electronic superhighway is coming; we'll all be connected to it. Unfortunately, we are connected to it through Southern Bell. And what I believe is that Southern Bell's repeated attempts to get this measure through are simply further attempts at greed, further attempts to place themselves in a position where they can charge us access to this electronic superhighway.

1

2

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

I further believe that that represents a direct financial impediment to the stated goals of our highest levels of government. It should not be allowed. Those of us who use computers currently to access bulletin boards, to access computer forums, use local numbers, primarily, not always, but primarily. There is a huge number of people that participate actively on bulletin boards that have friends and associates that they've never seen, but they communicate with on a regular basis. Metered service will destroy us. Metered service represents a tremendous impediment to electronic communications. would represent a very tidy windfall to Southern Bell, a completely unjustified windfall. You should not allow them to place this impediment in the way or in between the consumer, who you protect, and the

interests of the highest levels of federal government.

And that's what this is about.

gouge senior citizens, although they are perfectly willing to do that if they get a chance. I don't think that's their goal here. But I do suspect very highly that their goal is to place themselves in a very profitable interceptory position between the consumer and the upcoming electronic superhighway. I think it's a very, very important issue and I think it's something you should carefully consider. They should not be allowed to implement this plan because this plan, not only will it double everyone's basic phone bill, but it will cripple access to this national priority project. It will place a financial impediment between the consumer and this national priority project.

I know that some of the people behind me -there are many people that signed up to speak. I'm not
sure if all of the people behind me signed up to speak.

If this is anything like the meeting last night, that's
not the case. What I'd like to do now is call -- I'd
like to ask for those people behind me who have read,
studied or understand the position of Southern Bell and
their proposed proposal that's here before us tonight,
and understand the role of the PSC, the Public Service

Commission, and understand the role of the opposition, to have a show of hands. It's impressive that we get a turnout, but without their voices being on the record, that there's nothing later to refer back to. A show of hands and a count, whether it can be exact or approximate can be entered on the record. I would, therefore, ask that for those people who are familiar with this — familiar enough with this to vote or raise your hands knowledgeably, those that are in favor of the Southern Bell proposal, would you raise your hands? Would the Southern Bell representatives agree that nobody raised their hands? Including the Southern Bell representatives? (Laughter)

I would now ask that all those opposed to this measure raise their hands. It would appear to be close to unanimous, and I would estimate the count to be, oh, a couple of hundred. Would the Southern Bell representatives agree to that?

MR. LANTAFF: Except for the Southern Bell representatives.

WITNESS SECKER: All right. Then that is on the record and I think that's important, and I think that's important that that be done in future meetings also. Many people are intimidated, and they come here out of anger. They are obviously not in favor of this

proposal. It's important that they be given a chance 2 to comfortably register that. 3 I thank you for your time. (Applause) 4 (Witness Secker excused.) 5 CHAIRMAN DEASON: Mr. Shreve, how many more 6 witnesses do you have signed up? 7 MR. SHREVE: I've seven more. CHAIRMAN DEASON: We've been going now for 8 9 almost a hour and a half, and I think this will be an appropriate time to give the court reporter a break. 10 We'll take a ten-minute recess. We'll reconvene in 11 approximately ten minutes. 12 (Brief recess.) 13 14 CHAIRMAN DEASON: Ladies and gentlemen, if I 15 could have your attention, please, if everyone could 16 17 take their places. Thank you. We will reconvene the hearing at this time. 18 Mr. Shreve, before you call your next 19 witness, let me inquire, there may be a number of 20 individuals who have entered the auditorium since we 21 initially swore witnesses in. It may be appropriate to 22 ask if there are individuals who wish to testify who 23 have not been sworn, if you will please stand and raise 24

your right hand, we'll swear those witnesses in at this

time. Is there anyone who has not yet been sworn who 2 wishes to testify, please stand and raise your right 3 hand. 4 (Witnesses sworn collectively.) 5 MR. SHREVE: Thank you, Mr. Chairman. Paula 6 Rosenfeld? Paula Rosenfeld? 7 Martin Schutzman? 8 MARTIN SCHUTZMAN 9 was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, 10 11 testified as follows: WITNESS SCHUTZMAN: My name is Martin 12 Schutzman. I live here in Coconut Creek. 13 Much of what I was going to say has already 14 been said, so I'll make this brief. 15 First of all, I'm very disappointed in the 16 turnout we had, and perhaps the time that this meeting 17 was called -- 6:00 p.m. seems a very odd time to call a 18 meeting like this. This happens to be dinner hour, so 19 I don't understand how the Public Service Commission 20 called this meeting like that. I don't understand 21 22 that. CHAIRMAN DEASON: Yes, and let me explain. 23 Sir, invariably every public hearing we have, 24

FLORIDA PUBLIC SERVICE COMMISSION

regardless of the time we start it, someone complains.

If we start it in the morning, people say they have to go to work. If we start it in the early afternoon, people say, "I have to work, I can't attend." If we start late in the evening, people say, "I need to be home by a certain hour. I'm afraid to be out on the streets after a certain hour." We have found that 6:00 seems to be a good compromise. And we understand that it cannot accommodate everyone, but we attempt to try to accommodate as many people as we can. That's why we have chosen the 6:00 p.m. hour.

WITNESS SCHUTZMAN: Okay. Now, this has been said before, but I'd just like to repeat it. The profits that the Public Service Commission allows — the profits that our Public Service Commission allows Southern Bell to get — receive, which is something like between 11 and 14%, I was connected with a company in New York before we retired here, and if we made 6% we were thrilled. Also, I would just like to say that I would like to see the flat rate service remain the same, and that the long distance intrastate be definitely reduced because it's ridiculous. I can call my son in Denver, Colorado, cheaper than I can call West Palm Beach. Thank you. (Applause)

MR. SHREVE: Thank you, sir.
(Witness Schutzman excused.)

MR. SHREVE: Marion Streitfeld.

MARION STREITFELD

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

WITNESS STREITFELD: My name is Marion Streitfeld, Coconut Creek.

I also had a lot to say tonight but without any due disrespect to the man from West Palm Beach, I really don't want to repeat everything, but I do want to concentrate on one thing.

I represent quite a few people who could not come here tonight. Although Mr. Deason has explained the variation of time elements, I do think you would have had a much bigger turnout than having it at 6:00 at night. A lot of people do not want to drive at night, in addition to it having been the dinner hour. Whatever objections there were to earlier hours, I think you would have had a much better turnout.

I also want to concentrate on another thing I don't think was mentioned here tonight. Florida is unique in the amount of retired people that live here, an older element that are vastly affected by any increase in rates that you are considering. It is a

1	hardship for many people. It may not be a small amount
2	of interest to people here with higher incomes, but
3	there's a substantial amount of people who are limited
4	income that any increase, and especially measured
5	rating would definitely be very difficult for them to
6	consider.
7	I also want to bring out one other point.
8	We're all I hope in the recording of this meeting
9	that it has been brought out that it was unanimous that
10	people were against Southern Bell's consideration of
11	this change.
12	Also, as much as you're listening to us, I
13	hope as much as you're listening, there will be some
14	action in our interest. Thank you very much.
15	(Applause)
16	MR. SHREVE: Thank you.
17	(Witness Streitfeld excused.)
18	
19	MR. SHREVE: John Machnic.
20	
21	
22	
23	
24	

JOHN MACHNIC

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

WITNESS MACHNIC: Thank you very much. My name is John Machnic. I'm the South Florida Director for the Florida Consumer Action Network. That's M-A-C-H-N-I-C. I reside in Broward -- in Broward and our office is in Fort Lauderdale.

First of all, I'd like to enter into the record I have 88 signatures of consumers and registered voters in Fort Lauderdale that have signed a petition, all of which have stated that they are against the implementation of local measured service. And they have all stated that they are registered voters, and they sign it, dated it and put their telephone numbers and signatures on it, so I'd like to give these to you tonight.

This is, again, the third, fourth hearing down here. And I would say right now the Commission should have a very clear picture that south Floridians, people in the service area of Southern Bell, do not want local measured service. If anything else has come through this, even though Southern Bell is trying to veil it in as an option, some concept they think they

can just say, "Well, this is going to be optional;
people don't have to really get it," we know better.

South Floridians do not want local measured service.

They don't even want to allow Southern Bell to open that door. They don't want that cancer to begin. We don't want local measured service. (Applause)

We want to get rid of the \$1 charge. Again, that's come clear. We want that \$1 charge given back to the people, the \$1 for Touch-Tone service. It needs to go back into the pocketbook of the consumers in South Florida, the consumers that are paying Southern Bell over \$70 million, probably, a year in that \$1 charge.

We also want, again it's coming clear, that
Southern Bell's rate of return must be lower. It has
to be lowered. Lower the rate of return; give the
money back to the consumers. Southern Bell definitely
does not need it. They are a monopoly. They don't
need to compete in any other area. They are a
monopoly, a regulated monopoly. They don't need to
compete, because by definition they don't compete.
That's why they are regulated.

Let me just sum up by saying it's your decision, we realize that. And the consumers in South Florida are speaking. They don't want local measured

service, and we are asking that you vote that way come next spring. Thank you very much for holding these hearings. (Applause)

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

COMMISSIONER LAUREDO: May I make a guick comment? Because he mentioned -- Mr. Chairman, I think, that with all your efforts, and you were quite reserved in answering two previous concerns about the time. He alluded to four meetings. In South Florida alone over the last four months -- correct me now, Jack -- we have had, I think six meetings. Well, one was blown away by "Mr. Andrew." We were getting ready to meet in Miami and he happened to have a priority to come through. And so what I want to highlight to you is how seriously we take these meetings and your views. And we go through considerable expense and inconveniences to go out to a lot of places to hear you. So, I mean, we have tried very hard in this case to reach out, whether you like 6:00, and some people say 12:00, some people say 10:00, it's been very difficult for the Chairman and the Commission to schedule it. But I can guarantee you that in this case alone, we have had about 16, or will have about 16, hearings throughout the state but just South Florida, and last night two, two, just in Palm Beach County concurrently. So we're making enormous efforts to go

out and listen to the regular folks. And I just wanted you to know that, because I know there were some concerns about the time and he alluded to being in our fourth meeting. I don't need your applause. I just want you to know that we're making an effort to reach out and hear you directly. (Applause)

MR. SHREVE: JoAnn Alderman.

JOANN ALDERMAN

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

WITNESS JOANN ALDERMAN: My name is Johnn Alderman, and I live in Fort Lauderdale. And I really am just going to speak briefly that I do want to go against this measured service that they are trying to get everybody to go along with.

I had this service in the '60s when I lived in Chicago, and at that time I found for one person was about \$25 to \$35 a month, so I can imagine what it is now. There is no way that I can see anything but our phone bills going up. I do not think that this is anything to do with reduction.

Southern Bell has done nothing but break every charge down so they can charge us for every little thing. It's from the phone, we pay now for

FLORIDA PUBLIC SERVICE COMMISSION

1	directory assistance. We can only have one phone book
2	And to talk about directory assistance, that's quite a
3	charge. One time our electricity went out and no one
4	could see, but we had to call the number to call FPL
5	and guess what I got on my bill? One dollar for
6	calling for this particular service.
7	I see I believe that Southern Bell also
8	makes more than their share of money. I wish my
9	business made the profit that you make. If I got the
10	profit that you make, I would be rich probably getting
11	the six-dollar figures just like you do.
12	Again, I want you to make this a little bit
13	more than just as people coming up here and you
14	listening to us. I hope you really consider what we
15	have to say. I hope you really look into our interest,
16	and I certainly hope you deny them what they are asking
17	for. Thank you. (Applause)
18	MR. SHREVE: Thank you.
19	(Witness JoAnn Alderman excused.)
20	MR. SHREVE: Mr. Alderman.
21	ROBERT ALDERMAN
22	was called as a witness on behalf of the Citizens of
23	the State of Florida and, having been duly sworn,
24	testified as follows:

FLORIDA PUBLIC SERVICE COMMISSION

WITNESS ROBERT ALDERMAN: Robert Alderman.

I'm from Fort Lauderdale. I kind of fell asleep during the swearing in the first time, so I'd like to reswear 2 3 myself in. I swear to be as honest and forthright as 4 5 Southern Bell. (Laughter) 6 CHAIRMAN DEASON: Are you sure that's good 7 enough? WITNESS ROBERT ALDERMAN: It's good enough 8 9 for me. 10 CHAIRMAN DEASON: I take it you consider 11 yourself under oath? 12 WITNESS ROBERT ALDERMAN: Sir? 13 CHAIRMAN DEASON: I said, I take it you do consider yourself under oath? 14 15 WITNESS ROBERT ALDERMAN: 16 That was a very resounding speech. I did 17 catch part of it about leading us into the 21st Century 18 and how they are really going to help the consumer make 19 this transition. But I do not trust them. I never have and never will. 20 21 Frankly, I think it's smoke and mirrors. 22 They come up and tell you one thing, "Gee, we're going 23 to have this big reduction." But on the other hand, 24 then stick it to you. Nobody does anything like that 25 to anybody who's in a profit mode. Even Mother Teresa,

and I've never audited her books. They make 13.5%; I read take. I mean, everybody, granted, everybody, any business, going concern, has to make a profit. But like other people have stated here before, it's a regulated industry. They are a monopoly, and they have to have money to grow. But I think 13.5%, when 6% is what you're getting on 30-year bonds, in fact, a little over 6% and no risk, I think in that 13.5% is enough funds for internal growth for capital spending. If they do have to have funds they can get it from borrowing, maybe reissuing or issuing new stock. But I don't see why I have to finance their other ventures, especially in Texas.

And then getting down on my level, I have a service, a long distance service. It's not AT&T. I use LDS. If this rate were to go through, this law, then what would happen to me is I have to pay on local calls, but I would still be using my LDS service. And like one gentlemen said before, "Hey, that's a telephone booth." Well, hey, I'm going to see, if that goes through, I'm going to see about having Southern Bell putting a telephone booth on the corner because it will be a hell of a lot cheaper to use it. I'll just keep a lot of quarters. Thank you. (Applause)

MR. SHREVE: Thank you, sir.

(Witness Robert Alderman excused.) 1 2 MR. LEVIN: Mr. Levin. 3 AL LEVIN was called as a witness on behalf of the Citizens of 4 5 the State of Florida and, having been duly sworn, testified as follows: 6 WITNESS LEVIN: Mr. Commissioner, Chairman of 7 the Commission, members of the Commission, Mr. Jack 8 9 Shreve, ladies and gentlemen, my name is Al Levin. I live at 10451 Sunrise Lakes Boulevard in Sunrise. 10 11 I sit on one of the three boards of directors 12 of Sunrise Lakes Phase 4 condo complex located in 13 Sunrise. I have been authorized to speak for the three 14 boards representing over 2,100 families residing in the condo complex. 15 We thank the Public Service Commission for 16 17 holding a hearing in our community, and for the 18 opportunity to address our concerns with the Southern 19 Bell rate problems. 20 My remarks are concerned with pending issues 21 as well as other matters that I wish to bring to your attention. 22 First of all, Southern Bell's optional 23 expanded local service plan should be scrapped. It is 24

FLORIDA PUBLIC SERVICE COMMISSION

plainly a measured service idea. Wherever it has been

applied in other telephone areas in our country has resulted in higher consumer telephone bills. In it's stead a 25-cent fee should be imposed to cover the 40-mile radius area. We realize there are hurdles at the present time that would have to be overcome.

We strongly encourage the Public Service

Commission to go forward in its appeal to Judge Greene

to rescind his decision to deny the \$.25 plan. Judge

Greene must be made to understand that we are living in

different times since he handed down his decision in

1982 creating Baby Bells.

At the present time the PSC rule allows the 23 long distance companies serving Florida to round up the time billed to the next highest minute. Why should there be a phone call charge for a three-minute long distance call when the caller talked for two minutes or five seconds or ten seconds? I ask that all members of the PSC put themselves in the position, if a supermarket check-out clerk took your \$20.10 order of groceries and rounded it up to \$21, you would be justifiably outraged. This is out -- we, the consumers feel, outraged.

A Sun Sentinel July 19 editorial labels this as a PSC sneaky policy. This is an outrageous consumer fraud, and the PSC should immediately take corrective

action to order Southern Bell to bill for time actually used.

Today's press carries a news item that the PSC Staff supports the round-up per minute present rule. The position it takes is that the changeover to per-second billing would be too expensive. When AT&T was broken up and seven Baby Bells were spun off, it cost AT&T a hundred billion dollars, yet it survived. Today BellSouth, the parent company of Southern Bell is as rich as the seven Baby Bells. Its assets are \$31.46 billion, with a yearly cash flow of \$6.2 billion. If large corporation phone calls are charged by the second, why can't consumers be charged at the same rate? In this age of digital computers and Southern Bell's rich parent, somehow Southern Bell will survive the changeover.

The time has come for the \$1 Touch-Tone charge to end, to be eliminated in the Southern Bell-Florida area. The same PSC order that directed GTE operating in the Tampa area to drop that charge should be applied here as well. Research costs creating Touch-Tone has been amply repaid by this point in time. With today's digital phone network there is virtually no cost involved in having Touch-Tone service.

in all of its operations.

BellSouth's quarterly earnings. I do, however, have its second quarter earnings report, and I wish to quote from it with the realization that Southern Bell, as the largest and most profitable subsidiary of the BellSouth network, made a respectable contribution to it.

Earnings per share was 94 cents, a 24% increase from the previous year. Access links grew 3.4%, total access minutes of use went up 5.4%, total operating revenue was up 6.5%, local service revenue up 6.9%.

92,000 additional customers representing an increase of 8.6%. Income on a reported basis improved 99.8%, and without dilution from various acquisitions was 233% higher than in the second quarter of 1991. All financial aspects of BellSouth reports climbing profits

As I have previously stated, Southern Bell is the largest subsidiary in BellSouth's network, having over 4.56 million access lines, contributing a major share for the overall profit picture.

We urge the Public Service Commission to analyze Southern Bell's financial situation and these statistics would lend credibility to the request of Mr. Shreve, the Public Counsel, that rates should be reduced by at least \$250 million. Consumers welcome a

PSC decision that will reduce their phones.

In a timely essay in last Sunday's New York times financial section on an overall study, the telephone industry supports a call for rate decreases. It stated that, "Many local rates are overpriced." Let me emphasize that again: "Many local rates are overpriced." It further states that the \$24 billion a year that long distance carriers pay to local phone companies in access charges to connect local customers are highly inflated." A NYNEX executive is quoted as saying that the actual cost of providing access is about a half a cent per minute. But the going price billed to the consumer is 3.50 per month, a ripoff of magnificent proportion.

Throughout this country, many Baby Bells, in order to increase its revenue profits, have zoned off populations, cities and counties and convinced government authorities to permit measured service.

Consumer bills consequently increase 30 to 40%. I speak from personal knowledge that this occurred to me when I resided in Nassau County on Long Island, New York. In the interest of the telephone concern, measured service and zoning should never come to Florida. I am convinced that the heart of every single PSC Commissioner will be in the right place should this

issue come up for a vote. A contributing factor for consumers and business rates reduction would be achieved by reducing the profit rate of 13.75%. Am I correct in saying that this 13.75% is their profit rate? I've heard other rates being mentioned.

times, and I have -- I cannot sit here and tell you today that that is exactly what BellSouth is earning at this time. But that is a matter that's going to be the subject of the hearings which are going to be held in Tallahassee starting in January. And not only will we review their current earnings, but we will review their projected earnings. And we will review and make a decision on what is an appropriate allowed return. And based upon all of that information, we will set rates accordingly. (Applause)

with prime rate of return being in the 6% range or the major food industry rate of return being in the 3 to 5% range and other industries are similar in that category.

I mentioned previously that a NYNEX executive stated that the 350 local long distance access rate is

grossly overpriced. In view of the fact that the actual cost is a half a cent per minute, since the FCC has jurisdiction governing this charge, we ask the Florida PSC to take the lead in calling for a national convention of all the 50 states' PSC. The purpose of this convention would be to organize a joint protest to the FCC to lower this charge to a more reasonable rate. This would accomplish a major factor in lowered phone bills for consumers and businesses, not only in Florida, but all over the USA.

Now I wish to read a resolution of the City of Sunrise, a city of 70,000 people.

"Resolution No. 93-243, a resolution of the City of Sunrise, Florida.

"Whereas, Southern Bell currently charges
Broward residents for local service at a flat rate of
10.65 a month for an unlimited number of calls and 19
cents per minute for a long distance call made to Dade
and Palm Beach Counties; and

"Whereas, in response to the complaints about the 19-cent long distance charge, Southern Bell has proposed to the Florida Public Service Commission in Docket No. 920260-TL an optional billing plan that would eliminate the flat rate of 10.65 in favor of a two-cent per minute local rate and an eight-cent per

minute rate in calls outside the local service area within that 40-mile radius, such as calls made from Broward to Dade and Palm Beach Counties; and "Whereas, the two-cent per minute charge for calls could potentially cost consumers more for local service offsetting the savings from the reduced rates for calls within the 40-mile radius; and "Whereas, the optional expanded local service plan is an attempt by Southern Bell to replace the current flat rate for local service with measured rate, which ultimately will be more costly to telephone customers; and "Whereas the Public Service Commission has scheduled a public hearing to be held here tonight, whereas the optional expanded local service plan would add one more rate to elicit Southern Bell rate practices which are unfair to telephone customers, such as round-up billing, which allows Southern Bell to charge for a full minute, when less than a minute call time is used and the \$1 Touch-Tone charge, which was recently eliminated by the Public Service Commission in 21 the Tampa area.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

22

23

24

25

"Now, therefore, be it resolved by the City Commission of the City of Sunrise, Florida;

"Section 1. That the City Commission is

opposed to Southern Bell's proposed optional expanded 1 2 local service plan and the Florida Public Service 3 Commission is urged to reject this proposal. "Section 2. That the Florida Public Service 4 5 Commission is urged to review and eliminates Southern Bell's round-up billing practice as well as the \$1 6 7 Touch-Tone charge. 8 "Section 3. That the city clerk is directed 9 to send a certified copy of this resolution to the 10 Florida Public Service Commission and to its public 11 counsel. 12 Section 4. Effective date that this 13 resolution shall be effective immediately upon passage. 14 "Passed and adopted this 23rd day of 15 November, 1993." And it is authenticated by Dorothy J. Dunk, 16 17 the City Clerk, and the five members of the City Commission all voted yea. 18 I wish to make a few remarks about the 19 20 inside-the-wall warranty. Last year the Florida grand jury reported 21 that the inside-the-wall warranty charges that were 22 placed on the bills of the customers of Southern Bell 23

FLORIDA PUBLIC SERVICE COMMISSION

was a fraud. And they ordered Southern Bell to refund

these charges to the people who were charged.

24

25

1 2 3 4 5 6

This was a one-day news item in the newspapers, and people who noticed it called in, and these people who were charged \$1.50 received over \$130 for refund. And people who were charged 2.50 received over \$200. I'm sorry to say that this was not a compulsory refund. That people had to call in and demand their refunds.

I ask the audience here, if you haven't received a refund on your inside-the-wall warranty that was fraudulently taken from your pocket to call up the business office of the telephone company and you're entitled to get over \$100, if you were charged \$1.50; or you get back over \$200 if you were charged \$250.

I'm sorry to say that the Commission didn't do their duty when this -- when the grand jury made their report that this would be a compulsory repayment. People have to ask for the money back.

Please, pass a rule, compelling Southern Bell to repay the \$45 million that they have fleeced from the consumers in this state. Thank you.

RICHARD JETTE

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

WITNESS JETTE: Good evening ladies and

FLORIDA PUBLIC SERVICE COMMISSION

9 10 11

7

8

13 14

12

15

16

17 18

19

20

21 22

23

24

25

gentlemen of the Commission, my name is Richard Jette.

I'm here speaking for many people such as myself who

are as busy making a living.

1.2

I see a little clip in my telephone bill last month, I see a little news clip on the radio tonight, and I happened to come over here and find you people.

Most people are too busy making a living to know all the facts and figures this other gentlemen knew. But it doesn't take -- you'd have to be totally brain dead to believe that any company that is in business for a profit -- and I don't begrudge any business for making a profit -- that they're going to come down here and save you money. I mean, you know, you just don't believe it. It's not believable, it's not true. It's simple. However, they are entitled to a profit.

I've always experienced good service, I have no qualms about that. Your timing of the meeting is fine. But I do think that we should have a competitor, which is the way the American system is built. People compete. If they had competitors, they wouldn't be here. You wouldn't be here and I wouldn't be here. Simple. (Applause) No Ross Perot. It doesn't take a rocket scientist to figure this out. So all I can say to you is just please keep them in check, do whatever

you can. My real fear is by the time the lobbyist come in, that they will offer somebody the money that I don't have to make sure they're fair. And that's the shame about America. It's really disgusting the way I see things coming. So do your best. God bless. (Applause) (Witness Jette excused.)

MR. SHREVE: Thank you. Lydia Echavarria.

LYDIA ECHAVARRIA

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

WITNESS ECHAVARRIA: Good evening, my name is

Lydia Echavarria, and I live right here in Coconut Creek.

I happened to find out about this meeting on the radio
this morning. And I didn't even hear the time so I just
picked up my daughter and stuffed something to eat and ran
over here, and I got here late anyway.

But I have a question. Does Southern Bell -I believe that Southern Bell charges for whenever the
phone rings on the other side. Let's say I called from
here to Miami, the phone rings four, five, six times
and nobody picks up, I get charged a minute for it.
And I don't like it because it's -- you know, it's
taking money out of my pocket when I don't even speak

to anyone. And I'm keeping a close tab on it and I'm going to start calling back to them, and I'm going to start deducting. I don't like that.

Also, I don't like the fact, like this

gentlemen said, we're very busy making a living. I'm a

single parent and I hardly have time to keep track of

everything that I do. But I don't know how it was

sneaked up on the consumer, the fact that they charge

you for wires. And if you want your wires to be

repaired you have to pay \$2.50, I think, every month,

so that if your wires go bad you don't get charged when

the man comes to repair it.

I rent an apartment. What do I have to do with the wires outside my apartment? How do I know they go bad? Why is it my fault? Why do I get charged for that? I didn't install those wires, why should I get charged for it? I think it's outrageous. We're being ripped off and the things are being sneaked up right under us, that we don't even know this, and then all of a sudden -- all we know is it's in our bill and we're paying for it.

And, you know, like -- a lot of these people here, they're on a limited income, they're on a fixed income. I'm on a somewhat very tight budget and I'm very upset about it.

I'm also very upset about the fact that Southern Bell charges an outrageous amount of money for calls from, let's say, from here to Dade County. I have relatives and good friends, good family ties in Dade County and I have to make my phone calls down there to keep in touch with them. And I'm paying a lot of money. And I have relatives in New York, and I pay a lot less to call my mother in New York and New Jersey. And I pay a lot more money to call my cousin

in Dade County. This is outrageous. I mean, this

shouldn't be tolerated. I think it's terrible.

And as a single parent to me a telephone is not a luxury because I have a little child, she gets sick, I need to have a phone to call 911 or whoever, you know. And also as a single parent, my income, it's limited, and the money that I withheld from going, perhaps, to the movies or to other entertainment, because I like to keep in touch with my relatives, I use it on the phone. I chose that. To me that's a privilege to me. It's a pleasure to keep in touch with my relatives over the phone because I can't visit them as often as I'd like to. But I don't like the rates. The rates are very outrageous, especially from -- like I said, from here to Dade County, I spend a lot of money. You should see my bill. And I don't like it.

1 And, you know, I thank Southern Bell because they have very good service. You call them and they're 2 very prompt, they're very efficient, and I really 3 appreciate the service, but I do not appreciate how 4 high they are. They should cut down a whole lot more 5 6 on the services, you know, within a certain area, like, 7 from here to Dade County, from here to Hollywood or Palm Beach. 8 Thank you very much. (Applause) 9 (Witness Echavarria excused.) 10 11 12 MR. SHREVE: Thank you. Laurie Latimer and 13 Jim Jakubel. 14 JIM JAKUBEL and LAURIE LATIMER were called as witnesses on behalf of the Citizens of 15 the State of Florida and, having been duly sworn, 16 testified as follows: 17 18 WITNESS JAKUBEL: Hi, my name is Jim Jakubel, 19 I reside in Hollywood. Laurie, my friend, lives in Tamarac. We met about, I quess about eight months ago. 20 21 Our phone bills have been outrageously high. It's more expensive to call Tamarac than it is to call 22 New York or call California. It's unbelieveable, the 23 per-minute charges. I'm in favor of the premium option 24

plan and I believe that we should be offered the option

25

to have different plans. I know I have a plan to Dade County for like seven-something a month, and I can call unlimited time in Dade County and I can't see why we can't have that for elsewhere. So I do support that. I do not support anything that would be mandatory at But I believe that that plan needs to be implemented. It would save me quite a bit of money, I know that, as well as a lot of other people.

Thank you.

WITNESS LATIMER: I'd like to say something too. Also, I used to work for Southern Bell and I feel very disloyal saying this. But I knew when they divested we would get screwed, and this shows, that they're trying to do that.

when I call 411 now, I get a recording after the number coming on, saying, that if I stay on long enough and push a button, they will dial it for me for 25 cents.

That's unbelieveable. That's like the height of greed that I can think of. And I don't understand it, I mean, they have no competition, really. And I thought when they divested it was supposed to make things better and cheaper. Instead, it's more expensive, and that doesn't make sense.

I only have one other question today and that

is, down here on the bottom, Page 2, it says, "that the final decision by the Commission is expected in May of 1994, and it will be retroactive to January 1st, 1993." How? How could that probably be? If we're talking money, somebody will be refunded money for almost an entire year, not quite. Or, we will owe them money for that amount of time. How would that be accomplished?

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

CHAIRMAN DEASON: Let me explain that. case, as was indicated earlier, was a rate reduction case. Therefore, it is anticipated that the amount of revenues that will be collected by Southern Bell will be reduced. And we are going to make retroactive, back to January 1, 1993, with Bell's concurrence, that the reductions will result -- if there are, in fact, reductions -- that there will be refunds given to the customers. Obviously, if there are rate changes, we can't make those rate changes retroactive, so it will not affect what customers pay to Southern Bell, only prospectively will those rate changes go into effect. But the revenue effect, the amount of money that the Company is entitled to earn, that will be accounted for. And if customers are due refunds, those refunds will be made. And that's why it indicates that it will be retroactive to January 1. I believe I'm characterizing that correctly; is that right, Mr. Shreve?

MR. SHREVE: Yes.

COMMISSIONER LAUREDO: And you should not be against it.

WITNESS LATIMER: Okay.

CHAIRMAN DEASON: Madam, before you -- could we get your name?

WITNESS LATIMER: My name is Laurie Latimer.
CHAIRMAN DEASON: Thank you.

MR. SHREVE: You mentioned one thing that we might as well clear up. The customers will not owe Southern Bell any more money. It won't go that direction. If it's anything, it goes the other way.

witness latimer: Well, I tell you, I was one of the people that was overcharged for, you know, putting something — like an insurance account, that if something goes wrong in your wiring, they'll come and they will take care of it. And I never asked for this. They just stuck it on my phone. And when I called up, when I saw this in the newspaper, I was given a very, very, hard time. It was not easy to get that taken off. It was an extremely difficult thing to do. I wound up calling one lady, who referred me to another lady, who said some other lady would call me back, who was incredibly rude. And then finally, only because I was persistent, did I get a refund. But I had all my

bills, I could prove that I had been billed every month, I had never asked for this service, and it was very difficult to get the money out of them. And I feel bad because I used to work for Southern Bell. But that's the way it is, they're very greedy.

Thank you for your time.

CHAIRMAN DEASON: Thank you.

(Witnesses Jakubel and Latimer excused.)

MR. SHREVE: Thank you. (Applause)

Mr. Chairman, that's the last people that have signed up. Is there anyone here that has not signed up that would like to testify or make a statement? That's all we have.

CHAIRMAN DEASON: I want to take this opportunity to thank everyone who came out to the hearing this evening. I know there was some concern about the starting time, but let me assure you that we tried to find a time that was most convenient for everyone and it's not always possible to find a time that's convenient for each and every person. But we try to do it as best as we can. I appreciate your coming out, sharing your thoughts with us.

As I indicated earlier, your testimony is part of the official record, and it will be considered

_	by the Commissioners in making the final decision in	in
2	this case.	
3	Thank you. And with that, this hearing i	is
4	adjourned. (Applause)	
5	(Thereupon, the hearing concluded at 8:20)
6	p.m.)	
7		
8		
9		
0		
1		
2		
.3		
4		
.5		
.6		
.7		
.8		
.9		
0		
1		
2		
3		
4		

1	FLORIDA)		
2	COUNTY OF LEON)		
3			
4	I, JOY KELLY, CSR, RPR, Official Commission Reporter,		
5			
6	DO HEREBY CERTIFY that the hearing in this cause, Docket No. 920260-TL, 910163-TL, 910727-TL,		
7	900960-TL, 911034-TL, was heard by the Florida Public Service Commission at the time and place herein stated; it is further		
8			
9	CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision, and that this transcript, consisting of 88 pages, inclusive, constitutes a true transcription of my notes of said		
10			
11	proceedings.		
12	DATED this 17th day of December, A. D., 1993. JOY KELLY, CSR, RPR Chief, Bureau of Reporting		
13			
14			
15	(904) 488-5981		
16			
17			
18	STATE OF FLORIDA)		
19	COUNTY OF LEON)		
20	The foregoing certificate was acknowledged		
21	before me this 17th day of December, 1993, by JOY KELLY, who is personally known to me.		
22			
23	Eurlyn L. Bouschel		
24	EVELYN BORSCHEL Notary Public - State of Florida		
25	EVELYN L. BORSCHEL		



SUN-SENTINEL

Published Daily Fort Lauderdale, Broward County, Florida Boca Raton, Palm Beach County, Florida

STATE OF FLORIDA COUNTY OF BROWARD/PALM BEACH		
Before the undersigned authority per	rsonally appean	ed Kathleen Bust
who on o	ath says that he	is
Classified Supervisor	of the Sun-S	Sentinel, daily newspaper published
in Broward/Palm Beach County, Florid		
•	Legal No	
in the matter of Public Hearing Commission	g, Florida	Public Service
in the		Court
was published in said newspaper in the	e issues of	Nov. 18, 1993
Lauderdale, in said Broward County, Florida, fine attached copy of advertisement, and affiant corporation any discount, rebate, commission publication in said newspaper.	t says that he has n	neither paid nor promised any person, firm or
		(Signature of Affiant)
Sworn to and subscribed before me this	19th	
		Nova L. Dena
(Name of Notary typed, printed or stamped)		(Signature of Notary Public)
to the or trouble to the transfer of the trans		TARA L. BEZAK MY COMMISSION # CC295690 EXPIRE July 20, 1997
		MY COMMISSION # CC295690 EXPIRE

Tyì



LEGAL NOTICE NOTICE OF PUBLIC HEARING

Florida Public Service Commission has scheduled a public hearing in Docket No. 920260-TL. The purpose of this docket is to review Southern Bell's operations under its incentive sharing plan and to consider Southern Bell's proposal for extension of that plan. It will also consider the Company's proposed rate changes, including the proposed optional Expanded Local Service Plan, reductions in intraLATA access charges and certain custom calling feature rates, a restructuring of service order charges and a reduction of certain business line rates.

For the convenience of the public, the Florida Public Service Commission has also scheduled a service

hearing as follows:

Thursday, December 2, 1993—6:00 PM
Broward Community College, North Campus
Omni Auditorium
1000 Coconut Creek Boulevard
Coconut Creek, Florida

At the above time and place, members of the public may appear to testify as to their interest in this matter. All persons desiring to present testimony at the hearing should, if possible, bring bills or other documentations regarding their telephone service. Customers are urged to attend on time. If no customers are present, the hearing will be adjourned. The Public Counsel, the citizens' representative in matters before the commission, will be available at least 30 minutes prior to each hearing in order to meet members of the public who wish to testify. Prior to that time, inquiries should be directed to The Office of Public Counsel, c/o Florida House of Representatives, The Capitol, Tallahassee, Florida 32399-1300.

PUBLISHED DATLY

MIAMI, FLORIDA

STATE OF FLORIDA COUNTY OF DADE

Before the undersigned authority personally appeared:

Eli Mertens

who on oath says that he is

Account Representative

of The Miami Herald, a daily newspaper published at Miami in Dade County, Florida; that the attached copy of advertisement was published in said newspaper in the issues of:

Thur., Nov. 19, 1993, page 18A Southern Bell ad

Affiant further says that the said Miami Herald is a newspaper published at Miami, in the said Dade County, Florida and that the said newspaper has heretofore been continuously published in said Dade County, Florida, each day and has been entered as second class mail matter at the post office in Miami, in said Dade County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement.

Sworn to and subscribed before me

this 18th day of November A.D. 1993

My commission expires:

OFFICIAL NOTARY SEAL COMMISSION NO. CC262094 MY COMMISSION EXP. FEB. 4,1997

SHEILA

Rights group: Hussein killed alleged plotters

Associated Press

Iraqi President Saddam Hussein has executed dozens, perhaps hundreds, of prominent Iraqis, a human rights group reported Wednesday amid signs

■ Iraq's dominant Muslim Sunni minority may be against turning him.

All were rounded up in July and August for alleged involvement in a coup plot, New Yorkbased Middle East Watch said. It said many were from Hussein's hometown of Tikrit, the group

"Most of those executed were from the cream of Iraqi society' from leading families in Tikrit and the northern city of Mosul, the Sunni heartland "from which the regime draws its remaining support," the organization said.

Middle East Watch said the number of executions was not known. It listed 15 Iraqis whose families have reported receiving the bodies of slain relatives, but said "the total may run into hundreds.'

In September, Iraqi dissidents said more than 1,000 members of Hussein's Sunni sect were nundad un offer the discovery of

LEGAL NOTICE NOTICE OF PUBLIC HEARING

The Florida Public Service Commission has scheduled a public hearing in Docket No. 920260-TL. The purpose of this docket is to review Southern Bell's operations under its incentive sharing plan and to consider Southern Bell's proposal for extension of that plan. It will also consider the Company's proposed rate changes, including the proposed optional Expanded Local Service Plan, reductions in intraLATA access charges and certain custom calling feature rates. restructuring of service order charges and a reduction of certain business line rates.

For the convenience of the public, the Florida Public Service Commission has also scheduled a service hearing as follows:

> Thursday, December 2, 1993—6:00 PM Broward Community College, North Campus Omni Auditorium 1000 Coconut Creek Boulevard Coconut Creek, Florida

At the above time and place, members of the public may appear to testify as to their interest in this matter. persons desiring to present testimony at the hearing should, if possible, bring bills or other documentations regarding their telephone service. Customers are urged to attend on time. If no customers we present, the hearing will be adjourned. The Public Counsel, the citizens representative in matters before the commission, will be available at least 30 minutes prior to each hearing order to meet members of the public who wish testify. Prior to that time, inquiries should be direct to The Office of Public Counsel, c/o Florida House of Representatives, The Capitol, Tallahassee, Florida 32399-1300.