

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Dade County Circuit Court referral of)
certain issues in Case No. 92-11654 (Transcall)
America, Inc. d/b/a ATC Long Distance v.)
Telecommunications Services, Inc. and)
Telecommunications Services, Inc. vs. Transcall)
America, Inc., d/b/a ATC Long Distance) that)
are within the Commission's jurisdiction.)

Docket No. 951232-TI

REBUTTAL TESTIMONY

of

DENNIS SICKLE

ON BEHALF OF

TRANSCALL AMERICA, INC. d/b/a ATC LONG DISTANCE

JULY 24, 1998

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

- 1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**
- 2 **A. My name is Dennis Sickle. My business address is 1515 South Federal**
3 **Highway, Boca Raton, Florida.**
- 4 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**
- 5 **A. I am the Vice President of Human Resources for WorldCom, Inc.**
- 6 **Q. ON WHO'S BEHALF ARE YOU APPEARING IN THIS**
7 **PROCEEDING?**
- 8 **A. I am testifying on behalf of Transcall America, Inc. d/b/a ATC Long Distance**
9 **("Transcall").**
- 10 **Q. DID YOU FILE DIRECT TESTIMONY IN THIS PROCEEDING?**
- 11 **A. No, I did not.**
- 12 **Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**
- 13 **A. I am appearing for the purpose of responding to the direct testimony of Mr.**
14 **Joel Esquenazi of Telecommunications Services, Inc. (TSI) regarding his**
15 **allegation of billing in one minute increments instead of 6 or 30 second**
16 **increments.**
- 17 **Q. HOW IS IT THAT YOU ARE FAMILIAR WITH TSI AND MR.**
18 **ESQUENAZI?**
- 19 **A. As I testified in my deposition, I was the individual that originally brought**
20 **Mr. Esquenazi and TSI to the company. I was also Mary Jo Daurio's**
21 **supervisor. Since Mary Jo was the primary customer contact with regard to**
22 **TSI, from time to time she and I would discuss the TSI account. For the most**
23 **part, these conversations involved Mr. Esquenazi's requests for credits and**
24 **our efforts to get him to make payments on the account.**

- 1 **Q. WHAT DOES MR. ESQUENAZI CLAIM WITH RESPECT TO**
2 **IMPROPER BILLING INCREMENTS?**
- 3 **A. Beginning at page 4, line 20, Mr. Esquenazi identifies what he claims are the**
4 **different ways that Transcall breached its agreement with TSI. On page 5,**
5 **at lines 12 and 13, he states that Transcall improperly billed TSI in one**
6 **minute increments instead of 6 second or 30 second increments.**
- 7 **Q. WHAT IS YOUR RESPONSE TO THIS TESTIMONY BY MR.**
8 **ESQUENAZI?**
- 9 **A. His characterization is wrong. There were limitations in our ability to bill**
10 **TSI in 6 second increments. However, to compensate for the limitations in**
11 **our billing system, we agreed to provide TSI with a 40 percent discount on**
12 **international calls and a 15 percent discounts for domestic calls. These**
13 **discounts more than compensated TSI for any loss in margins due to our**
14 **system's inability to bill in 6 second increments.**
- 15 **Q. WHAT WAS THE BASIS FOR THE 40 PERCENT DISCOUNT FOR**
16 **INTERNATIONAL CALLS?**
- 17 **A. Early in our implementation of the TSI Agreement, I recall Mary Jo Daurio**
18 **coming to me and explaining how it would be virtually impossible to**
19 **separately rate each international call and bill it to TSI in 6 second increments**
20 **as provided in the Agreement. At some point, Mr. Esquenazi and I discussed**
21 **the problem and we agreed to implement a 40 percent discount in lieu of the**
22 **6 second billing increments to compensate for this change.**
- 23 **Q. WHAT ABOUT THE 15 PERCENT DISCOUNT FOR DOMESTIC**
24 **USAGE?**

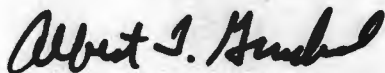
- 1 **A.** The basis for the 15 percent discount for domestic usage was essentially the
2 same as that for international calls. Again, due to the limitation in our billing
3 system, Mr. Esquenazi and I agreed that TSI would receive a 15 percent
4 discount off all domestic usage.
- 5 **Q.** **WHAT WAS THE NET EFFECT OF THESE TWO DISCOUNTS?**
- 6 **A.** Either of these discounts standing alone were a good deal for TSI. Together,
7 especially 40 percent discount for international calls, they created a much
8 larger margin for TSI than that provided for in the Agreement and provided
9 TSI with a strong incentive to grow its business.
- 10 **Q.** **DO YOU HAVE ANY OTHER REBUTTAL COMMENTS**
11 **REGARDING MR. ESQUENAZI'S TESTIMONY?**
- 12 **A.** I know that Mary Jo Daurio, Clara Reynardus, and everyone else that worked
13 on the TSI account went out of their way to meet TSI's business requirements
14 and to make the relationship a success. For Mr. Esquenazi to ignore the
15 adjustments, credits, discounts and other actions that we took to fulfill the
16 Agreement, and to assert that we failed in our obligations while he failed to
17 pay for over \$600 thousand in billings, is wrong.
- 18 **Q.** **DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**
- 19 **A.** Yes.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Rebuttal Testimony of Dennis Sickle on behalf of Transcall America Inc. d/b/a ATC Long Distance in Docket No. 951232-TI has been furnished by Hand Delivery (*) and/or U.S. Mail to the following parties of record this 24th day of July, 1998:

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