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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of BellSouth Telecommunications, Inc. to remove interLATA access subsidy received by St. Joseph Telephone & Telegraph Company.

DOCKET NO. 970808-TL

FILED: APRIL 24, 1998

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-98-0300-PCO-TL, the Staff of the Florida Public Service Commission files its Prehearing Statement.

- A. <u>All Known Witnesses</u>: Staff does not intend to sponsor a witness at this time.
- B. <u>All Known Exhibits</u>: Staff has not yet identified a tentative list of exhibits which it intends to utilize in this proceeding. Staff will supply a tentative list of such exhibits at or prior to the Prehearing Conference.
- C. <u>Staff's Statement of Basic Position</u>:

None pending discovery.

D. Staff's Position on the Issues:

ISSUE 1:

ACK _____ What is the interLATA access subsidy and why was the interLATA access subsidy established?

CAF _____ Staff has no position at this time.

CMU _____

CTR ____ISSUE 1b:

 $EAG \longrightarrow$ What is the history of the interLATA access subsidy and how has Commission policy regarding the subsidy evolved since the subsidy was established?

OPC - STAFF:

RCH _____ Staff has no position at this time.

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ISSUE 2:

Was the interLATA access subsidy pool intended to be a permanent subsidy? If not, what criteria should be used for ending the interLATA access subsidy pool?

STAFF:

Staff has no position at this time.

ISSUE 3:

What is the statutory authority for the BellSouth Telecommunications, Inc.'s proposal to eliminate the interLATA access subsidy of GTC, Inc.?

STAFF:

Staff has no position at this time.

ISSUE 4:

Considering that the rates of a small LEC electing price cap regulation may not be altered during the period rates are frozen, except as provided for in Section 364.051(5), Florida Statutes, may the subsidy in effect at the time price cap regulation was elected be discontinued during the period rates are frozen?

STAFF:

Staff has no position at this time.

ISSUE 5:

Should the interLATA access subsidy received by GTC, Inc. be removed?

STAFF:

Staff has no position at this time.

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ISSUE 6:

If the access subsidy being paid to GTC, Inc. is eliminated, should BellSouth Telecommunications, Inc. be directed to cease collection of the access subsidy funds? If the access subsidy being paid to GTC, Inc. is eliminated, and collection of the access subsidy funds is not terminated, what disposition should be made of the funds?

STAFF:

Staff has no position at this time.

ISSUE 7:

If the subsidy should be removed, should it be removed entirely at one time, or should the subsidy be phased out over a certain time period?

STAFF:

Staff has no position at this time.

ISSUE 8:

If the subsidy should be removed entirely at one time, on what date should the removal be effective?

STAFF:

Staff has no position at this time.

ISSUE 9:

If the subsidy should be phased out, over what time period should the phase out take place and how much should the reduction of the subsidy be in each period?

<u>STAFF:</u>

Staff has no position at this time.

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E. <u>Stipulation</u>

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Staff is not aware of any issues that have been stipulated at this time.

F. Pending Motions:

Staff has no pending motions at this time.

RESPECTFULLY SUBMITTED,

BETH KEATING

Staff Counsel

FLORIDA PUBLIC SERVICE COMMISSION Gerald L. Gunter Building 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850 (850) 413-6199

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CERTIFICATE OF SERVICE

I Hereby Certify that a true and correct copy of Staff's Prehearing Statement has been furnished by U.S. Mail, this 24th day of April, to the following:

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Inc.
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