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September 19, 1996

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File No. 4124

VIA FEDERAL EXPRESS

Ms. Blanca S. Bayo, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Docket No. 920260 - Comprehensive review of the revenue requirements And rate stabilization plan of Southern Bell Telephone and Telegraph Company

Dear Ms. Bayo:

Enclosed is an original and 15 copies of the Prehearing Statement of the Florida Ad Hoc Telecommunications Users' Committee for filing in the referenced proceeding. Parties to the proceeding have been served.

Please call me at your convenience if there are any questions.

Sincerely,

Blu Enf

Benjamin H. Dickens, Jr.

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TR ____cc: Parties of Record

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EPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Comprehensive Review of the Revenue Requirements and Rate Stabilization Plan of Southern Bell)	Docket No. 920260-TL Filed: September 20, 1996
Telephone and Telegraph Company.)	

THE FLORIDA AD HOC TELECOMMUNICATIONS USERS' COMMITTEE PREHEARING STATEMENT

Pursuant to Order No. PSC-96-1090-PCO-TL, the Florida Ad Hoc Telecommunications Users' Committee (Ad Hoc) files its Prehearing Statement, as follows:

A. APPEARANCES:

Benjamin H. Dickens, Jr., of Blooston, Mordkofsky, Jackson & Dickens, 2120 L Street, N.W., Suite 300, Washington, D.C. 20037.

B. WITNESSES:

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
Douglas S. Metcalf	Appropriate Distribution of the BellSouth rates and revenue reduction	1,2

C. EXHIBITS:

None.

D. STATEMENT OF BASIC POSITION:

Ad Hoc's Statement of Basic Position:

This proceeding represents perhaps the Commission's last opportunity to make significant changes in BellSouth's rate structure in order to eliminate competitive imbalances and to pave the way for a level playing field. Ad Hoc believes, that as a

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general proposition, the pricing of BellSouth's services should employ consistent methodology, and should incorporate relatively equal contribution levels for all services, including competing services such as PBX service with DID, which compete with BellSouth's ESSX service. However, past differences in the methodologies used to price PBX service has rendered it incapable of effectively competing with ESSX. PBX and DID.service should accordingly be repriced in order to allow a competitive market to develop.

E. STATEMENT OF ISSUES AND POSITIONS:

1. <u>ISSUE</u>: Below are listed the proposals of various interested parties to this proceeding with respect to the disposition of the scheduled 1996 unspecified rate reductions. Which, if any should be approved?

A)	BellSouth:	millions
1)	Reduce switched access (introduce zone density)	\$16.40
2)	Reduce PBX rates and introduce term contracts	13.45
3)	Waive certain business and residential	
	Secondary Service Order charges	5.81
4)	Reduce First Line Connection charge (Business)	3.22
5)	Introduce Area Plus for Business	2.25
6)	Eliminate usage charge on Remote Call Forwarding	2.01
7)	Reduce DID recurring and non-recurring charges	1.88
8)	Credit for ECS routes implemented	1.10
9)	Reduce Business Line monthly rates in Rate	
	Group 12	.62
10)	Reduce Megalink Interoffice rates	.58
11)	Reduce WATS and 800 Service access line charges	.36
12)	Eliminate the Secondary Service Order charge	
	for WatsSaver	.30
13)	Reduce SNAC charges for Business	.07
14)	Reduce DS-1 interoffice mileage rates	04
		\$48.09

B) Joint Proposal of ATT, MCI, Sprint Communications, FIXCA, Ad Hoc and McCaw Communications:

		<u>millions</u>
1)	Reduce PBX and DID trunk charges	\$11.00
2)	Eliminate the Residual Interconnection Charge	35.00
3)	Reduce mobile interconnection rates	2.00
		\$48.00

- C) Public Counsel:
 Establish a reserve fund to assist BST customers who have experienced problems with conversion to the 954 NPA.
- D) FCTA:
 Eliminate nonrecurring charges for interconnection trunks and special access circuits ordered by ALECs.
- E) Palm Beach Newspapers, Inc/Florida Today:
 Reduce usage rates for N11 service to \$.02 per minute.
- FIXCA: The Joint Proposal of ATT, MCI, Sprint, FIXCA, Ad Hoc and McCaw should be approved. This proposal calls for an access charge reduction, through the elimination of the RIC, which will move BellSouth's carrier charges toward a cost basis and hasten the benefits of the federal Telecommunications Act of 1996. (Gillan)
- G) Ad Hoc:

The Joint Proposal of ATT, MCI, Sprint, FIXCA, Ad Hoc and McCaw should be approved. Among other things, this proposal incorporates a PBX and DID reduction that is needed to correct an anticompetitive price imbalance that has hindered effective competition between independent PBX vendors and BellSouth's ESSX service. Florida's business customers have suffered as a result. (Metcalf).

2. <u>ISSUE</u>: What should be the effective dates of the approved tariffs?

FIXCA: No position at this time.

F. STIPULATED ISSUES:

None.

G. PENDING MOTIONS:

Ad Hoc has no pending motions.

H. OTHER MATTERS:

None at this time.

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Attorneys for the Florida Ad Hoc Telecommunications Users' Committee

CERTIFICATE OF SERVICE Docket No. 920260-TL

I certify that a correct copy of the foregoing was sent by U.S. Mail to the following parties on September 19, 1996.

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