

1 DIRECT AND REBUTTAL TESTIMONY
2 JOSEPH P. LACHER
3 FOR
4 BELL SOUTH TELECOMMUNICATIONS
5 BEFORE THE
6 FLORIDA PUBLIC SERVICE COMMISSION
7 DOCKET NO. 991378-TL
8

9 Q. PLEASE STATE YOUR NAME, ADDRESS AND OCCUPATION.
10

11 A. My name is Joseph P. Lacher. My address is 150 West Flagler Street, Suite
12 1901, Miami, Florida. I am the State President for Florida Operations of
13 BellSouth Telecommunications, Inc. (hereinafter referred to as "BellSouth" or
14 "the Company"). I am responsible for managing all aspects of the
15 Company's operations in Florida.
16

17 Q. PLEASE PROVIDE A BRIEF DESCRIPTION OF YOUR EDUCATIONAL
18 BACKGROUND AND WORK EXPERIENCE.
19

20 A. I received a B.A. from Belmont Abbey College, a M.B.A. from Fairleigh
21 Dickinson University, and was a Sloan Fellow at the Massachusetts Institute
22 of Technology. I joined BellSouth in 1967 and have held various positions
23 in the Network, Accounting, and the Commercial Departments. I have been
24 State President for Florida Operations since 1991.
25

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02169 FEB 15 5
6-21-01
FPSC-RECORDS/REPORTING

1 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

2

3 A. The purpose of my testimony is to present to the Florida Public Service
4 Commission (hereinafter referred to as "FPSC" or "Commission") the
5 relevant circumstances surrounding the misses detailed in Mr. Trubelhorn's
6 direct testimony filed on behalf of the Commission Staff. Specifically, I will
7 discuss the rules involved, the factors that contributed to BellSouth's
8 misses, and the steps BellSouth is taking to improve its performance. In
9 addition, I will rebut Mr. Poucher's direct testimony filed on behalf of the
10 Office of Public Counsel, and demonstrate the inaccuracy of his facts and
11 conclusions.

12

13 Q. HAS BELL SOUTH THROUGH POLICY, BUSINESS DECISION PROCESSES,
14 OR INTENT WILLFULLY VIOLATED THE RULES AND STANDARDS OF THE
15 FLORIDA PUBLIC SERVICE COMMISSION?

16

17 A. Absolutely not. BellSouth understands its obligations as a regulated utility
18 in the state of Florida. BellSouth provides excellent service to its customers
19 as demonstrated through the fact that we have among the lowest average
20 number of customer complaints in the industry reported to the Commission
21 as shown in the Commission's Annual Reports from 1996 to 1999. As Mr.
22 Poucher pointed out in his direct testimony on pages 22 and 23, it is now
23 and always has been BellSouth's policy to install residential service within
24 three days and repair out-of-service in less than 24 hours. These are the
25 standards set by the Commission in its rules and regulations, and it is and

1 has always been BellSouth's policy to adhere to these rules and standards.
2 BellSouth has never willfully disregarded Commission rules. The
3 Commission's current rules set forth a number of objectives. BellSouth has
4 consistently met the majority of these measurements from 1996-1999.
5 However, as discussed later in my testimony, several obstacles have
6 prevented BellSouth from reporting results that met the objectives set by
7 the Commission during the period from 1996-1999.
8

9 Q. BEFORE YOU GO INTO DETAILS, PLEASE GIVE AN OVERVIEW OF THE
10 SCOPE OF BELL SOUTH'S OPERATIONS IN FLORIDA FROM 1996
11 THROUGH 1999.
12

13 A. Certainly. At year-end 1996, BellSouth had 5,900,623 access lines. This
14 figure had grown by over 731,000 to 6,632,408 at the end of 1999.
15

16 BellSouth dispatched installation and repair technicians on 2,593,147
17 occasions in 1996, 2,758,674 in 1997, 2,913,002 in 1998 and 3,068,076
18 in 1999. BellSouth handled from 18-24 million repair and business office
19 calls per year in 1996, 1997, 1998, 1999.
20

21 BellSouth had 13,650 employees in Florida in 1996, 12,391 in 1997,
22 12,914 in 1998, and 13,856 in 1999.
23

24 Q. ON PAGE 5 OF MR. POUCHER'S TESTIMONY HE STATES THAT THE
25 RULES AT ISSUE IN THIS DOCKET ARE THE RULES MOST IMPORTANT TO

1 CUSTOMERS. DO YOU AGREE?

2

3 A. No. In my years with BellSouth, I have found that the most important thing
4 to customers is to do what the Company says it will do when the Company
5 says it will do it. Certainly, customers want their service installed and
6 repaired as quickly as possible. Customers, however, do not necessarily
7 translate that desire into a three-day installation and 24-hour repair rule.
8 Customers want commitments kept, whatever that commitment may be.
9 The same can be said for answer time. Customers want their questions
10 answered and their needs fulfilled. Responding to these issues does not
11 appear to me to be a product of answering the telephone within a certain
12 number of seconds. That is not to say that customers will tolerate an
13 unreasonable interval of answer time, but clearly what is most important to
14 customers is that we do what we said we would do within the time frame
15 promised.

16

17 **NETWORK RULES**

18

19 **Issue 1.** (A) DURING THE PERIOD OF JANUARY 1996 THROUGH
20 DECEMBER 1999, WAS BELLSOUTH TELECOMMUNICATIONS, INC.,
21 IN WILLFUL VIOLATION OF RULE 25-4.070(3)(a), FLORIDA
22 ADMINISTRATIVE CODE, WHICH REQUIRES RESTORATION OF
23 INTERRUPTED SERVICE WITHIN 24 HOURS OF REPORT?
24 (B) IF SO, HOW MANY VIOLATIONS WERE THERE, IF ANY,
25 AND WHAT IS THE APPROPRIATE ACTION, PENALTY,

1 AND/OR FINE AMOUNT TO BE IMPOSED BY THE
2 COMMISSION FOR ANY VIOLATIONS?
3 (C) IN DETERMINING THE APPROPRIATE ACTION TO BE
4 TAKEN, IF ANY, FOR VIOLATION OF A SERVICE RULE,
5 WHAT FACTORS IN MITIGATION OR AGGRAVATION, IF ANY,
6 SHOULD BE CONSIDERED?

7

8 Issue 4. (A) DURING THE PERIOD OF JANUARY 1996 THROUGH
9 DECEMBER 1999, WAS BELLSOUTH TELECOMMUNICATIONS, INC.,
10 IN WILLFUL VIOLATION OF RULE 25-4.066(2), FLORIDA
11 ADMINISTRATIVE CODE, WHICH REQUIRES 90% OF ALL
12 REQUESTS FOR PRIMARY SERVICE IN ANY CALENDAR MONTH TO
13 BE SATISFIED WITHIN THREE WORKING DAYS?
14 (B) IF SO, HOW MANY VIOLATIONS WERE THERE, IF ANY,
15 AND WHAT IS THE APPROPRIATE ACTION, PENALTY,
16 AND/OR FINE AMOUNT TO BE IMPOSED BY THE
17 COMMISSION FOR ANY VIOLATIONS?
18 (C) IN DETERMINING THE APPROPRIATE ACTION TO BE
19 TAKEN, IF ANY, FOR VIOLATION OF A SERVICE RULE, WHAT
20 FACTORS IN MITIGATION OR AGGRAVATION, IF ANY
21 SHOULD BE CONSIDERED?

22

23 Issue 6. (A) DURING THE PERIOD OF JANUARY 1996
24 THROUGH DECEMBER 1999, WAS BELLSOUTH
25 TELECOMMUNICATIONS, INC., IN WILLFUL VIOLATION OF

**RULE 25-4.070(3)(b), FLORIDA ADMINISTRATIVE CODE, WHICH
REQUIRES THAT CLEARING OF SERVICE AFFECTING TROUBLE
REPORTS BE SCHEDULED TO INSURE AT LEAST 95% ARE
CLEARED WITHIN 72 HOURS OF REPORT?**

**(B) IF SO, HOW MANY VIOLATIONS WERE THERE, IF ANY,
AND WHAT IS THE APPROPRIATE ACTION, PENALTY,
AND/OR FINE AMOUNT TO BE IMPOSED BY THE
COMMISSION FOR ANY VIOLATIONS?**

(C) IN DETERMINING THE APPROPRIATE ACTION TO BE TAKEN, IF ANY, FOR VIOLATION OF A SERVICE RULE, WHAT FACTORS IN MITIGATION OR AGGRAVATION, IF ANY, SHOULD BE CONSIDERED?

REBATE RULE

ISSUE 5. (A) DURING THE PERIOD OF JANUARY 1996 THROUGH DECEMBER 1999, WAS BELLSOUTH TELECOMMUNICATIONS, INC., IN WILLFUL VIOLATION OF RULE 25-4.070(1)(b), FLORIDA ADMINISTRATIVE CODE, WHICH REQUIRES REBATES BE ISSUED TO CUSTOMERS WHOSE SERVICE IS INTERRUPTED OTHER THAN BY A NEGLIGENT OR WILLFUL ACT OF THE SUBSCRIBER AND IT REMAINS OUT OF SERVICE IN EXCESS OF 24 HOURS AFTER BEING REPORTED TO THE COMPANY?

(B) IF SO, HOW MANY VIOLATIONS WERE THERE, IF ANY,
AND WHAT IS THE APPROPRIATE ACTION, PENALTY,

1 **AND/OR FINE AMOUNT TO BE IMPOSED BY THE**
2 **COMMISSION FOR ANY VIOLATONS.**
3 **(C) IN DETERMINING THE APPROPRIATE ACTION TO BE**
4 **TAKEN, IF ANY, FOR VIOLATION OF A SERVICE RULE, WHAT**
5 **FACTORS IN MITIGATION OR AGGRAVATION, IF ANY,**
6 **SHOULD BE CONSIDERED?**
7

8 Q. PRIOR TO 1996, WAS THERE AN AGREEMENT THAT AFFECTED
9 BELLSOUTH'S ABILITY TO REPORT RESULTS THAT MET THE
10 COMMISSION'S RULE 25-4.070(3)(a), RULE 25-4.070(3)(b), RULE 25-
11 4.066(2), AND RULE 25-4.070(1)(b), FLORIDA ADMINISTRATIVE CODE,
12 DURING THE TIME PERIOD 1996-1999?

13
14 A. Yes. The Settlement Agreement of 1992 (Exhibit J. Lacher-1) between
15 BellSouth and the State Attorney General's Office impacted BellSouth
16 significantly regarding the conditions set forth for statusing trouble reports.
17

18 Q. WHAT WAS THE PURPOSE OF THE 1992 SETTLEMENT AGREEMENT
19 BETWEEN BELLSOUTH AND THE STATE ATTORNEY GENERAL'S OFFICE?
20

21 A. During the 1990-1991 time frame, BellSouth identified a problem with the
22 way certain employees were reporting network results. BellSouth was in the
23 process of initiating corrective action to resolve this discovery, when the
24 Attorney General became involved. As part of settling that issue with the
25 Attorney General in 1992, BellSouth developed changes in its processes for

1 handling trouble tickets. BellSouth believed its reputation for honesty was
2 crucial and a vehicle needed to be created that protected our reputation and
3 provided a clear audit trail. As a result, BellSouth's management team, in an
4 effort to ensure that there would never again be even the perception of
5 impropriety, agreed with the Attorney General to several extraordinary
6 measures. These measures were designed, whenever possible, to remove
7 all subjectivity from the reporting of network results and to provide machine
8 generated times that would permit an easily verifiable audit trail.

9

10 Q. WHAT WERE THESE EXTRAORDINARY MEASURES?

11

12 A. These measures were related to:

13 (1) A shift from cleared time to final status time;

14 (2) A change in treatment of customer "no access" ("no access" is referred
15 to as "CON" in the Settlement Agreement. CON stands for "carried over
16 no");

17 (3) Experimenting with a different procedure for classifying a trouble as out-
18 of-service ("OOS") (although this measure was not specifically required
19 by the 1992 Settlement Agreement, it was undertaken as an outgrowth
20 of the Agreement); and

21 (4) Treating a Trouble as a Trouble.

22

23 Q. WOULD YOU EXPLAIN THE IMPACT OF THE FIRST MEASURE REGARDING
24 THE SHIFT FROM CLEARED TIME TO FINAL STATUS AND HOW IT
25 AFFECTED THE RESULTS REPORTED TO THE COMMISSION IN

1 BELL SOUTH'S QUARTERLY QUALITY OF SERVICE REPORT?

2

3 A. Yes. There are several lines of status on a trouble ticket: receipt, tested,
4 dispatched, cleared customer advised, and final status. BellSouth and the
5 other Incumbent Local Exchange Companies ("ILECs") used the receipt to
6 cleared customer advised time to calculate whether a trouble met the
7 Commission's objective. To avoid any perception of impropriety, BellSouth
8 committed in the Settlement Agreement to use the time from receipt to final
9 status, as opposed to receipt to cleared customer advised. The cleared time
10 had been entered by the technician while the final status or closed time
11 could be computer generated. To the best of my knowledge, BellSouth was
12 the only company to make this change.

13

14 Q. CAN YOU EXPLAIN THE DIFFERENCE BETWEEN CLEARED CUSTOMER
15 ADVISED TIME AND FINAL STATUS TIME AND HOW THAT AFFECTED
16 YOUR REPORTING TO THE PSC?

17

18 A. Yes. Cleared customer advised time is when the trouble is fixed; final status
19 time is when a technician has completed all of the ancillary work and is
20 ready to move to the next task. The change in reporting had no effect on
21 when a customer's service was restored, but increased BellSouth's total
22 reported time for calculating whether BellSouth met the FPSC objective. In
23 other words, when BellSouth agreed to allow the use of final status time in
24 determining when a trouble was repaired, as opposed to when the customer
25 was able to make and complete calls (cleared customer advised), it

1 automatically increased the total out of service time which in turn increased
2 the misses in BellSouth's Quarterly Quality of Service Reports. There was
3 no change in customer service that resulted from this shift, however, some
4 customers began receiving "out-of-service over 24 hour" rebates for
5 troubles that were actually cleared in less than 24 hours.

6

7 Q. THEN WHY DID BELL SOUTH CHOOSE TO USE FINAL STATUS TIME
8 INSTEAD OF CLEARED CUSTOMER ADVISED TIME?

9

10 A. The final status time is machine generated; the cleared customer advised
11 time is manually entered. As mentioned earlier, BellSouth wanted to create
12 a vehicle that protected our reputation as well as provided a clear audit trail,
13 and the use of cleared customer advised time provided no audit trail.

14

15 Q. CAN YOU QUANTIFY THE DIFFERENCE IN TIME INCURRED BY UTILIZING
16 FINAL STATUS TIME AS OPPOSED TO CLEARED CUSTOMER ADVISED
17 TIME?

18

19 A. Not with any precision. In one study, the use of closed time increased the
20 reported time by an average of almost two hours. On any given report,
21 however, there can be significant variances. The difference can easily be
22 many hours.

23

24 Q. PLEASE EXPLAIN WHAT IS INCLUDED IN THE DIFFERENCE IN TIME.

25

1 A. Examples of the types of tasks that make up the time differential are:
2 replacing the network interface device, doing preventive maintenance (e.g.,
3 placing bug strips, etc.), reloading cable on the truck, picking up materials
4 used on the job, talking to the subscriber, traveling to the cross box, re-
5 running tests for ancillary troubles, entering data in the technician's personal
6 computer, transmitting and receiving a response from operational support
7 systems, lunch hour, breaks, discussions with engineers and supervisors,
8 and, in the event of computer mainframe maintenance, waiting for the
9 mainframe to be brought back online.

10

11 Q. COULD BELLSOUTH DO A CURRENT STUDY TO QUANTIFY THE
12 DIFFERENCE IN CLEARED AND FINAL STATUS TIME FOR THE LAST FEW
13 YEARS?

14

15 A. No. Once the decision was made to stop using the cleared time,
16 there was no business reason to record it and technicians were no longer
17 trained to report cleared time. When the cleared time is left blank, the
18 computer automatically populates the cleared field with the final status
19 time.

20

21 Q. WHEN DID BELLSOUTH REALIZE THAT THE SHIFT FROM CLEARED TO
22 FINAL STATUS TIME WAS NEGATIVELY AFFECTING ITS REPORTING TO
23 THE COMMISSION'S SERVICE OBJECTIVES?

24

25 A. BellSouth understood immediately that the change would impact our

1 reported results. I personally discussed the issue with Public Counsel
2 shortly after we made the change. There was no way that increasing the
3 reported time used in calculating misses could do anything but result in a
4 greater number of misses on the service results. The degree, however, to
5 which it would impact us was unknown.

6
7 Q. WOULD YOU EXPLAIN THE IMPACT OF THE SECOND MEASURE
8 REGARDING CUSTOMER NO ACCESS AND HOW IT AFFECTED THE
9 RESULTS REPORTED TO THE COMMISSION IN BELL SOUTH'S QUARTERLY
10 QUALITY OF SERVICE REPORT?

11
12 A. Yes. A customer "no access" refers to the situation when a technician is
13 dispatched and the customer is not present to provide access to the
14 premises. Commission Rule 25-4.0770 (3) permits the exclusion of this
15 trouble in calculating the results. Commission Rule 25-4.0770(3) states...
16 "Failure of the customer to be present to afford the company representative
17 entry to the premises during the appointment period shall constitute a
18 missed appointment by the customer."

19
20 After the 1992 agreement with the Attorney General, BellSouth did not
21 exclude the "no access" tickets. Instead, the company allowed the time to
22 continue to run until the trouble was finally cleared, which could have been
23 hours or days later. This resulted in poorer reported results than actually
24 occurred.

1 Q. ARE YOU SAYING THAT BELL SOUTH MEASURED THE NO ACCESS
2 SIMILAR TO THE SITUATION DISCUSSED ABOVE REGARDING CLEARED
3 CUSTOMER ADVISED TIME VERSUS FINAL STATUS TIME?

4
5 A. Yes. The situation described above regarding the shift from cleared
6 customer advised time to final status time is also true for the reporting of
7 "no access" trouble reports. BellSouth allowed the time to continue to run
8 until the trouble was finally closed out. The other ILECs do not include the
9 time between a "no access" situation and when the trouble is again
10 dispatched. This is appropriate and provides for shorter clearing times when
11 calculating results for the Commission's service objective.

12
13 Q. WHY, THEN, DOES BELL SOUTH NOT EXCLUDE "NO ACCESSES" FROM
14 ITS REPORTS?

15
16 A. As I indicated earlier, BellSouth intended to remove the subjectivity from the
17 report to the maximum degree possible. Consequently, we opted to simplify
18 the calculation and to measure from when the trouble is opened to when it
19 is closed. We realized this would affect the results we reported to the
20 Commission, but we believed it was the right thing to do.

21
22 Q. CAN YOU QUANTIFY THE DIFFERENCES IN THE NUMBER OF MISSES IF
23 YOU HAD EXCLUDED THE "NO ACCESSES"?

24
25 A. No. While we have a record of troubles that were no accessed, we have no

1 way of calculating how much time the "no access" added to the repair time.

2

3 Q. WOULD YOU EXPLAIN THE IMPACT OF THE THIRD CHANGE REGARDING
4 THE CHANGE IN PROCEDURE FOR CLASSIFYING A TROUBLE AS OOS AND
5 HOW IT AFFECTED THE RESULTS REPORTED TO THE COMMISSION IN
6 BELLSOUTH'S QUARTERLY QUALITY OF SERVICE REPORT?

7

8 A. Yes. During this same period, there was considerable debate about the
9 classification of troubles between out-of-service and service affecting. For
10 example, how noisy does a line have to be before it is classified out of
11 service? Do our LMOS ("Loop Maintenance Operating System") tests
12 accurately classify troubles between out of service and service affecting?
13 This classification process is important because the Commission's rules
14 permit a trouble to be reclassified from service affecting to out of service,
15 but do not permit a trouble to be reclassified from out of service to service
16 affecting. Consequently, during the period of the Settlement Agreement,
17 we shifted to asking the customer if they considered their line to be out of
18 service and if they said yes, we classified the trouble as out of service,
19 irrespective of what our tests indicated. Three significant facts developed
20 from this change in procedure.

21

22 Q. WHAT WERE THOSE FACTS?

23

24 A. First, we learned that the customer's definition of out of service went far
25 beyond whether they could make or receive calls. For example, intermittent

1 noise on the line is service affecting under Commission rules, but out of
2 service to a customer who is trying to use the Internet to download files.
3 Call waiting not working is out of service to a customer who is trying to
4 work at home and so on.
5
6 Second, this change increased by 20-40% the number of troubles classified
7 as out of service. This further negatively impacted our ability to
8 successfully meet the Commission objective.
9
10 Finally, we determined that asking the question led to customer
11 dissatisfaction. The customer did not care how BellSouth classified the
12 trouble. They simply wanted the problem fixed and they wanted to be next
13 in line for repair.
14
15 Q. HAS BELL SOUTH WILLFULLY VIOLATED COMMISSION RULE 25-
16 4.070(1)(b) ADDRESSING REBATES TO CUSTOMERS WHOSE OOS
17 TROUBLE CONDITION EXCEEDS THE REPAIR WITHIN THE 24 HOUR
18 STANDARD?
19
20 A. Absolutely not. If a customer's service is determined to be OOS, the
21 customer's account is automatically credited with the appropriate monthly
22 adjustment. While BellSouth does not report rebates over 24 hours in its
23 Quarterly Quality of Service Reports to the Commission, during all of the
24 service evaluations conducted by the FPSC staff on BellSouth, it has been
25 determined that the process is working. The issue with rebating customers

1 is tied directly to the definition of what constitutes out-of-service. The
2 Commission's rule allows for certain exemptions to counting a customer
3 trouble report as OOS, and BellSouth is adhering to the Commission's rule in
4 this regard.

5

6 Q. HOW DOES THE COMMISSION RULE DEFINE OOS?

7

8 A. Commission Rule 25-4.003(41) defines OOS as the inability, as reported by
9 the customer, to complete either incoming or outgoing calls over the
10 subscriber's line. OOS does not include: (a) service difficulties such as slow
11 dial tone, circuits busy, or other network or switching capacity shortages;
12 (b) Interruptions caused by a negligent or willful act of the subscriber; and
13 (c) situations in which a company suspends or terminates service because
14 of non-payment of bills, unlawful or improper use of facilities or service, or
15 any other reason set forth in approved tariffs or Commission rules.

16

17 Q. WHAT EXACTLY IS THE ISSUE WITH THE OOS DEFINITION?

18

19 A. The Commission Staff's interpretation of Rule 25-4.003(41) is that any
20 customer who reports an inability to make or receive calls should be
21 counted as an OOS. It is BellSouth's position that the only way to
22 determine if exclusions provided in the Commission rules are appropriate is
23 through the use of certain diagnostic tests. These diagnostic tests identify
24 a variety of issues that should not be counted as OOS, e.g., receiver off
25 hook. BellSouth adheres to its interpretation of the Commission's rule and

1 allows for the exclusions as listed above. BellSouth is not in violation of the
2 Commission rule, as there is merely a difference of interpretation of the rule
3 between the FPSC and BellSouth. These differences are technical in nature,
4 and it is my hope that this difference of interpretation can be resolved in the
5 rulemaking Docket No. 991473.

6
7 Q. WOULD YOU EXPLAIN THE IMPACT OF THE FOURTH CHANGE IN
8 TREATING A TROUBLE AS A TROUBLE, AND HOW IT AFFECTED THE
9 RESULTS REPORTED TO THE COMMISSION IN BELL SOUTH'S QUARTERLY
10 REPORTS?

11
12 A. Yes. As I indicated earlier, the customers did not restrict OOS definitions to
13 "cannot make or receive calls". They were using their phones for more
14 complex applications than the applications in use when the rules were
15 written. Consequently, we shifted our dispatch strategy from dispatching
16 to the next out of service trouble to treating out of service and service
17 affecting alike, and sending the technician to the next closest trouble
18 irrespective of classification. The result, we believe, was an improvement in
19 customer satisfaction but a potential degradation in Commission reported
20 results.

21
22 Q. CAN YOU QUANTIFY THE IMPACT OF THIS CHANGE?

23
24 A. No. To do so would necessitate examining every trouble ticket and
25 determining how it would have been dispatched if the change had not been

1 made. Obviously, this is impractical.

2

3 Q. WERE THESE CHANGES MEMORIALIZED ANYWHERE?

4

5 A. Yes, partially. Exhibit C of the settlement with the Attorney General (Exhibit
6 J. Lacher-1), memorialized the changes that mandated the shift to final
7 status time, and BellSouth's decision not to exclude "no access" reports.
8 The change in classifying troubles and the change in the shift in dispatch
9 strategy are not memorialized anywhere, but are from my recollection of
10 numerous internal meetings held on these matters. Without question, the
11 shift to final status had the largest effect on our results. As I told the Public
12 Counsel at the time, I did not believe there was any way we would ever be
13 in compliance with the Commission rules as currently written, and I
14 requested his assistance in opening a docket to change the rules.

15

16 Q. SO THE OFFICE OF PUBLIC COUNSEL WAS AWARE OF THESE CHANGES?

17

18 A. Yes. I personally briefed Public Counsel and he was provided a copy of this
19 agreement shortly after it was signed. These results therefore should not
20 have come as a surprise to the Office of Public Counsel. Public Counsel
21 was briefed on the changes in reporting procedures that BellSouth was
22 making and the fact that these changes would result in missing certain
23 Commission objectives in our Quarterly Quality of Service Reports to the
24 Commission. In fact, BellSouth requested the Office of Public Counsel's
25 assistance in modifying the current Commission rules to reflect the change

1 in reporting procedures. From time to time over the years from 1993 to the
2 present, BellSouth and the Office of Public Counsel have discussed the need
3 to revise current Commission rules and the fact that the current reporting
4 procedures do not accurately reflect the level of service BellSouth is
5 providing.

6
7 Q. DID BELLSOUTH KEEP THE COMMISSION STAFF APPRISED OF THE
8 CHANGES, AND HOW THE CHANGES WERE AFFECTING BELLSOUTH'S
9 ABILITY TO MEET THE COMMISSION'S SERVICE OBJECTIVES?

10
11 A. Yes. It is my understanding that Mr. Alan Taylor, Bureau Chief of the FPSC,
12 as well as other members of the Staff, was briefed on these changes. I
13 have also attached all relevant correspondence from 1996 to 1999 between
14 BellSouth and the Commission staff concerning BellSouth's performance,
15 changes, and the request for the Commission to change the Commission
16 rules. (Exhibit J. Lacher-2).

17
18 Q. YOU STATED THAT THE COMMISSION WAS AWARE OF THE CHANGES
19 IN TROUBLE REPORTING PURSUANT TO THE 1992
20 BELLSOUTH/ATTORNEY GENERAL AGREEMENT. DID THE COMMISSION
21 TAKE ANY ACTION REGARDING THESE CHANGES?

22
23 A. No. It was my erroneous assumption that since everyone had been made
24 aware of the changes and since other service indicators were showing
25 excellent customer service, that no action would be taken for our reporting

1 problem until the Commission had time to address the rulemaking docket. I
2 blame myself for not being more aggressive in seeking the rule change.
3 However, all of us in the industry have been consumed with the issues
4 relating to the opening of the local market to competition.

5

6 Q. HAS BELL SOUTH ADDED NEW EMPLOYEES IN THE SPECIFIC TECHNICAL
7 TITLES THAT ARE RESPONSIBLE FOR MEETING THE COMMISSION'S
8 NETWORK OBJECTIVES?

9

10 A. Yes. BellSouth has added employees in the technical titles: service
11 technician, facility technician, electronic technician, and network technician.
12 BellSouth has added six hundred and thirty-eight additional positions to the
13 payroll in these titles since year-end 1996 through year end 1999.
14 Additionally BellSouth continues in its attempt to fill vacancies in the
15 technical titles. For the past four years, BellSouth has experienced, and
16 continues to experience, great difficulty in finding qualified candidates to fill
17 vacancies. For the years 1998 and 1999, BellSouth has had to accept 25
18 applications to gain one qualified employee in the titles that work in the area
19 of installation and repair.

20

21 As the technical complexity of the telecommunications business changes
22 each year, BellSouth must have qualified employee applicants. In addition,
23 BellSouth's experienced and more qualified senior employees are highly
24 sought after by its competitors. As these losses occur, it takes time for
25 replacements to gain the skill and confidence of their predecessors.

1

2 Q. ON PAGES 14-15 OF MR. POUCHER'S DIRECT TESTIMONY HE CITES
3 FORCE NUMBERS AND STATES THAT BELL SOUTH FAILED TO ADD THE
4 NUMBER OF EMPLOYEES TO THE FORCE THAT THEY CLAIMED. HOW DO
5 YOU REACT?

6

7 A. Mr. Poucher is incorrect in his assertion. BellSouth did add the employees
8 to the force that we claimed to add. Comparing the April 1998 force count
9 of 7,592 to the August 1999 force count of 8,523 produces an addition of
10 931 employees. Mr. Criser, in his letter to the Commission, indicated an
11 addition of 921 employees. The difference in these numbers is that Mr.
12 Criser's numbers were taken during the month of August, 1999 and not at
13 the end of the month. Mr. Poucher's mistake is that he compared the 1999
14 average headcount to year-end 1998, thereby under counting the number of
15 employees added. It is unfortunate that Mr. Poucher's error creates an
16 implication that somehow BellSouth was less than ethical in its
17 correspondence with the Staff. This is absolutely not the case and I take
18 exception to the implication.

19

20 Q. ON PAGES 14-15 OF MR. POUCHER'S DIRECT TESTIMONY, HE ASSERTS
21 THAT BELL SOUTH ACTUALLY REDUCED ITS NETWORK HEADCOUNT BY
22 653 EMPLOYEES DURING 1997 AND 1998. PLEASE COMMENT.

23

24 A. The reduction in 1997 and 1998 was due to the outsourcing of Engineering
25 (management) work content. The only non-management losses were

1 drafting clerks assigned to Engineering. Engineering is not a division of
2 BellSouth that contains technical titles responsible for meeting the
3 Commission's Network objectives. Once again, Mr. Poucher has
4 misinterpreted changes that do not relate to our service performance.
5

6 Q. IN ADDITION TO THE DIFFICULTY BELLSOUTH HAD IN OBTAINING
7 QUALIFIED APPLICANTS, IS THERE TECHNICAL TRAINING NECESSARY
8 AND A PERIOD OF ON THE JOB TRAINING NECESSARY FOR THE NEW
9 EMPLOYEES IN THE TECHNICAL TITLES BEFORE THEY BECOME
10 PRODUCTIVE AND IMPACT BELLSOUTH'S RESULTS?
11

12 A. Yes. Depending on the title, technical training lasts from six weeks to
13 fourteen months. Once the employee has completed his or her technical
14 training, it is estimated that it takes anywhere from an additional eight to
15 twelve months for the employee to become a highly productive technician.
16 BellSouth believes it has made significant progress in the area of hiring and
17 that this progress is reflected in the installation and repair numbers reported
18 to the Commission in BellSouth's Quarterly Quality of Service Reports.
19 These reports are on file with the Commission. This is in spite of the time
20 reporting changes mentioned earlier.
21

22 Q. ARE THERE OTHER FACTORS THAT IMPACT BELLSOUTH'S ABILITY TO
23 MEET THE COMMISSION'S NETWORK OBJECTIVES IN ALL ONE HUNDRED
24 AND TWO EXCHANGES?
25

1 A. Yes. Because the Commission rules are measured on an exchange basis,
2 even a few troubles can cause a miss of the whole exchange. As an
3 example, in October of 1997, 44 exchanges had less than 100 total out-of-
4 service troubles for the month. This is because as we have improved the
5 fundamental quality of the network, the total number of OOS troubles in an
6 exchange has declined. One of the consequences of this improvement is
7 that it is now more likely that a single cut cable, affecting as few as five
8 customers, could result in a missed exchange for Commission results.
9 Further, the potential impact of the change from cleared to final status time
10 becomes even greater. The same is also true of customer no access
11 reports.

12
13 Q. IS THE QUALITY OF SERVICE BELLSOUTH PROVIDES TO CUSTOMERS IN
14 THE SMALL EXCHANGES COMPROMISED IF YOU ARE MISSING THE
15 COMMISSION OBJECTIVES?

16
17 A. Not necessarily. As explained above, due to the way the objective is
18 calculated, while it may appear that the entire exchange is receiving poor
19 service, in actuality it could be that only one trouble in that exchange
20 caused the exchange to fail the objective. A low number of troubles
21 reported in smaller exchanges will significantly impact the results.

22
23 Q. OVER THE PAST TWO YEARS, WITH THE EXCEPTION OF EVENTS OVER
24 WHICH BELLSOUTH HAS NO CONTROL, HAS BELLSOUTH IMPROVED ITS
25 PERFORMANCE IN THE REPAIR AND INSTALLATION OF SERVICE

1 REPORTED TO THE COMMISSION?

2

3 A. Yes. As demonstrated in the Quarterly Quality of Service Reports to the
4 Commission, BellSouth, while not meeting the percent objective in each
5 case and in each exchange, has made progress in moving closer towards
6 the Commission's objective in the installation, repair, and OOS categories.
7 There have been instances where BellSouth reported a failure to meet the
8 standard, as a result of an abnormal condition, that would have been
9 excused from the failure by Commission Rule. Prior to 1996, the
10 Commission excused Acts of God and events beyond the control of the
11 company. Under Rule 25-4.070(6), the Commission now excuses misses
12 where more than ten percent of an exchange is impacted by an abnormal
13 event. BellSouth has chosen to report its failure and explain the miss in its
14 Quarterly Quality of Service Reports and transmittal/explanation letters on
15 file with the Commission. Some of these letters are included in Exhibit J.
16 Lacher-2. As mentioned previously, BellSouth is confident that it will
17 continue to improve its performance as employees who continued to be
18 hired become more productive and BellSouth employs qualified applicants to
19 fill the existing vacancies.

20

21 Q. ARE THE INDIVIDUAL EXCHANGE PERFORMANCES IMPACTED BY
22 ABNORMAL EVENTS THAT ARE BEYOND THE CONTROL OF THE
23 COMPANY AND HOW IS THIS IMPACT REPORTED TO THE COMMISSION?

24

25 A. There are major events such as Hurricanes (which will be discussed later),

1 abnormal amounts of rain, like that experienced in the Miami and Fort
2 Lauderdale area in October of 2000 (from twelve to sixteen inches in a
3 twenty-four hour period), and individual troubles that are initially believed to
4 be major cable damages, that impact individual exchange results. BellSouth
5 has always reported the exchange results without attempting to associate
6 these events and exclude the associated troubles. This negatively affects
7 the overall result and provides an explanation of the failure in the Quarterly
8 Quality of Service Reports to the Commission. To identify these instances
9 separately would be administratively cumbersome and costly. As a result of
10 this procedure, BellSouth's reports to the Commission obviously reflect
11 more missed exchange results than would occur if these instances were
12 excluded.

13

14 Q. IS BELLSOUTH'S REPAIR AND INSTALLATION PERFORMANCE AS
15 REPORTED TO THE COMMISSION A TRUE REFLECTION OF ITS
16 SATISFACTORY SERVICE PERFORMANCE?

17

18 A. No. As discussed previously, BellSouth has made changes in its calculation
19 of the results reported to the Commission that makes comparison to other
20 ILECS or even historical trends inappropriate. BellSouth believes that a more
21 accurate reflection of its results is the fact that the number of Commission
22 complaints remains low.

23

24 Q. WITH REGARD TO THE ISSUE OF SERVICE AVAILABILITY, HAS
25 BELLSOUTH WILLFULLY DISREGARDED COMMISSION RULE 25-4.066(2)

1 WHICH REQUIRES 90% OF ALL REQUESTS FOR PRIMARY SERVICE IN
2 ANY CALENDAR MONTH TO BE SATISFIED WITHIN THREE WORKING
3 DAYS?
4
5 A. No. There are two reasons for the misses regarding the installation of
6 service. One is the impact of the small exchanges discussed earlier.
7 Second, BellSouth believes that each request for service is equally
8 important. For example, additional line requests can be just as important to
9 customers as the request for primary service. Work at home, children's
10 lines, availability, etc., are all important to our customers. Proof of the
11 importance of additional lines can be seen in the enormous growth.
12 BellSouth added 547,048 consumer second lines in 1996; 670,015 in
13 1997; 810,170 in 1998, and 867,354 in 1999. BellSouth, to the detriment
14 of making the Commission's standard, offers the same appointment and
15 installation intervals for additional lines as BellSouth does for primary
16 service.
17
18 Q. YOU STATED EARLIER THAT BELL SOUTH REQUESTED THE COMMISSION
19 TO REVIEW ITS SERVICE QUALITY MEASURES. WHEN DID THIS OCCUR?
20
21 A. On July 7, 1995, BellSouth filed a petition requesting the Commission to
22 initiate an investigation of potential changes to the service quality measures.
23 Subsequently, Docket No. 950778 was opened to review the service quality
24 measures.
25

1 Q. WHY DID BELL SOUTH ASK THE COMMISSION TO REVIEW THESE
2 MEASURES?

3

4 A. There were two reasons. First, as a consequence of the Settlement
5 Agreement with the Attorney General, BellSouth's results would no longer
6 be comparable to another telecommunications company in Florida. Second,
7 the telecommunications industry, technology and the manner in which
8 service was rendered had all changed substantially since the Commission
9 rules were originally written. BellSouth believed that the 1995 changes to
10 Chapter 364 Florida Statutes would prompt additional, substantial changes
11 in the way that service was provided to customers, and in customer
12 expectations. In such a changing environment, BellSouth believed that
13 service rules should be rewritten to reflect this new environment.

14

15 Q. WHAT HAPPENED TO DOCKET NO. 950778?

16

17 A. Two workshops were held to explore the alternatives to the current rules.
18 Unfortunately, due to the press of other issues and the rapid pace of
19 changes in our industry, the request languished at the Commission for four
20 years. This docket was closed in May, 1999, with the expectation that a
21 new docket would be opened immediately in order to recognize and review
22 issues surrounding the current rules and to consider issues related to
23 changes in our industry.

24

25 Q. WHAT TRANSPIRED IN THE INTERIM PERIOD (1996-1999)?

1

2 A. As stated above, the Commission opened Docket No. 950778 to address
3 BellSouth's petition regarding the service quality rules that were codified in
4 the late 1960's and early 1970's. During this period BellSouth continued to
5 report misses in the service objectives that it reported previously to the
6 Commission, providing explanations to the Commission for the misses. The
7 Commission on occasion sent questions or inquiries to the company
8 regarding its Quarterly Quality of Service reports and BellSouth always
9 responded. As a result of closing Docket No. 950778, the Commission
10 promised to open a new docket to address the service quality rules for all
11 ILECs. However, prior to the opening of a new service rule docket, the
12 Commission initiated a show cause proceeding against BellSouth for
13 violation of service standards on September 9, 1999. A new docket
14 (Docket No. 991473) to address the service quality rules for all ILECs was
15 opened on September 29, 1999.

16

17 Subsequently, a settlement of the show cause docket was proposed by the
18 Commission staff and accepted by the Commission (Order No. PSC-99-
19 2207-PAA-TL, issued November 11, 1999). However, on November 30,
20 1999 the Office of Public Counsel protested the Commission order.

21

22 Q. IS DOCKET NO. 991473 ADDRESSING CURRENT COMMISSION RULES
23 STILL PENDING?

24

25 A. Yes. While several workshops have been held in that docket, it appears

1 that the Commission has postponed further action until the conclusion of all
2 ILEC show cause activity for the current service rules.

3

4

5 Q. MR. POUCHER SUGGESTS ON PAGES 3-4 OF HIS DIRECT TESTIMONY
6 THAT BECAUSE OF PRICE REGULATION, BELLSOUTH CHOSE TO IGNORE
7 SERVICE. WHAT IS YOUR RESPONSE?

8

9 A. First, Mr. Poucher is wrong. He has no evidence to support such a
10 statement. Second, Mr. Poucher seems to have forgotten that price
11 regulation was only part of the change that took place. The local
12 telecommunications market was also opened to competition. In a
13 competitive marketplace, one cannot survive long with poor service. We
14 already have regulations that permit our competitors to use our services and
15 to discount our prices to customers. In addition, our competitors are not
16 held to the same service rules or reporting requirements. One of our few
17 competitive advantages is our reputation for good service. Obviously, Mr.
18 Poucher either does not understand the competitive world or has chosen to
19 ignore it.

20

21 Q. ON PAGE 9, LINE 1-6 OF HIS DIRECT TESTIMONY, MR. POUCHER STATES
22 THAT "FLORIDA TELEPHONE RATES ARE BASED ON THE ASSUMPTION
23 AND EXPECTATION THAT PRIMARY SERVICE WILL BE INSTALLED IN
24 THREE DAYS, THAT A SERVICE OUTAGE WILL BE REPAIRED IN 24
25 HOURS, AND THAT CUSTOMER CALLS WILL BE ANSWERED PROMPTLY.

1 IF THESE MEASUREMENTS WERE NOT IMPORTANT, THE PSC COULD
2 HAVE ESTABLISHED A LESSER STANDARD MANY, MANY YEARS AGO,
3 REDUCED THE EXPENSES OF THE COMPANIES AND REDUCED THE
4 PRICES CUSTOMERS WERE PAYING FOR BASIC SERVICE." DO
5 BELLSOUTH'S BASIC LOCAL SERVICE RATES TAKE INTO ACCOUNT THE
6 COSTS OF MEETING THE COMMISSION'S RULES REGARDING
7 INSTALLATION AND REPAIR?
8

9 A. No. The PSC rules were initially put into place in the late 1960's and
10 amended in the 1970's. BellSouth's basic local rates did not increase from
11 1977 through 2000. As a matter of fact, BellSouth's rates decreased in
12 1983 and 1987 due to the deregulation of telephone equipment and inside
13 wire maintenance, respectively. In addition, regulatory requirements, labor
14 costs and other factors have changed considerably since the late 1960s.
15

16 Q. DID THE COMMISSION REVIEW BELLSOUTH'S BASIC LOCAL RATES IN
17 FLORIDA DURING THE TIME PERIOD 1996-1999?
18

19 A. Yes. In its February 1999 report to the Legislature pursuant to Chapter 98-
20 277, Section (2)(l) and (2)(a), Laws of Florida, the Commission concluded
21 that an increase of up to \$5.00 of the current residential and single line
22 business rates would constitute a fair and reasonable rate. This conclusion
23 was based on four criteria set forth in the law: affordability, value of
24 service, rates in other states and cost of service. Based on the cost study
25 provided to the PSC, BellSouth's residential service is below cost by

1 approximately 60%, and BellSouth's single line business service exceeds
2 cost by only 18%. (Volume I, "Report on the Relationship of the Costs and
3 Charges of Various Services Provided By Local Exchange Companies and
4 Conclusions as to the Fair and Reasonable Florida Residential Basic Local
5 Telecommunications Service Rates")

6

7 Q. ON PAGES 18-19 OF HIS DIRECT TESTIMONY, MR. POUCHER CITES
8 LETTERS FROM MR. MULCAHY, SOUTH FLORIDA NETWORK VICE
9 PRESIDENT TO HIS SUPERVISOR AS EVIDENCE THAT HIGHER
10 MANAGEMENT CHOSE PROFITS OVER SERVICE DURING 1996-1999.
11 PLEASE COMMENT.

12

13 A. Mr. Poucher is incorrect in his assessment of the intent of Mr. Mulcahy's
14 letters. Mr. Mulcahy's letters were merely a recitation of the
15 accomplishments of his organization in 1998 and 1999. Mr. Mulcahy was
16 fully aware that the missed Commission objectives had been affected by the
17 measures I discussed earlier, as well as the weather situations that had
18 affected his area of responsibility. He was justifiably proud of the way his
19 team had handled the issues of budget, capital and hiring.

20

21 Q. ON PAGES 20-21 OF MR. POUCHER'S DIRECT TESTIMONY, HE CITES
22 BELL SOUTH'S PLAN FOR 1999 TO PROVIDE BETTER SERVICE FOR
23 BUSINESS CUSTOMERS THAN FOR RESIDENTIAL CUSTOMERS. PLEASE
24 COMMENT.

25

1 A. The "plan", as Mr. Poucher calls it, was a memo from Ralph de la Vega,
2 Vice President-Network Operations, stating that BellSouth needed to
3 improve its performance on the Commission's objectives. The memo set
4 forth what he saw as the guiding principles for performance. Those
5 principles conformed to the Commission's rules, and, in fact, in the case of
6 service affecting troubles, set an objective that exceeded the Commission
7 standards. While the memo set forth a faster standard for business, I am at
8 a loss to understand Mr. Poucher's horror at such a plan since the standards
9 for both residential and business customers were within the Commission's
10 objectives.

11

12 Q. ON PAGE 22 OF HIS DIRECT TESTIMONY, MR. POUCHER DISCUSSES THE
13 IMPLEMENTATION OF "94 DAYS OF HELL". WHAT WAS THAT?

14

15 A. During the latter part of 1999, BellSouth's region endured three major
16 hurricanes (Dennis, Floyd and Irene) plus two major tropical depressions.
17 North and South Carolina sustained major damage. Because of these
18 events, the resources of BellSouth were stretched extraordinarily thin. It
19 was imperative that we be exceptionally prudent in how we managed our
20 resources through this period. In an effort to be certain that all employees
21 understood the seriousness of our challenge, some staff person used this
22 rather dramatic term for our efforts. Corporations routinely use various
23 efforts to motivate their employees. There was nothing sinister about this
24 effort. In fact, during this period, Florida Network Operations actually
25 increased its overtime level by 8%.

1
2 **ANSWER TIME RULES**

3
4 **Issue 3.**

5 A) DURING THE PERIOD OF JANUARY 1996 THROUGH
6 DECEMBER 1999, WAS BELLSOUTH
7 TELECOMMUNICATIONS, INC. IN WILLFUL VIOLATION OF
8 RULE 25-4.073(1)(d), FLORIDA ADMINISTRATIVE CODE,
9 WHICH REQUIRES 85% OF ALL CALLS TO THE BUSINESS
10 OFFICE TO BE TRANSFERRED TO A LIVE ATTENDANT
11 WITHIN 55 SECONDS WHEN UTILIZING A MENU DRIVEN,
12 AUTOMATED, INTERACTIVE ANSWERING SYSTEM?

13 (B) IF SO, HOW MANY VIOLATIONS WERE THERE, IF ANY,
14 AND WHAT IS THE APPROPRIATE ACTION, PENALTY,
15 AND/OR FINE AMOUNT TO BE IMPOSED BY THE
16 COMMISSION FOR ANY VIOLATIONS?

17 (C) IN DETERMINING THE APPROPRIATE ACTION TO BE
18 TAKEN, IF ANY, FOR VIOLATION OF A SERVICE RULE,
19 WHAT FACTORS IN MITIGATION OR AGGRAVATION, IF
20 ANY, SHOULD BE CONSIDERED?

21 **Issue 4.**

22 (A) DURING THE PERIOD OF JANUARY 1996 THROUGH
23 DECEMBER 1999, WAS BELLSOUTH
24 TELECOMMUNICATIONS, INC. IN WILLFUL VIOLATION OF
25 RULE 25-4.073(1)(d), FLORIDA ADMINISTRATIVE CODE,
WHICH REQUIRES 95% OF ALL CALLS TO REPAIR SERVICES

1 TO BE TRANSFERRED TO A LIVE ATTENDANT WITHIN 55
2 SECONDS WHEN UTILIZING A MENU DRIVEN, AUTOMATED,
3 INTERACTIVE ANSWERING SYSTEM?
4 (B) IF SO, HOW MANY VIOLATIONS WERE THERE, IF ANY,
5 AND WHAT IS THE APPROPRIATE ACTION, PENALTY,
6 AND/OR FINE AMOUNT TO BE IMPOSED BY THE
7 COMMISSION FOR ANY VIOLATIONS?
8 (C) IN DETERMINING THE APPROPRIATE ACTION TO BE
9 TAKEN, IF ANY, FOR VIOLATION OF A SERVICE RULE,
10 WHAT FACTORS IN MITIGATION OR AGGRAVATION, IF
11 ANY, SHOULD BE CONSIDERED?

12
13 Q. HOW ARE THE CONSUMER AND SMALL BUSINESS DIVISIONS ORGANIZED
14 IN BELLSOUTH?

15
16 A. Consumer and Small Business Services are major divisions within BellSouth.
17 They provide a wide array of services to residential and small business
18 customers including landlines, wireless services, pagers and local long
19 distance. These services include, but are not limited to, requests for the
20 installation of local service; requests to add, delete, or change products and
21 services; requests for payment arrangements; and answering billing
22 questions or resolving billing disputes. Effective July of 1999, the Small
23 Business Services Division assumed responsibility for the call receipt of
24 Small Business repair requests. As part of this responsibility, Small
25 Business service representatives input repair requests and complete several

1 preliminary tests with the customer on the line. Small Business customers
2 are typically those who require no more than seven lines and installation of
3 the service does not require complex provisioning or special handling.
4

5 Q. WHAT IS THE ANSWER TIME RULE FOR THE BUSINESS OFFICE AND THE
6 REPAIR OFFICE?
7

8 A. As stated in Section 25-4.073 of the Rules of the Florida Public Service
9 Commission, 95% of calls to the Business Office, when a menu driven,
10 automated system is used, must be answered within 15 seconds; 85% of
11 all calls must be answered by a live attendant within 55 seconds after the
12 last digit is dialed. For the Repair Office, 95% of all calls must be answered
13 within 15 seconds by a menu driven, automated system and 95% of all
14 calls must be answered within 55 seconds by a live attendant.
15

16 Q. WHAT IS A MENU DRIVEN, AUTOMATED SYSTEM AND HOW DOES
17 IT ASSIST CUSTOMERS IN HAVING THEIR CALLS HANDLED
18 EFFICIENTLY?
19

20 A. BellSouth's menu driven, automated system, also known as an IVR
21 (Interactive Voice Response) or call screener, helps customers narrow the
22 nature of their requests and directs their calls to the appropriate service
23 representative group within the organization. For example, in both divisions,
24 customers are provided the option of having their calls handled by a
25 multilingual center.

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Additionally, residential customers are provided the option of interacting with BellSouth's automated RightTouch® system. RightTouch® offers customers a number of options such as checking bill balance, adding services, disconnecting or suspending service, ordering calling cards and directories, changing pin codes, ordering long distance block, etc. and is available 24 hours a day, 7 days a week.

Q. HOW IMPORTANT ARE THE ANSWER TIME RULES AS THEY RELATE TO PROVIDING GOOD CUSTOMER SERVICE?

A. The 1996 study done by Elrick and Lavidge indicates that answer time did not have a significant impact on the level of customer satisfaction. (Exhibit J. Lacher-3)

Q. HOW DID BELL SOUTH DETERMINE THAT IT WAS MEETING CUSTOMER EXPECTATIONS?

A. First, BellSouth won the J.D. Power Award for customer satisfaction in 1996, 1997, 1998 and tied in 1999. Second, BellSouth was recognized by the Yankee Group in 1996 and 1997 as the local carrier most deserving of its customers' loyalty. Third, BellSouth scored highest in the 1996 and 1997 American Customer Satisfaction Survey, as reported in Fortune Magazine (a national survey conducted by the University of Michigan Business School and the American Society for Quality Control). Fourth, a

1 great deal of attention was focused on answer time performance, with
2 emphasis placed on efficient call-handling and "talk time" in order to meet
3 answer time requirements.

4

5 Q. HOW SPECIFICALLY WAS THIS DONE?

6

7 A. Before 1998, in Consumer Services, all managers in the field received
8 reports on access conditions hourly, via voice mail. Beginning in 1998, all
9 managers were provided with interactive pagers. Every hour, on the hour, all
10 directors, managers and assistant managers received current data on
11 abandonment rates and number of customers in queue. When conditions in
12 any one group warranted, call volumes were shifted to another unit within
13 the organization. Managers in the unit where the condition occurred were
14 contacted individually to determine root causes and implement corrective
15 action.

16

17 In Small Business, Service Representatives had an opportunity to earn
18 incentive pay for their customer service results, based on customer
19 feedback. Service Representatives received direct feedback each month on
20 their performance, and coaching and development plans were put into place
21 to improve weak areas. Managers observed and monitored their progress as
22 part of the plan. Managers also received a monthly report of their team
23 results, and were measured on that performance as part of their annual
24 appraisal results. Therefore, any deterioration in customer satisfaction had a
25 direct and dual impact on managers' salary and bonus.

1

2 Q. HAS BELLSOUTH CONSISTENTLY MET ANY PORTION OF THESE RULES
3 FOR THE PERIOD OF 1996-99?

4

5 A. BellSouth has consistently met the portion of the rules that require a
6 company that uses an automated attendant to answer 95% of all customer
7 calls in 15 seconds. In Small Business, early misses of this rule in 1997
8 were attributed to equipment problems. Once the equipment was replaced,
9 Small Business has not missed this requirement since November 1997.
10 BellSouth compliance with this portion of the rule is seen in its Quarterly
11 Quality of Service Reports on file with the Commission.

12

13 Q. WHERE HAVE MISSES TO THE RULE BY BELLSOUTH OCCURRED?

14

15 A. The Consumer and Small Business misses center around the requirement for
16 85% of calls to the residence and Small Business office to be answered in
17 55 seconds or less. The 55 second requirement includes the initial 15
18 seconds to reach the automated system, so in reality, only 40 seconds are
19 available to answer the call once the customer has made a selection from
20 the menu. In Consumer and Small Business Repair, the misses center around
21 the requirement that 95% of all calls must be answered within 55 seconds
22 by a live attendant.

23

24 Q. WHAT FACTORS CONTRIBUTED TO BELLSOUTH REPORTING MISSES IN
25 THE ANSWER TIME RULE BETWEEN 1996-1999?

1

2 A. A number of factors have impacted our results. They include changes to
3 the nature and duration of customer contacts due to new regulatory
4 requirements, changes in the market place, demographics, reporting
5 procedures, and other exogenous factors. It is also fair to say that
6 unprecedented growth in call volumes and staffing challenges also impacted
7 our service results.

8

9 Q. COULD YOU ELABORATE ON SOME OF THESE CHANGES?

10

11 A. Yes. In Mr. Poucher's testimony, he suggests that the cost of meeting
12 these service rules was imbedded in our rates when we were under rate of
13 return regulation. That, however, suggests a static world. As anyone
14 vaguely familiar with the telecommunications world knows, our industry is
15 not static. The changes that have racked this industry also have had real
16 and specific changes to both the length and nature of a customer contact.
17 These regulatory changes include:

- 18 1) Customer Proprietary Network Information ("CPNI") - The
19 company is obligated to obtain a customer's approval before
20 certain service records are accessed. To explain to a
21 customer why we need his approval to review records we
22 already have and to gain the customer's concurrence, extends
23 the length of the call.
- 24 2) Third Party Verification - In 1999, Third Party verification
25 became a requirement for customers who want to switch their

1 local service to BellSouth, who want to make changes to their
2 designated long distance carriers, or who want to freeze their
3 local service, local toll service, or long distance carrier
4 selection. Customers are asked a list of ten questions; if the
5 appropriate answers are not received, the customer request
6 cannot be processed. The intent of Third Party Verification is
7 to prevent slamming. Additionally, a caller can experience
8 extended calls if he/she is a member of the telephone
9 subscriber's household, but not the party who originally made
10 the arrangements for service and is not familiar with any
11 passwords or other security conditions set up by the original
12 caller. Calls such as this last one often require a second call
13 from the authorized subscriber. Once again, this affects the
14 length of the call.

15 3. Disclosure Procedures - Per FPSC Rule 25-4.107, certain
16 disclosures must be made to every new customer. The
17 service representative is required to list all services that are
18 available to the customers including Preferred Interexchange
19 Carrier ("PIC") and Local Preferred Interexchange Carrier
20 ("LPIC"). These are the choices a customer must make for
21 carriers to carry their long distance and local long distance
22 calls.

23

24 In addition, the changes in the demographics of our customer base have
25 resulted in an expansion of BellSouth's multilingual center. In Consumer,

1 we now speak to customers in Spanish, Portuguese, French, Creole,
2 Cantonese, Russian and Italian. All of these contacts take longer. Not all
3 customers from other cultures choose to speak to our service
4 representatives in the multi-lingual gates. Many speak to service
5 representatives in our traditional service representative gates. Because of
6 the culture differences, these contacts take extended periods of time.

7
8 Q. COULD YOU DESCRIBE SOME OF THE OTHER FACTORS THAT HAVE
9 INFLUENCED THE LENGTH AND COMPLEXITY OF THE CALLS?

10

11 A. Yes. With the advent of competition, we receive a whole new category of
12 calls: cramming and slamming. This Commission is very familiar with the
13 problems created by cramming and slamming. Since BellSouth is the
14 incumbent local exchange company, we are considered to be the *carrier of*
15 *first resort* when customers encounter problems with their bills, toll charges,
16 etc. Our representatives spend thousands of hours per year helping these
17 customers. With the advent of competition, come shoppers comparing
18 competitive offers. Then there are the customers who have some problem
19 with their new provider and want us to "fix it" whatever "it" is. Frequently
20 getting customers to understand that we are in no position, nor should we
21 be, to interject ourselves into their dealings with a competitor, is a time
22 consuming task.

23

24 Q. COULD YOU ELABORATE ON THE REPORTING PROCEDURE ISSUES YOU
25 CITED?

1

2 A. Yes. As I indicated earlier, BellSouth made enormous efforts during this
3 period to ensure that it was reporting its results accurately. Consequently,
4 the most conservative judgment of the data was consistently used.

5 Two examples will illustrate this approach:

6 1) For a while during this period, the Small Business
7 management report system gave metrics on answer time
8 results in 20-second increments. We used the 40-second
9 meter resulting in a 15-second penalty on our results.

10 2) We kept our Consumer office open 24 hours a day, 7 days a
11 week for some period. We made test calls on answer time at
12 all hours and on Sundays. The result of these and other similar
13 administrative actions means that our reported results tended
14 to be on the conservative side.

15

16 Q. HOW DID BELL SOUTH PERFORM IN THE PERIODIC SERVICE
17 EVALUATIONS CONDUCTED BY THE FPSC?

18

19 A. BellSouth consistently met the answer time rules on the evaluation test
20 calls.

21

22 Q. ARE THERE OTHER FACTORS?

23

24 A. Yes. The unprecedented population growth this state has experienced not
25 only has impacted our staffing, but has also resulted in the necessity of

1 numerous new area codes to meet the demands of customer
2 communications services. The rapid increase in the number of area codes
3 has resulted in customer questions. In addition, every new marketing
4 campaign either by a long distance provider, or local service provider,
5 generates calls to our Service Representatives. All of these things impact
6 the nature and length of a contact.

7

8 Q. YOU HAVE LISTED A NUMBER OF FACTORS THAT RELATE TO THE
9 LENGTH AND VOLUME OF CALLS TO BELLSOUTH. YOU ALSO
10 MENTIONED THE UNPRECEDENTED POPULATION GROWTH IN THE STATE
11 DURING THIS PERIOD. WHAT IMPACT DID THIS HAVE ON CALL
12 VOLUMES?

13

14 A. The total call volumes were:

15	1996	18,788,096 (Consumer only)
16	1997	21,789,808
17	1998	21,905,508
18	1999	23,815,580

19

20 Q. YOU ALSO MENTIONED THE IMPACT OF STAFFING ON YOUR ACCESS
21 PERFORMANCE. PLEASE ELABORATE.

22

23 A. The strong economy not only made it more difficult to find qualified
24 candidates, it also offered opportunities for our employees to consider other
25 jobs. This increased the attrition rate and delayed the back filling of losses.

1 It takes about six months after the completion of training for a Consumer
2 Service Representative to become fully proficient in this role. For Small
3 Business Services, it takes about nine months, after completion of training.
4 The job is extremely complex, and the job duties are extremely diverse due
5 to the nature of the calls received and the fast paced changes in the
6 industry.

7
8 BellSouth encounters a situation that we describe as
9 "The Service Representative Funnel." For every 100 applicants, 50
10 applicants pass the general qualification test (Level I). Fourteen out of those
11 50 pass the secondary set of testing (Level II) and the selection interview.
12 Twelve to 13 of those 14 applicants pass the drug/security check. Eleven
13 to 12 applicants accept the job offer after being given the Realistic Job
14 Preview. Only six to seven of those employees are still on the job six
15 months later.

16
17 Q. WHAT STANDARDS ARE IN PLACE AT BELL SOUTH FOR THE HIRING OF
18 CUSTOMER CONTACT PERSONNEL?

19
20 A. BellSouth utilizes aggressive ad campaigns, Internet postings, job fairs, and
21 partnerships with high schools and colleges across the state of Florida to
22 identify qualified candidates for testing for a variety of positions. To qualify
23 for a Service Representative position, a candidate must pass at Level II of
24 the General Qualifications Test (GQT). The GQT is a general aptitude test
25 designed to test quantitative and verbal reasoning and visual speed and

1 accuracy with names and numbers. However, only 14 out of 100
2 prospective employees are able to pass the GQT at Level II. Then, the
3 candidate must pass the Customer Contact Telephone Assessment test
4 that helps determine success as a service representative dealing with
5 customers. Next, a telephone interview is administered, and a background
6 check and drug test are ordered. The last step is to arrange for an on site
7 visit, called a Realistic Job Preview, and final interview so that the
8 prospective employee can view the call center environment and have a
9 better understanding of the expectations of BellSouth and how those
10 expectations, and subsequent results will be measured.

11

12 Q. WHAT TRAINING DOES A NEW SERVICE REPRESENTATIVE RECEIVE TO
13 PERFORM THIS JOB?

14

15 A. BellSouth provides about 10 weeks of initial training for Small Business
16 Service Representatives, and 6 weeks of initial training for Consumer
17 Service Representatives. First, new employees are introduced to the
18 company practices, ethics and policies, and the competitive
19 telecommunications environment overall. Next, they learn customer contact
20 skills, customer service skills, how to handle all stages of a call,
21 organizational skills and time management. System skills are taught
22 throughout the process to ensure the Service Representative can efficiently
23 handle a customer request to completion. Students learn how to negotiate
24 with other departments, and the referral process to meet customer
25 commitments.

1 They are taught the importance of customer service from all aspects of the
2 contact. Once the initial training period is completed, BellSouth has an
3 extensive continuation training program that provides an average of two to
4 three weeks of additional training annually to each employee. We do this to
5 ensure employees know about changes to processes and regulations to
6 ensure they have access to the best and most current information available
7 to satisfy customer needs, improve customer care and follow regulatory
8 requirements, such as Customer Proprietary Network Information ("CPNI")
9 rules and FCC mandates or rule changes.
10

11 Q. WHAT WERE THE ACTUAL NUMBER OF CUSTOMER CONTACT
12 EMPLOYEES ADDED TO THE PAYROLL AND THE ATTRITION RATE FOR
13 THIS PERIOD?
14

15 A. The following are the actual number of customer contact employees added
16 to the payroll for the period and the attrition:
17

	Total Added (New Hires & Transfers)	EOY	Attrition (Transfers & Separations)
1996	Not Tracked	2,312	Not Tracked
1997	618	2,345	694
1998	1,428	2,648	1,114
1999	1,364	2,905	1,071

24
25 Q. WHAT OTHER STEPS DID BELL SOUTH TAKE TO ADDRESS THE STAFFING

1 ISSUES?

2

3 A. In addition to an aggressive recruiting program utilizing ad campaigns,
4 Internet postings, job fairs and partnerships with local high schools and
5 colleges across the state, BellSouth employed temporary workers to answer
6 the phones and help fill in for permanent employees. Consumer also made
7 extensive use of overtime.

8

9 Q. COULD YOU ELABORATE ON THE USE OF OVERTIME?

10

11 A. Yes. In Consumer we worked overtime hours. In many cases, during
12 periods where call volumes were heavy, we worked mandatory overtime.
13 Overtime hours for the period were as follows:

14		Business Office	Repair
15	1996	N/A	N/A
16	1997	327,842	22,948
17	1998	457,138	57,313
18	1999	143,122	39,044

19 Depending on the number of hours and days worked, this could mean a 1 ½
20 to 2 ½ times increase in the hourly wage paid to an employee for overtime
21 hours worked.

22

23 Q. WAS MANAGEMENT NOT CONCERNED ABOUT THE IMPACT THE MISSES
24 WOULD HAVE ON CUSTOMER SERVICE?

25

1 A. The entire team was very concerned about the misses. However, during this
2 same period, Consumer received the J. D. Power award for Customer
3 Service for four years in a row. The survey is nationally recognized as a tool
4 for measuring customer satisfaction and is used by a wide variety of
5 companies in different industries. Consumer felt that the survey results were
6 a strong indicator of how our customers felt about the quality of service we
7 provided.

8

9 Q. YOU ALSO MENTIONED THAT ACTS OF GOD CONTRIBUTED TO
10 BELL SOUTH'S MISSES OF THE COMMISSION'S ANSWERTIME RULES.
11 PLEASE EXPLAIN.

12

13 A. South Florida and the Panhandle were impacted by a number of
14 hurricanes and tropical storms. The following tropical storms and hurricanes
15 impacted our service performance during 1996-1999:

16	1996	TS	Josephine	10/18	NF
17	1997	H	Danny	7/20	
18	1998	H	Earl	9/3	
19		H	Georges	9/25	Florida Keys
20		TS	Midge	10/5	
21	1999	TS	Harvey	9/25	
22		H	Irene	10/15	SF

23

24 Central Florida had tornadoes severe enough to cause fatalities, and during
25 1999, severe fires raged along the I-95 corridor from the southeast to North

1 Florida. These events drove families from their homes and resulted in
2 increased call volumes to the Business Office, as well as Repair. In many of
3 these cases, our employees were also affected, and calls had to be routed
4 to other Florida business offices that could safely remain open.

5

6 Q. IN ADDITION TO THE J. D. POWER AWARD, THE YANKEE GROUP
7 RECOGNITION, AND THE SURVEY CONDUCTED BY THE UNIVERSITY OF
8 MICHIGAN AND THE AMERICAN SOCIETY FOR QUALITY CONTROL, WERE
9 THERE ANY OTHER INDICATORS OF HOW NOT MEETING THE ANSWER
10 TIME RULES WAS AFFECTING CUSTOMERS?

11

12 A. Another measurement that was looked at closely during 1996-99 was the
13 number of customer complaints about answer time lodged with our PSC
14 group per 1,000 access lines. That number was equivalent to .003
15 complaints per 1,000 access lines or just 21 complaints for all of 1999.
16 Twenty-one complaints out of 23 million calls did not indicate to BellSouth
17 that answer time was a major factor in customer satisfaction.

18

19 Q. HOW DOES BELL SOUTH'S PERFORMANCE COMPARE TO GTE AND
20 SPRINT?

21

22 A. It is impossible to make an accurate comparison given the significant
23 differences in the volume of business, in the size of area served, the number
24 of exchanges and the number of employees. A significant differentiator is
25 the large Multilingual Center operated by BellSouth to address the diversity

1 of its customer base. Industry information, as well as our own operational
2 data, indicates that calls in languages other than English take longer to
3 complete, primarily due to cultural and regional differences in our customer
4 base. It should also be noted that unlike other companies, BellSouth did not
5 use "choke" technology to deal with peak volume conditions. This is
6 technology that allows companies to provide an audio message when busy
7 conditions exists and then cuts the customer call off, thereby not offering
8 the customer an option of waiting on the line for a service representative to
9 become available. BellSouth customers were always given the option to
10 wait on the line for a representative.

11

12 Q. WAS BELLSOUTH'S FAILURE TO MEET THE COMMISSION'S
13 ANSWER TIME RULES INTENTIONAL?

14

15 A. No. As I have indicated in my testimony, BellSouth took extraordinary steps
16 to meet the rules. In spite of our best efforts we fell short but it was
17 absolutely not willful.

18

19 Q. HOW WOULD YOU DESCRIBE BELLSOUTH'S SERVICE OVER THE PERIOD
20 IN QUESTION?

21

22 A. BellSouth's service has been generally good and perceived as such by our
23 customers. As mentioned above, there have been periods where we have
24 struggled, with answer time and installation and repair intervals, but taken
25 as a whole I would describe our service as very good.

1

2 Q. IF YOUR SERVICE HAS BEEN SATISFACTORY, WHY DID YOU OFFER A
3 SETTLEMENT PROPOSAL TO THE COMMISSION STAFF?

4

5 A. There are two reasons why BellSouth offered a settlement proposal to the
6 staff. First, our service was not perfect. As described above, BellSouth had
7 some problems with access and installation. While we disagreed with the
8 Staff on the decision to file a show cause, it is fair to say that they made a
9 reasonable good faith judgment call. Second, with the dramatic change in
10 the telecommunications industry over the last four years, BellSouth believed
11 it would be more productive and was more important to settle the show
12 cause and move on. The more time we spent debating old rules, the longer
13 the delay in acquiring new rules that better reflect this dynamic industry.

14

15 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

16

17 A. Yes.

18

19

20 PC Docs 246844

21

22

23

24

25

Exhibit No. 1

Attorney General Settlement Agreement

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the "Settlement Agreement") is entered into on this 9th day of October, 1992, between BellSouth Telecommunications, Inc., successor to Southern Bell Telephone and Telegraph Company (hereinafter "Southern Bell," which term whenever used herein shall mean BellSouth Telecommunications, Inc., its predecessor, Southern Bell Telephone and Telegraph Company, and their successors and assigns) and the Statewide Prosecutor and the Office of Statewide Prosecution (hereinafter collectively the "Office").

W I T N E S S E T H:

WHEREAS, the Office commenced an investigation regarding Southern Bell's reporting of trouble and repair information to the Florida Public Service Commission; the credits given by Southern Bell for service interruptions greater than twenty-four (24) hours; the sale, billing and provision of certain optional services through Southern Bell's Network Sales Program, allegedly not ordered by certain Southern Bell subscribers; and the alleged wrongful conduct of Southern Bell related to the Touchtone/Custom Calling Service reconciliation program conducted by Southern Bell in 1990 and 1991 (the "Reconciliation Program");

WHEREAS, Southern Bell denies that it engaged in conduct alleged to be in violation of any state law, denies that it engaged in any fraud in the State of Florida, denies that it improperly withheld credits to subscribers with an out of service condition in excess of twenty-four (24) hours, such credits being

required by Section 25.4.110(2), Florida Administrative Code, and denies that it inaccurately reported information to the Public Service Commission in violation of Sections 25-4.0185 and 25-4.070, denies that it improperly sold, billed or provided optional services through its network sales program, and denies that it engaged in any improper conduct with respect to the Reconciliation Program, and does not intend to engage in any such conduct; and

WHEREAS, Southern Bell and the Office desire to conclude the Investigation and the claims which were investigated in the Investigation (as defined in paragraph 1 below);

NOW, THEREFORE, in consideration of the premises and the mutual promises, agreements and covenants contained herein, including, but not limited to, the Review Program as described in Exhibit "C" and the payment of the restitution described in paragraphs 3, 4 and 5 below, the parties hereto stipulate and agree as follows:

1.

As used herein, the term "Investigation" shall mean the Office of Statewide Prosecution investigative case No. SWP 91-000007-NFB which was opened in March 1991. The Investigation is limited to the alleged failure of Southern Bell to properly report trouble and repair information to the Public Service Commission, and Southern Bell's alleged failure to properly provide credits for service interruptions greater than twenty-four (24) hours; matters concerning the sale, billing and provision of certain optional services through Southern Bell's Network Sales

Program in 1987, 1988, 1989, 1990 and 1991, allegedly not ordered by certain Southern Bell subscribers (not including the inside wire maintenance reconciliation program conducted in 1990 and 1991); and the alleged wrongful conduct of Southern Bell related to the Reconciliation Program.

2.

It is expressly understood and agreed between the parties that this Settlement Agreement is made in compromise of disputed claims. This Settlement Agreement and the restitution payments and releases provided hereunder are not and shall not be construed as an admission of liability or an acknowledgment of the validity of any claims which were investigated by the Office against Southern Bell arising out of the Investigation. Southern Bell hereby expressly denies any liability to the Office or any other person. Southern Bell hereby also expressly denies the claims and allegations asserted against Southern Bell by the Office or any other person.

3.

Southern Bell shall pay Three Million Five Thousand Dollars (\$3,005,000) in restitution, in pro rata amounts, to those Southern Bell subscribers identified by Southern Bell who reported one or more out of service interruptions during the period January 1, 1985 to June 30, 1991 (the "Out-of-Service Subscribers"). Southern Bell shall, within ten (10) days of the execution of this Settlement Agreement, deposit the above Three Million Five Thousand Dollars (\$3,005,000) (the "Out-of-Service Payment") into a separate interest bearing account from which it

can make credits and/or refunds to Out-of-Service Subscribers. The Out-of-Service Payment shall be credited to the accounts of or refunded by check to current Out-of-Service Subscribers and refunded by check to former Out-of-Service Subscribers by Southern Bell in equal pro rata amounts within sixty (60) days of the execution of this Settlement Agreement. Southern Bell may not deduct from any refund to any former subscriber any amount which is or was shown as a balance due on that account. Any person who is entitled to a distribution but who did not receive one initially, who requests a distribution during the five (5) year period following the date of this Settlement Agreement, shall be paid out of said account. Any of these disputed funds that remain in said account after this five (5) year period, and all interest accrued on the Out-of-Service Payment, shall be paid to the State of Florida, which payment shall be in full and complete satisfaction of any and all claims by the State of Florida to these funds. "Out-of-Service" for the purpose of this paragraph shall mean that the subscriber's telephone number had no dial tone, could not be called, or could not call out and that the receipt to close time for such service interruption or "trouble" was greater than twenty-four (24) hours.

4.

Southern Bell shall pay as restitution the amount of Ten Million Five Hundred Thousand Dollars (\$10,500,000) (the "Network Sales Payment") to those subscribers who have been or were subscribed to certain optional services by network employees of Southern Bell as part of its Network Sales Program during 1987,

1988, 1989, 1990 and 1991, and who have not previously received a credit or refund payment. Southern Bell shall, within ten (10) days of the execution of this Settlement Agreement, deposit into a separate interest bearing account the above Ten Million Five Hundred Thousand Dollars (\$10,500,000) from which it may make the credits and/or refunds described in this paragraph. Within sixty (60) days of the execution of this Settlement Agreement, the Network Sales Payment shall, on a pro rata basis, be credited to the account of or refunded by check to each current subscriber and refunded by check to each former subscriber, listed on Exhibit "A," who Southern Bell has identified as having been subscribed to certain optional services by Southern Bell as part of its Network Sales Program during 1987, 1988, 1989, 1990 and 1991, and who has not previously received a credit or refund payment. Southern Bell shall not deduct from any refund to any former subscriber any amount which is or was shown as a balance due on that account. Southern Bell will pay restitution to those current or former Southern Bell subscribers listed on Exhibit "A." Any person who is entitled to a distribution but who did not receive one initially, who requests a distribution during the five (5) year period following the date of this Settlement Agreement, shall be paid out of said account. Any of these disputed funds that remain in said account after this five (5) year period, and all interest accrued on the Network Sales Payment, shall be paid to the State of Florida, which payment shall be in full and complete satisfaction of any and all claims by the State of Florida to these funds.

Southern Bell shall make an additional effort to identify former subscribers not listed on Exhibit "A" who had one or more optional services placed on their telephone by a Network Sales employee during the Network Sales program in 1987, 1988, 1989, 1990, and 1991. Southern Bell will seek to find the present address of these former subscribers. Southern Bell will make full refunds, plus interest, to those former subscribers it locates who paid for one or more optional services to which they were subscribed by a Network employee, but which the subscribers indicate they did not order. The letter from the Office attached as Exhibit "D" and the letter from Southern Bell attached as Exhibit "E" shall be sent to these former subscribers who receive a refund check.

5.

Within ten (10) days of the execution of this Settlement Agreement, Southern Bell shall pay a maximum of One Million Six Hundred Seventy-Seven Thousand Six Hundred Ninety-One Dollars and Sixty-Two Cents (\$1,677,691.62), as reflected in Exhibit "B," into a separate interest bearing account as additional restitution for the benefit of those current and former subscribers, listed on Exhibit "B," identified during the Reconciliation Program as having been double-billed or over-billed for certain optional services and who received previously only partial restitution; provided, however, the amount to be deposited to this account will be increased to the extent that Southern Bell identifies through the Reconciliation Program additional subscribers as having been double-billed or over-billed for certain optional services and who

received previously only partial restitution. Southern Bell will, within sixty (60) days of the execution of this Settlement Agreement, make restitution to those subscribers listed on Exhibit "B" in the amounts listed in Exhibit "B." Restitution payments to which subscribers are entitled pursuant to this paragraph shall be credited to the account of or refunded by check to current subscribers and refunded by check to former subscribers. Southern Bell may not deduct from any refund to any former subscriber any amount which is or was shown as a balance due on that account. Any person who is entitled to a distribution but who did not receive one initially, who requests a distribution during the five (5) year period following the date of this Settlement Agreement, shall be paid out of said account. Any of these disputed funds that remain in said account after this five (5) year period, and all interest accrued on this account, shall be paid to the State of Florida, which payment shall be in full and complete satisfaction of any and all claims by the State of Florida to these funds.

6.

Refunds sent by Southern Bell pursuant to paragraphs 4 and 5 of this Settlement Agreement shall be sent by First Class Mail. Each refund sent pursuant to paragraph 4 will be accompanied by the letter from the Office attached as Exhibit "F" and the letter from Southern Bell attached as Exhibit "G." Each refund sent pursuant to paragraph 5 shall be accompanied by the letter from the Office attached as Exhibit "H" and the letter from Southern Bell attached as Exhibit "I." The bill containing the credits

applied to subscriber accounts pursuant to paragraph 3 shall be accompanied by the letter attached as Exhibit "J." Refunds sent to subscribers pursuant to paragraph 3 shall be accompanied by the letter attached as Exhibit "K."

7.

Southern Bell shall pay to the Office the amount of Seven Hundred Sixty-Seven Thousand, Eight Hundred Ninety-Six Dollars and Twenty-Six Cents (\$767,896.26), in full payment of the costs and expenses incurred in connection with the Investigation. This payment shall be made within ten (10) days of the execution of this Settlement Agreement, by depositing it into the Office's Grants and Donations Trust Fund, for distribution as follows:

Office of Statewide Prosecution:	\$ 21,286.43
Department of Legal Affairs Revolving Trust Fund:	\$697,771.08
Florida Department of Law Enforcement:	\$ 48,838.75

Within ten (10) days of the execution of this Settlement Agreement, Southern Bell shall deposit the amount of Two Hundred Twenty-Five Thousand Dollars (\$225,000) into an interest-bearing account, controlled by the Office. This account shall be maintained and used by the Office during the Review Period to monitor compliance with the Review Program. Also within ten (10) days of the execution of the Settlement Agreement, Southern Bell shall deposit Four Hundred Forty-Seven Thousand, Eight Hundred Seventy Dollars and Thirty Cents (\$447,870.30) into an interest bearing account, controlled by the Office. Any additional fees, costs or expenses incurred by the Office, the State of Florida or

local governments in Florida, in connection with the Investigation, monitoring of the Review Program, or enforcement of this Agreement shall be paid by the Office to such agency or agencies out of this account at the discretion of the Statewide Prosecutor. The account shall be maintained until the conclusion of the Review Period. All funds remaining in the account at the end of the Review Period shall revert to the State of Florida's General Revenue Fund, unallocated, which payment shall be in full and complete satisfaction of any and all claims by the State of Florida to these funds.

8.

Southern Bell will fully cooperate with the Office in the Investigation as it may continue with respect to individuals, including the production of any documents in Southern Bell's possession, custody and control or witnesses requested by the Office. If the documents or information requested are protected by the attorney-client or work product privilege, then Southern Bell will provide all information necessary and all assistance needed to disclose the documents or information sought to the extent possible without waiving any such privileges. Non-compliance with this provision shall constitute a breach of this Settlement Agreement, and the Statewide Prosecutor may exercise the rights of the Office hereunder consistent with paragraph 18 below.

9.

KPMG Peat Marwick (hereinafter "The Accounting Firm") shall perform the work described in paragraph 10 herein, in

accordance with the terms of an agreement to be entered into between counsel for Southern Bell and The Accounting Firm (the "Accounting Agreement"), which is subject to the approval of the Office.

10.

Southern Bell will implement all of the systems, operations, ethics, sales incentive and sales programs described in Exhibit "C" (the "Review Program") by the specific implementation dates set forth in this program. The Review Program is fully incorporated herein as a term of this Settlement Agreement. For a period of three (3) years beginning on the date this Settlement Agreement is executed (the "Review Period"), The Accounting Firm will conduct semi-annual audits to determine whether Southern Bell is complying with all of the obligations and programs set forth in the Review Program. Non-compliance with the provisions of the Review Program shall constitute a breach of the Settlement Agreement, and the Statewide Prosecutor may exercise the rights of the Office hereunder consistent with paragraph 18 below.

11.

Southern Bell agrees it will not engage in a practice of falsifying information required by the Florida Administrative Code to be reported to the Florida Public Service Commission, in a practice of causing Florida subscribers to be billed for services that the subscribers did not order, or in a practice of causing Florida subscribers to receive a credit or refund that is less than that to which subscribers are entitled. During the Review Period, if Southern Bell (which for the remaining portion of this

paragraph 11 shall mean Installation and Maintenance Center managers, and district managers (paygrade 6), or higher level managers) discovers that any of its employees have engaged or are engaging in the practices described above, Southern Bell will identify such employees and such practices to the Office. Any information given to the Office pursuant to this paragraph shall not be used in any civil action by the Office or as the basis for any criminal action against Southern Bell, or its subsidiary, affiliate, or parent companies, and any information delivered pursuant to this paragraph shall, until the Review Period expires, be treated in accordance with Florida Statute § 119 as information obtained during the course of a criminal investigation. Provided, however, that any information derived therefrom may be used as the basis for a criminal action consistent with the provisions of paragraph 18. Southern Bell reserves the right to discipline any employee for any actionable conduct in which an employee engages, provided, however, that employees or former employees shall not be disciplined or terminated in whole or in part at any time, for their testimony, whether voluntary or compelled, or for the fact of their cooperation with the Office; with any other State of Florida agency involved in the investigation, unless such employee violated written company policy or knowingly gave false material information during the course of such cooperation.

12.

The Office will not institute, assert, or maintain any civil action, claim, cause of action, obligation, liability or demand for punitive relief, exemplary or treble damages, claim of relief

or demand whatsoever, in law or in equity, against Southern Bell or its parent, affiliate, and subsidiary companies, their officers, directors, employees, agents, representatives, attorneys, and their heirs, successors, and assigns, which previously were asserted or maintained, which could have been asserted or maintained or which could in the future be asserted or maintained against Southern Bell in any civil investigation, action or other proceeding based on conduct addressed in, directly arising out of, directly related to, or directly connected with the Investigation.

13.

The Office will not take or cause another to take any grand jury or other criminal action against Southern Bell or BellSouth Telecommunications, Inc., their parent, affiliates, or subsidiary companies, or their successors, and assigns, as a corporate entity or entities based on matters addressed in the Investigation, so long as Southern Bell does not breach the Settlement Agreement. Nothing in this paragraph shall be construed to prevent the Office from taking any criminal action against individual officers, directors, managers or agents of Southern Bell, or of its parent, affiliates, or subsidiary companies or their heirs, successors, or assigns. Nothing in this paragraph shall be construed to prevent any grand jury from issuing a report or presentment concerning the Investigation. This paragraph shall not be construed to prevent the Office, during the five (5) year period following execution of this Settlement Agreement, from using conduct addressed in the Investigation as predicate incidents in a criminal action against

Southern Bell based upon misconduct unrelated to the Investigation. If the federal government or any local governmental or law enforcement agency seeks to investigate or charge Southern Bell, or its parent, affiliate or subsidiary companies or their heirs, successors, and assigns for the matters investigated in the Investigation, the Office will advise such federal or governmental agency of this settlement.

14.

None of the costs associated with this Settlement Agreement (including but not limited to the cost of all credits and refunds, attorneys' fees and expenses) will be included in the customer rates of Southern Bell.

15.

The Investigation shall not be deemed concluded or closed prior to the expiration of the Review Period described in paragraph 10 above.

16.

This Settlement Agreement and the exhibits hereto constitute the entire agreement between the parties with regard to the subject matter contained herein, and all prior negotiations and understandings between the parties shall be deemed merged into the Settlement Agreement.

17.

No representations, warranties, or inducements have been made to Southern Bell or the Office concerning this Settlement

Agreement, other than those representations, warranties and covenants contained in this Settlement Agreement.

18.

Southern Bell and the Office acknowledge the technical and logistical complexity of implementing and managing the payment of restitution and the transmittal of correspondence pursuant to this Settlement Agreement, of implementing and managing the Review Program, of identifying the matters to be reported pursuant to paragraph 11 and of otherwise managing Southern Bell's obligations hereunder. With respect to the Review Program, the parties acknowledge that Southern Bell may later discover that portions of the Review Program may be impossible, infeasible or unreasonable to implement. If such discovery is made, Southern Bell will notify the Office to discuss the problem and to negotiate a reasonable substitute for such program that is designed to achieve the same purpose as the program that is replaced. Any resulting dispute will be submitted to the Special Master in accordance with the procedure set forth in paragraph F(1) of the Review Program.

The parties do not intend that this Settlement Agreement be voided for minor, technical violations, but rather that it be subject to being voided where Southern Bell willfully and purposefully causes or allows a breach to occur. In the event the Office contends that Southern Bell willfully and purposefully caused or allowed a breach of this Settlement Agreement to occur and the breach tends to undermine or circumvent the obligations under this Settlement Agreement, the Office will provide written notice of the claimed breach to Southern Bell and provide Southern

Bell with a reasonable opportunity, not to exceed forty-five (45) days, unless extended by the Statewide Prosecutor, to address or cure such claimed breach. After this period expires, the Statewide Prosecutor will in good faith exercise her discretion in deciding whether or not Southern Bell is liable for such conduct, and if so, whether or not to void this Settlement Agreement and pursue a criminal action against Southern Bell, should all the facts and circumstances justify such action. The Office will give Southern Bell thirty (30) days written notice before any decision to void the Settlement Agreement becomes effective. The right to void this Settlement Agreement expires upon the successful completion of the Review period or any authorized extension thereof.

19.

This Settlement Agreement shall not preclude Southern Bell or the Office from participating in other judicial or administrative proceedings or from introducing evidence in such proceedings concerning the conduct covered by the Investigation to the extent allowed by applicable rules of evidence and procedure.

20.

Southern Bell will develop a document retention policy that reasonably is calculated to preserve documents and information that the Company, in consultation with the Office, believes is relevant to the Investigation.

21.

No waiver, modification or amendment of the terms of this Settlement Agreement shall be valid or binding unless in writing,

signed by all parties and then only to the extent set forth in such written waiver, modification or amendment.

22.

Any failure by any party to the Settlement Agreement to insist upon the strict performance by any other party of any of the provisions of this Settlement Agreement shall not be deemed a waiver of any of the provisions of this Settlement Agreement, and such party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Settlement Agreement.

23.

This Settlement Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida, without regard to its conflict of laws principles. Any payments made by Southern Bell pursuant to this Settlement Agreement, including the payments described in paragraphs 3, 4 and 5 above, include any and all taxes that Southern Bell may be required to pay to the recipients of such payments, to any governmental entity or to any other person. This provision shall not reduce any of the payments which Southern Bell is required to make pursuant to this Settlement Agreement and Southern Bell agrees not to seek a refund or credit from any local, state, or federal taxing authority for any tax including but not limited to any gross receipts tax or state tax, collected or paid by Southern Bell and related directly or indirectly to services for which Subscribers

may receive a credit or refund pursuant to this Settlement Agreement.

24.

The parties acknowledge that this Settlement Agreement is being entered into for the purposes of settlement only, that there has been no finding of liability of any kind, and that Southern Bell is entering into this Settlement Agreement to avoid the expense and length of further legal proceedings, taking into account the uncertainty and risk inherent in any litigation. Neither this Settlement Agreement, any exhibit or document referenced herein, nor any action taken to reach, effectuate or further this Settlement Agreement or the settlement set forth herein is, may be construed as, or may be used as an admission by or against any party of any fault, wrongdoing or liability whatsoever, or as a waiver or limitation of any claims, legal or equitable, or defenses otherwise available to any of the parties. Entering into or carrying out this Settlement Agreement, or any negotiations or proceedings related thereto, shall not in any event be construed as, or deemed to be evidence of, an admission or concession by any of the parties, or to be a waiver of any applicable claim or defense, otherwise available.

25.

This Settlement Agreement, including its exhibits, were executed after arm's length negotiations between the parties and reflect the conclusion of the parties that this Settlement Agreement is in the best interests of all the parties hereto.

26.

Each party participated jointly in the drafting of this Settlement Agreement, and therefore the terms of this Settlement Agreement are not intended to be construed against any party by virtue of draftsmanship.

27.

This Settlement Agreement may be executed in several counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Settlement Agreement has been executed as of the date first written above, by the undersigned counsel of record for the parties hereto and/or by the parties themselves in multiple counterparts, each of which shall be deemed an original.

Sworn to and Subscribed to
before me this 9 day of
October, 1992, in
Tallahassee, Florida

Patti P. Dawkins
Notary Public
State of Florida

My Commission Expires:

Notary Public, State of Florida
My Commission Expires June 2, 1995
Bonded thru Troy Fair - Insurance Inc.

Personally Known

OFFICE OF STATEWIDE PROSECUTION

Melanie Ann Hines
By: Melanie Ann Hines
Statewide Prosecutor

BELLSOUTH TELECOMMUNICATIONS,
INC. (successor to SOUTHERN
BELL TELEPHONE & TELEGRAPH
COMPANY)

Sworn to and Subscribed to
before me this 7th day of
October, 1992, in
Miami, Florida

By: Joseph P. Lacher
President-Florida

Marc Ian Fisher
Notary Public
State of Florida

My Commission Expires:

OFFICIAL NOTARY SEAL
MARC IAN FISHER
NOTARY PUBLIC STATE OF FLORIDA
COMMISSION NO. AA634325
MY COMMISSION EXP. APR. 26, 1995

Exhibits A and B

Voluminous List of Subscriber records that are not provided as part of the exhibit

SOUTHERN BELL REVIEW PROGRAM

This sets forth the systems and operation changes, procedures and ethics programs that Southern Bell has or will put into place in Florida during the Review Period to address matters that have arisen in Florida. Southern Bell is required to maintain these system and operation changes, procedures, and programs only during the Review Period and any extension thereof pursuant to paragraph F(4) below. Implementation of the changes, procedures, and programs described below will be reviewed in the audits described in paragraph 7 of this Settlement Agreement. The term "optional services" as used in this Review Program includes the following optional services: Call Return, Call Trace, Repeat Dial, Preferred Call Forwarding; Call Blocking, Selective Call Blocking, Caller ID, Call Forwarding, Call Forwarding-Line Busy, Call Forwarding - Don't Answer, Remote Access Call Forwarding, Three-Way Calling, Speed Call-8, Speed Call-30, Call Waiting, Memory Call, Inside Wire Maintenance, Trouble Isolation Plan, Inside Wire Maintenance Combined Plan and Touchtone.

A. Institution of Ethics Program

1. Southern Bell will develop and implement a new ethics education program. This program will be presented to management and non-management employees of Southern Bell in Florida. [Implementation: October 1, 1992.]
2. Southern Bell will revise its handbook "A Personal Responsibility" to:
 - a. further emphasize ethics; and
 - b. promote the Company's "Hotline" number and assure that there is sufficient capacity to handle "Hotline" calls. [Implementation: October 1, 1992]
3. Southern Bell will develop a "Code of Ethics" which will be distributed to Southern Bell employees in Florida. [Implementation: October 1, 1992]
4. Southern Bell will change its management employee evaluation process and forms by incorporating two additional performance criteria:
 - a. commitment to customer service; and
 - b. commitment to ethical business practices. [Implemented previously]

EXHIBIT C

B. Creation of Corporate Responsibility and Compliance Office

BellSouth Corporation will create a new officer position known as "Vice President-Corporate Responsibility and Compliance." The person appointed to this office is responsible, inter alia, for internal auditing and security supervision at Southern Bell. This officer also will act as an "ombudsman" to whom Southern Bell employees can communicate complaints and concerns for appropriate action or response, including, but not limited to, confidential internal investigations if warranted. [Implemented previously]

C. Service Sales Changes

1. Southern Bell will confirm each new sale of any optional service to residential and simple (one or two line) business subscribers ("Business Subscribers") by sending a letter to the customer stating the new service ordered and the rate for such service. For new residential or Business Subscribers or those that transfer their service, Southern Bell will confirm basic and optional services and the rates for such service. Optional services will be identified as optional in this letter. The letter will state that optional services are not required in order to obtain basic telephone service. It also will state that optional services may be cancelled at any time without a cancellation charge. [Implementation: September 1, 1992]
2. Southern Bell will review its sales training and procedures materials and revise them, if necessary, to instruct sales personnel to communicate clearly to customers the optional nature of each optional service that sales personnel recommend or a customer orders, as well as a clear description of each optional service recommended or ordered, and the rate charged for each such service. Southern Bell also will prepare and distribute a memorandum to all sales personnel in Florida instructing them to communicate clearly to customers the optional nature of each optional service that sales personnel recommend or a customer orders, a clear description of each optional service recommended or ordered, and the rate charged for each such service. This separate memorandum, and Southern Bell's sales training and procedures materials, also shall advise sales personnel to make clear to customers that optional services are not required to obtain basic telephone service. [Implementation: September 1, 1992]
3. Southern Bell will discontinue sale of optional services by non-sales personnel in Florida. Inquiries regarding the purchase of services will be referred to Southern Bell's business offices. [Implemented previously]

4. Southern Bell will enhance the management and reporting of its existing program for the observation of sales calls between sales representatives and subscribers. The results of local observations will be reported to the Florida headquarters and to Southern Bell headquarters in Atlanta. The results of the Florida headquarters observation program also will be reported to Southern Bell's headquarters in Atlanta.
[Implementation: October 1, 1992]
5. Southern Bell will develop a self-inspection program to be conducted annually for each sales office in Florida, which program will cover the following matters:
 - a. sales personnel compliance with operational procedures;
 - b. the transmission of letters confirming sales to subscribers;
 - c. proper inputting of information regarding the ordering, termination, or change in service requested by subscribers; and
 - d. the level of sales activities of individual employees (to identify potential problems).
[Implementation: October 1, 1992]
6. Southern Bell will develop an enhanced internal auditing program to audit the following activities:
 - a. the communication between sales personnel and customers of the services offered by the Company and the rate charged for such services;
 - b. the transmission of letters confirming the sale of new service to customers and the rate for such service;
 - c. the proper inputting of sales information into the company's billing system;
 - d. the level of sales by sales personnel to identify any employees whose sales may exceed reasonable limits (in an effort to identify improper sales practices);
 - e. compliance with self-inspection programs;
 - f. consideration of findings and recommendations made by Staff Review Teams following staff reviews; and

- g. the conduct and administration of sales incentive-
programs. [Implementation: October 1, 1992]
7. Southern Bell will not charge its customers for
cancellation of any optional service without fully
disclosing any cancellation charge before the customer
enrolls. [Implementation: October 1, 1992]
8. If Southern Bell changes the name of one or more of its
Inside Wire Maintenance Plans or other optional services
covered by this Settlement Agreement, or includes one or
more of them in a revised service, plan or package, the
renamed, revised or packaged service shall be subject to
all of the provisions of this Review Program. Likewise,
conversions from one service, plan or package, to
another shall be subject to all of the provisions of
this Review Program governing sales.
9. Southern Bell will undertake to develop a means of
maintaining sufficient information regarding optional
services on subscriber telephones for reasonable periods
of time so that such information will be available to
make refunds, legally required, to subscribers.
Southern Bell also will undertake to develop a means of
training personnel who are responsible for making
customer refunds as to the proper procedures for
processing refunds legally required to be made.

D. System Changes

1. Southern Bell will control access to the LMOS system.
Employees will be assigned personal identification
numbers and passwords. Access to the system will be
allowed only with the inputting of a valid access number
and password. [Implementation: June 1, 1992]
2. Southern Bell will standardize MLT VER codes. System
changes will be implemented to prohibit changes to the
MLT VER field. [Implementation: June 1, 1992]
3. Southern Bell will limit the creation of Customer Direct
and Subsequent Reports to a specific identified group of
employees. [Implementation: June 1, 1992]
4. Southern Bell will develop system edit processes to
prohibit closing of trouble reports where disposition
and cause codes are inconsistent. [Implementation:
June 1, 1992]
5. Southern Bell will standardize the administration of the
Autoscreen rules. Southern Bell centrally will limit
and control access to the system. [Implementation:
June 1, 1992]

6. Southern Bell will develop a method to block multiple billing of a new optional service (or package of services) if a customer already is being provided and billed for the same service either alone or as part of a package. [Implementation: January 1, 1993]

E. PSC Reporting

1. Southern Bell will develop procedures to audit information reported to the PSC regarding trouble report processing times. [Implemented previously]
2. Southern Bell will use receipt and final status time to determine compliance with the PSC twenty-four (24) hour interruption repair rule. [Implemented previously]
3. Southern Bell will institute new management reports to identify instances where a receipt time, different from real time, is entered in the LMOS system. [Implementation: June 1, 1992]
4. Southern Bell will eliminate the use of the CON Intermediate Status Code. [Implemented previously]
5. Southern Bell will implement periodic reports that identify invalid cause codes and that contain random samples of excluded trouble, so that they may be reviewed by local offices. [Implemented previously]
6. Southern Bell will allow troubles to be statused as 00S only during manual or automated testing or initial screening. [Implementation: December 31, 1992]
7. Southern Bell will review and standardize its Staff Review process. Reviews will be conducted by headquarters management personnel. Findings and specific corrective action required as a result of a review will be made in writing and will be provided to Florida State Headquarters and company headquarters management. [Implemented previously]

F. Remedies

1. A Special Master, mutually agreeable to Southern Bell and the Office, will be selected to assist in the Review Program and the Settlement Agreement. In addition to the remedies set forth in paragraph 18 of the Settlement Agreement, the Office may submit disputes regarding Southern Bell's compliance to the Special Master. If the Office elects to submit a dispute to the Special Master, the following procedures will be employed. A claim that Southern Bell is in noncompliance with the Review Program or the Settlement Agreement first should be discussed with Southern Bell and attempted to be

resolved consensually. If a dispute regarding compliance cannot be resolved consensually, it then should be submitted by the Office in writing to the Special Master with a copy to Southern Bell. Southern Bell shall have twenty (20) business days to respond to the claim in writing, a copy of which will be sent to the Office. The Special Master may, upon request of the parties, allow the submission of any writing, evidence or argument in connection with any matter under consideration. The Special Master has the authority to establish procedures for the submission of additional documents, evidence and argument allowing each party sufficient time to respond to any submission by the other party. There shall be no ex parte communications. The Special Master's decision regarding compliance is binding and shall be rendered within thirty (30) days after submission of all matters for consideration.

2. In the event that the Special Master finds non-compliance by Southern Bell with any of its obligations under this Review Program, or any of its obligations under the Settlement Agreement, the Office may apply to the Special Master for specific performance. In addition, the Office may seek a monetary penalty. The Special Master shall determine whether a monetary penalty should be assessed and, if so, in what amount. The procedures for applying for specific performance or a penalty shall be the same as those set forth in paragraph 1 above. All fees and expenses payable to the Special Master for work performed in connection with the Review Program or the Settlement Agreement shall be paid by Southern Bell. Any opinion expressed by The Accounting Firm regarding whether the programs in the Review Program are accomplishing their purpose shall not be used as a basis for a claim of non-compliance provided the programs are being conducted as designed. If The Accounting Firm determines that one or more provisions of the Review Program are not accomplishing their purpose, Southern Bell will develop and implement a reasonable replacement program.
3. Neither the existence of this Review Program, nor this Settlement Agreement, shall preclude the Office from bringing any civil or criminal litigation based upon conduct occurring after the date of this Settlement Agreement except as may be limited by the Settlement Agreement.
4. For each month in which Southern Bell is in non-compliance with any of its obligations under this Review Program, the Special Master shall determine whether such non-compliance warrants that an additional month will be added to the Review Program. If the

review period is extended for greater than six months, an additional audit will be conducted after each additional six-month period. If the period is enlarged for less than six months or for one or more six-month periods, plus a period of less than six-months, the final audit will be deferred until the end of the entire Review Program.

5. The Office may request that The Accounting Firm perform supplemental review work with respect to the Systems and Procedures. Such request shall be in writing and shall state the specific matter or matters of the Systems and Procedures to be reviewed during the proposed supplemental review. A copy of the supplemental review request shall be sent to Southern Bell, who shall have ten (10) business days to object to it by stating its objections in writing to the Special Master. A copy of the objection will be sent to the Office, which shall have ten (10) business days to respond. The Special Master shall decide if the supplemental review shall be performed and the scope of and procedures for the supplemental review. This decision will be in writing within thirty (30) days after submission of all matters for consideration. A copy of the decision shall be sent to the Office and Southern Bell. The Special Master's decision is binding. The cost of the supplemental review shall be borne by Southern Bell.
6. All notices required to be sent pursuant to this Review Program shall be by hand delivery (within the same city) or by Federal Express, Priority Mail (Saturday delivery, if applicable), addressed as follows:

To Southern Bell:

Mr. J. Robert Fitzgerald
Vice President and General Counsel
BellSouth Telecommunications, Inc.
Legal Department - Suite 4504
675 West Peachtree Street, N.E.
Atlanta, Georgia 30375

Mr. William S. Duffey, Jr.
King & Spalding
191 Peachtree Street
Atlanta, Georgia 30303-1763

To the Office:

Ms. Melanie Ann Hines
Office of Statewide Prosecution
The Capitol
Tallahassee, Florida 32399-1050

_____, 1992

Dear Former Southern Bell Subscriber:

This office has been conducting an investigation of Southern Bell Telephone & Telegraph Company. In the investigation, our attorneys discovered that Southern Bell may have billed telephone subscribers for services they did not order.

The Settlement Agreement (19 pages) with the attached exhibits (7,440 pages) is available for inspection at any of our four (4) bureaus. Please call the appropriate telephone number to schedule a time for inspection; Tallahassee (904-487-2807), Orlando (407-423-6593), Tampa (813-878-7337) or Hollywood (305-985-4400). A copy of the agreement is available upon payment of the statutorily authorized cost of 15¢ per page. Please call 904-487-2807 if you wish to order a copy.

The Company has entered into a settlement agreement which includes the payment of full refunds, plus interest, to those former subscribers who advise Southern Bell that they may have been signed up for one or more "optional services" they did not order.

You have been identified as one of the subscribers affected by the settlement agreement. Enclosed you will find a check representing a full refund, plus interest, for the _____ optional service[s], for which you were billed, that you represented to Southern Bell you had not ordered.

Sincerely yours,

Melanie Ann Hines
Statewide Prosecutor

EXHIBIT D

_____, 1992

Dear Former Southern Bell Subscriber:

Southern Bell has settled a dispute with the Office of Statewide Prosecution concerning our billing for optional services that subscribers may not have ordered.

Since we value all of our present and former customers, we apologize for any mistakes that may have been made in your telephone service. Providing all of our customers with quality telephone service has been and will continue to be our goal.

As part of the settlement noted above, you were contacted previously by us and you advised us that you had been billed for _____ that you had not ordered. Based upon this information, you are entitled to a refund of the amounts that you paid in the past for this [these] optional service[s], plus interest.

The enclosed check represents a complete refund, with interest, of the amounts you paid for the service[s] set forth above. This amount has been approved as fair and adequate compensation for payment of optional services you may not have ordered.

Please contact _____ at _____ if you have any questions about this matter.

Sincerely yours,

SOUTHERN BELL

EXHIBIT E

_____, 1992

Dear Southern Bell Subscriber:

Southern Bell has settled a dispute with the Office of Statewide Prosecution concerning our billing for optional services that subscribers may not have ordered.

Since we value all of our present and former customers, we apologize for any mistakes that may have been made in your telephone service. Providing all of our customers with quality telephone service has been and will continue to be our goal.

As part of the settlement noted above, you were contacted previously and you advised us that you had been billed for _____ at a previous telephone number. You told us, however, that you had not ordered this [these] service[s]. Based upon this information, you are entitled to a refund of the amounts that you paid in the past for this [these] optional service[s], plus interest.

The enclosed check represents a complete refund, with interest, of the amounts you paid for the service[s] set forth above. This amount has been approved as fair and adequate compensation for payment of optional services you may not have ordered.

Please contact _____ at _____ if you have any questions about this matter.

Sincerely yours,

SOUTHERN BELL

EXHIBIT E1

_____, 1992

Dear Southern Bell Subscriber:

This office has been conducting an investigation of Southern Bell Telephone & Telegraph Company. In the investigation, our attorneys discovered that Southern Bell may have billed telephone subscribers for services they did not order.

The Settlement Agreement (19 pages) with the attached exhibits (7,440 pages) is available for inspection at any of our four (4) bureaus. Please call the appropriate telephone number to schedule a time for inspection; Tallahassee (904-487-2807), Orlando (407-423-6593), Tampa (813-878-7337) or Hollywood (305-985-4400). A copy of the agreement is available upon payment of the statutorily authorized cost of 15¢ per page. Please call 904-487-2807 if you wish to order a copy.

The Company has entered into a settlement agreement to make settlement payments to current subscribers who may have been signed up for "optional services" they did not order.

You have been identified as one of the subscribers affected by the settlement agreement. Enclosed you will find a check representing your portion of the settlement proceeds.

Sincerely yours,

Melanie Ann Hines
Statewide Prosecutor

EXHIBIT F

_____, 1992

Dear Southern Bell Subscriber:

Southern Bell has settled a dispute with the Office of Statewide Prosecution concerning Southern Bell's billing for optional services that subscribers may not have ordered. We apologize for any mistakes that may have been made in your telephone service. We value you, our customer. It is our goal always to provide you with quality telephone service.

As a result of the settlement, you are receiving the enclosed check which has been approved as fair and adequate compensation to settle this matter.

Please contact _____ at _____ if you have any questions about this matter.

Sincerely yours,

SOUTHERN BELL

EXHIBIT G

_____, 1992

Dear Southern Bell Subscriber:

This office has been conducting an investigation of Southern Bell Telephone & Telegraph Company. In the investigation, our attorneys discovered that Southern Bell may have failed to make full refunds for amounts that it overbilled its subscribers.

The Settlement Agreement (19 pages) with the attached exhibits (7,440 pages) is available for inspection at any of our four (4) bureaus. Please call the appropriate telephone number to schedule a time for inspection; Tallahassee (904-487-2807), Orlando (407-423-6593), Tampa (813-878-7337) or Hollywood (305-985-4400). A copy of the agreement is available upon payment of the statutorily authorized cost of 15¢ per page. Please call 904-487-2807 if you wish to order a copy.

The Company has entered into a settlement agreement to make full payment to current subscribers who received previously only a partial refund of the amounts they were overbilled for "optional services."

You have been identified as one of the subscribers affected by the settlement agreement. Enclosed you will find a check representing your portion of the settlement proceeds.

Sincerely yours,

Melanie Ann Hines
Statewide Prosecutor

EXHIBIT H

_____, 1992

Dear Southern Bell Subscriber:

Southern Bell has settled a dispute with the Office of Statewide Prosecution concerning Southern Bell's alleged failure to make full refunds for optional services for which subscribers may have been overbilled. We apologize for any mistakes that may have been made in your telephone service. We value you, our customer. It is our goal always to provide quality telephone service to customers we serve.

As a result of the settlement, you are receiving the enclosed check which has been approved as fair and adequate compensation to settle this matter.

Please contact _____ at _____ if you have any questions about this matter.

Sincerely yours,

SOUTHERN BELL

EXHIBIT I

_____, 1992

Dear Southern Bell Subscriber:

This office has been conducting an investigation of Southern Bell Telephone & Telegraph Company. In the investigation, our attorneys discovered that Southern Bell may have failed to make refunds to certain subscribers who experienced service interruptions that lasted greater than 24 hours.

The Settlement Agreement (19 pages) with the attached exhibits (7,440 pages) is available for inspection at any of our four (4) bureaus. Please call the appropriate telephone number to schedule a time for inspection; Tallahassee (904-487-2807), Orlando (407-423-6593), Tampa (813-878-7337) or Hollywood (305-985-4400). A copy of the agreement is available upon payment of the statutorily authorized cost of 15¢ per page. Please call 904-487-2807 if you wish to order a copy.

The Company has entered into a settlement agreement to establish a fund to be distributed to certain subscribers whose telephone service may have been interrupted for greater than 24 hours.

You have been identified as one of the subscribers affected by the settlement agreement. You will find a credit on the enclosed bill which represents your portion of the settlement proceeds.

Sincerely yours,

Melanie Ann Hines
Statewide Prosecutor

EXHIBIT J

_____, 1992

Dear Former Southern Bell Subscriber:

This office has been conducting an investigation of Southern Bell Telephone & Telegraph Company. In the investigation, our attorneys discovered that Southern Bell may have failed to make refunds to certain subscribers who experienced service interruptions that lasted greater than 24 hours.

The Settlement Agreement (19 pages) with the attached exhibits (7,440 pages) is available for inspection at any of our four (4) bureaus. Please call the appropriate telephone number to schedule a time for inspection; Tallahassee (904-487-2807), Orlando (407-423-6593), Tampa (813-878-7337) or Hollywood (305-985-4400). A copy of the agreement is available upon payment of the statutorily authorized cost of 15¢ per page. Please call 904-487-2807 if you wish to order a copy.

The Company has entered into a settlement agreement to establish a fund to be distributed to certain subscribers whose telephone service may have been interrupted for greater than 24 hours.

You have been identified as one of the subscribers affected by the settlement agreement. Enclosed you will find a check representing your portion of the settlement proceeds.

Sincerely yours,

Melanie Ann Hines
Statewide Prosecutor

EXHIBIT J1

_____, 1992

Dear Southern Bell Subscriber:

Southern Bell has settled a dispute with the Office of Statewide Prosecution concerning Southern Bell's telephone service interruption refund and reporting practices. We apologize for any mistakes that may have been made in making refunds for telephone service interruptions. We value you, our customer. It is our goal always to provide you with quality telephone service.

As a result of the settlement, you are receiving the credit on the enclosed bill, which has been approved as fair and adequate compensation to settle this matter.

Please contact _____ at _____ if you have any questions about this matter.

Sincerely yours,

SOUTHERN BELL

EXHIBIT K

_____, 1992

Dear Former Southern Bell Subscriber:

Southern Bell has settled a dispute with the Office of Statewide Prosecution concerning Southern Bell's telephone service interruption refund and reporting practices. We apologize for any mistakes that may have been made in making refunds for telephone service interruptions. We value you, our customer. It is our goal always to provide you with quality telephone service.

As a result of the settlement, you are receiving the enclosed check, which has been approved as fair and adequate compensation to settle this matter.

Please contact _____ at _____ if you have any questions about this matter.

Sincerely yours,

SOUTHERN BELL

EXHIBIT K1

EXHIBIT NO. 2

LETTERS PERTAINING TO BELL SOUTH SERVICE

CORRESPONDENCE
QUARTERLY QUALITY OF SERVICE REPORTING
1996-1999
SERVICE EVALUATIONS
1999



BellSouth Telecommunications, Inc. Fax 904 222-8640
Suite 400 904 222-1201
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director - Regulatory Relations

October 31, 1996

Mr. Walter D'Haeseleer, Director
Division of Communications
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Dear Mr. D'Haeseleer:

Attached is BellSouth's Third Quarter, 1996 Quality of Service Report. Per the staff's request BellSouth has provided two hard copies (each duplexed) and the report on diskette.

In discussions with your staff we have determined that several changes were made to the rules that affected the Form 28 Quality of Service report when the staff developed rules for small Local Exchange Companies (LEC). Wayne Tubaugh, Manager-Network, queried the staff about whether or not the recommended changes for small LEC's would apply to the other LEC's. His understanding was that they would not. However, it appears that Mr. Tubaugh misunderstood and as a result BellSouth did not intervene in the rule changes. BellSouth is filing the information in the old format in accordance with the directions for the old Form 28. Listed below are the changes made that BellSouth believes distort whether or not a LEC is providing good quality service and impact the objectives that are set by the FPSC to measure the quality provided:

For Schedule 2/Summary of Completed Service Orders.

Historically this has applied to new service installation requests and transfers. The new format includes requests for additional lines, additional numbers, and special features. BellSouth does not believe that the inclusion of additional lines, numbers, or special features to the report provides an enhanced or improved service

Sims/D'Haeseller -
Quarterly Report Page 2

measurement. How is a special feature to be defined? In addition, BellSouth would have to modify its existing systems to capture this information. The changes would be significant and take approximately four months to develop and implement. BellSouth does not believe that the information gained is prudent for the expense and effort that would be incurred.


Under column (3) for Schedule 2, Special Service has been added. The Commission's Quarterly Quality of Service Report and periodic Service Evaluations have never applied to Special Services in the past. BellSouth is opposed to this recommended change. A major program re-write would be required to capture this information and provide it on the Quarterly Quality of Service Report.

For Schedule 11/Repair Service-Trouble Reports

Rule 25-070(6) was modified during the rule changes for small LECs to exclude subsequent reports and unavoidable casualties where 10 percent of the exchange is out of service. BellSouth is required by rule to maintain its plant and equipment to provide an adequate quality of service. Customers who report cable T.V. lines down as telephone lines, contractors who damage telephone plant while excavating, troubles caused beyond the control of the company, and Acts of God should not be included in reports a LEC is held accountable.

We have discussed this with your staff and are prepared to work with them to reach a solution to this matter. Should you have any questions concerning this matter, please contact Wayne Tubaugh at 224-5128.

Sincerely,


Attachments
Enclosure

Letter



BellSouth Telecommunications, Inc. 904 222-1201
Suite 400 Fax 904 222-8640
150 South Monroe Street
Tallahassee Florida 32301

Nancy H. Sims
Director - Regulatory Relations

October 15, 1997

Mr. Don McDonald, Supervisor
U.S./Communications Engineer
Bureau of Service Evaluations
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. McDonald:

In your letter, dated September 26, 1997, you requested information concerning the increase of held orders 1997 over 1996. The major problem is that business is good. All of Florida is experiencing substantial growth, both in new service and additional line requests.

The second line growth appears to be the major culprit. In our North Florida Area, the second line growth was 32% higher than that of a year ago. The South Florida experienced similar growth in second lines.

Second line growth, i.e. children's phones, computer lines, facsimile lines, etc. have not been a traditional area of growth. As you know, traditional telecommunications engineering indicated outside plant should be engineered at one or one and one-half lines per living unit. BellSouth is reviewing its Engineering forecasting procedures as it did three years ago when a similar problem was experienced in Miami. The reinforcement of existing facilities is more difficult than the placement of new facilities in new unencumbered areas. When existing streets must be cut or bored, traffic flow correctly accounted for, and easements purchased when using digital loop carrier to reinforce, etc., this activity creates additional work and planning.

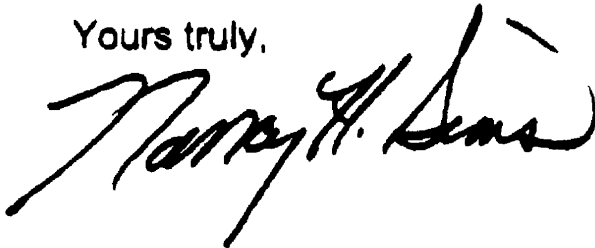
McDonald/Sims
Installation Delay, Page 2

BellSouth's new line growth has also exceeded our forecast. Additionally, BellSouth is adapting to the new competitive environment.

BellSouth will review the forecasting procedures and engineering practices and procedures to ensure that BellSouth has the best practices and procedures in place.

Should you have questions or need additional information regarding this matter, please contact Wayne Tubaugh at (850) 224-5128

Yours truly,

A handwritten signature in black ink, appearing to read "Nancy H. Sims". The signature is written in a cursive style with a large, sweeping initial "N".

5-24-98 2:02
3-0-98



BellSouth Telecommunications, Inc. 904 222-1201
Suite 400 Fax 904 222 8640
150 South Monroe Street
Tallahassee Florida 32301

Nancy H. Sims
Director - Regulatory Relations

March 6, 1998

Mr. J. Alan Taylor, Chief
Bureau Of Service Evaluation
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. Taylor:

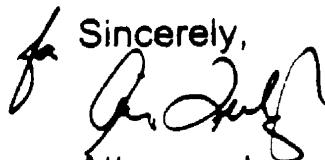
This is in response to your letter dated February 23, 1998 regarding Repair Reports. The attached BellSouth practice provides the appropriate reporting of trouble conditions referred to BellSouth technicians when they are contacted by the customer either directly or being paged by the customer. The technician calls the appropriate trouble receipt center and enters a direct customer report.

We have verified with the field forces that they know the practice and follow it when customers page the field technicians. As you know nothing is full proof, however, BellSouth believes and expects its technicians are adhering to this practice. BellSouth cannot provide the number of troubles reported by technicians as requested because a customer direct report is just that. The technician's employee code is not entered as a part of trouble report.

Sims/Taylor
Repair Reports Page 2

BellSouth believes it is possible if a technician ignores the BellSouth practice to affect repeated reports, however, the BellSouth's Installation Technician Appraisal Plan (ITP) would provide the necessary documentation of repeated visits to a specific customer's premises that would identify this behavior and ensure the appropriate practice was followed.

Should you need additional information or have additional questions concerning this matter, please contact Wayne Tubaugh at 224-5128.

 Sincerely,
Attachment

CATEGORIES OF TROUBLE REPORTS AND CLASSES OF SERVICE MEASURED

1. GENERAL

- 1.1 This section describes trouble reports and the source from which the trouble reports originate in a Loop Maintenance Operations System (LMOS)/Mechanized Trouble Analysis System (MTAS) environment. It describes how reports are counted and categorized. It also defines the classes of services used in MTAS.
- 1.2 This practice is being revised to clarify existing methods and procedures.

2. DEFINITIONS

- 2.1 The term Operations Center (OC) will refer to any center responsible for initiating, categorizing and/or processing trouble reports. A Trouble Receipt Center (TRC) is any location designed for the express purpose of receiving reports of troubles or maintenance requests. The only centers designated as Trouble Receipt Centers (TRC) are: Centralized Repair Service Attendant Bureau (CRSAB), Major Account Center (MAC), Special Service Center (SSC), Business Customer Assistance Center (BCAC), National Accounts Support and Service (NASS), Inter-exchange Carrier Trouble Reporting Center (ICTRC) Provisioning and Repair Test Center (PRTC) (that meet the above definition of receipt center), and Major Account Group (MAG). Centers not meeting this criteria are allowed only 10% or 10 non-management employees (whichever is greater) to input Customer Direct (CD) and Customer Exclude (CX) categories of reports into the Loop Maintenance Operations System (LMOS). Periodic selection of these employees will be directed by the center manager.
- 2.2 A trouble report will automatically, via the Loop Maintenance Operations System (LMOS), be routed to the serving or controlling OC.

3. SOURCE OF TROUBLE REPORT

- 3.1 A trouble report is received at an OC for processing as a result of one of the following:
 - (a) A customer, their representative or a member of the general public calls or gives written notice to the TRC or OC regarding troubles encountered with their telephone service.
 - (b) A Telephone Company employee receives a trouble report from a customer or their representative and refers it to the TRC or OC for processing.
 - (c) A Telephone Company employee who has encountered trouble regarding his/her telephone service and refers it to the TRC or OC for processing.
 - (d) A Telephone Company employee who has observed a trouble condition, independent of any conversation with a customer regarding the trouble, refers it to the TRC or OC for processing.

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4. CATEGORIES OF TROUBLE REPORTS

- 4.1 Four categories of trouble reports have been established to provide data for analyzing the volume of trouble reports processed by an OC, the source from which these reports originate, and the pertinent data associated with these trouble reports. These reports are used in developing all Customer Trouble Report Summaries (E-2700).

The four categories of trouble reports are:

Customer Direct (CD)
Employee Originated (EO)
Referred In (RI)
Customer Excluded (CX)

- 4.2 The first category, Customer Direct (CD) is used in developing the customer report rate for all Customer Trouble Report Summaries (E-2700).

- 4.3 The last three categories (Employee Originated, Referred In, and Customer Excluded) are not counted for measurement purposes, but they are counted and summarized for analysis purposes.

- 4.4 A Customer Direct (CD) is any trouble report received in a TRC or OC from the customer, their representative or a member of the general public. This includes any trouble report from a Service Center, Marketing, Special Service Center, BellSouth Communication Services (BCS) or any other employee who has received a trouble report from a customer or their representative. The trouble report may be received in written form or called in the TRC or OC. Typical situations in which trouble reports would be categorized as Customer Direct (CD) at the TRC/OC are:

- 11
- (a) An outside technician has received a trouble report(s) directly from a customer, orally or in some manner and refers the report(s) to the OC or TRC. It is important that all reports conveyed to the outside technician by a customer be referred to the OC or TRC so that reports can be included in the results for measurement and analysis purposes and so that local records can be noted to reflect trouble history.
 - (b) An operator has been informed by a customer that difficulty was encountered, or the customer expressed dissatisfaction. Normally, the operator would not refer these reports to the TRC unless the customer insists. (See exception on coin related trouble reports referred by the operator in paragraph 4.5 (e).)
 - (c) A Report received from BellSouth Communication Services (BCS) on one of its customer that is having a network problem and doesn't want to report to BellSouth Telecommunications directly.

- 4.5 An Employee - Originated (EO) report is any trouble report received from an employee who detected a trouble causing condition while performing regular duties, independent of any conversation with a customer regarding the trouble, except as described in paragraph (f). The term "Employee" includes BellSouth contractors, booth cleaners, TELSAM interviewers.

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Also, proper documentation (Trouble Report NARR) (or other NARR fields) of every Employee Originated (EO) report is required. This documentation includes department and initials or Numerical Code of employee reporting the trouble if different than the employee entering the report. Documentation should also include source of trouble condition; i.e., call back program, TELSAM contact, etc. Examples of Employee Reports are:

- (a) Trouble reports created for the Activities Measurement Plan (AMP). This includes irregular plant conditions noted by TELCO employees and any faults found while performing preventive maintenance work.
- (b) Defective lines found because of diagnostic activity. Diagnostic activity is defined as being any trouble indication detected through automatic testing, central office alarms, or central office trouble output information, for lines which do not have a pending customer trouble report.
- (c) Corporate Communications class of service trouble reports.
- (d) TELSAM action comments generated by TELSAM or face to face interviews.
- (e) Coin collection and supervision problems detected by the operator, i.e., can't collect coins, no/false coin tones or signals and coins don't register.
 - (1) Faults reported by Public Communications or other TELCO employees when collecting or making routine tests of public telephones.
 - (2) Public Communications control signals, coin tones or Public Communications security alarms.
- (f) There may be cases when an employee recognizes a trouble condition while talking with a customer without any prompting from that customer. The following are the only exceptions to the "independent of any conversation with a customer regarding the trouble" rule:
 - (1) Performing follow-up calls, manual or mechanized. If the customer expresses trouble with a line other than the one being followed-up on, the report must be entered as a CD.
 - (2) Conducting formal surveys.
 - (3) Verifying requests from a Service Center to investigate a billing complaint from a customer.

4.6 A Referred In (RI) report is a trouble report received in an OC from a Special Service Center (SSC).

4.7 A Customer Excluded (CX) report is excluded from the count of customer reports for measurement purposes. An excluded report can not have a disposition and cause code except as disposition code 1093 applies. The exception must still meet the criteria of this section. All reports that are excluded must contain a strong and clear narrative, as described in paragraph 4.8. Standard billing procedures will apply to excluded reports, where applicable. The reports listed below are the only ones that can be excluded:

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- (a) Request for directories, directory covers, directory apparatus, and directory replacements.
- (b) Requests for information on reverive dialing codes on multi-party lines only.
- (c) All subsequent reports.
- (d) Requests for information which would be furnished by another department, such as Directory Assistance, Long Distance Operator, Marketing, Service Center, or an Engineering representative. This includes questions concerning Billing.
- (e) Requests from customers, contractors, utilities, or other agencies for location of Bell Telephone Company plant. This includes requests for identifying, locating and/or tagging circuits and requests for instructions on how to install customer owned wiring/equipment.
- (f) Requests to raise, lower or move wires due to alterations, tree removal, or the movement of cranes or other similar types of equipment. This also includes requests to trim trees or remove limbs that do not involve telephone service impairment. Appropriate action should be taken. Requests to move terminals or poles in the way of a new drive way or utility right of way are excludable.
- (g) Calls concerning a feature for which the customer is not paying. Includes reports on features not available in the serving C. O. of the number reported.
- (h) Reports on lines that are vacant, properly denied, suspended, intercepted, or disconnected.
- (i) Requests from customers to verify outgoing (Calling/Called) type conditions of Busy (BSY), Ring No Answer (RNA), No Ring No Answer (NRNA), Receiver Off Hook (ROH), Gets Wrong Numbers (GWN), or Recording On Line (ROL) should not be accepted unless the request is accompanied by a report of suspected trouble. If subsequent investigation determines that the line is legitimately busy, tests OK, or ROH the report should be excluded. Reports caused by customer dialing error are excludable.
- (j) Reports of wires down, poles broken, open pits, etc., which upon investigation are found to be other than Bell Telephone company plant/equipment or work sites.
- (k) Trouble reports received by the Telephone Company when the trouble should have been reported directly to another common carrier by the customer. This includes reports involving independent telephone companies.
- (l) Customers calling to cancel a previous trouble report. If the original trouble report on the specific TN/CKT reported has been closed, the report canceling the original may be excluded.
- (m) Trouble reports involving service orders that have not been completed in the service order completion system. If the service order is complete, the trouble report may not be excluded. If a service order is required to correct the reported trouble and para. m does not apply, the report is excludable.

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- (n) Reports where the customer provided the wrong number. A Customer Direct (CD) report must be generated on the correct number if it can be determined. The new report should be opened with the date and time the original report was received. Paragraph 4.9 may apply. It may be necessary to renegotiate a new appointment.
- (o) Reports processed improperly by the TRC or other TELCO employees resulting in an input error. The corrected report must be re-entered in the proper format retaining all original dates and times.
- (p) Special Services trouble reports measured under the Maintenance Analysis Plan for Special Services (MAPSS).
- (q) Trouble reports involving a second number and the trouble is on the second number. The report on the first number is excluded and a Customer Direct (CD) is generated on the second number. The new report should be opened with the date and time the original report was received. Paragraph 4.9 may apply. It may be necessary to renegotiate a new appointment.

Following are some examples:

- (1) A calling/called situation.
- (2) A party line customer reports and the trouble is located on the party mate's line. The report can be excluded and a customer direct (CD) report generated on the correct number.
- (r) Instructions given to customers on how to operate any C.O. based feature translated in a BellSouth Central Office. This includes customer trouble reports of Memory Service does not work, and instructions of how to use the service clears the perceived trouble condition. Includes calls concerning passwords, security codes, access codes, Personal Identification (PID) code, etc.
- (s) Trouble reports involving an irregular power bonding and grounding condition associated with a Form RF 6580 safety or service condition.
- (t) Reports of suspected wire taps (BSP 660-195-921SV).
- (u) Calls from vendors or burglar/fire alarm companies for testing assistance if a trouble is isolated to non-Telco plant or equipment. If a trouble is isolated to Telco plant or equipment, exclude the original report, open a new report using the date/time that trouble was detected in the BellSouth network and close to appropriate Network disposition and cause codes.
- (v) Calls from customers that are not related to any BellSouth provided service or equipment are excludable. This includes comments on employee's work performance, appearance, tools left behind, etc. Also includes reports of trouble associated with calls received from computers, FAX machines or automated calling systems.
- (w) Number changes, changes in dial tone, changes in audible ringing signals, loss of call forwarding program numbers and/or speed calling program numbers, etc. associated with company initiated activity if customer was properly notified. (Do not exclude if work has not been properly completed.)

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Section 660-169-011BT

4.8 All excluded customer reports must contain a strong and clear narrative in the FST (Final Status) section of the trouble report or in the trouble description section when initially categorized as CX by the TRC or OC, which justifies the exclusion. The narrative or trouble description should contain sufficient detail to determine under which provision of this BSP the report is being excluded and also provide adequate information to analyze the report. The following list are examples (not verbatim) of those narratives that may be used. If additional information is deemed necessary or appropriate it should be added.

- (a) CX REQUEST DIRECTORY COVERS/REPLACEMENT ADDITIONS/ APPARATUS
- (b) CX REQUEST PARTY LINE CALLING CODE
- (c) CX SUBSEQUENT (I.E. ADDED INFO., CUSTOMER CHANGE COMMITMENT) ETC.
- (d) CX REQUEST ASSISTANCE PROVIDED BY BSC/RSC/DALD OPERATOR/ MKTG/ENG
- (e) CX REQ LOCATE BUR PLANT/ID CIRC/WIRING INST
- (f) CX (define request)
- (g) CX REPORTED NON-BILLED FEATURE
- (h) CX VACANT OR PROPERLY INTERCEPTED _____ (DATE DENIED)
- (i) CX LINE IN USE OR TEST OK ON A BUSY CONDITION, i.e., (CLG-CLD) (RNA) (NRNA) (ROH) (GWN) (ROL)/CUSTOMER DIALING ERROR
- (j) CX POLE BROKEN/WIRE DOWN - NOT TELCO
- (k) CX ANOTHER COMMON CARRIER
- (l) CX CUSTOMER CALLED TO CANCEL PREVIOUS REPORT
- (m) CX SO ACT, SO# _____, DUE DATE _____
- (n) CX REPORTED WRONG NUMBER - SEE NNX-XXXX (IF KNOWN)
- (o) CX DUE TO INPUT ERROR - (INDICATE ERROR AND EMPLOYEE ID)
- (p) CX MEASURED UNDER MAPSS/CIMAP TKT# _____
- (q) CX TROUBLE ON CALLED/SECOND NUMBER - SEE NNX-XXXX
- (r) CX CCS INSTRUCTIONS
- (s) CX FORM RF6380 SAFETY/SERVICE CONDITION

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- (i) CX WIRETAP INVESTIGATION
- (u) CX TEST ASSIST-ISOLATED TO CPE OR ISOLATED TO BELLSOUTH NETWORK -SBE NNX-XXXX DATE _____ TIME _____
- (v) CX NOT RELATED TO EQUIP/SERVICE PROVIDED BY BELLSOUTH TELECOMMUNICATIONS
- (w) CX (define company initiated activity) _____

4.9 BACK DATING RECEIPT TIME OF TROUBLE REPORTS

Trouble reports meeting the criteria of 4.1 thru 4.8 may require back dating of the receipt date and time. LMOS software requires that a valid trouble description code along with a valid back date (BKDT) code be entered in the trouble description field of the trouble report (TR) mask. Each back dated report requires a proper back date narrative be entered on the TR mask. The following reports are the only ones that may be back dated and the only narratives that may be used:

- Reports in which it is determined that an input error has been made on the original trouble report and a corrected report is re-entered. The proper narrative is INPUT ERROR.
- Situations in which the customer reports the wrong telephone number. The trouble report generated on the correct telephone number should have the receipt, date and time of the original trouble report. The proper narrative is TRBL RPTD ON XXX-XXXX (seven digit telephone number).
- A report is generated as a result of a BellSouth employee contact with a customer and a report is entered with the date and time of contact with the customer. The proper narrative is BST EMP. CUST CONTACT.
- A report could not be entered due to inability to communicate with LMOS. This could be a communication link problem or system down situation. This includes automated systems. The proper narrative is SYS DOWN.

5. COUNTING TROUBLE REPORTS

- 5.1 If on one call a trouble is reported on more than one line, etc., count one trouble report for each line reported. Each report must be counted separately, even though all of the troubles were reported on one call.
- 5.2 When a trouble report is received from a customer having difficulty calling a second customer's telephone number, the following procedures should apply:
 - (a) Determine if the customer has difficulty reaching any other numbers.
 - (b) If the customer has difficulty reaching other numbers, take the report on the reporting customer's number.
 - (c) If the customer has trouble reaching only one number, take the report on the called number.

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- (d) If the customer does not know if they are experiencing trouble with other numbers, the report should be taken on the reporting customer's number.
- (e) If the report is taken on the calling number and subsequently trouble is found to be on the called number, the OC should exclude the trouble report with a narrative entry reflecting the second telephone number. A trouble report should then be generated on the second telephone number. This report will be counted as a Customer Direct (CD)

NOTE: If the called party reports a trouble before the trouble is cleared, it will be counted as a Customer Direct (CD).

6. CLASSES OF SERVICE - CODES AND DEFINITIONS

- 6.1 In LMOS the class of service is entered on the trouble report automatically from the information on the Line Record (LR). This information is entered on the LR when the customer obtains service.
- 6.2 Occasionally trouble reports are received when the class of service code is not present on the trouble report, e.g., service code of UNKN (unknown), or reports on unassigned or disconnected numbers. These reports should be assigned a specific class of service if the report can be associated with a particular line or account.
- 6.3 The following has been provided to specify the regular classes of service. The classes of service, the assigned code, and definitions are:

WATS 02	- WATS is Wide Area Telephone Service provided by TELCO.
SPARE 03	- Not Assigned.
RES 04	- Includes all flat rate and measured individual or 2 party residential services.
BUS 05	- Includes all flat rate and measured individual business services.
PBX 06	- Private Branch Exchange (PBX) is all types of PBX systems.
CNTX 07	- Centrex is all Centrex Systems located in the central office or on the customer's premises.
COIN PUB 08	- Coin Public is all public coin telephone services and related equipment such as booths, lights, switches, fans, glass, doors, signs, directory fixtures, etc.
COIN S-PUB 09	- Coin semi-public is all semi-public coin telephone services and related equipment such as extension stations, extended Network interface, booths, lights, switches, fans, glass, doors, signs, directory fixtures, etc.
RUR 10	- Rural includes all classes of multi-party service.

COIN UNTV 11	- Coin Universal is public coin-and-card telephone services and related equipment.
MOB 12	- Mobile is any mobile telephone service furnished to the general public, including systems dedicated for Telephone Company use, that work with Telephone Company base stations. These services include urban, highway, maritime, private, and customer-owned mobile units working with the Telephone Company base station and land line facility.
UNCL 13	- Unclassified is used to assign a regular class of service code to a trouble report which cannot be directly associated with a particular line or account. An example of a trouble report to be assigned this class of service code would be a report concerning a broken pole.
COIN 14	- Coin CPE reflects access lines provided for Customer Owned Coin Operated CPE Telephone (COCOT) service.
SSTEL TLG 15	- Special Services Telephone/Telegraph is any service usually designed, which is used on a special service basis and is not included in the Maintenance Analysis Plan for Special Services (MAPSS).
VIDEO 16	- This trouble report class of service consists of video channels or facilities furnished for wide band video transmission. Typical services are Community Antenna Television (CATV), Education Television (ETV), Studio Transmitter Links, Studio Network Links, etc.
DATA 17	- Data includes all non-switched data services which terminates in a TELCO or customer provided data set.
SPARE 18	- Not Assigned.
CHAR 19	- Coin Charge-a-Call is all public non-coin telephone services and related equipment; such as booths, shelves, glass, doors, signs, directory facilities, etc. Includes non-coin equipment installed as Inmate Service.
SPARE 20	- Not Assigned.
CARR 22	- That service which falls under the Carrier Access Billing System (CABS) for Other Common Carriers.

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BellSouth Telecommunications, Inc.

350 222 1111

Fax 350 222 1111

Nancy H. Sims

Director, Regulatory Relations

March 24, 1998

Mr. Donald McDonald, Supervisor
Bureau of Service Evaluation
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. McDonald:

In your letter dated March 5, 1998, you requested that BellSouth provide plans or policies to improve its performance for New Service Installation and Out of Service (OOS) Repair standards. In summary, we are in the process of adding several hundred technicians in the state this year to meet our service demands. We expect the aforementioned measurements to show improvement as a direct result of these efforts.

For your information, we have experienced an unusual winter weather pattern coupled with unprecedented record demand this year and these factors have contributed to a deterioration of the indicated performance measurements. BellSouth has reviewed its performance regarding the OOS standards and has determined that its results are impacted by the changes made in calculating the OOS time. This has resulted in a large number of the OOS troubles being closed out between the twenty fourth hour and the twenty fifth hour. Nevertheless, BellSouth's true customer satisfaction measures have remained high as reflected in our official customer survey responses. We are committed to providing the service our customers expect and will continue to make every effort to exceed their expectations.

Should you have additional questions or need for information concerning this matter, please contact Wayne Tubaugh at 224-5128.

Sincerely,

A handwritten signature in cursive script that reads "Nancy H. Sims".



BellSouth Telecommunications, Inc. 850 222-1201
400 Fax 850 222-8640
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director - Regulatory Relations

April 30, 1998

Mr. Donald McDonald, Supervisor
U.S./Comm. Engineer
Bureau of Service Evaluation
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. McDonald:

In your letter dated March 22, 1999 you requested information concerning BellSouth's Quarterly Quality of Service Reports Operator and Directory Assistance Answering Time reported objectives. Additionally, you requested that BellSouth separate Frontier's results from those reported by BellSouth.

In regards to the actual percentages reported for both Operator Services and Directory Service, the numbers reported were the appropriate percentages. When you reviewed the numbers you divided the completions by the total calls. The calls are processed and timed in an Automatic Call Distributor (ACD). To calculate the percentages of the calls completed within the fifty-five seconds specified in the rule, a statistical logarithm chart must be used. BellSouth will provide you with the chart used to develop the respective answer times for Operator Services and Directory Service if you desire to review the method used.

BellSouth contracts with and provides Operator Services for Frontier. The trunk group that brings the Operator Service calls from Frontier to BellSouth merges the traffic before it is measured for answer time completions. However, the Commission can be assured that Frontier's calls are answered just like BellSouth's and the percentages reported by BellSouth reflect the appropriate answer time percentages for Frontier. Significant trunking, programming, and routing in the ACD would be required to separate Frontier's traffic to report a separate figure. If the staff wishes to pursue this matter further, BellSouth is willing to meet with the staff and demonstrate that the answer time reporting is appropriate and correct.

Should you wish to discuss the information provided or have need for additional information, please contact Wayne Tubaugh at (850) 224-5128.

Yours truly,

A handwritten signature in black ink that reads "Nancy H. Sims". The signature is written in a cursive, flowing style.

WT

OFFICE COPY

Docket No. 991378-TL
J. Lacher Exhibit No. 2
Page 20 of 111

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BellSouth Telecommunications, Inc. 850 222 1201
Suite 400 Fax 850 222 8640
150 South Monroe Street
Tallahassee, Florida 32301

Nancy M. Sims
Director - Regulatory Relations

June 30, 1998

Mr. Don McDonald
Division of Communications
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

Subject: Quality of Service

Dear Mr. McDonald:

In response to your letter of June 10, 1998, the following information is provided.

CUSTOMER TROUBLE REPORTING:

We believe our procedures are, and have been, in conformity with the intent of the Commission rules. That is that customers whose service is completely out of service be given priority in dispatch.

The Commission's Rule on customer trouble reports, chapter 25-4.070(1), states that "each telecommunications company shall make all reasonable efforts to minimize the extent and duration of trouble conditions that disrupt or affect customer telephone service. Trouble reports will be classified as to their severity on a service interruption (synonymous with out-of-service or OOS) or service affecting (synonymous with non-out-of-service or non-OOS) basis. Service interruption reports shall not be downgraded to a service affecting report; however, a service affecting report shall be upgraded to a service interruption if changing trouble conditions so indicate."

The Rule also states at Chapter 25-4.003(35) that the definition of Out of Service is "the inability, as reported by the customer, to complete either incoming or outgoing calls over the subscriber's line." This definition further elaborates that Out of Service shall not include: (a) "service difficulties such as slow dial tone, circuits busy, or other network or switching capacity shortages".

When a customer calls in to BellSouth to report a trouble, we have a discussion with the customer to further identify the nature of the customer's trouble. As we discuss the customer's trouble, we access an online procedure called mechanized loop testing (MLT) which provides an up-front indication as to the OOS status of the customer's line. For instance, if the MLT shows "can't break dial tone" or "can't draw dial tone" (only two of many OOS codes), the system will automatically mark the customer's trouble as an OOS. If, through the joint discussion with the customer and the use of the MLT, it is found that, for instance, the customer is experiencing slow dial tone or a problem with voice messaging, the trouble is obviously not an OOS as outlined in the Commission's rules.

BellSouth believes that the rules intend for there to be a distinction and balance between OOS and Service Affecting trouble reporting. We believe the process BellSouth uses meets the requirements of the Commission's rules on customer trouble reporting.

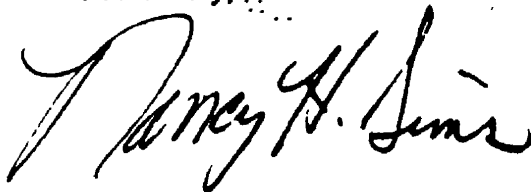
STATUS OF PERFORMANCE:

As to our efforts to improve performance in completion of primary service and OOS repair standards for all exchanges, we have added 192 network employees. We have also conducted an intensive review of both our dispatch strategies and the software used to calculate our reports. We have also increased management emphasis throughout the organization on our performance.

The result of these efforts is significant improvement in performance. In May, 80 more exchanges in the state met the objective for primary installation within 3 days than in January. Further, the state's results rose from 63% to 95%. Similar results, but not as dramatic, have been achieved in the OOS performance objective. The state results reflected that 92% of all OOS troubles were cleared in less than 24 hours in May.

I am confident that we will continue to show progress. This, of course, does not change our belief that many of these rules need to be revised to more accurately reflect both what the customers expect and a changing market. I look forward to working with you on developing a reasonable schedule for workshops to revise these rules.

Yours truly,

A handwritten signature in black ink, appearing to read "Nancy H. Sims". The signature is fluid and cursive, with the first name "Nancy" being the most prominent part.

Director - Regulatory Relations

BellSouth Telecommunications, Inc. Fax 904 222-8640
Suite 400 904 222-1201
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director - Regulatory Relations

October 30, 1998

Mr. Walter D'Haeseleer, Director
Division of Communications
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. D'Haeseleer:

BellSouth filed its 1998 Third Quarter Quality of Service Report with the Commission today. BellSouth's results for the latter part of the second quarter demonstrated a significant improvement over previous periodic reports. BellSouth committed to and will continue to improve its operational performance methods in striving to meet the service objectives.

During the third quarter, BellSouth experienced a set back in demonstrating improvement over the pervious quarter. Several events had a detrimental effect on this period.

During the entire month of July and early August, actually beginning in late June, Florida experienced the worst fires that have ever been recorded. BellSouth informed both you and the staff about its inability to install or maintain service in specific areas that were restricted or ordered evacuated. Once the fires were under control BellSouth moved forces from other areas to assist in provisioning new service demand and repairing fire damage and the backlog of regular trouble reports.

Following on the heels of this major event, Hurricane Earl created several challenges to our installation of service and repair activities. Again, forces had to be reallocated to the areas hardest hit.

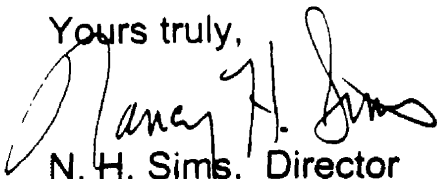
D'Haeseleer/Sims
Service Report Page 2

Following Earl, Hurricane Georges hit South Florida, which resulted in the total mandatory evacuation of Monroe County. In accordance with your rules, all the exchanges in Monroe County should be excluded from the periodic reports for September and October 1998. Additionally, Georges hit the Florida Panhandle and did not move for four days. This created a substantial resource problem for BellSouth which impacted our ability to meet demand and repair requests throughout the state.

BellSouth reaffirms its commitment made to the Commission concerning its efforts to meet the Commission's service objectives. BellSouth believes that improvement will be shown during the coming months and quarterly reports.

Should you have any questions concerning this matter, please contact me at 222-1201, Wayne Tubaugh at 224-5128, or Stan Greer at 224-5139.

Yours truly,

A handwritten signature in black ink, appearing to read "Nancy H. Sims", written over the printed name.

N. H. Sims, Director
Regulatory Relations
BellSouth Telecommunications, Inc.

BellSouth Telecommunications, Inc. 850 222-1201
400 Fax 850 222-8640
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director - Regulatory Relations

April 26, 1999

Mr. Walter D'Haeseleer, Director
Division of Communications
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. D'Haeseleer:

This is in response to your letter dated March 15, 1999 concerning the service evaluation conducted August 17 through October 2, 1998 for BellSouth in the Brooksville, Orange Park, St. Augustine, and Weeki Wachee exchanges. BellSouth provided a response to your draft report and incorporates that response herein. BellSouth will respond to those areas not previously addressed.

BellSouth commends the Commission's staff on its professionalism and cooperation. Additionally, BellSouth appreciates the extension of time provided to respond to this request.

As noted by the Commission's staff, BellSouth corrected the deficiencies noted in the last service evaluation performed. The major deficiency was answering time, and BellSouth exceeded this objective during this evaluation. Item 5 addresses TDD services. The delay in answering, as noted by the staff, was caused by the voice response unit employed to encourage hearing customers to call the appropriate business or repair centers. This voice response had been deployed because more than sixty percent of the calls directed to the TDD number was by hearing customers. BellSouth has experienced a significant reduction in those type calls and has removed the voice response unit. BellSouth fully expects to meet the Commission's objective in this area in the future.

Item 6 addresses Adequacy of Directory Services. BellSouth, upon investigation, determined that some of the calls placed by the staff to directory were directed to the National Directory Service and not the local directory assistance operators. BellSouth has corrected this routing error and believes it has corrected this area of deficiency.

Item 7 addresses Intercept Services and was addressed in BellSouth's response to the draft report.

Item 8 address Toll Timing and Billing Accuracy. BellSouth is continuing to investigate the problem associated with the calling card calls. The problem seems to have been corrected, however, BellSouth will report its findings upon completion of the investigation.

Item 9 addresses Public Telephone Service and was addressed in BellSouth's response to the draft report. BellSouth reiterates its belief that Public Telephone Service should not be part of BellSouth Telecommunications, Inc. service evaluation process, and BellSouth Public Communications, Inc., should be reviewed as its competitors are reviewed.

Item 11 addresses Trouble Report Summary. Of the five categories, BellSouth exceeded two of the Commission's objectives for Service Affecting Troubles and Repair Appointments. The remaining three are OOS Restoral (Same Day), OOS Restoral (24 Hours), and Rebates.

Sims/D'Haeseleer
1999 Service Evaluation Response
Page 2

This service evaluation was based on repair records during the December 1997 through April 1998 time period. As you know, these records do not reflect BellSouth's commitments at the April 1998 Internal Affairs meeting to reemphasize out-of-service as opposed to treating a trouble as a trouble. Nor does it reflect BellSouth's addition of 535 network technical forces since April 1998. As these additional forces complete their formal and on the job training, significant improvement will be made on BellSouth's quarterly quality of service performance.

BellSouth is adhering to the Commission's definition of an out-of-service condition on a trouble report. The Commission's rule was quoted in your report as: "Rule 25-4.003(35), F.A.C., defines "out of service" as "the inability, as reported by the customer, to complete incoming or outgoing calls..." The rule in its entirety states:

(38) "Out of Service". The inability, as reported by the customer, to complete either incoming or outgoing calls over the subscriber's line. "Out of Service" shall not include: (emphasis added)

- (a) Service difficulties such as slow dial tone, circuits busy, or other network or switching capacity shortages;
- (b) Interruptions caused by a negligent or willful act of the subscriber; and
- (c) Situations in which a company suspends or terminates service because of nonpayment of bills, unlawful or improper use of facilities or service, or any other reason set forth in approved tariffs or Commission rules.

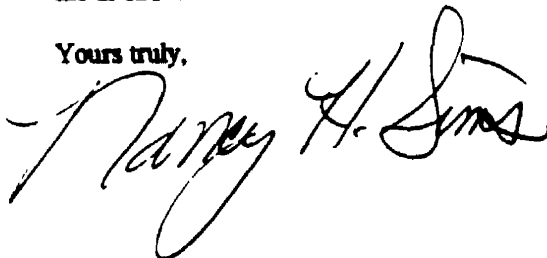
If a customer reports no dial tone (NDT) or can't be called (CBC), and it is reflected on the trouble report as such, the Commission's staff expects to see an out-of-service condition. As contemplated in the reading of the complete out-of-service rule, there are conditions that would exclude a NDT/CBC report from being categorized as Out-of-Service. Therefore, BellSouth ensures it adheres to the Commission's rule by making the test a necessary part of categorizing a trouble report as out-of-service. The Loop Maintenance Operation System (LMOS) Mechanized Loop Test (MLT) ver codes associated with the customer's report provides for the trouble report being categorized as out-of-service or service affecting. It should be noted that the LMOS testing procedure will also correctly categorize a trouble as out-of-service, even when the customer has not reported an NDT/CBC condition. This issue also impacts BellSouth's performance in the rebate category. BellSouth rebated every customer where both the Commission staff and BellSouth determined the trouble to be out-of-service.

As BellSouth advised the Commission, BellSouth's customers through BellSouth's survey process, have informed us that they believe a trouble is a trouble and emphasize that any trouble should be repaired as soon as possible. With internet services, work at home, etc. the difference between service affecting and out-of-service becomes less distinguishable. BellSouth looks forward to working with the Commission in the on going rule making, Docket No. 950778-TL, to bring the rules and objectives more in line with customer expectations.

BellSouth's customers continually rate BellSouth's service performance as satisfactory or more than satisfactory. BellSouth is committed to provide the best possible service to its customers and remain the industry leader in service.

Should you have any questions concerning this response, please contact Wayne Tubaugh at 225-5128 or me at 222-1201.

Yours truly,





BellSouth Telecommunications, Inc. 850 224 1798
Suite 400 Fax 850 224 5073
150 South Monroe Street
Tallahassee, Florida 32301-1556

Marshall M. Criser III
Regulatory Vice President

September 17, 1999

Mr. Walter D'Haeseleer, Director
Division of Communications
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. D'Haeseleer:

Service standards and Commission rules have been an ongoing dialogue between BellSouth and the Florida Public Service Commission. BellSouth has worked closely with the Staff and communicated reporting issues that we have been dealing with for some time.

As you know, in the early 1990's, BellSouth initiated changes to how we gathered data for several commission service reports. The intent of these changes was to create an audit trail by eliminating any manual intervention. The unintended consequence of these changes was to significantly underreport the quality of our service. We had initially hoped to address these issues in Docket No. 950778TL, which was a response to our request for rulemaking. Unfortunately, due to the press of other issues and the rapid pace of changes in our industry, this docket was closed in May of this year, with the expectation that a new docket would be opened in order to recognize and review issues surrounding current rules and to consider issues related to changes in our industry. It is our understanding that this rulemaking docket will be opened in October. The Commission, however, has also opened Docket No. 991378 as the procedural vehicle to address BellSouth Telecommunications service standards performance.

BellSouth believes that our internal and external measurements, including customer complaints and independent service quality recognition, indicate that we provide quality customer service. However, previous inquiries from Staff and our own review of our measurement and reporting for the FPSC's service performance rules have identified issues which we intend to address. We also believe that the best interests of our customers are served by moving forward with rulemaking to identify and incorporate the service priorities for the future of our industry. To that end, we offer the following discussion and corrective action to resolve and close Docket No. 991378:

Mr. Walter D'Haeseleer
September 17, 1999
Page 2

Based on the previously referenced changes, BellSouth has measured and reported our performance for Out of Service (OOS) and Service Affecting (SA) trouble reports on the basis of the time when the report is closed, referred to as Final Status Time (FST). In comparison to reporting when the service is restored (when the trouble is cleared), referred to as Cleared and Customer Advised (CCA), the FST also includes activities such as restoring the work area to its original condition, reloading equipment, and the processing time between the field technician and the dispatch center. In order to reconcile our procedure with the Commission's current rule, BellSouth will develop and review with Staff a valid sampling methodology for extrapolating service restored time for reports from November 1999 forward. We will continue to measure FST time and will make customer rebates on the basis of that measurement. We would rather err on the side of the customer on this issue.

BellSouth is also attentive to ensuring that our force compliments our service requirements in Florida as a whole, as well as within the individual exchanges within the state. As committed to in April, 1998, we have reinstituted the practice of prioritizing Out of Service reports. We have also added 921 employees to our Network organization. Fully two-thirds of these are specifically focused on improved performance in installation and repair intervals. The remaining forces are focused on improving infrastructure. As we address the reporting issue, BellSouth will review and manage its dispatch strategy, force distribution, and appointment clock intervals to address installation intervals and performance in small exchanges.

Further, as reflected in our letter to Staff dated September 15, 1999, BellSouth has reviewed the methodologies being employed for recording and reporting answer time performance. From that review, we have identified that we are using two separate methodologies to measure our performance between our Consumer and our Business organizations. In an effort to ensure that we do not overstate our performance, both methodologies have evolved to a system that underreports our performance. Further, neither is consistent with the Commission's method of measurement. To resolve this conflict and ensure consistent data between our reports and the Commission's evaluations, BellSouth will adopt the Commission's methodology for measuring the current answer time rule effective with our November 1999 report. In addition, BellSouth has added 842 employees to its business office operations. Again, as we address the reporting issues, we will monitor our performance and manage our force to meet service expectations.

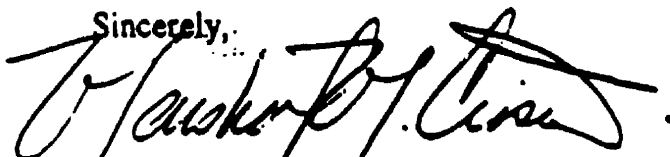
Mr. Walter D'Haeseleer
September 17, 1999
Page 3

As identified in our response to the Commission's most recent service evaluation, BellSouth has also addressed the issue of answer time in our TDD Bureau. We eliminated the automated answering device from the TDD bureau. We have also completed and distributed customer education materials to reduce the number of misdirected calls by hearing customers to that number. In recognition of the Commission's continued attention to this issue, BellSouth has reemphasized in its TDD bureau procedures that an automated answering system is not compatible with the bureau's mission.

We believe we are providing superior service to our customers, as evidenced by the steady decline in Public Service Commission complaints, the lack of service complaints raised at public hearings, independent surveys of customer opinions about our service, and numerous other internal measures we use to monitor customer service. For example, in 1994, our performance in PSC infractions per 1000 access lines was .094. Today it is .0085.

While we believe that our measuring and reporting procedures have underreported our performance, we also recognize our responsibility to provide accurate reporting to the Commission, as well as good service to our customers. As previously communicated to the Commission, we are earnest in our desire to satisfactorily address the Commission's concerns and to participate in a rulemaking procedure which will allow the Commission to identify the service priorities and measurements which reflect the current and future nature of our industry. In order to resolve service performance issues and proceed with a rulemaking proceeding, BellSouth offers to make a settlement payment of \$125,000. We will also implement the corrective action identified in this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Marshall M. Criser III", written over a horizontal line.

Marshall M. Criser III
Regulatory Vice President



BellSouth Telecommunications, Inc. 850 222 1201
Suite 400 Fax 850 222 8640
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director, Regulatory Affairs

October 29, 1999

Mr. Walter D'Haeseleer, Director
Division of Communications
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. D'Haeseleer:

Attached is BellSouth's 1999 Third Quarter, Quality of Service Report. Also, enclosed is a diskette of the report as requested by your staff.

As indicated in our previous correspondence of September 15, 1999, and September 17, 1999, BellSouth's measurement methodology has created several inconsistencies between our reports and the Commission's reporting requirements as well as the Staff's measurement of these same rules. This issue was still present during the quarter reflected in this report. As committed in our settlement offer dated September 17, 1999, and as approved by the Commission, corrective action will be taken for reported data as of November, 1999.

Further, during the Third Quarter, Hurricanes Dennis and Floyd impacted BellSouth's operations during the months of August and September. In addition to heavy service load attributable to heavy winds and rain, BellSouth closed all but emergency operations for twenty-four to thirty-six hours during Hurricane Floyd in order to protect the safety of our employees during this Category 4 storm. This closure was complicated by the fact that the storm traversed the entire eastern seaboard of Florida causing multiple mandatory evacuations that disrupted our ability to maintain consistency in available workforce. Even more extensive damage in other BellSouth states, such as North Carolina, required Florida resources to be used to respond to extreme service conditions.

Notwithstanding the above, BellSouth is also taking additional actions to enhance our service delivery. While not limited to the period of this report, we have realigned the staffing of our Residence business centers to maximize the available personnel during normal business hours. We are also in the process of adding eighteen specialists (an eight percent increase) to our Small Business center. Similarly, our Network Operations have focused resources on the areas most impacted by the storms. These actions are in addition to the force increases recently reported to the Staff.

Should you have questions concerning this report, please contact me at 222-1201 or Wayne Tubaugh at 224-5128.

Yours truly,

Attachment
Enclosure

A handwritten signature in dark ink, appearing to read "Nancy H. Sims", written over the typed name and the words "Attachment" and "Enclosure".



BellSouth Telecommunications, Inc. 850 222-1201
400 Fax 850 222 8640
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director - Regulatory Relations

November 22, 1999

Mr. Rick Moses, Chief
Bureau of Service Evaluation
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

CC Joe
Nancy W
Nancy S.

Dear Mr. Moses:

In BellSouth's Settlement Offer in Docket No.991378-TL, BellSouth agreed to develop a sampling methodology for extrapolating service restoration time to present to the staff for consideration.

BellSouth is conducting an analysis of its November 1999 service performance to determine the average difference between when dialtone is restored and when a report is final statused for service restoration. This analysis will be conducted on a monthly basis, however, BellSouth will also track this data on a month to month basis to develop a factor which better reflects ongoing operating conditions. As each month's analysis is completed, we will provide the data to staff for your review. I anticipate a report on November by December 22, 1999.

BellSouth is evaluating other system programming to generate a report for commission reporting purposes only. However, because of the Year 2000 (Y2K) prohibitions to protect resources, limitations have been placed on major programming modifications and input. The studies needed to develop an accurate report will be limited through the first quarter 2000. BellSouth will continue to move forward with what studies it can develop, however, a final accurate factor will be impossible to develop without extensive review of major data requiring programmed runs of that data.

BellSouth appreciates the staff's understanding in this matter and will continue to move forward as quickly as reasonably possible.

Should you have any questions concerning this matter, please contact Wayne Tubaugh at 224-5128 or me at 222-1201.

Yours truly,

BellSouth Telecommunications, Inc. 350 222 2001
Suite 400 Fax 350 222 3640
50 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director, Regulatory Affairs

December 10, 1999

Mr. Phil Trubelhorn, Engineer
Bureau of Service Evaluation
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. Trubelhorn:

This letter is in response to your request, of November 12, 1999 for information concerning BellSouth's explanation of our Third Quarter Quality of Service Results. You addressed several areas and our response follows:

BellSouth will change the title of Schedule 17 to "Repair Appointments". This was a clerical error and will be corrected in the future.

BellSouth makes commitments to its customer's and rarely has to make appointments to gain access to the customer's premises. Schedules 17 and 18 reflect commitments made and not appointments.

Attached is the report that reflects the number of calls made and answered within the 15 and 55 seconds for the third quarter report for both the residence and business offices, Schedule 16. BellSouth will ensure that future quarterly reports will include this information.

In your letter you requested information concerning deployment of technicians in other BellSouth states during the period affected by both Hurricanes Floyd and Dennis. BellSouth-Florida did not send outside repair or installation forces to assist the other BellSouth States as Florida's installation and repair load was critical during this period. However, BellSouth did assist the other States in answering both consumer and repair calls from our customers. As both storms moved from south to north, the consumer groups in our sister states assisted Florida customers because BellSouth was under mandatory evacuation orders by state and local governmental officials. BellSouth-Florida in turn assisted those states with calls by their customers when the consumer groups were forced to close shop or experience an overwhelming call load.

BellSouth's emergency response capability during extreme weather conditions is and has been an example for other utilities in Florida. BellSouth does not believe changes to our current process are necessary. BellSouth constantly reviews and critiques its emergency response plans to determine if changes are required.

As mentioned in our October 29, 1999 letter submitted with the third quarter quality of service report, BellSouth determined realignment of the staff in our Residence business centers was needed in order to maximize the available personnel during normal business hours. We are also in the process of adding eighteen specialists to our Small Business center. Additionally, in our September 17, 1999 letter to staff we stated that BellSouth added 921 employees to our Network organization, and 842 employees to our business office operations.

Should you have additional questions, please contact me at 222-1201 or Wayne Tubaugh at 224-5128.

Yours truly,

A handwritten signature in cursive script that reads "Mary Lou Strain for NS".

Director - Regulatory Relations

Attachment

Small Business

PSC Schedule 16 - Part 1			
95/15 Last Digit Dialed to screen pick up			
1999	#	# OF	%
MONTH	ATTEMPTS	PASSESS	PASSED
APRIL	83	83	100%
MAY	83	83	100%
JUNE	83	83	100%
JULY	83	83	100%
AUGUST	80	80	100%
SEPTEMBER	80	78	98%
OCTOBER	82	80	98%

PSC Schedule 16 - Part 2 - 85 % of calls answered with/in 55 Seconds

Small Business Sales/Support

	#Calls attempts	# within objective	% passed
April	168324	115631	69%
May	163218	85485	52%
June	201121	54968	27%
July	177274	15808	9%
August	170545	29443	17%
September	174064	52836	30%

Small business collections:

	#of attempts	# within objective	% passed
April	91221	73620	81%
May	57909	43359	75%
June	108082	81641	76%
July	58173	37339	64%
August	63994	30906	48%
September	61405	29218	48%

**85% OF CALLS ANSWERED WITHIN 55 SECONDS
WITH AUTOMATIC ACCESS AND ATTENDANT**

				July	Satisfied
		# Attempts	# Passes	% Passed	
Residence (w/o Multi.)	NORTH	111	8	7.21%	N
	SOUTH	48	4	8.33%	N
	SE	89	17	19.10%	N
	FLORIDA	248	29	11.69%	N
		# Attempts	# Passes	% Passed	
COLLECTIONS (w/o Multi.)	NORTH	20	1	5.00%	N
	SOUTH	7	1	14.29%	N
	SE	14	1	7.14%	N
	FLORIDA	41	3	7.32%	N
		# Attempts	# Passes	% Passed	
MULTI.	NORTH	51	14	27.45%	N
	SOUTH	59	6	10.17%	N
	SE	48	5	10.42%	N
	FLORIDA	158	25	15.82%	N

Consumer Services - 95/15 Answer Time Results

Docket No. 991378-TL
J. Lacher Exhibit No. 2
Page 35 of 111

		JULU		
RESIDENCE COLLECTIONS MULTI.	NORTH	111	111	100.00%
	NORTH	20	20	100.00%
	NORTH	51	51	100.00%
	NORTH	182	182	100.00%
RESIDENCE COLLECTIONS MULTI.	SOUTH	48	48	100.00%
	SOUTH	7	7	100.00%
	SOUTH	27	27	100.00%
	SOUTH	82	82	100.00%
RESIDENCE COLLECTIONS MULTI.	SE	89	89	100.00%
	SE	14	14	100.00%
	SE	48	48	100.00%
	SE	151	151	100.00%

**85% OF CALLS ANSWERED WITHIN 55 SECONDS
WITH AUTOMATIC ACCESS AND ATTENDANT**

				August	Satisfied
		# Attempts	# Passes	% Passed	
Residence (w/o Multi.)	NORTH	122	29	23.77%	N
	SOUTH	55	8	14.55%	N
	SE	94	15	15.96%	N
	FLORIDA	271	52	19.19%	N
		# Attempts	# Passes	% Passed	
COLLECTIONS (w/o Multi.)	NORTH	20	2	10.00%	N
	SOUTH	9	2	22.22%	N
	SE	16	1	6.25%	N
	FLORIDA	45	5	11.11%	N
		# Attempts	# Passes	% Passed	
MULTI.	NORTH	55	5	9.09%	N
	SOUTH	31	7	22.58%	N
	SE	59	10	16.95%	N
	FLORIDA	145	22	15.17%	N

Consumer Services - 95/15 Answer Time Results

Docket No. 991378-TL
J. Lacher Exhibit No. 2
Page 37 of 111

		AUGUST		
RESIDENCE COLLECTIONS MULTI.	NORTH	122	122	100.00%
	NORTH	20	20	100.00%
	NORTH	55	55	100.00%
	NORTH	197	197	100.00%
RESIDENCE COLLECTIONS MULTI.	SOUTH	55	55	100.00%
	SOUTH	9	9	100.00%
	SOUTH	31	31	100.00%
	SOUTH	95	95	100.00%
RESIDENCE COLLECTIONS MULTI.	SE	94	94	100.00%
	SE	16	16	100.00%
	SE	59	59	100.00%
	SE	169	169	100.00%

85% OF CALLS ANSWERED WITHIN 55 SECONDS
WITH AUTOMATIC ACCESS AND ATTENDANT

				SEPT	Satisfied
		# Attempts	# Passes	% Passed	
Residence (w/o Multi.)	NORTH	172	102	59.30%	N
	SOUTH	42	34	80.95%	N
	SE	74	53	71.62%	N
	FLORIDA	288	189	65.63%	N
		# Attempts	# Passes	% Passed	
COLLECTIONS (w/o Multi.)	NORTH	21	4	19.05%	N
	SOUTH	8	1	12.50%	N
	SE	13	2	15.38%	N
	FLORIDA	42	7	16.67%	N
		# Attempts	# Passes	% Passed	
MULTI.	NORTH	71	23	32.39%	N
	SOUTH	23	13	56.52%	N
	SE	37	16	43.24%	N
	FLORIDA	131	52	39.69%	N

Consumer Services - 95/15 Answer Time Results

Docket No. 991378-TL
J. Lacher Exhibit No. 2
Page 39 of 111

		SEPTEMBER		
RESIDENCE COLLECTIONS MULTI.	NORTH	172	172	100.00%
	NORTH	21	21	100.00%
	NORTH	71	71	100.00%
	NORTH	264	264	100.00%
RESIDENCE COLLECTIONS MULTI.	SOUTH	42	42	100.00%
	SOUTH	8	8	100.00%
	SOUTH	23	23	100.00%
	SOUTH	73	73	100.00%
RESIDENCE COLLECTIONS MULTI.	SE	74	74	100.00%
	SE	13	13	100.00%
	SE	37	37	100.00%
	SE	124	124	100.00%

BellSouth Telecommunications, Inc. 850 222 1201
400 Fax 850 222-8640
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director - Regulatory Relations

January 6, 2000

Mr. Don McDonald
U.S./Comm. Engineer Supervisor
Bureau of Service Evaluation
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. McDonald:

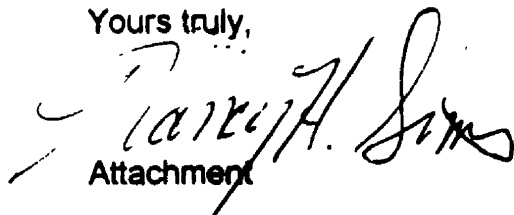
This is in response to your letter dated December 17, 1999 transmitting a **draft** report of the 1999 reevaluation of the deficient service categories in BellSouth's 1998 service evaluation in the Brooksville, Orange Park, St. Augustine, and Weeki Wachee exchanges. BellSouth's specific responses to each category are attached.

BellSouth commends your staff for its professionalism and cooperation in completing this reevaluation.

BellSouth will only respond to the specific issues that seem questionable and will respond to the overall final report when it is released. You offered an exit interview and BellSouth may take advantage of that offer after you have had an opportunity to review the attached response.

Should you have questions concerning the responses please contact Wayne Tubaugh at (850) 224-5128 or me at (850) 222-1201.

Yours truly,


Attachment

c: W. Tubaugh
M. Sirianni

**BellSouth's Response to the Florida Public Service Commission's
Draft Report on the 1999 Reevaluation of the 1998 Service Evaluation of the
Brooksville, Orange Park, St. Augustine, and Weeki Wachee Exchanges**

Adequacy of Directory Service:

The staff's report states that the Jacksonville, St. Augustine, and Hernando County directories show that two free calls are allowed to directory assistance, although the number of free calls was lowered to one by a tariff revision effective July 15, 1999. The Jacksonville directory was issued in December 1999 and shows that there is no charge for the first call and each call thereafter costs 25 cents. The Hernando County directory was issued in July 1999; therefore, this directory was sent to press and issued prior to the tariff revision and the change will be made in the 2000 directory. While the St. Augustine directory was issued in August 1999, as stated in your report, the directory was forwarded to BAPCO on June 23, 1999 and had been sent to press prior to the tariff effective date of July 15, 1999. Therefore, the change in the St. Augustine directory will be made in the 2000 directory.

The report also states that all the directories show Emergency interrupt service at \$0.80 per call, while BellSouth's tariff shows \$0.45 per call. It is correct that an emergency interrupt request is listed in the tariff as \$0.45; however, as noted in the footnote, a charge for a verification request (\$0.35) also applies. Thus the total charge for an emergency interrupt request would be \$0.80 per call (\$0.35+\$0.45). To clarify this in the directory, BellSouth will have the language modified as follows:

There is a 35 cents charge for an operator to verify the status of a local number. There is an total charge of 80 cents charge to verify and interrupt a local call.

Repair Service:

BellSouth would like to review the Out-of-Service rebate category prior to the final report. BellSouth advised the staff that at least two rebates were not shown on the customer's bill because the customer's were clients of an Alternative Local Exchange Company (ALEC), and BellSouth would not have rebated the customer but would have rebated the ALEC. BellSouth is reviewing how to determine if an ALEC received a rebate for one of its customer's outages. Wayne Tubaugh will contact Phil Trubelhorn to get the specific OOS list and rebate information.

**BellSouth's Response to the Florida Public Service Commission's
Draft Report on the 1999 Reevaluation of the 1998 Service Evaluation of the
Brooksville, Orange Park, St. Augustine, and Weeki Wachee Exchanges
(Page 2)**

Answer Time-Voice Services:

In the draft report you noted that both the "Small Business" Business Office and "Small Business" Repair failed the Commission's Answering Time Rule. As was discussed with staff during the days prior to starting the reevaluation, Hurricanes Floyd and Dennis had just recently (9/15 through 9/17 for Floyd) impacted the entire coast of Florida and into the Carolina's. As a result, the "Small Business" Repair and "Small Business" Business Offices were taking an abnormal number of calls. BellSouth employs the large team concept and BellSouth Florida assisted those customers in the Carolina's who were more adversely impacted than customer's in Florida. As this was an Act of God and not something controlled by BellSouth, the staff should either exclude this measurement from the reevaluation or at least acknowledge the event and the impact it may have had on BellSouth's answertime performance.

BellSouth Telecommunications, Inc. 850 222-1201
400 Fax 850 222-8640
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director - Regulatory Relations

January 31, 2000

Mr. Walter D'Haeseleer, Director
Division of Communications
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. D'Haeseleer:

Attached is a copy of BellSouth's fourth quarter 1999 Quality of Service Report. Enclosed with the paper copies is a diskette as requested by the FPSC's staff.

BellSouth's performance on Schedule's 2, 11A, 11B, 15 and 16 were severely impacted by the two major Hurricanes Floyd and Irene which transversed the East Coast of Florida from Monroe County to the Georgia line. Both of these Hurricanes caused mandatory evacuations resulting in BellSouth closing its business offices for up to forty eight hours and hampered BellSouth's outside forces in its installation and repair efforts. Additionally, the demand load increase created by the backlog of repair and installation requests carried over into the first part of December causing exchange misses during December as well.

The Business business office was impacted as they assisted BellSouth's sister states in answering calls for both installation and repair requests. This large team practice provides assistance to the Florida team when major factors impact just Florida.

The Residence business office was also impacted by calls, concerning the 407/321 Area Code overlay/split as well as the implementation of ten-digit dialing in the 407 area. Calls to the Residence Business office regarding the FCC mandated Primary and Non-Primary end user charges had a major negative impact on our access performance.

In 1999, BellSouth, through attrition, lost 990 employees from the Residence business office operation in Florida. BellSouth hired or transferred in 1103 employees for a net gain of 113 employees. The constant churn of employees and the training necessary to make them proficient has created major difficulties in meeting BellSouth's answertime objectives.

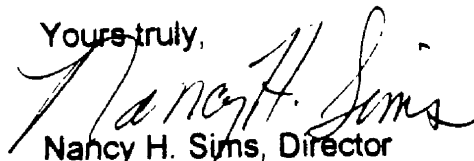
Sims/D'Haeseleer
4th Qtr. 1999 Service, Page 2

BellSouth continues to publicly post job openings for representatives and technicians to keep ahead of attrition and add to our contact personnel and outside plant forces.

BellSouth has not realized an increase in the complaints from customers about access to either the Business or Residence business offices.

Should you wish to discuss this matter further, please contact Wayne Tubaugh at 224-5128 or me at 222-1201

Yours truly,

A handwritten signature in cursive script, reading "Nancy H. Sims".

Nancy H. Sims, Director
Regulatory Relations
(850) 222-1201

Attachments
Enclosure



BellSouth Telecommunications, Inc. 850 222-1201
400 Fax 850 222-8640
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director - Regulatory Relations

July 20, 2000

Mr. Walter D'Haeseleer, Director
Division of Competitive Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. D'Haeseleer:

In your letter dated May 12, 2000 you transmitted the results of the service evaluation completed in the fourth quarter 1999 conducted in the Brooksville, Orange Park, St. Augustine, and Weeki Wachee exchanges, requesting responses to the deficiencies noted. This letter is in response to your request. Listed below are the specific responses:

Answer Time-Voice Services:

As your staff acknowledged in the service evaluation results, BellSouth was recovering from the damages caused by two Hurricanes that transversed the East Coast of Florida from the Keys to Jacksonville. As you would expect, the calls to both Business and Consumer Repair were voluminous. Additionally, there was an increase of calls to both business offices to request additional service during this period as customers waited to have repairs to their property completed. The large team concept employed during this time assisted BellSouth-Florida in handling the voluminous call volume.

Answer Time-TDD Services:

BellSouth has discussed the issue of calls from the hearing impaired with the staff on several occasions. As BellSouth has explained before, both Repair and Business calls go to the same TDD center. The majority of the calls concern installation, billing, and requests for information. BellSouth believes and has suggested that all calls be measured as calls to the business office. Additionally, calls to the TDD center are longer in length than a voice call because of the technology used, LED type terminals, and as a result should be measured similarly to that of a computer menu driven system. BellSouth's overall performance in this category, while not meeting the voice standard, would have met the 85/55 standard.

Sims/D'Haeseleer
Service Evaluation, Page 2

Adequacy of Directory Services:

BellSouth has not determined why three of the one hundred and twenty-nine new numbers failed to make the directory in forty-eight hours. BellSouth continually strives to keep our directory assistance database up to date and in compliance with the FPSC's requirements. Directory Assistance is a competitive service, and if BellSouth does not provide accurate information, users will go elsewhere for their needs. There may be occasional order processing problems with the transfer of information from competitive carriers and/or from other ILECs. BellSouth is unable at this time to identify the specifics of this particular situation.

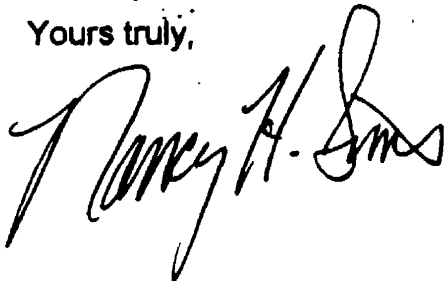
Repair Service:

BellSouth's failures in the Out-of-Service (OOS) categories and Rebates are major concerns to BellSouth. As BellSouth has explained to the Commission in past correspondence, the timing of the total outage time affects the results, and the definition of the OOS trouble condition contributes to the deficiencies in these categories. Even though recovering from the impact of the two major storms affecting the area reviewed, BellSouth did show significant improvement since the last service evaluation. BellSouth will continue to monitor its dispatch strategies and its customer demands.

BellSouth is showing improvements in its results in both the self reported periodic reports to the Commission and in the results of this recently completed service evaluation even with the higher than normal trouble load caused by the two storms.

Should you have any questions concerning this matter, please contact Wayne Tubaugh at (850) 224-5128 or me at (850) 222-1201.

Yours truly,

A handwritten signature in black ink, appearing to read "Nancy A. Sims". The signature is written in a cursive, flowing style with a large initial "N".

**CORRESPONDENCE
SERVICE RULE REVISIONS**



Southern Bell

Suite 400
150 S. Monroe Street
Tallahassee, Florida 32301
904 222 1201
FAX 904 222 8640

Nancy H. Sims
Director - Regulatory Relations

April 20, 1995

Mr. Walter D'Haeseleer
Director of Communications
Florida Public Service Commission
101 E. Gaines Street
Tallahassee, Florida 32399-0850

Mr. Daniel Hoppe
Director of Research and Regulatory Review
Florida Public Service Commission
101 E. Gaines Street
Tallahassee, Florida 32399-0850

Dear Messrs D'Haeseleer and Hoppe:

In your memorandum of March 20, 1995 you requested an assessment of the economic impact of the proposed changes to Rule 25-4.023, Report of Interruptions. This is Southern Bell's response. We cannot accurately estimate the additional costs, because we have no historical data that provides the frequency of the service interruptions as defined by the proposed rule. In other words, we cannot tell how much it will cost since we do not know how many times it will happen. There will certainly be additional costs to follow the proposed Rule. Southern Bell has a current practice, "Reporting Abnormal Service Conditions" (010-400-001BT, Issue E, April 1995, attached) for reporting service interruptions. The Abnormal Practice defines certain service interruptions that require reporting. If those criteria are acceptable to the Commission for reporting service interruptions, there would be NO additional costs. However, should the proposed rule be adopted, Southern Bell would need to devote additional resources which have costs associated with them, and some of these resources are identified in the attached analysis.

Exhibit 1, attached, is a comparison between the current rule, the proposed rule and Southern Bell's policy of reporting abnormal service conditions. Even though the proposed rule change provides additional guidelines for the reporting of service interruptions, the proposed wording does not fully recognize the technology in the existing network. The criteria in Southern Bell's Practice provides the needed specificity and more clearly defines reportable situations.

Sims 25-4.023
Page 2

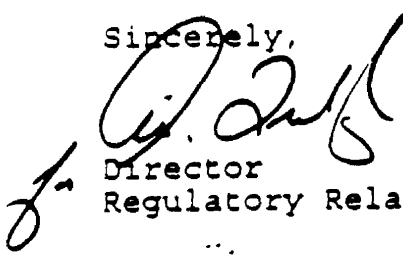
To implement the reporting guidelines as detailed in the proposed rule change will cause Southern Bell to incur additional costs as compared to our present method of operation. It will require additional forces to manage and meet the time frames outlined due to having to handle such reporting differently for Florida than for the other states served by the NRC. It would be very costly to maintain the records required to make the determination in the proposed Rule, especially those relating to individual NXXs. Southern Bell uses the Abnormal Reporting Procedures to identify those outages we are required to report to the FCC.

Reporting the initial failure within the proposed 90 minutes is consistent with the existing practice. The written follow-up report generally takes one to two weeks under our SFI (Switch Failure Investigation) and FFI (Facility Failure Investigation) processes, rather than the three days proposed in the Rule Change. Quite often the detailed analysis required to determine the exact causes and recommended future preventative action takes several days.

It is Southern Bell's position that the Commission should accept the service interruption report, required by Rule 25-4.023, as outlined in our Abnormal Reporting Procedures, used to report identified service interruptions to the FCC, because it is adequate and would impose no additional cost.

Should you have any questions concerning this matter, please contact me or Wayne Tubaugh at 904-224-5128.

Sincerely,



Director
Regulatory Relations

CURRENT RULE	PROPOSED RULE	SOUTHERN BELL POLICY
<p>The Commission shall be informed of any major interruptions to service affecting an entire community or a substantial portion of a community as soon as they come to the attention of the utility and a report made after restoration of service.</p>	<p>(1) Each LEC shall report to the Division of Communications, Bureau of Service Evaluation, orally, in writing, or by facsimile to (904) 487-0509, any service interruptions meeting the criteria of subsection (5) within 90 minutes of the beginning of such interruptions Monday through Friday from 8 a.m. until 5 p.m., except during official State recognized holidays. If the Commission is closed when the 90 minute reporting period expires and the interruption has not yet been reported, the LEC shall report the interruption within 90 minutes of the Commission's reopening for business. In its initial report, the company shall provide the following:</p> <ul style="list-style-type: none"> (a) the date and time of the interruption; (b) the geographic area affected; (c) estimated or actual restoration time; (d) estimated number of working access lines affected by the outage; and (e) description of the outage. 	<p>Section 3.2 of Practice states, "Once a reportable failure/incident has been identified, the center should report all available details of the failure/incident within 30 minutes."</p> <p>Received through the electronic mail system 4-24 hours after estimated time of interruption</p> <p>At this time Southern Bell provides the following information on the initial report to the Commission.</p> <ul style="list-style-type: none"> (a) the date and estimated time of the interruption; (b) the geographic area affected; (c) estimate or actual restoration time; (d) number of customer reports received to this point (e) description of outage

CURRENT RULE	PROPOSED RULE	SOUTHERN BELL POLICY
	<p>If the initial interruption report is provided orally or by facsimile, each LEC shall submit a written report to the Bureau of Service Evaluation within 3 working days from the beginning of the interruption.</p> <p>(2) If the interruption extends beyond 7 days, interim written reports containing the information required by subsection (1) shall be submitted to the Director of Communications every 7 days beginning 7 days from the start of the interruption.</p> <p>(3) Each LEC shall submit to the Division of Communications within 30 days after the date of restoration of all service a final written report providing the following information:</p> <p>(a) the date and time of the interruption;</p> <p>(b) the geographic area affected;</p> <p>(c) description of the damage incurred;</p> <p>(d) actual restoration date and time;</p>	<p>The initial report is provided orally to the Commission</p> <p>A final written report is submitted to the Commission within 30 days after the date of restoration of all service providing the following information:</p> <p>(a) the date and estimated time of interruption;</p> <p>(b) the geographic area affected;</p> <p>(c) description of the damage incurred;</p> <p>(d) actual restoration date and time;</p>

CURRENT RULE	PROPOSED RULE	SOUTHERN BELL POLICY
	<p>(e) the name of the affected central office(s);</p> <p>(f) the switch manufacturer, switch model/type, and whether analog, digital, or other type;</p> <p>(g) number of working access lines;</p> <p>(h) the number of customer reports received;</p> <p>(i) description of the cause of the outage;</p> <p>(j) description of the corrective action taken;</p> <p>(k) description of the problems experienced by the affected customers;</p> <p>(l) the type of equipment or facility failure involved with the outage; and</p> <p>(m) the steps taken to prevent recurrence of the outage.</p> <p>(4) If the initial or interim written report contains the information required in subsection (3), no subsequent report is required.</p>	<p>(e) the name of the affected central office(s) if available;</p> <p>(f) number of pairs involved in cable cuts, etc.</p> <p>(g) the number of customer reports received;</p> <p>(h) description of the cause of the outage;</p> <p>(i) description of corrective action taken - if available;</p> <p>(j) description of problems experienced by the affected customers if other than No Dial Tone;</p> <p>(k) type of equipment or facility failure involved with the outage; and</p> <p>(l) steps taken to prevent reoccurrence of the outage in cases of software problems</p>

CURRENT RULE	PROPOSED RULE	SOUTHERN BELL POLICY
	<p>(5) For the purposes of reporting under this rule, a service interruption is defined as one or more of the following:</p> <p>(a) any service outage of a LEC's intraLATA long distance facilities for more than 15 minutes;</p> <p>(b) a service outage for 15 minutes or longer affecting a minimum of 10 percent of the working lines in an exchange or 500 working lines in any NXX per central office excluding planned and schedule outages under 30 minutes;</p> <p>(c) complete loss of EAS or toll trunk groups in central office for 15 minutes or longer;</p>	<p>Section 2.1 of the Southern Bell Practice defines reportable service interruptions as follows:</p> <p>(g) isolation from long distance for 1 hour or more</p> <p>(m) partial switching outage affecting 900 or more lines for 1 hour or more duration,</p> <p>(p) partial switching outage affecting 40% or more of the customers for 2 minutes or more</p> <p>(f) damage to a Central office or Data Center building or other important Company building, due to fire, water, explosion, smoke or other natural or man-made disasters,</p> <p>(h) any unplanned Total Switch Outage for 31 seconds or more,</p> <p>(i) any damage of a fiber optic facility, regardless of outage duration or cause</p> <p>(j) any failure of intercity or interoffice trunk with 120 circuits out of service for 1 hour or more</p>

CURRENT RULE	PROPOSED RULE	SOUTHERN BELL POLICY
	<p>(d) loss of local distribution cable affecting service to 10 percent or more of the working lines in an exchange or 500 working lines for 30 minutes or longer;</p> <p>(e) any service outage of company operated 911 equipment or facilities which causes isolation of 10 percent or more of the working lines in any exchange from 911 access for 5 minutes or longer; or</p>	<p>(k) any failure of an exchange loop facility or Digital Cross Connect System causing service interruption to 600 or more working lines or trunks</p> <p>(l) any failure of an exchange loop facility or Digital Cross Connect System affecting 6 or more working systems</p> <p>(s) loss of a 911/E911 service node (i.e., tandem, PSAP or data base) for 31 seconds or more</p>

CURRENT RULE	PROPOSED RULE	SOUTHERN BELL POLICY
	<p>(f) any loss of service to: Major Airports (airports with commercial passenger service and control towers), Major Military Facilities as determined by the LEC and approved by the Commission, or Major Hospital Facilities as determined by the LEC and approved by the Commission.</p>	<p>(b) any network failure or condition adversely impacting the telecommunications capabilities at, into or out of any key Federal Government sites include, but not limited to: Military sites, White House (including travel of President Vice President, Secretary of Defense or a Foreign Head of State), FAA air traffic control site, FEMA office activated in response to a declared disaster, NASA center during manned space flight activity;</p> <p>(u) any known communications problem which has the potential of causing reaction from the government, news media, a regulatory body or a major customer</p>

REPORTING ABNORMAL SERVICE CONDITIONS

1. General

- 1.1 This section provides the reporting procedures for all Abnormal Service Conditions.
- 1.2 This practice is being updated to reflect the responsibility changes brought on by Center Restructuring. Major changes are contained in paragraphs 2.1, 3.1, 3.2, 3.6 and 3.7.
- 1.3 An Abnormal Service Condition is any situation or incident that:
- (a) Has a significant adverse impact on BellSouth's ability to provide telecommunications services, or
 - (b) Degrades government telecommunications, or
 - (c) Causes or potentially causes significant media reaction.
- See Part 2 below for a description of reportable conditions.
- 1.4 The timely, complete and accurate reporting of Abnormal Service Conditions is necessary to:
- (a) Keep appropriate levels of management informed.
 - (b) Obtain supplies and resources for service restoration.
 - (c) Respond to inquiries from government agencies, news media and major customers regarding the impact or threat to telecommunications services.
 - (d) Develop new or enhance existing procedures to prevent or recover from major service failures.

2. Conditions to Be Reported

- 2.1 Because of the varying nature and scope of Abnormal Service Conditions, developing a complete list of reportable conditions is not realistic. The following list of Abnormal Service Conditions is given as examples of situations that should be reported.
- (a) Any natural or man-made disaster causing or having the potential to cause widespread damage to life, property and/or telecommunications. Examples include, but are not limited to, earthquake, tornado, hurricane, flood, fire, winter storm, nuclear/chemical accident or explosion.
 - (b) Any network failure or condition adversely impacting the telecommunications capabilities at, into or out of any key Federal Government site. Examples of key Federal Government sites include, but are not limited to: Military sites, White House (including travel of the President, Vice President, Secretary of Defense or a Foreign Head of State), FAA air traffic control site, FEMA office activated in response to a declared disaster, NASA center during manned space flight activity.

- (c) Any major damage resulting from known or suspected willful destruction, including vandalism, sabotage, terrorism or civil unrest.
- (d) Any Network failure due to fire that affects more than 1,000 working lines.

NOTE: Abnormal Service Condition Reports on items a through d above should be forwarded to the Bellcore National Emergency Control Center (NECC) by the Company Headquarters Emergency Control Center (ECC). Reports to the NECC on items listed below may be appropriate depending on the specific situation or incident.

- (e) Any service outage of one-half hour or more duration of a Company official "order wire" circuit coded TSP 09. See BSP 660-207-020SV.
- (f) Damage to a Central Office or Data Center building, or other important Company building, due to fire, water, explosion, smoke or other natural or man-made disaster.
- (g) Any BellSouth Central Office, or connecting Independent Company exchange, isolated from long distance for 1 hour or more.
- (h) Any unplanned Total Switch Outage (TSO) (including Traffic Operator Position System (TOPS) and Signal Transfer Points (STPs)) for 31 seconds or more. (Planned activity should be reported if it results in an unexpected outage to the switch.)

NOTE: Total Switch Outages (TSO) is defined as: The inability to originate or terminate a call in a switching entity, even if stable calls are unaffected.

- (i) Any damage of a fiber optic facility, regardless of outage duration or cause.
- (j) Any failure of an intercity or interoffice trunk with 120 or more circuits out of service for 1 hour or more.
- (k) Any failure of an exchange loop facility or Digital ^{Loop Carrier} ~~Cross-Connect~~ System causing service interruption to 600 or more working lines or trunks.
- (l) Any failure of an exchange loop facility or Digital ^{Loop Carrier} ~~Cross-Connect~~ system affecting 6 or more working systems.
- (m) Any partial switching outage affecting 900 or more lines for 1 hour or more duration.
- (n) Any activation of Line Load Control in a switch.
- (o) Any Central office remaining on emergency power for 4 hours or more.
- (p) Any partial switching outage affecting 40% or more of the customers for 2 minutes or more.
- (q) Outage of Operations Support Systems running in the Data Center in Classes 1 through 2A having one (1) hour or more duration. An Outage is defined as the ~~loss of access or use~~ ^{loss of access or use} of a system regardless of the cause.

- (r) Total facility damage from a single incident exceeding \$100,000.
- (s) Loss of a 911/E911 service node (i.e., tandem, PSAP or data base) for 31 seconds or more.
- (t) Any CCS7 outage causing signaling isolation of a switching entity for 31 seconds or more.
- (u) Any known communications problem which has the potential of causing reaction from the government, news media, a regulatory body or a major customer.

3. Reporting Procedures

- 3.1** Abnormal Service Condition reporting originates with Network for outside plant and switching failures and Information Technology for Operations Support Systems.
- 3.2** Once a reportable failure/incident has been identified, the center should report all available details of the failure/incident within 30 minutes. Reports should be transmitted by electronic mail via the ABNORMS system. The reporting hierarchy and distribution of reports are prescribed by local instructions. The Company Headquarters Emergency Control Center (ECC) should be included in all report distributions. Reports requiring immediate attention may be transmitted verbally with electronic mail to follow.
- 3.3** Distribution of reports should be made in a manner to insure that all appropriate departments are kept informed of damage conditions and restoration activities during major service outages.
- 3.4** Interdepartmental coordination may be required at the Area level to insure that only one official Abnormal Service Condition Report is forwarded to Company Headquarters when outages affect more than one department.
- 3.5** For any Abnormal Service Condition carried over from the previous day, an Interim or Final report must be sent to Company Headquarters by 9 a.m. CST. During prolonged outages, a schedule for Interim reports will be established by the Company Headquarters Emergency Control Center (ECC).

3.6 Network Responsibilities

Abnormal Service Condition reporting is a shared responsibility of the Network Reliability Center (NRC) and the Work Management Center (WMC). Generally, responsibilities of the these centers are:

NRC – Reports all Abnormal Service Conditions for switching outages and facility failures in BellSouth's interoffice and toll network. This includes independent exchange central office and facility failures and Interexchange Carrier Switch and Facility failures.

Responsible for Abnormal Service Condition Reports for DLC System failures occurring in the central office. Enters the Initial Report for DLC System failures in the local loop that are identified by alarms received in the NRC. The NRC will enter the name of the person the alarms were referred to in the Remarks Section of the Abnormal Report.

WMC - Reports all Abnormal Service Conditions in the local loop and is responsible for interim and Final Reports on DLC system failures occurring in the local loop. Reports those conditions identified in Section 2.1 items (a) through (d).

Network responsibilities are further defined as:

- (a) Reports all Abnormal Service Conditions occurring in outside plant facilities such as, cables, pair gain devices, high capacity systems and radio relay equipment.
- (b) Reports all Abnormal Service Conditions occurring in Central Offices such as, switching equipment, Traffic Operator Position System (TOPS), damage to Central Office buildings, Central Office isolated from long distance (including isolated Independent Company exchanges).
- (c) Reports all other Abnormal Service Conditions, including outages of Operations Support Systems maintained by Network, or that have an operational impact on Network.
- (d) Determines when conditions require activation of the Company Headquarters Emergency Control Center (EOC) and Area Emergency Operations Centers (EOC).
- (e) Ensures that timely up-chain reporting of Abnormal Service Conditions are carried out as prescribed by local instructions.
- (f) The Company Headquarters Emergency Control Center (EOC) will determine which Abnormal Service Condition Reports should be forwarded to the Bellcore National Emergency Control Center (NECC).

3.7 Information Technology Responsibilities:

- (a) Based on the criteria in paragraph 2.1 (q), reports outages of Operations Support Systems. Also reports damage to Data Center buildings according to the criteria described in paragraph 2.1 (f).
- (b) Ensures that timely up-chain reporting of Abnormal Service Conditions are carried out as prescribed by local instructions.

Sections 4-12 of the Reporting Abnormal Service Conditions Policy are procedures for internal reporting. They are not included at this time, but can be provided upon request.

FLORIDA PUBLIC SERVICE COMMISSION
DATA/INFORMATION REQUEST ON
PROPOSED CHANGES TO RULE 25-4.023 AND NEW RULE 25-24.476, FAC,
REPORT OF INTERRUPTIONS

DATE DATA DUE: APRIL 19, 1995

LOCAL EXCHANGE COMPANIES

ALLTEL FLORIDA, INC./Mr. George W. Lee
CENTRAL TELEPHONE COMPANY OF FL — SPRINT/UNITED-FLORIDA/Mr. F. B. (Ben) Poag
GTE FLORIDA INCORPORATED/Ms. Beverly Y. Menard
GULF TELEPHONE COMPANY/ Mr. A. D. Lanier
INDIANTOWN TELEPHONE SYSTEM, INC./Mr. Robert M. Post, Jr.
NORTHEAST FLORIDA TELEPHONE COMPANY, INC./Mr. John A. Carroll, Jr.
QUINCY TELEPHONE COMPANY/Mr. Daniel V. Gregory
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY/Ms. Nancy H. Sims
SOUTHLAND TELEPHONE COMPANY/Mr. Jeff L. McGehee
ST. JOSEPH TELEPHONE AND TELEGRAPH COMPANY/Mr. John H. Vaughan
THE FLORALA TELEPHONE COMPANY, INC./Mr. Fern Seay
UNITED TELEPHONE COMPANY OF FLORIDA/Mr. F. B. (Ben) Poag
VISTA-UNITED TELECOMMUNICATIONS/Ms. Lynn B. Hall

SELECTED INTEREXCHANGE COMPANIES

ADDCOM COMMUNICATIONS, INC./Mr. Charles T. Lonstein	TI038
AFFINITY NETWORK, INC./Mr. Samuel P. Delug	TI940
AT&T COMMUNICATIONS OF THE SOUTHERN STATES, INC./Ms. Doris Franklin	TI741
ATC LONG DISTANCE/Mr. Brian K. Sulmonetti	TI724
CABLE & WIRELESS COMMUNICATIONS, INC./Mr. Charles A. Tievsky, Esq.	TI817
CHERRY COMMUNICATIONS/Mr. Gregory Brown	TI096
CONNECT AMERICA COMMUNICATIONS, INC./Mr. Anton J. Bily	TI174
CPS OPERATOR SERVICES, INC./Mr. Naum A. Hoolin	TI938
CSI LONG DISTANCE/Mr. Frank W. Wood	TI071
DIGITRAN COMMUNICATION SERVICE CORPORATION/Mr. Peter S. Macaluso	TI008
EQUALITY, INC./Ms. Marie Meneo	TI165
GLOBAL TELCOIN, INC./Mr. Michael Kennedy	TI958
HOTEL COMMUNICATIONS, INC./Mr. Tod Collett	TI246
INTEGRETEL, INC./Ms. Lorraine Gutierrez	TI904
INTELICOM/Mr. David Spezza	TI154
INTELLICALL OPERATOR SERVICES, INC./Mr. B. Reid Presson, Jr.	TI869
INTERMEDIA COMMUNICATIONS OF FLORIDA, INC./Ms. Patricia Kurlin	TI857
INTERQUEST/Mr. Douglas A. Shumate	TI195
JONES LIGHTWAVE OF TAMPA, INC./Mr. James J. Krejci	TI984

LDDS COMMUNICATIONS/Mr. Brian Sulmonetti	TI801
LDM SYSTEMS, INC./Mr. Louis A. Steiner	TI103
MCI TELECOMMUNICATIONS CORPORATION/Mr. Michael J. Henry	TI731
MICROTEL, INC./Mr. Brian K. Sulmonetti	TI713
MSI COMMUNICATIONS/Mr. Kevin Mornill	TI776
PBS, INC./Ms. Donna Bonnett	TI144
PHONETEL TECHNOLOGIES, INC./Ms. Tammy L. Martin	TI082
POLARNET COMMUNICATIONS CORP./Mr. Mark Kelly	TI091
PSP MARKETING GROUP, INC./Mr. Charles Sugg	TI133
PUBLIC PHONE/Mr. Ethan Rosen	TI018
ROBERT CEFAIL & ASSOCIATES/AMERICAN INMATE COMMS/Ms. Dana Strawn	TI141
SARASOTA MEMORIAL HOSPITAL/Ms. Donna M. Campbell	TI107
SONIC COMMUNICATIONS, INC./Ms. Martha Vitale	TI113
SOUTHERNNET SYSTEMS, INC./Mr. Michael J. Henry	TI907
SPRINT/Mr. Tony H. Key	TI793
ST. JOE COMMUNICATIONS, INC./Mr. Jim Boykin	TI791
TELVUE CORPORATION/Mr. Frank Carcione	TI894
THE FURST GROUP USA, INC./Mr. Taylor L. Smith	TI027
TOUCH 1 LONG DISTANCE, INC./Mr. James F. Corman	TI896
TOUCHTONE LONG DISTANCE, INC./Mr. Robert Pavey	TI060
US LONG DISTANCE, INC./Mr. W. Audie Long	TI927
US TELEDATA CORPORATION/Mr. Dennis E. Puckett	TI974
VALUE-ADDED COMMUNICATIONS CORPORATION/Mr. Charles P. Miller	TI930
WILTEL, INC./Ms. Courtney Y. Baugher	TI041
WORKING ASSETS LONG DISTANCE/Mr. Stephen Gunn	TI063
WORLD TELECOM GROUP, INC./Mr. Andrew O. Isar	TI124
ZERO PLUS DIALING, INC./Ms. Jeanne Jackson	TI916

FLORIDA INTEREXCHANGE CARRIERS ASSOCIATION

DATA/INFORMATION REQUEST ON
PROPOSED CHANGES TO RULE 25-4.023 AND NEW RULE 25-24.476, FAC,
REPORT OF INTERRUPTIONS

Company Name:

Name, title, and telephone number of
company official responding to request:

PLEASE RETURN NO LATER THAN APRIL 19, 1995 , TO:

Craig B. Hewitt
Division of Research and Regulatory Review
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32399-0872

FAX No. (904) 487-0509
ATTN: Craig Hewitt

The proposed changes to Rule 25-4.023, FAC, would delineate the requirements for local exchange companies (LECs) to report significant outages of service to the Commission. Proposed Rule 25-24.476 would require that interexchange companies (IXCs) also report significant service outages in the same detail. Reportable outages would require immediate notice within ninety minutes, a written report within three days, and a follow-up written report within thirty days.

INSTRUCTIONS

In answering the following questions, please consider the following:

- *Be as specific and accurate as possible in identifying costs or savings which would occur from implementation.*
- *Detail the assumptions and basis for each cost or savings estimate associated with the proposed rule and rule changes.*

- *In identifying additional types of expense/revenue increases or decreases, be specific as to the types of expenses/revenues (for example, labor costs, administrative costs, other operating revenues).*
- *Identify whether these expense/revenue increases or decreases would occur only in the initial year of implementation or if they would recur in subsequent years.*

* * * * *

1. Please identify and estimate the additional costs to report interruptions to the Commission within the prescribed times providing the required information.
2. Please identify and estimate the additional benefits from adoption of the proposed new rule and rule changes.
3. Section 288.703(1), Florida Statutes (1991), defines a small business as "an independently owned and operated business concern that employs 50 or fewer permanent full-time employees and that has a net worth of not more than \$1 million." Does your company qualify as a small business?
4. If your company qualifies as a small business, please indicate how adoption of the proposed rule and rule revisions might affect you as a small business.
5. Please provide any alternative methods of accomplishing the requirements of the proposed rule and rule revisions. Include the estimated costs of each alternative.
6. Please provide additional comments or cost estimates that may be useful to the Commission or staff in assessing the economic impacts of the proposed rule and rule revisions. Please include any company-recommended modifications and related expenses/savings.

1 RULE 25-4.023 Report of Interruptions.

2 ~~The Commission shall be informed of any major interruptions to~~
3 ~~service affecting an entire community or a substantial portion of~~
4 ~~a community as soon as they come to the attention of the utility and~~
5 ~~a report made after restoration of service.~~

6 (1) Each LEC shall report to the Division of Communications,
7 Bureau of Service Evaluation, orally, in writing, or by facsimile
8 to (904) 487-0509, any service interruptions meeting the criteria
9 of subsection (5) within 90 minutes of the beginning of such
10 interruptions Monday through Friday from 8 a.m. until 5 p.m.,
11 except during official State recognized holidays. If the
12 Commission is closed when the 90 minute reporting period expires
13 and the interruption has not yet been reported, the LEC shall
14 report the interruption within 90 minutes of the Commission's
15 reopening for business. In its initial report, the company shall
16 provide the following information:

17 (a) the date and time of the interruption;

18 (b) the geographic area affected;

19 (c) estimated or actual restoration time;

20 (d) estimated number of working access lines affected by the
21 outage; and

22 (e) description of the outage.

23 If the initial interruption report is provided orally or by
24 facsimile, each LEC shall submit a written report to the Bureau of
25 Service Evaluation within 3 working days from the beginning of the

CODING: Words underlined are additions; words in
struck-through type are deletions from existing law.

1 interruption.

2 (2) If the interruption extends beyond 7 days, interim
3 written reports containing the information required by subsection
4 (1) shall be submitted to the Director of Communications every 7
5 days beginning 7 days from the start of the interruption.

6 (3) Each LEC shall submit to the Division of Communications
7 within 30 days after the date of restoration of all service a final
8 written report providing the following information:

9 (a) the date and time of the interruption;

10 (b) the geographic area affected;

11 (c) description of the damage incurred;

12 (d) actual restoration date and time;

13 (e) the name of the affected central office(s);

14 (f) the switch manufacturer, switch model/type, and whether
15 analog, digital, or other type;

16 (g) number of working access lines affected;

17 (h) the number of customer reports received;

18 (i) description of the cause of the outage;

19 (j) description of the corrective action taken;

20 (k) description of the problems experienced by the affected
21 customers;

22 (l) the type of equipment or facility failure involved with
23 the outage; and

24 (m) the steps taken to prevent recurrence of the outage.

25 (4) If the initial or interim written report contains the

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1 information required in subsection (3), no subsequent report is
2 required.

3 (5) For the purposes of reporting under this rule, a service
4 interruption is defined as one or more of the following:

5 (a) any service outage of a LEC's intraLATA long distance
6 facilities for more than 15 minutes;

7 (b) a service outage for 15 minutes or longer affecting a
8 minimum of 10 percent of the working lines in an exchange or
9 500 working lines in any NXX per central office excluding
10 planned and scheduled outages under 30 minutes;

11 (c) complete loss of EAS or toll trunk groups in a central
12 office for 15 minutes or longer;

13 (d) loss of local distribution cable affecting service to 10
14 percent or more of the working lines in an exchange or 500
15 working lines for 30 minutes or longer;

16 (e) any service outage of company operated 911 equipment or
17 facilities which causes isolation of 10 percent or more of
18 the working lines in any exchange from 911 access for 5
19 minutes or longer; or

20 (f) any loss of service to: Major Airports (airports with
21 commercial passenger service and control towers), Major
22 Military Facilities as determined by the LEC and approved by
23 the Commission, or Major Hospital Facilities as determined by
24 the LEC and approved by the Commission.
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RULE 25-24.476 Report of Interruptions.

(1) Each IXC shall report to the Division of Communications, Bureau of Service Evaluation, orally, in writing, or by facsimile to (904) 487-0509, any service interruptions to its facilities meeting the criteria described in subsection (5) within 90 minutes of the beginning of such interruptions Monday through Friday from 8 a.m. until 5 p.m., except during official State recognized holidays. If the Commission is closed when the 90 minute reporting period expires and the interruption has not yet been reported, the IXC shall report the interruption within 90 minutes of the Commission's reopening for business. In its initial report, the company shall provide the following information:

(a) the date and time of the interruption;

(b) the geographic area affected;

(c) estimated or actual restoration time;

(d) estimated number of customers affected by the outage; and

(e) description of the outage.

If the initial interruption report is provided orally or by facsimile, each IXC shall submit a written report to the Bureau of Service Evaluation within 3 working days from the beginning of the interruption.

(2) If the interruption extends beyond 7 days, each IXC shall submit interim written reports containing the information required by subsection (1) to the Director of Communications every 7 days beginning 7 days from the start of the interruption.

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1 (3) Each IXC shall submit to the Division of Communications
2 within 30 days after the date of restoration of all service a final
3 written report providing the following information:

4 (a) the date and time of the interruption;

5 (b) the geographic area affected;

6 (c) description of the damage incurred;

7 (d) actual restoration date and time;

8 (e) the location of the affected facility;

9 (f) the type of equipment affected;

10 (g) number of customers affected;

11 (h) the estimated number of blocked calls;

12 (i) description of the cause of the outage;

13 (j) description of the corrective action taken;

14 (k) description of the problems experienced by the affected
15 customers;

16 (l) description of the alternate routing capabilities that
17 were available and used; and

18 (m) the steps taken to prevent recurrence of the outage.

19 (4) If the initial or interim written report contains the
20 information required in subsection (3), no subsequent report is
21 required.

22 (5) For the purposes of reporting under this rule, a service
23 interruption is defined as one or more of the following:

24 (a) a service outage for thirty minutes or longer affecting a
25 minimum of 10,000 customers in the State of Florida;

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1 (b) any failure of company provided IXC 911 services which
2 interrupts or diminishes the level of 911 service provided for
3 15 minutes or longer; or

4 (c) the loss of service to: Major Airports (airports with
5 commercial passenger service and control towers), Major
6 Military Facilities as determined by the LEC and approved by
7 the Commission, or Major Hospital Facilities as determined by
8 the LEC and approved by the Commission.

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FRR 0327 PSC 19

Rule Change Report of Interruptions Data Request

Comments:

Item 1 of Rule 25-4.023 states that the Division of Communications shall be notified within 90 minutes of the beginning of an interruption in service. At this time we are reporting major service interruptions as we become aware of them through the Abnormals system - this can be from 4 hours after the beginning of the interruption to sometime the next day.

We advise the PSC contact:

- (a) the date and time of the interruption
- (b) the geographic area -- city, street address if given
- (c) estimated restoral time
- (d) customer reports at the time of the initial report
- (e) description of outage - cable cut, co isolation, etc.

This is usually done orally, if the notice is the initial report. If all we receive is the final report, a letter or fax is sent.

A follow-up letter is sent if the notice is given orally or by fax as soon as a final report is received. This can be the day after the service interruption is restored or a week later -- I have had to call the WMC and the NRC to have final reports input. One problem we have with getting the final report is an investigation being done on CO outages. This has, on a couple of occasions, put off a final report to the FPSC for over a month.

Item 2 should not be a problem for service interruptions extending beyond 7 days. I can follow-up with phone calls if a interim report is not sent by the NRC or WMC.

Item 3: At this time, except on a couple of occasions, we are submitting a final letter to the FPSC within 30 days after restoration of the service. This letter includes:

- (a) date and time of interruption
- (b) geographic area affected - city, street address if available
- (c) description of damage incurred - cable cut, co outage, etc.
- (d) actual restoration date and time
- (e) name of affected central office - when available
- (f) number of customer reports received
- (g) number of pairs involved in cable cuts
- (h) description of the cause of outage - includes, if available, who cut cable, etc.
- (i) description of corrective action taken - when available
- (j) type of equipment or facility failure involved with the outage

We do not usually include:

- (a) the switch manufacturer, switch model/type, analog or digital, etc.
- (b) number of working access lines affected - but this would not be a problem in most cases
- (c) description of problems experience by the affected customers - unless noted on abnormal that it is SDT, NDTAT, etc. it is assumed to be completely out of service
- (d) steps taken to prevent recurrence of the outage - on some co problems when software is involved, it is stated that the software is replaced



BellSouth Telecommunications, Inc. Fax 904 222-8640
Suite 400 904 222-1201
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director - Regulatory Relations

January 18, 1996

Mr. Walter D'Haeseleer, Director
Division of Communications
Florida Public Service Commission
2450 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Dear Mr. D'Haeseleer:

This letter is in response to your memorandum dated November 14, 1995, requesting information regarding BellSouth's petition to initiate rulemaking for changes to the FPSC's service rules. The Commission granted the petition and Docket No. 950778-TL was established. Listed below are the responses to the specific data requested:

1. In Florida, in the past 5 years, has your company attempted to measure customer satisfaction by collecting customers' opinions and views on whether or not customers are receiving a satisfactory quality of service? If yes, please provide a description of the methodology employed in each campaign to collect this information including: Yes.
 - A. The entity(ies) responsible for overseeing the performance of the study:

BellSouth's Corporate Measurements Group
 - B. Entity(ies) responsible for directly gathering the data:

Elrick & Lavidge, Inc. (An independent marketing research firm)
 - C. Objective(s) of the study:

To obtain the customers' level of satisfaction with the overall service received as well as the level of satisfaction with the various service attributes ("drivers") associated with the delivery of the service.
 - D. The time period that the study covered:

These studies are ongoing.

D'Haeseleer/Sims
Rule Changes Page 2

E. The group of customers studied as defined at the outset of the study:

Consumer
Small Business

F. The customer profiles of study respondents:

Consumer - Residential customers
Small Business - Business customers with 1 to 6 business lines.

G. Specifically how the customers were chosen (if a random sample was used, the exact method by which it was defined) and why you believe that this was an appropriate way to measure:

Consumer Customer Satisfaction surveys are based in part on recent customer service contacts and in part on a general sample of customers who may or may not have had a recent contact. A daily, random sample is drawn from customer billing records (General Universe survey), customer-initiated service orders (Provisioning survey), from customer-initiated billing contacts (Billing Inquiry survey), and from MTAS trouble reports (Repair survey).

The Small Business Measurement Plan sample is drawn from MTAS trouble reports (Repair), customer-initiated service orders (Provisioning), customer-initiated billing contacts (Billing Inquiry), and the general Small Business data base.

A Small Business Account is defined in the Business Revenue Information System (BRIS) as a Customer Location Account Code (CLAC) which has a Small Business indicator of "S." The accounts are updated on a monthly basis. Activity is identified at the CLAC level via a feed from the Customer Record Information System (CRIS). A stratified sample by CLAC of customer service contacts within the last three months is then selected on the 21st of each month for 1) Repair; 2) Provisioning; 3) Billing Inquiry; and 4) Other, which includes customers who have had no service contacts within the last three months and customers who have had activity other than repair, provisioning, and billing inquiry within the last three months.

BellSouth's sampling methods provide for a statistically valid sample to be drawn that represents all of our consumer and small business customers and through these surveys, allows us to track their opinions over time.

D'Haeseleer/Sims
Rule Changes Page 3

H. The method of data collection:

All Consumer and Small Business surveys are conducted by telephone interview.

L. The evaluations of the study's accuracy:

Based on the sample size, the customer base, and the results of the surveys, the precision, or confidence intervals, for the 1995 survey results are calculated to be as follows (at a 95% confidence level):

Consumer	+/-1.7%
Small Business	+/-1.3%

BellSouth considers the customer survey developed for its use as proprietary and confidential information. This includes the detailed process for how our customers are selected to be interviewed. The information contained in the survey could be used by BellSouth's competitors in competition for the same customers. In addition, the survey was developed by BellSouth and its contractor for both service and marketing information, and the methods, procedures and development strategies are confidential and proprietary.

Items I, J and K will be available for review by the FPSC staff at BellSouth's offices in Tallahassee.

2. Which quality of service rules (Rules 25-4.066 through 25-4.080, F.A.C.) does your company recommend modifying or deleting? Provide reasons for your recommendations.

See BellSouth proposed Rule Revisions attached.

3. Does your company recommend incorporating customer satisfaction surveys into the quality of service rules? Which rules would need to be changed, supplemented, or deleted? Provide reasons for your recommendations. If customer satisfaction surveys were so incorporated, who do you recommend conduct the surveys - FPSC, LEC, others?

Yes, BellSouth recommends that the FPSC utilize its overall customer satisfaction measurement for Consumer (residence) and Small Business (1-6 lines) combined.

D'Haeseleer/Sims
Rule Changes Page 4

BellSouth has historical data that can be used to benchmark its performance. Results can be provided on a monthly or quarterly basis. The Company's processes provide a high level of statistical validity and reliability through sophisticated sampling techniques and control processes.

BellSouth currently contracts with an outside firm to administer the customer satisfaction interviews. BellSouth monitors the interviewing process and vendor operations to ensure quality and cost efficiency. It also conducts periodic reviews of the measurement plan to ensure conformance to plan design and objectives. The FPSC and its staff could, at any time, audit or monitor the process.

Should you have any questions concerning this matter, please contact me at 222-1201.

Sincerely,



Nancy Sims

Director Regulatory Relations

Attachment



BellSouth Telecommunications, Inc. Fax 904 222-8640
Suite 400 904 222-1201
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director - Regulatory Relations

May 24, 1996

Mr. Walter D'Haeseleer, Director
Division of Communications
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Dear Mr. D'Haeseleer:

In your memorandum dated April 9, 1996 you requested all interested parties respond to the second data request in Docket 950778-TL. This letter is in response to that memorandum.

BellSouth has advised the Commission that the customers of the telecommunications provider are in the best position to determine if they are being provided satisfactory service. BellSouth for several decades has employed a customer survey process to determine whether or not a customer is satisfied with the service and products being provided. Product deployment and service strategies are developed by BellSouth as a result of our customers responses to detailed questions being asked.

Competition in the local exchange market in Florida has begun. BellSouth recommends that all rules and objectives be rescinded as competition develops in each exchange. BellSouth also recommends that a sunset provision for the rules be instituted and the rules be repealed at the end of the three year period from the date of the Legislative mandate implementing competition.

BellSouth has provided its specific comments to the data request on the attached document. Should you have any questions concerning this matter please contact me or Wayne Tubaugh at 224-5128.

Sincerely,

A handwritten signature in cursive script that reads "Nancy H. Sims".

Attachment

BELLSOUTH'S RESPONSE TO THE FPSC SECOND DATA REQUEST IN DOCKET NO.
950778-TL, REVIEW OF FPSC QUALITY OF SERVICE STANDARDS

Item I.

From all parties:

Post-workshop comments- please address your company's recommendations for any quality of service issue presented or discussed at the workshop, whether it be incorporating customer satisfaction surveys into the quality of service rules, whether it be recommending modifications to the quality of service rules, and so on. Where your company recommends rule changes, please reply with specific, type and strike language for each rule. You may call Mary Anne Helton at 904/413-6096 to obtain a disk of the current rules.

Response:

BellSouth recommends that the Commission institute a sunset provision of the rules for determining satisfactory service. The repeal of the rules would take place three years from the date of the Legislative mandate of local exchange competition. Consumers of telecommunications services will determine which carrier is providing the most satisfactory service in a competitive market place by choosing the provider that they prefer. There will be no need for regulatory oversight to attempt to determine whether or not a company is meeting customer expectations. In the interim, as full competition is determined to exist in each exchange or metropolitan serving area, service standards for those identified exchanges should be rescinded.

BellSouth recommends that the Commission immediately institute a plan to utilize BellSouth's customer surveys to determine whether customers are receiving satisfactory service. BellSouth has for decades surveyed its customers to determine if they are satisfied with BellSouth's products and service. BellSouth uses the information from its customers to determine product deployment and service strategies. The survey itself is a highly confidential and proprietary process, however, BellSouth would agree for the FPSC staff to review the survey to determine that it does in fact contain the representations BellSouth has made to the staff, upon the execution of a confidential and proprietary agreement.

BellSouth/2nd Data Request
Attachment Page 2

In the survey process, BellSouth's customers are asked to respond to questions regarding; Business and Repair Office access, Appointment, Repair completion, Installation performance, and many other areas of the business. Those questions correspond directly to the performance measures of the quarterly quality of service standards, however, the customer becomes the judge of whether or not satisfactory service is being provided.

If a local exchange company does not have a customer survey process, the Commission would continue to apply the current standards.

BellSouth recommends that the Commission accept the results of the statewide survey that reflects whether its customers are satisfied with BellSouth's service performance. Should the staff have a need for more detail concerning a specific area or exchange, BellSouth would cooperate with the staff in making that information available. If the Commission is hesitant to rescind all of the current service standards and accept the determination of the customer, BellSouth suggests that the standards continue to be tracked for a twelve month period. The Commission would continue to perform service evaluations and report deficiencies to the company so that corrective measures could be implemented. After the twelve month period, as any reservations concerning the survey process are resolved, the reporting of those standards would cease. During this time period, the determination of satisfactory service would be based upon the customer survey and not the reporting of service results. In other words, the tracking of service according to the current standards would be a transitional mechanism, not an ultimate indication of the quality of service customers are receiving. Also, BellSouth would continue to determine if a customer's service is interrupted and rebate the customer in accordance with existing rules.

BellSouth/2nd Data Request
Attachment Page 3

Item II. A:

BellSouth data response, dated January 18, 1996, recommended that its customer satisfaction survey replace the current measurements associated with Rules 25-4.066, 25-4.070, 25-4.073 and 25-4.0770. At the workshop, BellSouth stated that other rules might be replaced or changed by the use of the survey. For BellSouth - please identify those rules and your reasons for their modification.

Response:

BellSouth's reply dated January 18, 1996, itemized the proposed changes to each of the FPSC Rules in Part V, Chapter 25. No additional revisions are proposed at this time.

Item II. B.

Please provide all survey questions that your company believes could be posed to its Florida customers where the responses could be reported to the FPSC without the protection of confidentiality.

Response:

As stated in BellSouth's January 18, 1996, response, item L, BellSouth considers the customer survey developed for its use as proprietary and confidential information. The information contained in the survey could be used by BellSouth's competitors in competition for the same customers. In addition, the surveys were developed by BellSouth and its contractors for both marketing and service information and the methods, procedures and development strategies are confidential.

The only survey questions that BellSouth believes could be reported to the FPSC without the protection of confidentiality are the overall customer satisfaction questions from their Consumer and Small Business customer surveys. All other questions are considered to be competitively sensitive and proprietary.

The overall customer satisfaction questions are as follows:

Consumer: The Consumer result is a composite of four different surveys (the first three are based on recent customer service contacts: Provisioning, Repair, Billing Inquiry, and General Universe(non-recent contact). The following question is the general format for the overall question for each of these four surveys:

BellSouth/2nd Data Request
Attachment Page 4

I'd like to get your opinion of the service you received from BellSouth. In answering these questions, please think about that service, then using a scale of 1 to 10 where 1 is poor and 10 is excellent, tell me how you would rate the quality of the service you received. Of course you can use any number between 1 and 10.

Provisioning survey: Overall, from the time your order was placed until it was completed, how would you rate the quality of the service you received from BellSouth?

Billing survey: Overall, how would you rate the way BellSouth handled your call as well as your bill?

Repair survey: Overall, from the time the trouble was reported until right now, how would you rate the quality of the service you received from BellSouth?

General Universe: First, please think about all the services BellSouth has provided you during the past 12 months. Then using a scale of 1 to 10 where 1 is poor and 10 is excellent, tell me how you would rate the quality of the service you received from BellSouth?

Small Business: Please think about ALL aspects of the services BellSouth as provided to your company since the beginning of [insert month which is 3 months previous to current sample month, not inclusive].

Using a scale from 1 to 100, with 1 meaning you are completely dissatisfied and a 100 meaning you couldn't be happier, how satisfied are you overall with BellSouth?

Item II. C.

Please make a comprehensive proposal on how the FPSC might proceed if survey questions were allowed to replace the current measurements specified in question II.A. Note that no such decision has been reached. Please be specific about how the:

BellSouth/2nd Data Request
Attachment Page 5

1. Company could demonstrate that an appropriate quality of service was being maintained both company-wide and in specific locations;

Response:

The survey results are based upon statistically valid samples that are randomly selected from both urban and rural areas. No service areas are either intentionally or systematically excluded from the customer sample selection process. Therefore, BellSouth proposes to report overall customer satisfaction as a percent of customers whose responses indicate that they are satisfied with the quality of service they received from BellSouth. These results would come from the existing surveys that BellSouth uses internally to manage the business. These results are also used to report service quality to other PSC's and the FCC. More detail about the sampling and administration of these surveys is included in BellSouth's January 18, 1996 response to Mr. Walter D' Haeseleer's November 14, 1995 data request regarding Docket 950778-TL.

2. Commission could verify that an appropriate quality of service was being maintained;

Response:

The Commission could verify that an appropriate quality of service was being maintained by reviewing in detail the customer satisfaction survey results obtained by BellSouth. While BellSouth considers the survey results and data to be proprietary and competitively sensitive, the Commission would be welcome to review this data at BellSouth's offices and visit the BellSouth Research Center located in Nashville, Tennessee, for the purpose of monitoring the interviewing process to assure themselves of the statistical validity and accuracy of the customer satisfaction measurement process.

BellSouth/2nd Data Request
Attachment Page 6

3. Company would proceed if it found that an inappropriate quality of service was being provided.

Response:

BellSouth would proceed exactly as it does today. As in the past, BellSouth will continue to strive to improve the quality of its service. While BellSouth proposes that all of the existing internal measurement rules be eliminated as FPSC Service Standards, BellSouth will continue to monitor the technical and engineering results it tracks.

BellSouth tracks and monitors technical and engineering data in order to find ways of improving customer service. In the growing competitive marketplace, it is vital that BellSouth continue to be aware of its performance in these areas. If it found that an inappropriate quality of service was being provided, it would, as it does now, develop service improvement plans to address the problem.

BellSouth is totally committed to and firmly believes in its customer satisfaction survey processes and their associated results. These surveys which focus not only on overall customer satisfaction, but also on the drivers of customer satisfaction and loyalty, are an effective way to monitor service quality. BellSouth believes that the customer surveys do measure the quality of service accurately.

BellSouth/2nd Data Request
Attachment Page 7

4. Company's proposals account for a deterioration in customer service quality, where customers may not immediately feel negative consequences and therefore where a customer survey would fail to measure the quality of service accurately.

Response:

With a focus on recent service contact experiences, the existing surveys provide a viable method for determining changes in the quality of the service delivery processes, and most importantly, from the customer's perspective. Feedback from customers would quickly reflect any deterioration in service and BellSouth will respond to improve it. The true quality of BellSouth's service is what their customers believe it to be. As a provider of service in a business which is becoming increasingly competitive, BellSouth has no motivation to provide less than excellent service. BellSouth believes the most appropriate gauge for determining service quality is the customer's own perception.

Also, the Commission has a complaint process where the customers do not hesitate to advise the Commission when they believe that they have a problem with their local service provider.

5. Commission could treat LEC's consistently given that LEC's use different surveys and different survey questions to assess service quality.

BellSouth/2nd Data Request
Attachment Page 8

Response:

BellSouth believes that LEC's can use different surveys and different survey questions to assess service quality and still allow the Commission to treat LEC's consistently. This can be accomplished by reviewing historical data for each company and setting minimum service performance targets for each company, based on each LEC's survey methodology. All sample based measurements, which these surveys are, have a confidence level, expressed as a range, i.e. $\pm 1\%$. When targets are set, the confidence level for each LEC's survey should be considered when setting minimum service levels. Before any changes to the survey methodology are made, trials of the new methodology should be conducted to determine the impact and develop correlation factors that could be used to adjust targets.

The Commission can validate each LEC's survey process to determine if it is an appropriate process by which the customer determines satisfactory service.

BellSouth Telecommunications, Inc. 850 222-1201
400 Fax 850 222-8640
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director - Regulatory Relations

January 22, 1999

Mr. Phil Trubelhorn
Bureau of Service Evaluation
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Answer Time Rule

Dear Mr. Phil Trubelhorn,

Per your request at the December 11, 1998 meeting, BellSouth is providing its comments regarding the Commission's current answer time rule (Rule 25-4.073). The answer time rule sets forth criteria to determine the quality of service to subscribers by measuring and placing certain requirements on the company (e.g., 95% of all calls answered by a live attendant in 55 seconds or less). BellSouth believes that revisions to this rule are required for several reasons. This requirement has existed for years while the telecommunications industry, technology and the manner in which service is rendered have all changed substantially since the time that this rule was originally written.

Revisions to Chapter 364 and the Telecommunications Act of 1996 have also prompted changes in the way that service is provided to customers. As a result of movement into a competitive environment and emerging technology, BellSouth's service offerings have become more competitive and increasingly complex. While customers should benefit from new services and more choices, more often than not, customers have additional questions and concerns. The increase in customer awareness not only increases the number of calls into BellSouth's business office, but requires additional customer contact time due to the complexity of the services and options available to the customer. The increase in volume of calls into BellSouth's business office, along with the complexity and varying service offerings, require that the current answer time rule be revised to reflect more specifically what satisfies the customer in this new environment.

In an effort to better serve our customers, BellSouth's Florida's Business office provides service Monday through Saturday 6AM to 12PM including holidays. In addition to our extended hours, BellSouth's automated interactive answering system provides an up front option to the customer to immediately speak with a live attendant. In 1998, approximately

13.1% of total calls to the business office opted to speak to a live attendant. Specifically, the verbatim reads:

"Thank you for choosing BellSouth. To route your call correctly, press "1" now on your touchtone phone. Para español, marque el "2" ahora. If you do not have a touch-tone phone, please stay on the line for a representative". (Pause - 6 seconds) "Your call will now be connected with a representative". (5 seconds)

Once the customer initiates interaction, the system will take the customer through all the available options. At this point, lack of interaction for a period of 6 seconds will switch the caller to a live attendant.

If the customer elects to route his call by pressing "1", BellSouth has provided customers with its Rightouch option which is available to the Customer 24 hours a day, 7 days a week. Rightouch provides the Customer with the option to make changes to existing service, make payment arrangements, provide bill balance, obtain duplicate copy of the bill, order directories, listen to product/service information, suspend and restore service, and disconnect service totally on an automated basis. In March 1998, BellSouth's Rightouch usage was 10.3% of its total calls. However, as a result of moving the Rightouch option from being the last option in the automated interactive answering system to being the first option available, immediately after the customer opts to interact with the system, the number of BellSouth customers in Florida opting to use Rightouch increased to an all time high of 19.8% of total calls in May, 1998. This improvement was sustained in June, with 19.2% and throughout the rain and hurricane season in August, with 18.2% of total customer calls opting to interact with Rightouch. In a recent market research study conducted on BellSouth's Rightouch service, users of the system appeared satisfied and spoke favorably on the systems 24 hour availability, the systems ability to provide a means of making payment arrangements, and the systems friendly voice.

BellSouth believes that in the current environment, Florida customers would be better served by rules that focus more directly upon what Florida customers want regarding their service and desires. Specifically, the appropriate standard for customer satisfaction should be the customers' opinions and views on whether their problems and concerns are properly handled by the company in a satisfactory manner. Overall customer satisfaction measures the entire customer experience. As a result, BellSouth, for the third year in a row, recently received the J D Power & Associates award for being the #1 local telephone company in the nation, in providing Customer Service to residential customers.

As discussed above, BellSouth believes that changes in the telecommunications industry, technology and the manner in which service is provided have all changed substantially since the time that the current Answer Time rule was written. Thus, BellSouth believes that certain revisions are required to the current rule. While BellSouth is not proposing

Mr. Phil Trubelhorn
January 22, 1999

Docket No. 991378-TL
J. Lacher Exhibit No. 2
Page 87 of 111

specific criteria at this time, BellSouth does believe that customer satisfaction should be weighed heavily in determining the appropriate role for answer time in Florida.

If you have any further questions, please do not hesitate to call.

Yours truly,

A handwritten signature in cursive script that reads "Mary Rose Linnam for NS".

Director - Regulatory Relations

BellSouth Telecommunications, Inc. 350 222-1201
Suite 400 Fax 850 222 8640
50 South Monroe Street
Tallahassee, Florida 32301

Nancy M. Sims
Director, Regulatory Programs

December 3, 1999

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

Re: Docket No. 991473 – Review and Revision of Rules 24-4.066 – 25-4.081, and 25-24.049, Florida Administrative Code

Dear Ms. Bayo,

The Commission is considering the revision of service quality rules for local telecommunications providers. The Commission held a workshop on Friday, November 5, 1999 to discuss modifications to the existing rules and receive input from the industry. The Commission is seeking Post-Workshop comments from the parties as a result of the referenced workshop. BellSouth offers the following preliminary comments. BellSouth reserves the right to amend these comments at any future rulemaking workshop or upon reviewing any comments that might be filed by other parties.

BellSouth believes it is time to re-evaluate the Florida Public Service Commission's (FPSC) Rules and Objectives regarding provision of service to its customers in Florida. Changes should be made that better reflect our customer's determination of satisfactory service. The current rules and objectives, which are a multitude of arbitrary numerical measures, were developed during the late 1960's and early 1970's. At that time, local exchange, long distance service, public phone service, etc. were monopoly services, and customers, the commission, and BellSouth perceived that four types of services were provided; POTS (plain old telephone service), small business, large business (PBX), and special services. Additionally, BellSouth served a customer base of less than two million access lines during that time period. While the current measures may have been appropriate in that environment, we do not believe they are appropriate in today's customer driven, increased competitive marketplace.

Due to rapid technological advances in the industry, customers now have a wider choice of service and service providers. Service is no longer focused on just POTS; service revolves around POTS plus add-ons such as Caller ID, Call waiting, Voice Messaging, Access to the Internet, Alarm Service, etc. Customers have on-line access, via the internet, to view their bills; place orders, and find out information about products 24 hours

a day. In addition to enhancements to our RightTouch option, which allows a customer to complete transactions such as the ordering of additional services and billing inquiries without ever talking to a live attendant, we now offer announcements that alert customers as to the length of wait in reaching a live attendant.

Such significant changes in the telecommunications industry including technology changes, competitive inroads, increased customer awareness and the broad range of services offered, have taken place at an ever-increasing pace since the divestiture of AT&T. The changes actually began prior to divestiture with the deregulation of inside wire. At the same time, competition for long distance service brought forth laws that segmented the market into interstate and intrastate services. In addition, Public Phone Service (pay phone) competition was authorized. In 1995 and 1996, local exchange competition became law at the State and Federal level, respectively.

BellSouth now serves more than six million access lines in Florida. For years as a FPSC mandate and now as a competitive matter, BellSouth must keep its cost of service to its customers as low as possible. BellSouth has accomplished this goal with technological innovation, systems enhancements, and development of employee skill levels through training. Thus, BellSouth seeks to modify or eliminate some of the current FPSC rules to more accurately reflect these changing market conditions.

In an effort to move forward on service quality rules, the FPSC opened Docket No. 991473-TP. As mentioned above, the staff held a workshop to discuss modifications to the existing rules and receive input from the industry. Various ideas were generated and discussed by the participants regarding service quality rules, including the use of a scorecard, service guarantees, and whether rules should apply equally to ILECs and ALECs.

The staff generated discussion on the idea of a scorecard, which would compare a set of minimum standards across basic local telecommunications providers. BellSouth generally believes that scorecards would be a good idea. Basically, providers of basic local telecommunications service (ILECs and ALECs) would be evaluated on a set of minimal standards (i.e., monthly, quarterly, etc.), on an periodic basis. BellSouth does not necessarily believe that the standards used on the scorecard need to be in the form of a Commission rule. For example, if a company provides service below one of the minimum standards set by the Commission, they would not be in violation of a Commission rule. A Company's performance on the scorecard would speak for itself. BellSouth believes a scorecard would provide consumers an overview of the basic local providers available in their service territory. In addition, a scorecard approach would allow the consumer to evaluate for itself what is most important to them and choose a carrier based on the amenities that a provider offers and the type and quality of service provided. One question raised at the staff workshop was whether the scorecard would be self reported or performed by the Commission. If a limited number of providers are to be evaluated on each scorecard, BellSouth believes it would be appropriate for the Commission to perform that evaluation. Additionally, BellSouth believes that a scorecard would satisfy the

Commission's obligation under Chapter 364.0251 (Competitive providers of local service, implementation of consumer information program required) and 364.0252 (Expansion of consumer information programs; customer assistance; rulemaking authority) Florida Statute that provides for consumer information programs.

BellSouth does not believe that data transmission speeds should be used as a standard of service quality for a POTS line that is evaluated by the Commission. The public switched network was built for the transmission of voice, not data. The public switched network has improved sufficiently over time to accommodate the transmission of analog data. Although BellSouth offers tariffed services that guarantee a specific data transmission in speeds, to mandate a minimum transmission speed for data on a POTS line would involve an attempt to standardize many factors nationwide, an attempt which would be prohibitively expensive and unrealistic. BellSouth does not object to specific standards for dial tone volume, noise and other transmission parameters being included in the rules; however, BellSouth believes that these types of standards should be applied to all providers of the service.

The Office of Public Counsel (OPC) addressed the idea of Installation Service Guarantees at the staff workshop. The OPC suggested Commission rules should provide built in incentives to provide good service. The OPC stated the Service Guarantee would enhance the company's image and concern for good service, provide the company an incentive for a company to provide good service, and would be good for the customer. Automatic customer credits would be provided when the company fails to install new service in compliance with the Commission rules and the company is responsible for the miss. Pursuant to Section A2.17 of the General Subscriber Service Tariff, BellSouth currently provides a Commitment Guarantee Program that provides a credit to residence and business customers should BellSouth fail to meet its commitment in connection with installation or repair of service provided over BellSouth facilities. BellSouth believes the Commitment Guarantee Program currently in place is sufficient to satisfy the concerns of the OPC. In fact, with the influx of competition, the offering of a commitment service guarantee is becoming more commonplace.

Unless modifications to the current service rules recognize the competitive market, BellSouth believes that service quality rules should apply equally to ILECs and ALECs. BellSouth believes that any new service measures should reflect the changing environment, and account for increased competition in the business market and in certain geographic areas in Florida. BellSouth believes that there should be some type of periodic review of the rules to readdress the market and to appropriately modify the rules on a going forward basis. For instance, relief from the Commission rules would be warranted in a geographic area that has local competition. Without this type of approach, BellSouth believes all companies should be subject to the Commission's service quality rules.

The majority of the discussion at the staff workshop centered on consumer protection. BellSouth believes the Commission's focus regarding service quality rules is to protect the

public's interest. To accomplish rules that provide consumer protection, BellSouth believes the rules should be refocused into three major areas:

- 1) **Public Safety** - should apply to all local exchange companies (large and small) Serves to protect the consumer, and assists the company.
- 2) **Public Policy** - should apply to all local exchange companies (large and small). Encompasses broad public policy issues such as "slamming" and "cramming" and billing issues. This is designed to combat fraud and deception.
- 3) **Surrogate for Competition** - A select few measures, more concise and easy to measure (no room for interpretation). Where there is competition, the market should be the driver and the customer should "vote" through their choices. Move to market driven rules geographically.

Based on the aforementioned comments, BellSouth seeks to modify or eliminate some of the current FPSC rules to more accurately reflect the new telecommunications environment. While specific modifications are shown in legislative format in Attachment A, the following provides an overview and part of the rationale for the rule change request.

25-4.066 (5) Availability of Service

This rule should be modified to reflect the increase in competitive alternatives for customers, businesses, and property owners. Currently, BellSouth is obligated to anticipate service demand, and provide facilities in advance of demand. The rule should be changed to exempt BellSouth from this obligation where a competitive service provider is already in place or has a contract with a business or property owner to provide service. If the rule is not modified, BellSouth could find itself without the customers necessary to recover its investment and underutilized plant and equipment. Additionally, the changes being proposed provide for a better measurement of BellSouth's performance in meeting both customer requested and company offered service dates. The customer wants what he wants, when he wants it.

25-4.070 Customer Trouble Reports

25-4.0770 Customer Appointments

The majority of BellSouth customers believe that any problem they are experiencing with their service should be repaired as quickly as possible. Our customers believe that a noisy trouble condition is as important as being out of service completely. They believe that repair of a second line is as important as the repair of their primary service. For these reasons, we are proposing the following changes to the existing FPSC rules.

- a. Combine Schedules 11A and 11B (25-4.070). Measure on a statewide basis by using a new measurement defined as Average Elapsed Time of Completion for all trouble reports. We propose that the restoration of service shall be cleared within

an average of 27 hours measured on a monthly basis. Rebates for service outage over 24 hours would continue. In addition, the measurement of same day restoral reported, as a part of 11a should be eliminated since it has never been considered a rule. BellSouth will be giving up forty five hours for one category and adding only three hours in the other category.

- b. Eliminate Schedule 17 -- **25-4.0770-- Repair Appointments Met**
- c. Eliminate Schedule 18 -- **25-4.0770 -- Service Order Appointments Met**
- d. Eliminate Schedule 11c -- **25-4.070 -Report Rate/100 Access Lines**
- e. Combine existing Schedule 2 measurements of % service orders completed within 3 days, within 30 days, and within 60 days with one new measurement. BellSouth suggest that the Company be held accountable for the completion of 90% of the customer request/company offered service requests in a month measured at the state level. The ILECs shall offer service intervals of five days or less to their customers for installation of service. BellSouth will continue to report to the Commission its inability to honor requests for service due to the lack of facilities and to notify the customer of the reason for any delay and keep the customer informed of the status of the request.

25-4.072 -- Transmission Requirements

4.072(3) -- Schedule 19 -- This rule should be modified to exempt BellSouth from providing a test number where the block of numbers belongs to another carrier. The FPSC contends that BST should make one number in each 10,000 number group available when that number group belongs to another provide such as a cellular, paging, IXC, an ALEC.

25-4.073 -- Answering Time

- 4.073 (1) (a) or (b) -- **Emergency Services -- Schedule 13**
- 4.073 (1) (c) or (d) -- **Directory Assistance -- Schedule 14**
- 4.073(1) (c) or (d) -- **Repair Service -- Schedule 15**
- 4.073(1) (c) or (d) -- **Business Office -- Schedule 16**

Consumer -- Business Office

Our proposal calls for the elimination of the 95/15 measurement in its entirety. Our systems consistently meet these criteria. This measurement was appropriate when automated systems were in their infancy. However, current technology makes it possible to eliminate blocking at the front end of the process on a consistent basis.

Next, we propose that the time spent by the customer in the integrated voice response system (IVR) not be measured at all provided the customer is given an announcement that offers both the RightTouch option and the "0" option within the main menu of the IVR. RightTouch allows a customer to complete transactions such as the ordering of additional services and billing inquiries without ever talking to a live attendant. At any time in the IVR, the customer can "opt out" by not taking the appropriate action, i.e., "pressing 5", etc., and the call will be routed to the queue for answer by a live operator.

Once the customer reaches the queue, whether by selecting the "0" option, opting out or depressing the appropriate key, an announcement will be provided stating the expected wait time before a live attendant will answer. At this point the customer can make a decision. They can choose to wait or they can call at a more convenient time. We propose that for a customer who elects to interact with the IVR, no measurement for the time spent in queue should be required.

The success or failure of this change can be gauged by benchmarking against the rate of customer complaints directly related to business office access. The benchmark would be the number of complaints filed with the Florida Public Service Commission regarding access to the residential business office. Although we have not established a specific method to perform such a measurement at this time, BellSouth believes the FPSC's consumer complaint process is reasonable and we plan to review it in more detail. For the subscribers calling the residential business office that elect not to interact with the system (non-players), we propose that at least eighty-five (85%) percent of all calls should be transferred by the system to a live attendant prepared to give immediate assistance within fifty-five (55) seconds from the time the IVR answers the call to the time a live attendant answers.

Consumer – Repair

As with the Residence Business Office we propose the elimination of the 95/15 measurement since existing technology ensures that blockage is avoided. We have consistently met this measurement; therefore, callers to 611 do not experience blockage in accessing the IVR. Further, we propose to parallel the business office proposal by not measuring the time in the IVR.

As with the business office IVR, callers to 611 will be automatically transferred to the queue once a selection is made or within 30 seconds of opting out or refusing to "play." Once the caller is placed in queue, our proposal calls for an average speed of answer of 60 seconds, by a live attendant.

The repair IVR offers six choices beginning with the option to report a residence telephone out of service and including options for bill and service order inquiries. This proposal recognizes the level of urgency associated with complete or partial outages of telephone services and provides a high level of service for customers reporting such outages.

Small Business — Business Office and Repair

Based on the new competitive environment, we propose removing Small Business Sales/Service and repair from the "Business Office" definition for answer time. BellSouth proposes to treat Small Business the same as Complex Business and let the customer select a provider from the choices available in the market.

Based on the FPSC's report to the Legislature, 265 ALEC's have been approved to provide local service in Florida as of July 1999. While the FPSC staff surveyed all 265 ALECs, only 181 responses were received. Of the responses received, 79 ALECs are operational and providing facility based service, resale service or both. The report states that the total number of business access lines served by the 79 ALECs is 432,409, which represents 11.9% of the total business lines in Florida and over \$68 million in retail revenue.

In January and February of 1999 alone, competitors have received \$7 million in revenue from the Florida Small Business Market. AT&T/TCG/TCI, Sprint, MCI Worldcom, e. Spire/ACSI and ICI are collectively providing service in Miami, Fort Lauderdale, Orlando, Jacksonville, Panama City, Pensacola, Boca Raton, West Palm Beach, Deerfield, Pompano, Hollywood, and Hallandale. These competitors and others are expanding to all major metropolitan areas in Florida and are moving into smaller cities within BellSouth's serving area daily.

BellSouth Small Business Services has changed the way it operates to respond to our customer's communication needs through several system enhancements. In 1994, a new Call Management system was installed to provide more enhanced call routing and tracking data. We have Internet web pages in both English and Spanish, so customers can communicate with us on-line. Customers can view their bills and find out information about products 24 hours a day.

We believe the testing and reporting for the Small Business sector is obsolete in the new environment. In addition to the electronic enhancements in the marketplace, the introduction of competition has changed the approach companies use to serve customers and changed the expectations customers have of their service providers. The ability for Florida Small Businesses to choose their provider puts greater pressure on BellSouth to respond quickly and effectively to their individual needs. If not, regardless of the Answer Time Rules, the customer will choose an alternate telecommunications provider.

25-4.080 Weighted Measurement of Quality of Service

BellSouth proposes that the weighted measurement to determine the quality of Service should be eliminated. This particular rule was developed to determine a pass/fail mechanism for the service evaluation process. BellSouth does not see the need for this

rule to continue. Service results should reflect the objective levels set forth for each rule and not an adjusted 75 point accumulated figure.

25-4.033 Definitions (38) "Out-of-Service" (OOS)

BellSouth suggests that the definition of the OOS condition reflect the meaning of OOS. The commission staff maintains that when a customer reports the inability to make or receive calls, the trouble report should be statused OOS. However, the remainder of the definition reflects additional criteria that may exempt a report from OOS, e.g., temporary office conditions, denial of service, etc. The only way to accurately reflect if such a condition exists is to test the customer's facility and/or dispatch to determine if the service is affected or not.

25-4.0345 Demarcation Point

Subparts (2) and (3) should be the same. The original purpose in placing the demarcation point within twenty five feet of the registered FCC device was for technicians to see the lights, buttons, switches, and buzzers when repairing a multi-line system with a modem or other physical equipment. Multi-line business customers today have an equipment closet for communications equipment and facilities. The inside wire and CPE businesses are very competitive businesses in today's telecommunications market place, and a single demarcation point inside or on the customer's premises is the appropriate point.

24-4.036 Design and Construction of Plant

This rule should be updated and reflect the appropriate dates for the current NESC publications.

25.4.067 Extension of Facilities

This rule must be changed so that cost causers pay more of their equitable share than is currently provided for. BellSouth believes that one year of annual revenue is the appropriate amount for consideration in the provision of service where an individual or small group of individuals is requesting service and the forecast for the general demand for service does not reflect such general demand for three or more years. Additionally, the payment overtime for such charges should be reduced to three years.

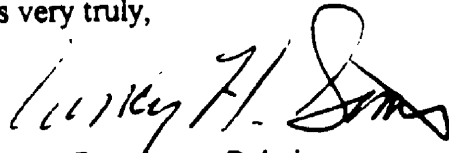
25-4.088 (091) Installation of Underground Distribution System Within a Subdivision

BellSouth believes that an ILEC should be able to recover the cost difference it incurs when burying distribution facilities when aerial facilities may be appropriate. This consideration is provided for other utilities regulated by the Commission and is discriminatory if not applied similarly.

In summary, BST believes the FPSC should revise, eliminate, or reduce the current service quality rules to reflect the changes that have occurred in the telecommunications industry over the years. A competitive environment, which requires less need for regulation, has emerged in the telecommunications industry. BellSouth believes that subscribers should benefit from competition through their choice of service packages provided by various providers that may be offered for different combinations of service quality and price. BellSouth's proposed service quality rules are an effort to better reflect the telecommunications marketplace that has evolved.

If you have any questions or need additional information please do not hesitate to call.

Yours very truly,

A handwritten signature in black ink, appearing to read "Gregory H. Sims". The signature is fluid and cursive, with a large loop at the end.

Director - Regulatory Relations

Cc: Rick Moses
Martha Carter Brown
Parties of Record
Nancy White

December 3, 1999 BellSouth Draft Rule Revisions FPSC Docket No. 991473-TP

Attachment A

25-4.003 Definitions

(38) "Out of Service." The inability, as reported by the customer, to complete either incoming or outgoing calls over the subscriber's line and is tested by a mechanized system resulting in an open or resistance fault indicating an out of service condition or found out of service by a technician. "out of Service" shall not include:

- (a) Service difficulties such as slow dial tone, circuits busy, or other network or switching capacity shortages;
- (b) Interruptions caused by a negligent or willful act of the subscriber; and
- (c) Situations in which a company suspends or terminates service because of nonpayment of bills, unlawful or improper use of facilities or service, or any other reason set forth in approved tariffs or Commission rules.

25-4.0185 Periodic Reports.

Each local exchange telecommunications company shall file with the Commission's Division of Telecommunications the information required by Commission Form PSC/CMU 28 (3/96), which is incorporated into this rule by reference. Form PSC/CMU 28, entitled "Engineering Data Requirements," may be obtained from the Commission's Division of Telecommunications.

(1) The information required by schedules 2, 3, 4, 8, 11, 13, 14, 15, 16 and 20 of Form PSC/CMU 28 shall be reported on a quarterly basis by the large LECs and semiannually by the small LECs and shall be filed on or before the end of the month following the reporting period.

~~(2) The information required by Schedules 17 and 18 of Form PSC/CMU 28 shall be reported on a quarterly basis by the large LECs and shall be filed on or before the end of the month following the reporting period.~~

(3) The information required by Schedule 19 of Form PSC/CMU 28 shall be reported on a semiannual basis and shall be filed on or before the end of the month following the second and fourth quarters.

25-4.023

(2) In addition, a copy of all Florida service interruption reports made to the Federal Communications Commission in accordance with the provisions of Part 63 of Chapter 1 of Title 47; Code of Federal Regulations; Notification of Common Carriers of Service Disruptions (Effective April 12, 1996) shall be immediately

forwarded to the Commission's Division of Telecommunications, Bureau of Service Evaluation.

25-4.034 Tariffs.

- (1) Each telecommunications company shall maintain on file with the Commission tariffs which set forth all rates and charges for customer services, the classes and grades of service available to subscribers, the conditions and circumstances under which service will be furnished, and all general rules and regulations governing the relation of customer and utility. Tariff filings shall be in compliance with the requirements of Chapter 25-9 of the Commission rules entitled "Construction and Filing of Tariffs by Public Utilities."
- (2) Each company shall file, as an integral part of its tariff, maps defining the exchange service areas. These maps shall delineate the boundaries in sufficient detail that they may be located in the field and shall embrace all territory included in the certificate of convenience and necessity.
- (3) Each telecommunications company shall maintain on file in the library or on the internet ~~each of its business offices~~, available for public inspection upon request, a copy of ~~the local exchange tariff for exchanges under the administration of that office~~, its general exchange tariff, and its schedule of intrastate toll rates. Each library's business office internet access point has access to ~~shall likewise make available~~ a copy of Chapter 25-4 of the Florida Public Service Commission Rules and Regulations through the Commission's website ~~for public inspection upon request~~.

25-4.0345 Customer Premises Equipment and Inside Wire.

- (1) Definitions: For purposes of this chapter, the definition to the following terms apply:
 - (a) "Customer Premises Equipment (CPE)." Includes terminal equipment intended for use on the customer's premises such as pay telephones, telephone sets, teletypewriters, data terminal equipment, mobile telephone terminal equipment, private branch exchange equipment, key system equipment, dialers and other supplemental equipment. CPE does not include "911" public safety answering point equipment (ALI, ANI, ACD equipment) or telecommunications devices required by hearing or speech impaired subscribers.
 - (b) "Demarcation Point." The point of physical interconnection (connecting block, terminal strip, jack, protector, optical network interface, or remote isolation device) between the telephone network and the customer's premises wiring. Unless otherwise ordered by the Commission for good cause shown, the location of this point is:
 1. Single Line/Single Customer Building – Either at the point of physical entry to the building or a junction point as close as practicable to the point of entry.

2. Single Line/Multi Customer Building and Multiline Systems/Single or Multi Customer Building— Within the customer's premises at a point easily accessed by the customer.

~~3. Multi Line Systems/Single or Multi Customer Building~~— ~~At a point within the same room and within 25 feet of the FCC registered terminal equipment or cross connect field.~~

(3)4. Temporary Accommodations Subscriber Premises with Inadequate Grounding (e.g., some mobile homes, trailers, houseboats, construction modules) -- On a permanent stake, pole, or structure with a suitable safety ground.

(c) "Complex Equipment Wire" The premises wiring owned by the local exchange company which may be used as station wiring and to connect off-premises extensions and is beyond the normal demarcation points.

(d) "Inside Wire" All wire or cable other than complex equipment wire located on the customer's side of the demarcation point.

(e) "Customer Premises" The discrete real property owned, leased, or controlled by a customer for the customer's own business or residential purposes.

(2) The provision and maintenance of CPE and inside wire, but not complex equipment wire, is deregulated for intrastate purposes.

(3) Network facilities up to and including the demarcation point are part of the telephone network, provided and maintained by the telecommunications company under tariff.

(4) CPE Network Responsibility. No CPE may harm the network by introducing signals that interfere or affect other subscribers or network operations.

25-4.036 Design and Construction of Plant.

(1) The plant and facilities of the utility shall be designed, constructed, installed, maintained and operated in accordance with provisions of the 1993~~8~~ Edition of the National Electrical Safety Code (ANSI C2-1993), except that Rule 350G of the safety code shall be effective for cable installed on or after January 1, 1996, and the National Electrical Code (NFPA 70-1993), pertaining to the construction of telecommunications facilities.

(2) Compliance with these codes and accepted good practice is necessary to insure as far as reasonably possible continuity of service, uniformity in the quality of service furnished and the safety of persons and property.

25-4.040 Telephone directories; Directory Assistance

(5) Directory assistance operators shall maintain records of all telephone numbers (except for non-published telephone numbers) in the area for which they have the responsibility of furnishing service. Directory assistance records must

also contain listings for "Poison Information Center" and the local telephone number, where the area served by the directory assistance operator has local calling to a Poison Information Center. If no local telephone number exists, then the toll-free telephone number of a Poison Information Center shall be listed. All

new or changed listings shall be provided to directory assistance operators within 48 hours after connection of service, excluding Saturdays, Sundays and holidays for customers of the ILEC.

~~25-4.041 Courtesy.~~

~~Each company shall adequately supervise and train its employees to be courteous, considerate and efficient at all times in their contact and dealings with its subscribers and the public in general, and shall make checks from time to time to insure that courteous service actually is being rendered.~~

25-4.066 Availability of Service

(1) Each telecommunications company shall provide central office equipment and outside plant facilities designed and engineered in accordance with realistic anticipated customer demands for basic telephone service within its certificated area in accordance with its filed tariffs or orders of the Commission, subject to its ability to secure and provide, for reasonable expense, suitable facilities and rights for construction and maintenance of such facilities. Where a competitive service provider is already in place or has a contract with a business or property owner to provide service in an exchange, the ILEC shall be exempt.

(2) The ILEC will offer service installation dates of 5 days or less excluding Saturday, Sunday or holidays. Each ILEC shall be held accountable for the completion of at least 90 percent of the customer requested or company offered service dates at a state level in a calendar month, except where a delay is caused by the customer.

~~(2) Where central office and outside plant facilities are readily available, at least 90 percent of all requests for primary service in any calendar month shall normally be satisfied in each exchange or service center within an interval of three working days after receipt of application when all tariff requirements relating thereto have been complied with, except those instances where a later installation date is requested by the applicant or where special equipment or services are involved.~~

~~(3) Each telecommunications company shall establish as its objective the satisfaction of at least 95 percent of all applications for new service in each exchange within a 30 day maximum interval and, further, shall have as its objective the capability of furnishing service within each of its exchanges to applicants within 50 days after date of application; except those instances where a later installation date is requested by the applicant or where special equipment or services are involved.~~

(3)(4) Whenever, for any reason, the service installation cannot be made at the time requested by the applicant or within the prescribed interval, the applicant shall be notified promptly of the delay and the reason therefor. When the customer is notified before the original due date of a delay and a new due

date is negotiated, acceptable to the customer, the original service request shall not be considered missed.

(4)(5) Where facility additions are required to make service available, the applicant shall be further advised as to the circumstances and conditions under which service will be provided and as soon as practicable an estimated date when service will be furnished. With respect to applications aged over six months all service dates that result in a further delay due to the company's inability to meet the original estimated date of service shall be identified in the appropriate section of the report of held applications filed with the Commission which shall include an explanation of the reasons therefor.

25-4.067 Extension of Facilities -- Contributions in Aid of Construction.

(1) Each telecommunications company shall make reasonable extensions to its lines and service and shall include in its tariffs filed with the Commission a statement of its standard extension policy setting forth the terms and conditions under which its facilities will be extended to serve applicants for service within its certificated area.

(2) This line extension policy shall have uniform application and shall provide the proportion of construction expense to be borne by the utility in serving the immediate applicant shall be not less than ~~five times~~ the annual exchange revenue of the applicants.

(3) If the cost which the servicing utility must bear under subsection (2) above (or as provided in its tariff) equals or exceeds the estimated cost of the proposed extension, the utility shall construct it without cost to the subscribers initially served. If the estimated cost of the proposed extension exceeds the amount which the utility is required to bear, the excess cost may be distributed equitably among all subscribers initially served by the extension. However, no portion of construction shall be assessed to the applicant for the provision of new plant where the new plant parallels and reinforces existing plants or is constructed on or along any public road or highway and is to be used to serve subscribers in general except in those instances where the applicant requests that facilities be constructed by other than the normal serving method. The company's tariffs shall provide that such excess may be paid in cash in a lump sum or as a surcharge over a period of three ~~five~~ years or such lesser period as the subscriber and company may mutually agree upon.

(4) Line extension tariffs shall also contain provisions designed to require that all subscribers served by a line extension during the first three ~~five~~ years after it is constructed shall pay their pro rata share of the costs assignable to them.

(5) No company shall be required to extend facilities for new service unless the right-of-way necessary for the construction of line extensions is provided by the applicant or group of applicants. Where pole attachments may be made in lieu of new construction costs, the company may charge the subscriber the expense or rental charges for such attachments, provided that the applicant may

elect to pay excess construction costs as though the service were provided without the use of attachments.

(6) Except as provided in filed tariffs, the ownership of all facilities constructed as herein provided shall be vested in the telecommunications company and no portion of the expense assessed against the applicant shall be refundable by the company.

(7) Nothing in this rule shall be construed as prohibiting any utility from establishing an extension policy more favorable to customers as long as no undue discrimination is practiced between customers under the same or substantially the same circumstances and conditions.

(8) In the event that a company and applicant are unable to agree in regard to an extension, either party may appeal to the Commission for a review.

Specific Authority 350.127(2), 364.10 FS.

Law Implemented 364.025, 364.03, 364.07, 364.08, 364.15 FS.

History--Revised 12-1-68, Amended 3-31-76, Formerly 25-4.67, Amended 3-10-96.

25-4.068 Grades of Service.

Specific Authority 364.20 FS.

Law Implemented 364.03, 364.15 FS.

History--Revised 12-1-68, Amended 3-31-76, Formerly 25-4.68, Repealed 3-10-96.

25-4.069 Maintenance of Plant and Equipment.

Each telecommunications company shall adopt and pursue a maintenance program aimed at achieving efficient operation of its system so as to permit the rendering of safe, adequate, and continuous service at all times.

25-4.070 Customer Trouble Reports.

(1) Each telecommunications company shall make all reasonable efforts to minimize the extent and duration of trouble conditions that disrupt or affect customer telephone service. ~~Trouble reports will be classified as to their severity on a service interruption (synonymous with out of service or OOS) or service affecting (synonymous with non-out of service or non OOS) basis. Service interruption reports shall not be downgraded to a service affecting report; however, a service affecting report shall be upgraded to a service interruption if changing trouble conditions so indicate.~~

~~(a) Companies shall make every reasonable attempt to restore service on the same day that the interruption is reported to the serving repair center.~~

~~(a) (b)~~ In the event a subscriber's service is interrupted other than by a negligent or willful act of the subscriber and it remains out of service in excess of 24 hours after being reported to the company, an appropriate adjustment or refund shall be made to the subscriber automatically, pursuant to Rule 25-4.110

(Customer Billing). Service interruption time will be computed on a continuous basis, Sundays and holidays included. Also, if the company finds that it is the customer's responsibility to correct the trouble, it must ~~notify or~~ attempt to notify the customer within 24 hours after the trouble was reported.

~~(b)(6)~~ If service is discontinued in error by the telephone company, the service shall be restored without undue delay, and clarification made with the subscriber to verify that service is restored and in satisfactory working condition.

(2) Sundays and Holidays:

(a) Except for emergency service providers, such as the military, medical, police, and fire, companies are not required to provide normal repair service on Sundays. Where any repair action involves a Sunday or holiday, that period shall be excepted when computing service objectives, but not refunds for OOS conditions.

(b) All trouble reports ~~Service interruptions occurring on a holiday not contiguous to Sunday will be treated as in paragraph (2)(a) of this rule. For holidays contiguous to a Sunday or another holiday, sufficient repair forces shall be scheduled so that repairs can be made if requested by a subscriber.~~

(3) Service Objectives: Measuring the statewide average elapsed time of completion for all troubles, restoration of service shall be completed within an average of 27 hours measured on a monthly basis. If a company fails to meet this objective, the company shall provide an explanation with its periodic report to the Commission.

(a) All trouble reports will be repaired within an average of 27 hours.

~~(a) Service Interruption: Restoration of interrupted service shall be scheduled to insure at least 95 percent shall be cleared within 24 hours of report in each exchange as measured on a monthly basis. For any exchange failing to meet this objective, the company shall provide an explanation with its periodic report to the Commission.~~

~~(b) Service Affecting: Clearing of service affecting trouble reports shall be scheduled to insure at least 95 percent of such reports are cleared within 72 hours of the report in each exchange as measured on a monthly basis.~~

(4) Priority shall be given to service interruptions which affect public health and safety that are reported to and verified by the company and such service interruptions shall be corrected as promptly as possible on an emergency basis.

~~(5) Repeat Trouble: Each telephone company shall establish procedures to insure the prompt investigation and correction of repeat trouble reports such that the percentage of repeat troubles will not exceed 20 percent of the total initial customer reports in each exchange when measured on a monthly basis. A repeat trouble report is another report involving the same item of plant within 30 days of the initial report.~~

~~(5)(6)~~ The service objectives of this rule shall not apply to subsequent customer reports (not to be confused with repeat trouble reports), emergency situations, such as unavoidable casualties where at least 10 percent of an exchange is out of service.

(6)(7) Reporting Criteria: Each company shall file periodically report data as specified in Rule 25-4.0185, Periodic Reports.

25-4.071 Adequacy of Service.

(1) Each telecommunications company shall provide switching equipment, trunking, and associated facilities within its operating territory for the handling of local and toll traffic, designed and engineered on the basis of realistic forecasts of growth so that during the average busy season busy hour at least 97 percent of all calls offered to any trunk group (toll connecting, inter-office, extended area service) shall not encounter an all-trunk busy condition.

(2) Telephone calls to valid numbers should encounter a ring-back tone, line busy signal, or non-working number intercept facility (operator or recording) after completion of dialing. The call completion standards established for such calls by category of call is as follows:

- (a) Intra-office Calls – 95 percent,
- (b) Inter-office Calls – 95 percent,
- (c) Extended Area Calls – 95 percent, and
- (d) Intra-LATA DDD Calls – 95 percent.

(3) All telephone calls to invalid telephone numbers shall encounter an operator or suitable recorded intercept facility, preferably a recording other than the non-working number recording used for valid number calls.

(4) Intercept service shall be as outlined in Rule 25-4.074.

(5) A line busy signal (60 impulse per minute tone) shall not be used for any signaling purpose except to denote that a subscriber's line, other valid terminal, centrex or PBX trunks, or equipment where the quantity is controlled by the customer is in use.

25-4.072 Transmission Requirements.

(1) Telecommunications companies shall furnish and maintain the necessary plant, equipment, and facilities to provide modern, adequate, sufficient, and efficient transmission of communications between customers in their service areas. ~~Transmission shall be at adequate volume levels and free of excessive distortion. Levels of noise and crosstalk shall be such as not to impair communications. Transmission volume and distortion levels are to be provided at levels that adhere to ANSI/IEEE standard 820 "Telephone Loop Performance Characteristics."~~ The maximum loss objective of inter-toll trunks shall be consistent with the requirements of the nationwide switching plan and overall transmission losses within each trunk group will not vary more than plus or minus two db.

(2) Accurate dependable milliwatt supplies shall be made a part of each central office. Additionally, for those central offices having an installed line capacity of 1,000 lines or more, the buffered access on a minimum three line rotary group basis shall be a part of the milliwatt supply.

(3) Each central office shall be equipped with a minimum of one termination which shall trip ringing and terminate the line on a balanced basis so that end to end noise measurements may be made. However, the ILEC should be exempt from providing a milliwatt test number where the block of numbers belongs to another carrier.

25-4.073 Answering Time.

(1) Each telephone utility shall provide equipment designed and engineered on the basis of realistic forecasts of growth, and shall make all reasonable efforts to provide adequate personnel so as to meet the following service criteria under normal operating conditions:

(a) If emergency services for the LEC's total serving area is currently answered by the 911 system, at least ninety (90%) percent of the calls offered to the LEC provided operator shall be answered within thirty (30) seconds after zero only is dialed.

(b) If emergency services for the LEC's total serving area is not currently answered by the 911 system, at least ninety (90%) percent of all the calls offered shall be answered within 20 seconds after zero only is dialed.

~~(c) At least ninety (90%) percent of all calls directed to intercept, directory assistance and repair services and eighty (80%) percent of all calls to business offices shall be answered within thirty (30) seconds after the last digit is dialed.~~

~~(c) (d) Notwithstanding (c) above, when a company utilizes a menu driven, automated interactive answering system (referred to as the system), at least ninety five (95%) percent of the calls offered shall be answered within 15 seconds after the last digit is dialed. The initial recorded message presented by the system to the customer shall only identify the company and the general options available to the customer. The option of transferring to a live attendant shall be included in the initial message. For subscribers calling the residential business office electing not to interact with the system, at least eighty-five (85%) percent of all calls shall be transferred by the system to a live attendant prepared to give immediate assistance within fifty-five (55) seconds from the time the system answers the call to the time a live attendant answers. For subscribers electing the option of transferring to a live assistant, except for business office calls, at least ninety five (95%) percent of all calls shall be transferred by the system to a live attendant prepared to give immediate assistance within fifty five (55) seconds after the last digit of the telephone number listed in the directory for the company's service was dialed. Eighty five (85%) percent of all such calls directed to any business office shall be transferred by the system to a live attendant within fifty five (55) seconds after the last digit is dialed. For subscribers calling the residential repair office electing the option of transferring to a live attendant, the average speed of answer shall not exceed 60 seconds, the average of 60 seconds shall be measured from the point at which the customer elects a menu option to be connected to a live attendant. At any time during the call, the customer shall be transferred to live assistance if the~~

customer fails to interact with the system for a time period of ten (10) seconds following any prompt. For the purposes of this section, interaction means responding to a customer prompt offered by the system by keying (pressing) a number or character of a Dual-Tone Multiple-Frequency (DTMF) keypad associated with a telephone.

~~(e) In accordance with Rule 25-4.0770, when a menu driven, automated, interactive, answering system is utilized, provisions shall be included to allow the customer to make an appointment or to negotiate with a live attendant, or with the system, any appointment or commitment offered to the customer by the system. The subscriber shall be able to renegotiate appointments using the system.~~

~~(d)(f) The initial message Automated systems shall not contain promotional or merchandising material, unless the customer selects and chooses to receive such information.~~

~~(e)(g) The terms "answered" as used in subparagraphs (a) and (b) above shall be construed to mean more than an acknowledgment that the customer is waiting on the line. It shall mean that the operator, service representative, or automated system is ready to render assistance and/or accept the information necessary to process the call. With respect to calls to residential business office services where the company practice provides that such calls are directed to an operator position, an additional twenty (20) seconds will be allowed to extend the call excluding the time required for the customer to provide sufficient information to the operator in order to process the call. In those instances where the call cannot be extended within the allotted interval, the calling party is to be given the option of placing the call again or providing a number by which a company representative will return the call within ten (10) minutes or at a time mutually convenient to the parties.~~

~~(2) Answering time studies using actual data or any statistically valid substitute for actual data shall be made to the extent and frequency necessary to determine compliance with this rule. The company shall add ten (10) seconds to the answer time for each call. This ten (10) second constant will substitute for actual data on the time required for the call to connect to the company's facilities. Monthly summary results, where applicable, of such studies shall be filed with the Commission promptly after the end of each calendar quarter.~~

~~(3) All telephone companies are expected to answer their main published telephone number on a twenty-four (24) hour a day basis. Such answering may be handled by a special operator at the toll center or directory assistance facility when the company offices are closed. Where after hours calls are not handled as described above, at least the first published business office number will be equipped with a telephone answering device which will notify callers after the normal working hours of the hours of operation for that business office. Where recording devices are used, the message shall include the telephone number assigned to handle urgent or emergency calls when the business office is closed.~~

25-4.074 Intercept Service.

(1) Intercept service shall be engineered to provide a 90 percent completion for changed numbers (with the exception of the 30 day period immediately following an inter-office transfer with directory) and for vacant or non-working numbers controlled by the ILEC.

(2) Subscriber lines which are temporarily disconnected for nonpayment of bills shall be placed on intercept (~~preferably operator intercept~~).

(3) All private branch exchanges and In-Dial Paging Systems, whether provided by the company or customer and which are equipped for direct in-dialing and installed after the effective date of these rules, shall meet the service requirements outlined herein prior to the assignment of a number block by the telephone company.

(4) With the exception of numbers that are changed coincident with the issuance of a new directory, intercept service shall be provided by each telephone company in accordance with the following:

(a) Intercept service shall be provided for non-working and changed numbers until assigned, re-assigned, or no longer listed in the directory.

(b) Any 7-digit number (or other number serving a public safety or other emergency agency) when replaced by the universal emergency number "911" shall be intercepted by either a telecommunications company assistant or a public safety agency operator or special recorded announcement for at least one year or until the next directory issue. Also, intercept service for the universal emergency telephone number "911" shall be provided in central offices where the number is inoperable. The intercept service may be automated with a message indicating the "911" emergency number is inoperable in that area and to consult the directory for the appropriate emergency number or if a directory is not available to dial operator for assistance.

Specific Authority 350.127(2) FS.

Law Implemented 364.01, 364.03, 364.051 FS.

History—New 12-1-68, Amended 3-31-76, Formerly 25-4.74, Amended 3-10-96.

25-4.075 Foreign Exchange Service.

Specific Authority 364.20 FS.

Law Implemented 364.16, 364.20 FS.

History—Revised 12-1-68, Amended 3-31-76, Formerly 25-4.75, Repealed 3-10-96.

25-4.0751 Direct Distance Dialing Service.

Specific Authority 350.127(2) FS.

Law Implemented 364.03 FS.

History—New 3-31-76, Formerly 25-4.751, Amended 6-24-90, Repealed 3-10-96.

25-4.076 Pay Telephone Service Provided By Local Exchange Companies.

Specific Authority 350.127(2) FS.

Law Implemented 364.03 FS.

History--New 12-1-68, Amended 3-31-76, 3-6-78, Formerly 25-4.76, Amended 1-5-87, 4-14-92, 12-21-92, 2-3-93, 10-10-94, 12-27-94, Repealed 2-1-99.

25-4.077 Metering and Recording Equipment.

(1) Where mechanical or electronic means are used for registering or recording information which will affect a subscriber's bill, such equipment shall be in good mechanical and electrical condition, shall be accurately read, and shall be inspected daily to insure that it is functioning properly. Where message rate service (MRS) or any type of optional calling that involves customer billing other than by a flatrate method is used, the metering or measuring device used to record call data shall be accurate 95 percent of the time.

(2) Every telephone meter and recording device shall be tested prior to its installation, either by the manufacturer, the company, or an approved organization equipped for testing.

(3) Metering and timing equipment shall be maintained so that the accuracy of company billing operations enjoys a high confidence level from their customers. After allowance for a one-second variation, timing accuracy shall be not less than 97 percent.

Specific Authority 350.127(2) FS.

Law Implemented 364.01(4), 364.03, 364.051, 364.19 FS.

History--New 12-1-68, Amended 3-31-76, Formerly 25-4.77, Amended 6-24-90, 3-10-96.

~~25-4.0770 Customer Appointments.~~

~~(1) When the company determines that it is likely that a premises visit and entry to the customer's premises (for installation, moves, changes, or repairs) will be necessary, the company shall, with customer approval, advise the customer of the time that its representative will be at the premises. Appointments shall be set within the time frames of 7-12 A.M., 12-5 P.M., or 5-9 P.M., or, upon customer and company agreement, appointments may be set for a specific hour or day. Appearance of the company representative to render the service during the set period shall constitute a kept appointment by the company. Failure of the company representative to be present during the prescribed period for the appointment shall constitute a missed appointment by the company. In confirming the appointment, the company shall specifically advise the customer of the hour or hours applicable to the appointment.~~

~~(2) Each company shall keep at least 95 percent of all appointments each month. Where appointments cannot be kept by the company, the customer shall be notified by a personal visit or telephone call prior to the beginning of the appointment period if a can be reached number is obtained from the customer~~

~~and a new appointment shall be scheduled. No appointment cancelled in this manner shall constitute a kept or missed appointment by the company.~~

~~(3) Whenever a company representative is unable to gain admittance to a customer's premises during the scheduled appointment period, the company representative shall leave a notice, indicating the date, time, name of subscriber, telephone number, and signature of the representative. Failure of the customer to be present to afford the company representative entry to the premises during the appointment period shall constitute a missed appointment by the customer.~~

~~(4) Appointments may be cancelled by the customer by telephone or personal notification, prior to the start of the appointment period.~~

~~(5) The company shall maintain data and records sufficient to allow the Commission to ascertain compliance with this rule.~~

~~(a) Each company shall at least maintain the following information on each appointment made: reason for premises entry (installation, move, change, or repair); the date and time the customer requested service; the appointment date and time period agreed upon; the date and time the appointment is cleared without a premises visit, if applicable; the date and time of cancellation of an appointment by either party; the date and time of arrival at the customer's premises; and the date and time of completion of the service. This information shall be maintained for one year following the completion of the service.~~

~~(b) Each company shall report quarterly to the Commission the record of the company with respect to missed appointments. The report shall contain, on both a monthly and annual basis, the total number of customer appointments made pursuant to this rule, the number of appointments cleared without a premises visit, the number of appointments kept by the company, the number of appointments missed by the company, the number of appointments missed by customers, the number of appointments cancelled by the company, and the number of appointments cancelled by the customer.~~

Specific Authority 350.127(2) FS.

Law Implemented 364.025, 364.03(1), 364.19 FS.

History—New 7-13-82, Formerly 25-4.770, Amended 3-10-96.

25-4.078 Emergency Operation.

(1) Each telephone utility shall make reasonable provisions to meet emergencies resulting from failure of lighting or power service, sudden and prolonged increases in traffic, storms, etc., and shall instruct employees as to procedures to be followed in the event of emergency in order to prevent or mitigate interruption or impairment of telephone service.

(2) It is essential that all central offices have adequate provision for emergency power. All new central offices, central office replacements and/or major additions placed on order after the effective date of these rules shall be designed to meet the following objectives:

(a) Central offices with installed emergency power generating equipment will have a minimum of three (3) hours central office battery capacity at busy season busy hour load.

(b) Central offices without installed emergency power generating equipment shall have a minimum central office battery capacity of five (5) hours busy season load. Facilities will be available so that a portable generator can be readily connected. Portable generators will be provided, as a minimum, on the basis of one (1) per three (3) unequipped offices and garaged so that a unit may be delivered to an affected office on short notice and with minimum travel time.

Specific Authority 364.20 FS.

Law Implemented 364.01(4), 364.025, 364.03 FS.

History--Revised 12-1-68, Amended 3-31-76, Formerly 25-4.78.

25-4.079 Hearing/Speech Impaired Persons.

(1) The telephone directory published by each local exchange telephone company (LEC) shall:

(a) list, with other emergency numbers at the beginning of the directory, Telecommunications Devices for the Deaf (TDD) numbers for emergency services, which shall be denoted by the universal symbol for the hearing/speech impaired, i.e., a picture of an ear with a slash across it;

(b) list the company's business office TDD number, which shall also be denoted by said universal symbol, for communicating with hearing/speech impaired persons;

(c) at the option of and without charge to TDD users, have a special notation by each TDD user's number indicating TDD or TDD plus voice capability;

(d) at the option of and without charge to hearing/speech impaired customers, not list the number of any hearing/speech impaired customer who requests that it not be published.

(2) Each LEC shall provide directory and operator assistance to TDD users. The numbers for these services shall be listed in the front of the directory and denoted by the universal symbol.

(3) Each LEC shall compile informational literature about the services it makes available to hearing/speech impaired persons and shall maintain this literature for public inspection in the company's business office. Each company shall send this literature at no charge to anyone requesting it and shall include this literature or a summary of it, once a year, in the company's informational mailings.

(4) Intrastate toll message rates for TDD users shall be evening rates for daytime calls and night rates for evening and night calls. These discounts shall be offered by all interexchange carriers and LECs.

(5) Each LEC shall, pursuant to tariff, provide specialized customer premises equipment (CPE), for lease or sale, to hearing/speech impaired persons. This specialized CPE shall be priced to cover fully allocated costs without inclusion of a rate of return on investment component. Each company shall provide at least one type of each of the following categories of specialized CPE:

- (a) audible ring signalers;
- (b) visual ring signalers;
- (c) TDDs;

(d) volume control handsets.

Specific Authority 350.127(2) FS.

Law Implemented 364.01(4), 364.02, 364.025, 364.03, 364.04 FS.

History--New 4-5-88, Amended 6-3-90.

25-4.080 Weighted Measurement of Quality of Service.

~~In considering the adequacy of service provided by a local exchange company, the Commission may utilize a weighted index system developed by the Public Utility Research Center. Under this weighting system, a company exactly meeting all FPSC standards on all criteria would receive an overall satisfactory rating of 75 points. Using indices assigned to each criterion, adjustments to the base of 75 would be made on all results that either exceed or fall below the standards. The criteria and indices are contained in the Weighted Index (Form CMU-41, 4/1/93), which is incorporated by reference into this rule.~~

~~Local exchange companies shall be responsible for complying with each service standard, whether or not an overall score of 75 or more is achieved when the weighted index is employed.~~

Specific Authority 350.127(2) FS.

Law Implemented 364.01, 364.01(4), 364.03, 364.035, 364.036, 364.386 FS.

History--New 6-2-93.

25-4.081 Emergency 911 Access.

(1) Access to emergency 911 services shall be provided by the local exchange company to basic local exchange company subscribers.

(2) By July 1, 1997, access to 911 services shall be maintained for the duration of any temporary disconnection for non-payment of a subscriber's local residential service, except that small local exchange companies as defined by Section 364.052(1), Florida Statutes, shall have until July 1, 1998, to comply.

25-4.088 Applicability.

(1) Extensions of telephone distribution lines applied for after the effective date of these rules, and necessary to furnish permanent telephone service to all structures within a new residential subdivision, or to new multiple-occupancy buildings, will shall be made underground; unless an aerial alternative is more feasible, except that the utility may not be required to provide an underground distribution system in those instances where the applicant has elected to install an overhead electric distribution system. The ILEC should be able to recover the difference in cost and what it would have cost to place aerial facilities.

~~The ILEC should be able to recover the difference in cost and what it would have cost to place aerial facilities.~~

(2) Such extensions of service shall be made by the utility in accordance with the provisions in these rules.

Exhibit No. 3

Elrick & Lavidge Study

**ACCESS INDICATOR STUDY
SUMMARY REPORT**

Prepared For:

BELLSOUTH

Prepared By:



APRIL 1996

Erick & Lavidge, Inc.
Third Floor
1990 Lakeside Parkway
Tucker, Georgia 30084
(404) 938-3233
(800) 456-1314
FAX (404) 621-7666

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APPENDIX

Certification Statement

Questionnaire

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OVERALL FINDINGS

- Call process time does not have a significant impact on the level of customer satisfaction among any segments of BellSouth customers (rating of 9 or 10 on a 10-point scale).
- Call process time does not appear to affect repair customers who claim difficulty regardless of time in queue.
- Call process time does not appear to affect customers calling the business office who claim difficulty until time in queue is more than 120 seconds.
- Of the customers who express difficulty several reasons were given including:
 - Reps not being knowledgeable/giving wrong information
 - Problem was not resolved/took too long to be resolved
 - Put on hold for a long time/not being able to get through
- All BellSouth customer segments are more likely to express difficulty when two or more attempts are made to reach the call center.
- In general, call process time does not appear to significantly affect abandon rates:
 - "A" repair customers tend to abandon after 75 seconds
 - Small Business/B&C customers tend to abandon within the first 20 seconds or between 61 and 75 seconds
 - Consumer repair customers tend to abandon between 21 and 60 seconds
 - Consumer business office customers are more likely to abandon the call within the first 20 seconds or after 60 seconds

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BACKGROUND AND OBJECTIVES

BellSouth is continually looking to improve the service it provides to both business and consumer customers. Part of this service includes the handling of calls into their repair centers and business offices.

BellSouth contracted with Elrick & Lavidge to conduct research to determine the point at which customers perceive they are having difficulty when calling into the repair center or business office. Specifically, BellSouth would like to know how long a customer can hold/be in the queue before they perceive that they are having difficulty getting through. Additionally, the study was designed to determine if overall satisfaction with BellSouth's handling of calls is influenced by the call process time.

METHODOLOGY

Interviews were conducted with BellSouth consumer, small business and complex business customers between March 7 and April 3, 1996. BellSouth representatives faxed, on a daily basis, sample information from customers who contacted the business office or repair center. Sample data included date and time of call to BellSouth, call process time (time in queue), customer name and phone number.

Elrick and Lavidge contacted these customers within 48 hours of their call to ask questions regarding their experience with the BellSouth office. In order to accurately interpret the results of the study, an attempt was made to complete 50% of the interviews with customers who had been in the queue for 60 seconds or less and 50% of the interviews with customers who had been in the queue for more than 60 seconds.

A total of 1,383 interviews was completed as follows:

	Total	Consumer	Small Business/ B & C	BBS (A)
Repair - Answered in 0-60 seconds	551	201	200	150
Repair - Answered in 61+ seconds	427	200	200	27
Bus. Office - Answered in 0- 60 seconds	203	203	--	--
Bus. Office - Answered in 61+ seconds	202	202	--	--
Total	1,383	806	400	177

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EXECUTIVE SUMMARY

Top Two Box Satisfaction by Call Process Time

Satisfaction with the way BellSouth handled the call is high among those who have called into the repair center or business office. Top two box scores (rating of 9 or 10 on a 10-point scale) range from 51% for "A" repair customers to 72% for Consumer business office customers. The call process time does *not* have a significant impact on the level of satisfaction among any segments of BellSouth customers.

Customer Segment	Top Two Box Satisfaction
Small Business/B&C Repair	65%
BBS (A) Repair	51%
Consumer Repair	67%
Total Repair	63%
Consumer Business Office	72%

% Access Difficulty by Call Process Time

As with abandon rate, the percentage of customers who express difficulty when calling BellSouth is similar across all customer segments and is relatively low. Call process time does not appear to affect the percentage of *repair* customers who claim difficulty but *does* seem to have an affect on *business office* customers who are in the queue for more than 120 seconds. Access difficulty for BellSouth segments are as follows:

Customer Segment	Had Difficulty
Small Business/B&C Repair	11%
BBS (A) Repair	14%
Consumer Repair	14%
Total Repair	13%
Consumer Business Office	12%

Reasons for Difficulty

While all BellSouth customers express similar reasons for having difficulty when calling into the repair center or business office, differences do occur between business and consumer segments. Business customers, both Small Business/B&C and "A," have problems with *reps not being knowledgeable or giving wrong information* as well as *being put on hold or not being able to get through*. Consumers, on the other hand, relate most of their difficulty to *being put on hold for a long time or not being able to get through to the office*. Additionally, repair consumers are more likely to mention that their *problem was not resolved or took too long to be resolved*.

% Access Difficulty by Number of Attempts

Across all BellSouth customer segments, one certainty exists: the more attempts a customer has to make to the repair center or business office, the more likely they are to express having difficulty. Customers who had access difficulty are as follows:

Customer Segment	Had Difficulty After:	
	One Attempt	Two or more Attempts
Small Business/B&C Repair	4%	30%
BBS (A) Repair	11%	29%
Consumer Repair	9%	29%
Total Repair	7%	29%
Consumer Business Office	7%	27%

Abandon Rate by Call Process Time

As shown in the chart below, abandon rates range from 10% to 16%. In general, call process time does not appear to significantly affect customers' abandon rates. "A" repair customers tend to abandon the call after 75 seconds on hold, whereas Consumer repair customers tend to abandon the call between 21 and 60 seconds. Small Business/B&C repair customers are likely to abandon within 20 seconds or between 61 and 75 seconds. Finally, consumer business office customers are more likely to abandon the call within the first 20 seconds or after 60 seconds. Abandon rates and the most frequent abandon points for BellSouth segments are as follows:

Customer Segment	Abandon Rate	Most Frequent Abandon Point
Small Business/B&C Repair	13%	<20; 61-75 seconds
BBS (A) Repair	10%	>75 seconds
Consumer Repair	11%	21-60 seconds
Total Repair	12%	N/A
Consumer Business Office	16%	<20; >60 seconds

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EXPLANATION OF GRAPH

Top Two Box Satisfaction by Call Process Time

This graph indicates how customers' overall satisfaction with BellSouth's handling of their call is influenced by the call process time. The graph illustrates customers' top two box satisfaction scores (a 9 or 10 rating on a 10-point scale) with the way BellSouth handled their call versus the time in queue.

% Access Difficulty by Call Process Time

This graph illustrates the percent of customers who indicate that they had difficulty when they called into the BellSouth business office or repair center. Again, this graph will help identify the time in queue at which customers feel that they have difficulty with their call. The base for this graph is those who did not abandon their call and completed the interview with E&L. It is important to remember that the time in queue may **not** be the reason for difficulty, as the graph titled **Reasons for Difficulty** will show.

Reasons for Difficulty

Customers who expressed difficulty when calling into the BellSouth business office or repair center were asked about the difficulty they experienced. This graph illustrates the primary difficulties mentioned by these customers.

% Access Difficulty by Number of Attempts

This graph shows the percent of customers who expressed difficulty when calling into the BellSouth business office or repair center by the number of attempts made.

Abandon Rate by Call Process Time

This graph indicates the percent of BellSouth customers who abandoned the call while in the queue. The abandon rate has been illustrated at various time intervals in order to help identify at what point, if any, customers may be more likely to abandon their call. The base for this graph includes customers who abandoned their call **plus** those that stayed on the line and were assisted by a BellSouth representative.

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SMALL BUSINESS/B&C REPAIR CUSTOMERS

Top Two Box Satisfaction by Call Process Time

Overall, Small Business/B&C repair customers' satisfaction with how BellSouth handled their call does not differ across the call process times. In total, about two-thirds (65%) of these customers give BellSouth a satisfaction rating of 9 or 10 (on a 10-point scale) for the way their call was handled. While customers with a call process time of 0 to 20 seconds have the highest satisfaction rating (86%), *no significant differences* occur in customers' satisfaction ratings as the time in queue increases.

% Access Difficulty by Call Process Time

The majority of Small Business/B&C repair customers indicate that they did *not* have difficulty when calling the BellSouth repair center. Overall, only one in ten (11%) of these customers state that they had a problem accessing the center. Again, the call process time does not appear to be a driving factor in determining difficulty. The highest percentage of customers indicating that they had difficulty (21%) appears at call process times between 91 and 120 seconds.

Reasons for Difficulty

Of the few Small Business/B&C repair customers who indicate that they had difficulty, about one-fifth (21%) say the *rep wasn't knowledgeable or gave them the wrong information*. In addition, customers had problems *being put on hold for a long time* (16%) and had *difficulty reaching or getting through to the repair center* (16%).

% Access Difficulty by Number of Attempts

Small Business/B&C customers who have to make more than one call are more likely to express that they had difficulty when calling the BellSouth repair center. Only 4% of customers who made one attempt say that they had difficulty, compared to 30% of customers who made two or more attempts.

Abandon Rate by Call Process Time

Abandoning calls due to the call process time (time in queue) does not appear to be a significant problem for the majority of customers in this group. Thirteen percent (13%) of Small Business/B&C repair customers abandon their call before a BellSouth representative can assist them. The highest abandon rates tend to occur at the very beginning of the call, between 0 and 20 seconds (24%), or between 61 and 75 seconds (21%).

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CONSUMER REPAIR CUSTOMERS

Top Two Box Satisfaction by Call Process Time

Overall, Consumer repair customers' satisfaction with how BellSouth handled their call does not differ across the call process times. Two-thirds (67%) of these customers give BellSouth a satisfaction rating of 9 or 10 (on a 10-point scale) for the way their call was handled. Satisfaction ratings remain consistent, with *no significant differences* occurring in customers' satisfaction ratings as the time in queue increases.

% Access Difficulty by Call Process Time

The majority of Consumer repair customers indicate that they did *not* have difficulty when calling the BellSouth repair center. Only 14% of these customers state that they had difficulty when calling the repair center. In general, call process time does not appear to be a driving factor in causing difficulty among this segment. There is some indication, however, that customers with a call process time of 46 to 60 seconds may be more likely to say they have had difficulty calling BellSouth. Because the sample size in this group is small (only 5), caution is suggested in interpreting these results.

Reasons for Difficulty

Of the few repair customers who indicate that they had difficulty, most say that it was due to *being put on hold for a long time* (29%), because *their problem was not resolved* (16%), or that BellSouth *took too long to fix the problem* (13%).

% Access Difficulty by Number of Attempts

As with business customers, Consumer repair customers who have to make more than one call are more likely to express that they had difficulty when calling the BellSouth repair center. Only 9% of customers who made one attempt expressed difficulty, compared to 29% of customers who made two or more attempts.

Abandon Rate by Call Process Time

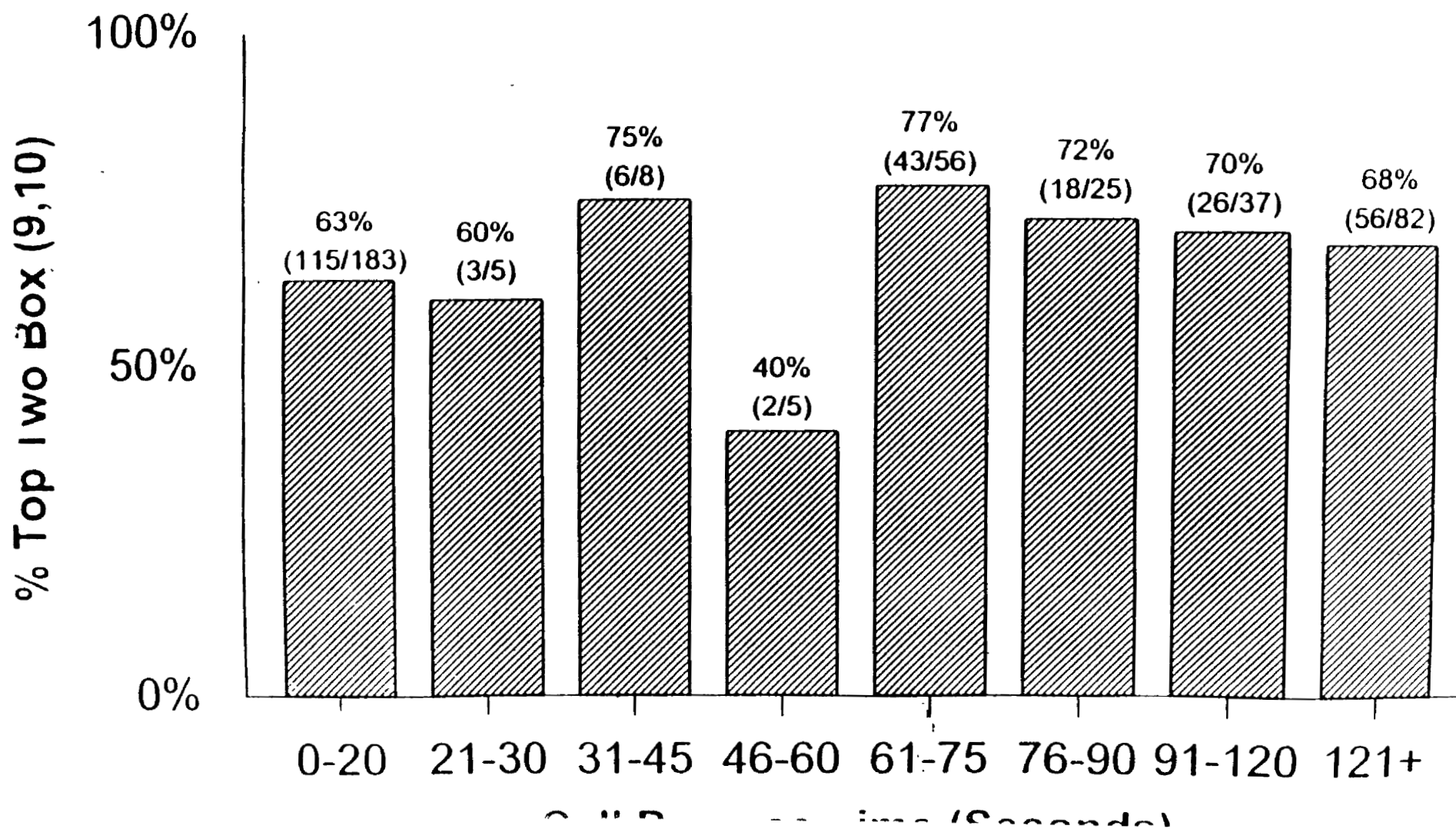
Overall, 11% of Consumer repair customers abandon their call before a BellSouth representative can assist them. Abandon rates for these customers, however, are highest between 21 and 60 seconds. If consumer repair customers are still on hold after 60 seconds, fewer are likely to abandon the call.

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Top Two Box Satisfaction by Call Process Time

Consumer - Repair

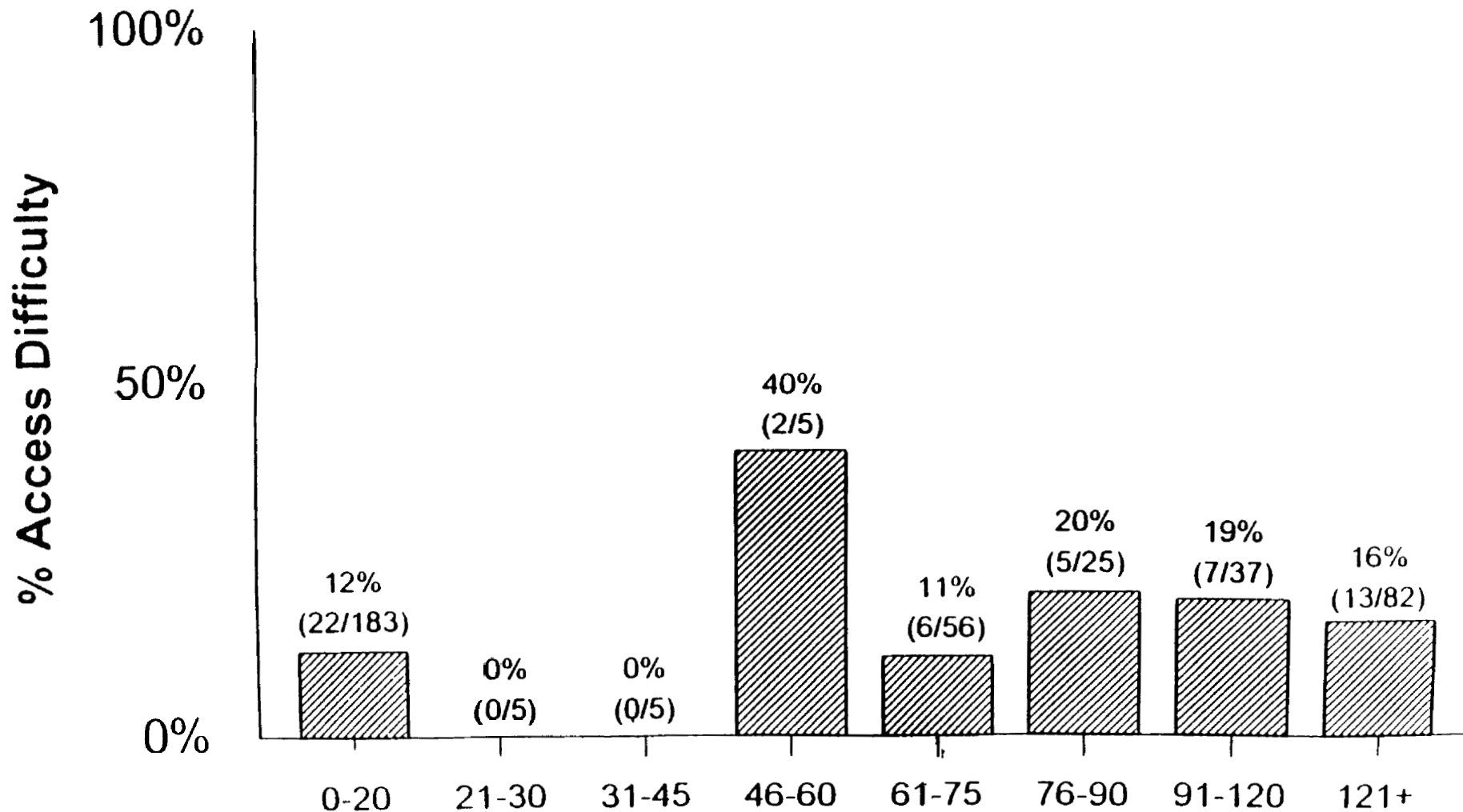
(Base: Total Respondents = 401; Overall Satisfaction is 67% = 269/401)



% Access Difficulty by Call Process Time

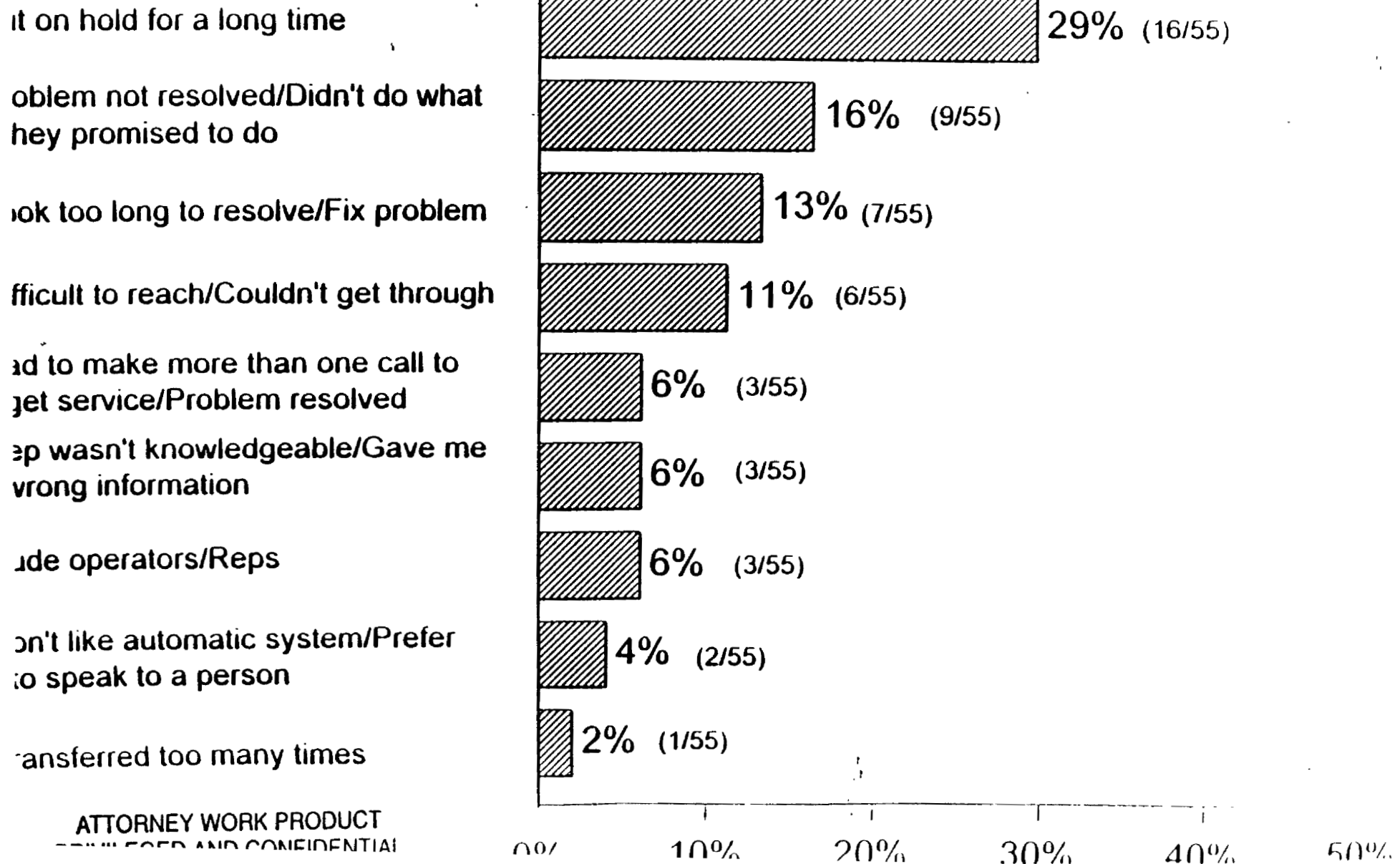
Consumer - Repair

(Base: Total Respondents = 401; Overall Difficulty is 14% = 55/401)



Reasons For Difficulty Consumer - Repair

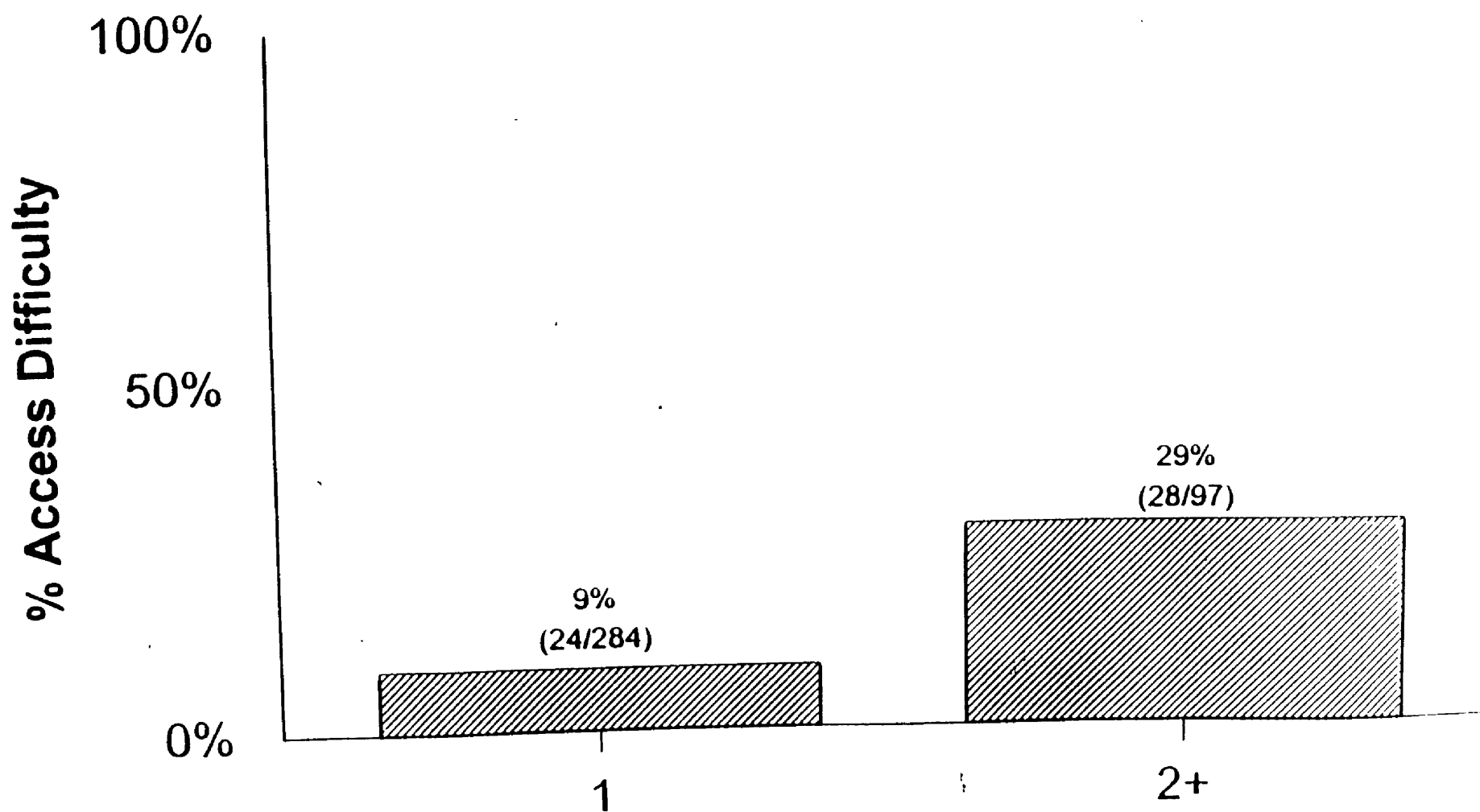
(Base: Those who had difficulty = 55)



% Access Difficulty by Number of Attempts

Consumer - Repair

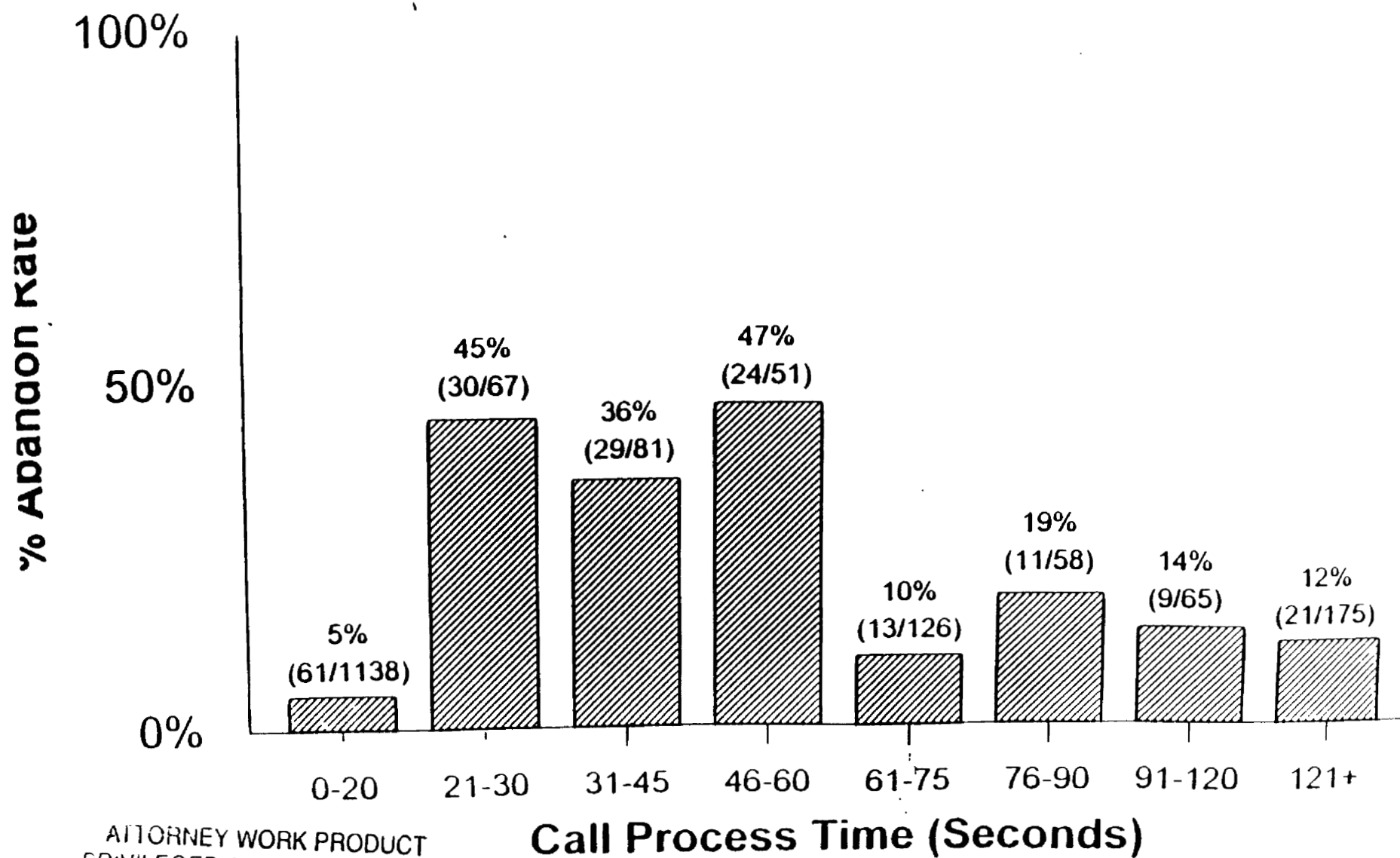
(Base: Total Respondents = 401)



Abandon Rate by Call Process Time

Consumer - Repair

(Base: Total Sample Provided = 1761; Overall Abandon Rate is 11% = 198/1761)



TOTAL REPAIR CUSTOMERS

Top Two Box Satisfaction by Call Process Time

Overall, repair customers' satisfaction with how BellSouth handled their call does not differ across the call process times. Almost two-thirds (63%) of these customers give BellSouth a satisfaction rating of 9 or 10 (on a 10-point scale) for the way their call was handled. Satisfaction ratings remain consistent, with *no significant differences* occurring in customers' satisfaction ratings as the time in queue increases.

% Access Difficulty by Call Process Time

The majority of repair customers indicate that they did *not* have difficulty when calling the BellSouth repair center. Slightly more than one in ten (13%) of these customers state that they had difficulty when calling into the repair center. Call process time does not appear to be a driving factor in determining difficulty when analyzing repair customers in total.

Reasons for Difficulty

Of all repair customers who indicate that they had difficulty, the most frequent reasons were: *put on hold for a long time* (20%), *the rep wasn't knowledgeable* (13%), *it was difficult to reach or couldn't get through* (13%) *or the problem was not resolved* (13%).

% Access Difficulty by Number of Attempts

Repair customers who have to make more than one call are more likely to express that they had difficulty when calling the BellSouth repair center. Only 7% of customers who made one attempt expressed difficulty, compared to 19% of customers who made two attempts and 46% of customers who made three or more attempts.

Abandon Rate by Call Process Time

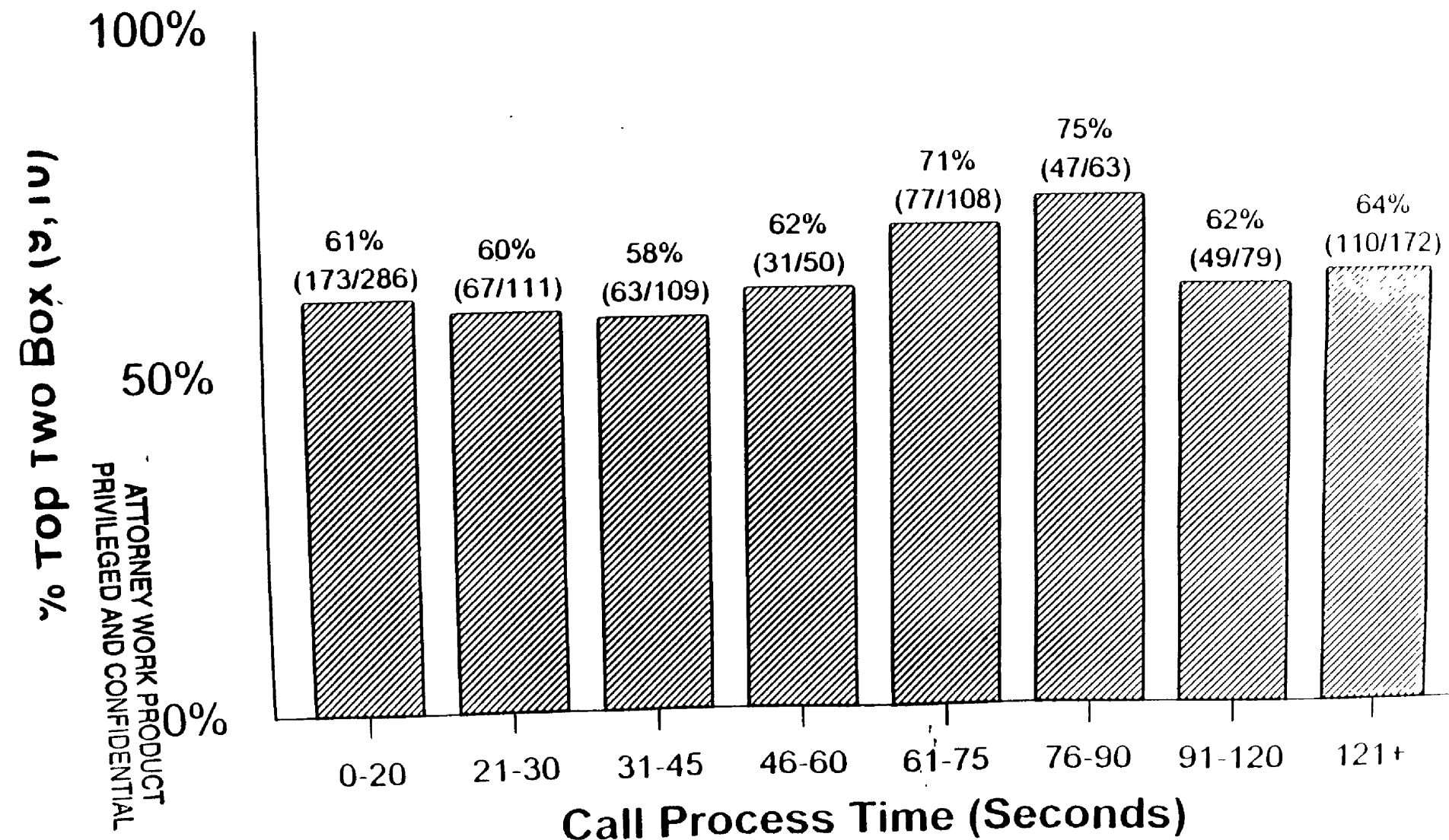
When looking at repair customers in total, abandoning calls due to the call process time does not appear as a significant problem. In total, 12% of all repair customers abandon their call before a BellSouth representative can assist them. Abandon rates are consistent across all intervals of call process time.

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Top Two Box Satisfaction by Call Process Time

Total - Repair

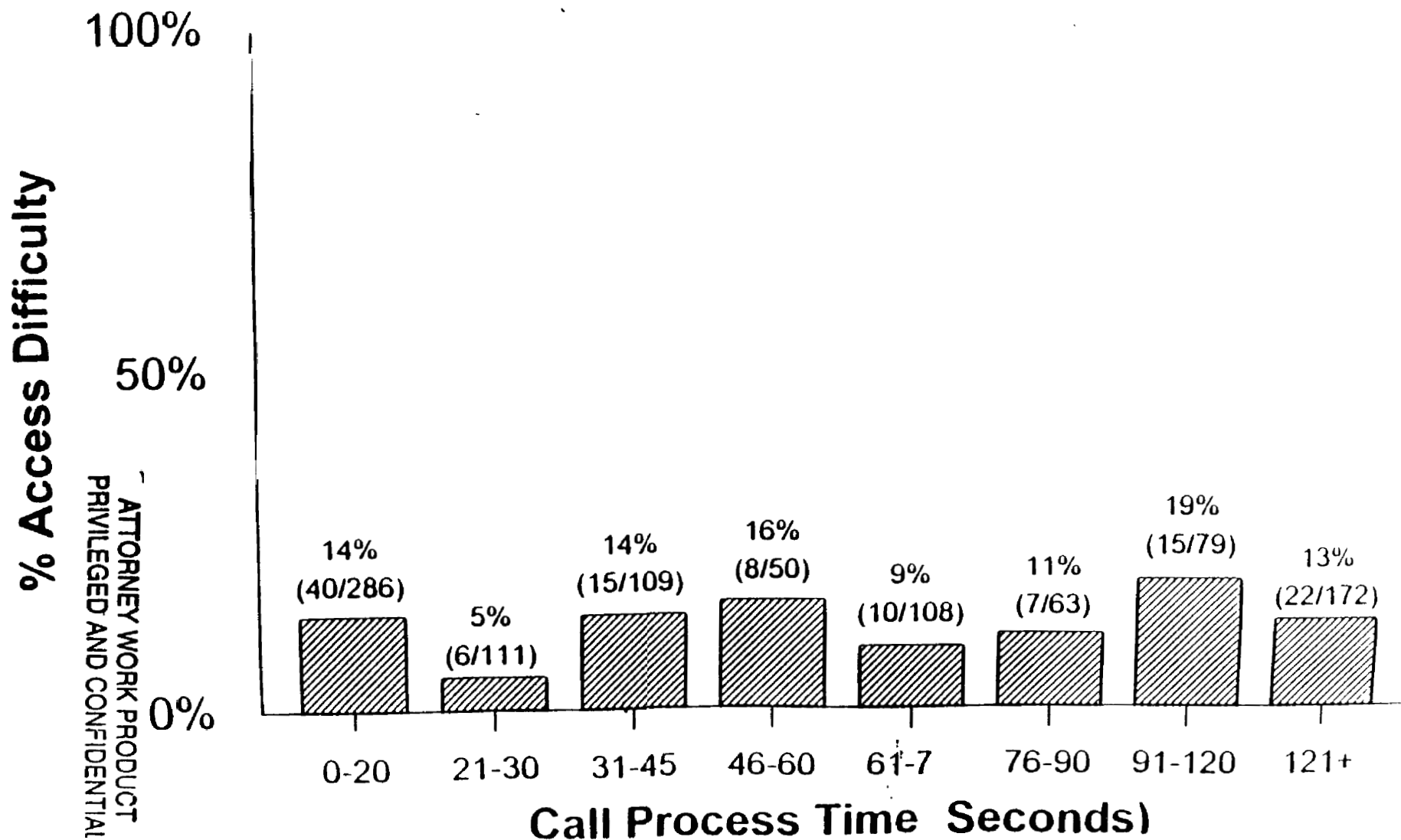
(Base: Total Respondents = 978; Overall Satisfaction is 63% = 617/978)



% Access Difficulty by Call Process Time

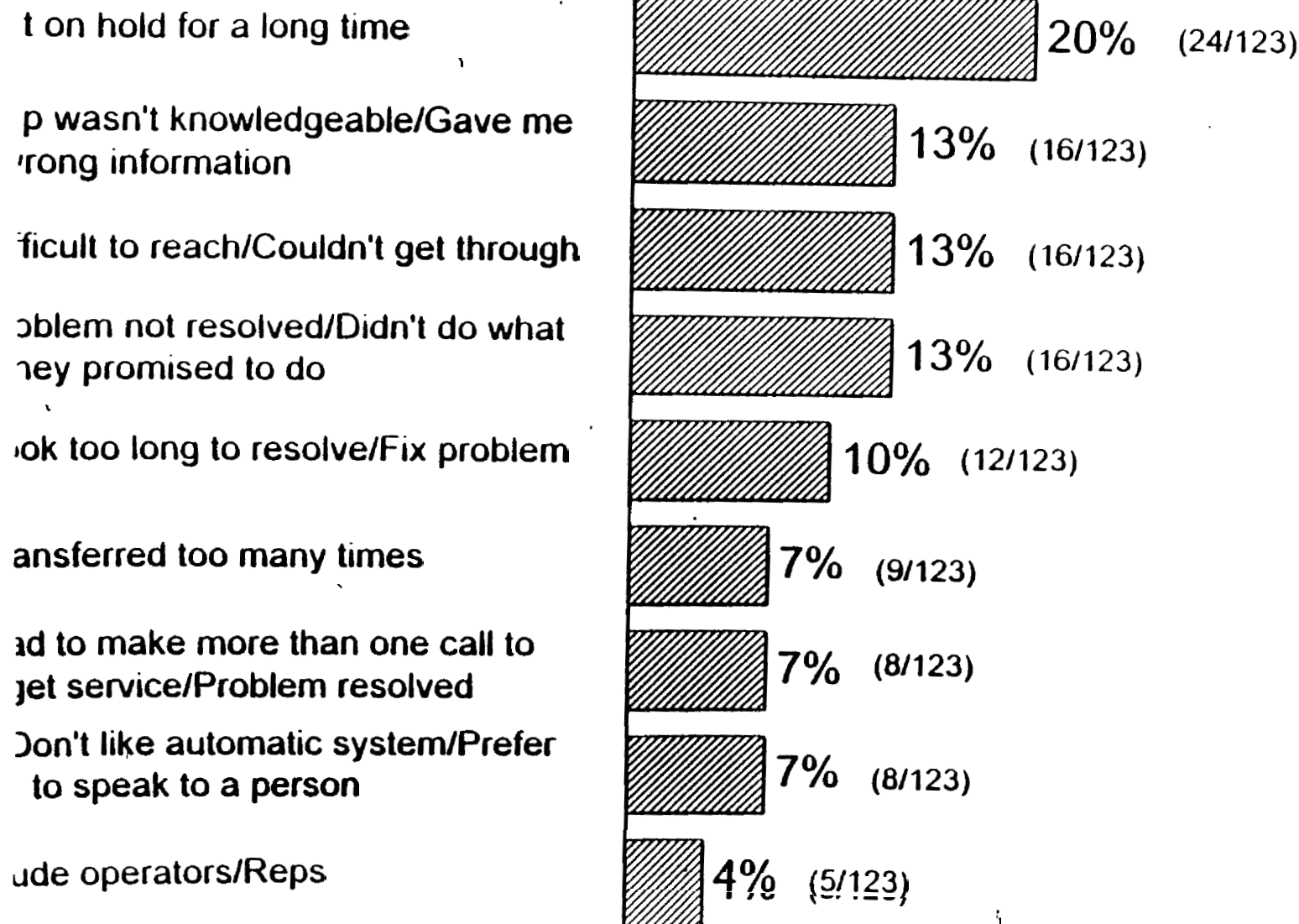
Total - Repair

(Base: Total Respondents = 978; Overall Difficulty is 13% = 123/978)



Reasons For Difficulty Total - Repair

(Base: Those who had difficulty = 123)



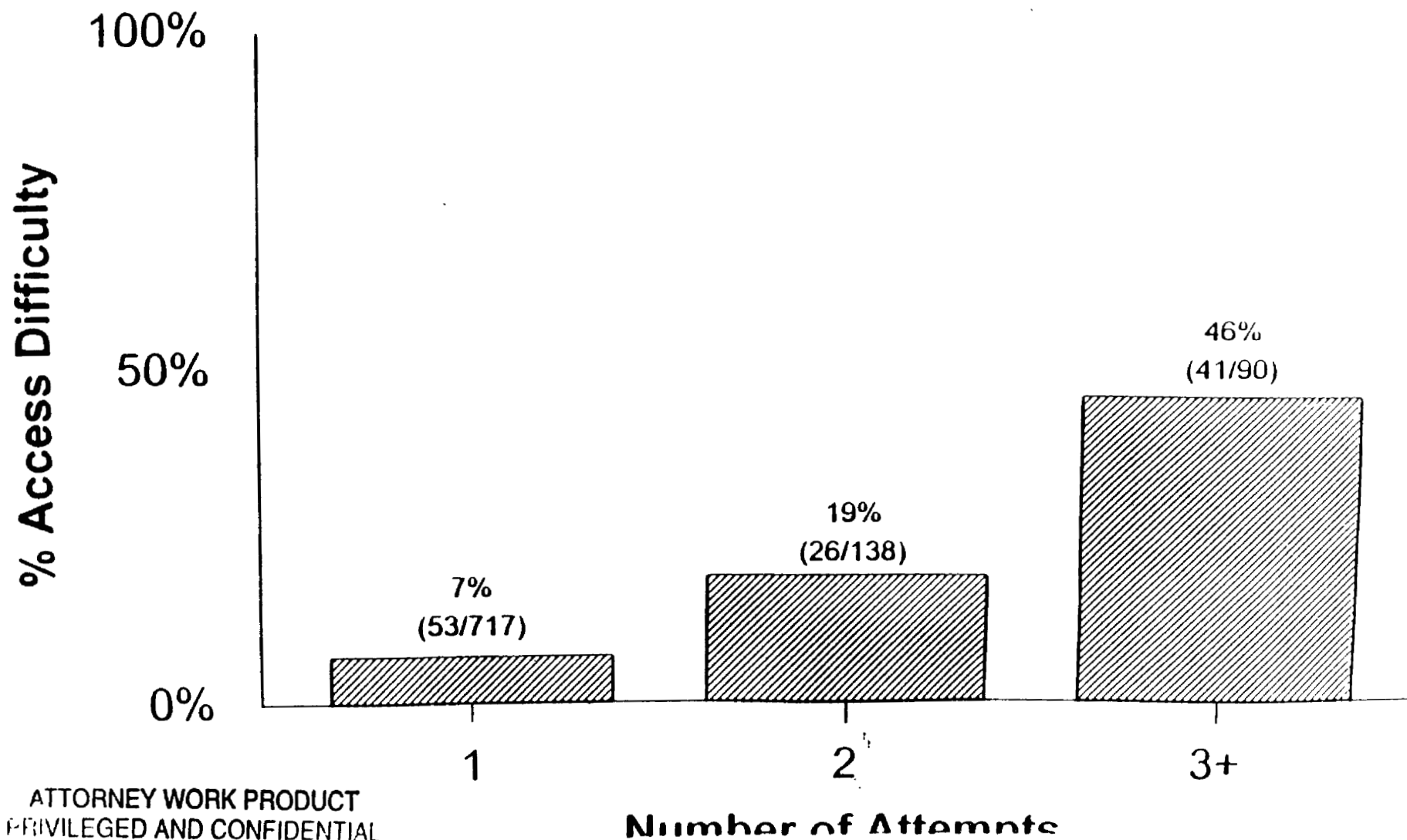
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0% 10% 20% 30% 40% 50%

% Access Difficulty by Number of Attempts

Total - Repair

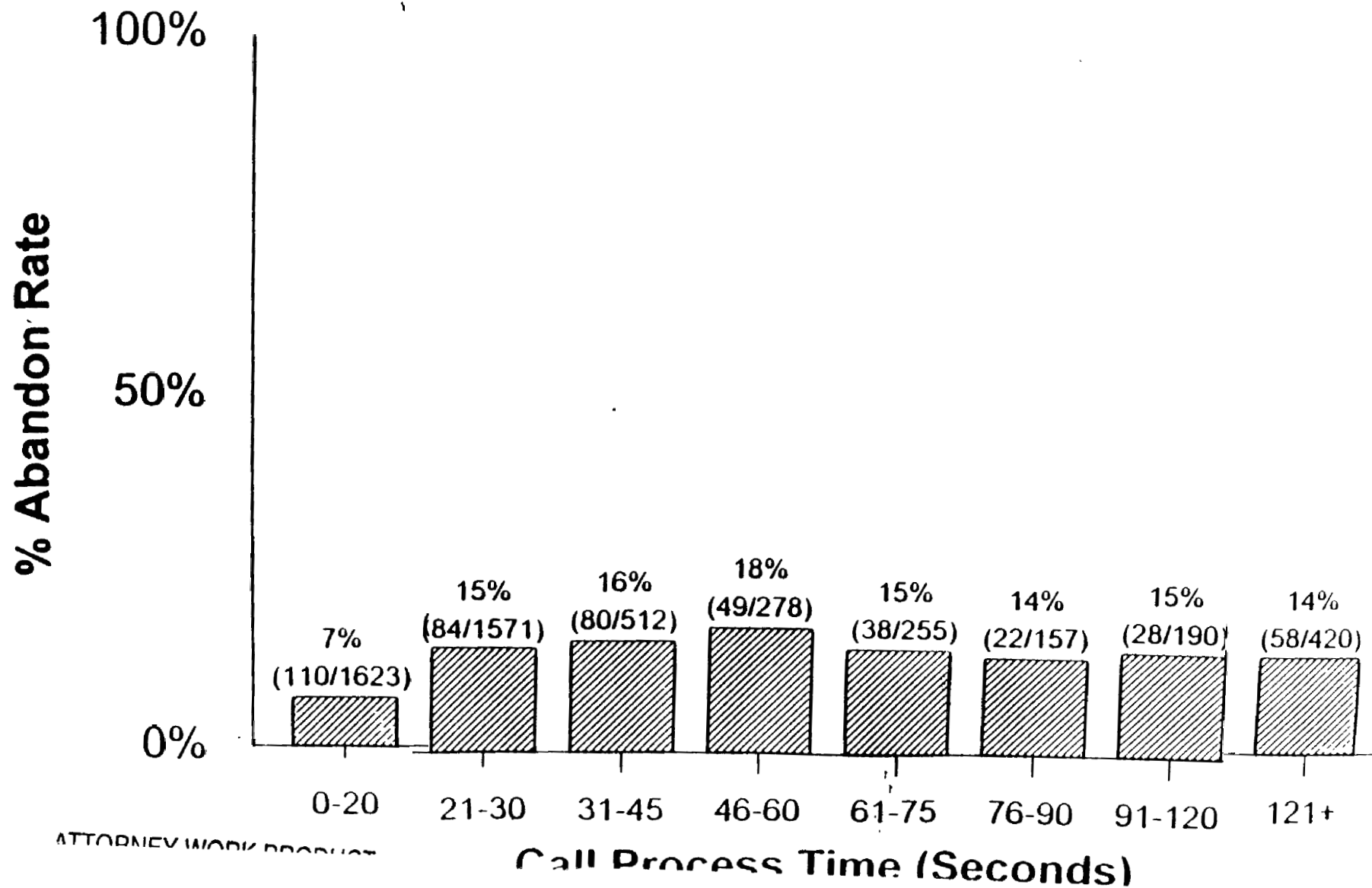
(Base: Total Respondents = 978)



Abandon Rate by Call Process Time

Total - Repair

(Base: Total Sample Provided = 4006; Overall Abandon Rate is 12% = 469/4006)



CONSUMER BUSINESS OFFICE CUSTOMERS

Top Two Box Satisfaction by Call Process Time

Overall, Consumer business office customers' satisfaction with how BellSouth handled their call does not differ across the call process times. Almost three-quarters (72%) of these customers give BellSouth a satisfaction rating of 9 or 10 (on a 10-point scale) for the way their call was handled. Satisfaction ratings remain consistent, with *no significant differences* occurring in customers' satisfaction ratings as the time in queue increases.

% Access Difficulty by Call Process Time

The majority of Consumer Business office customers indicate that they did *not* have difficulty when calling into the BellSouth repair center (only 12% had difficulty). Call process time does not appear to affect whether or not these customers express difficulty until a customer has been in queue for 121 seconds or more. However, at that point, almost one-quarter (23%) express that they had difficulty when calling the BellSouth business office.

Reasons for Difficulty

Of the few Consumer business office customers who indicate that they had difficulty, most say that their difficulty was due to *being put on hold for a long time* (35%) and that it was *difficult to reach or couldn't get through* to the business office (19%).

% Access Difficulty by Number of Attempts

As with all other customers, Consumer business office customers who have to make more than one call are more likely to express that they had difficulty. Only 7% of customers who made one attempt expressed difficulty, compared to 27% of customers who made two or more attempts.

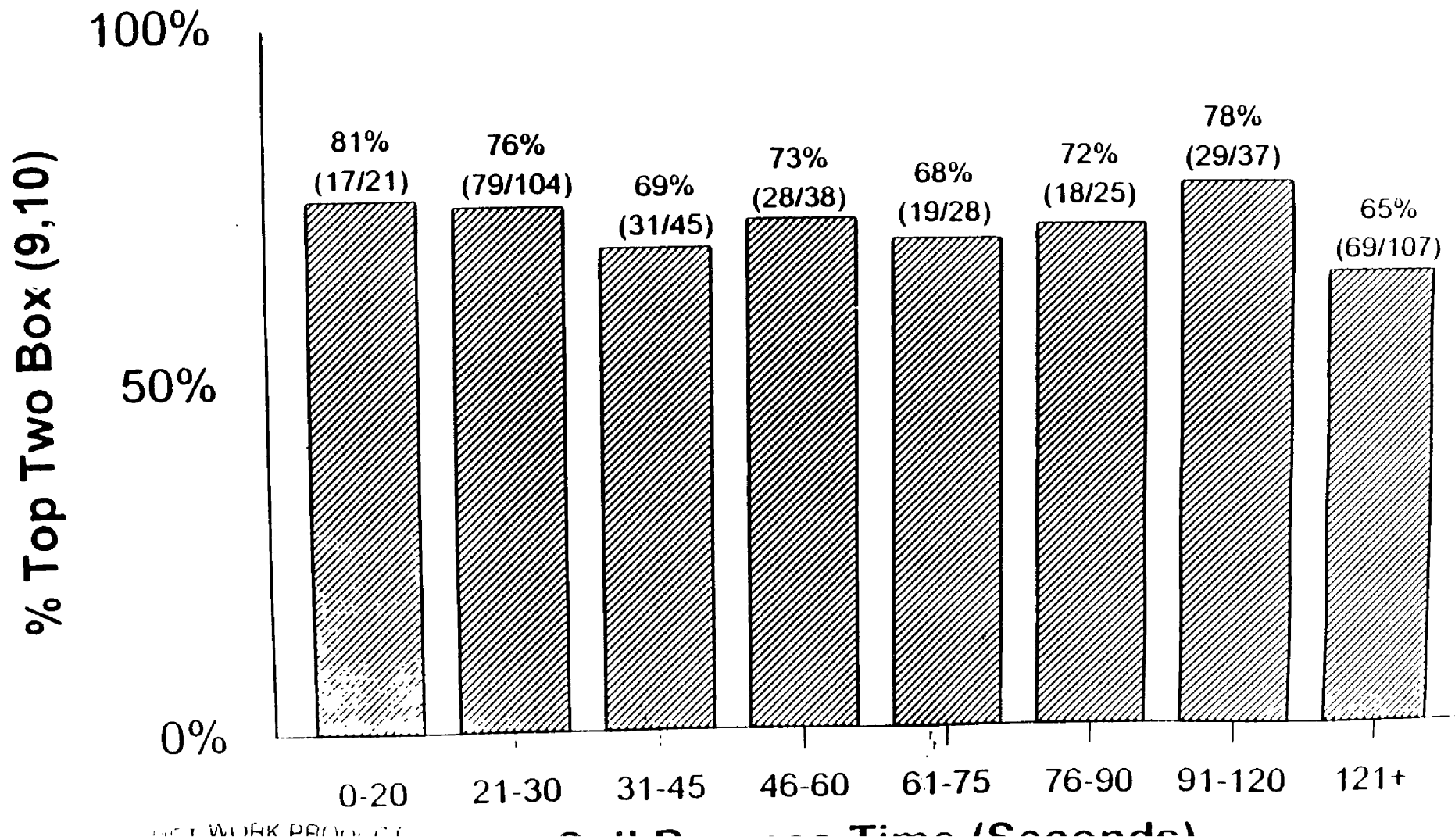
Abandon Rate by Call Process Time

Consistent with the findings from other customer segments, abandoning calls due to the call process time does not appear to be a significant problem for the majority of customers in this group. Sixteen percent (16%) of Consumer business office customers abandon their call before a BellSouth representative can assist them. Abandon rates are highest at the very beginning of the call, between 0 and 20 seconds (24%), or above 60 seconds.

Top Two Box Satisfaction by Call Process Time

Consumer - Business Office

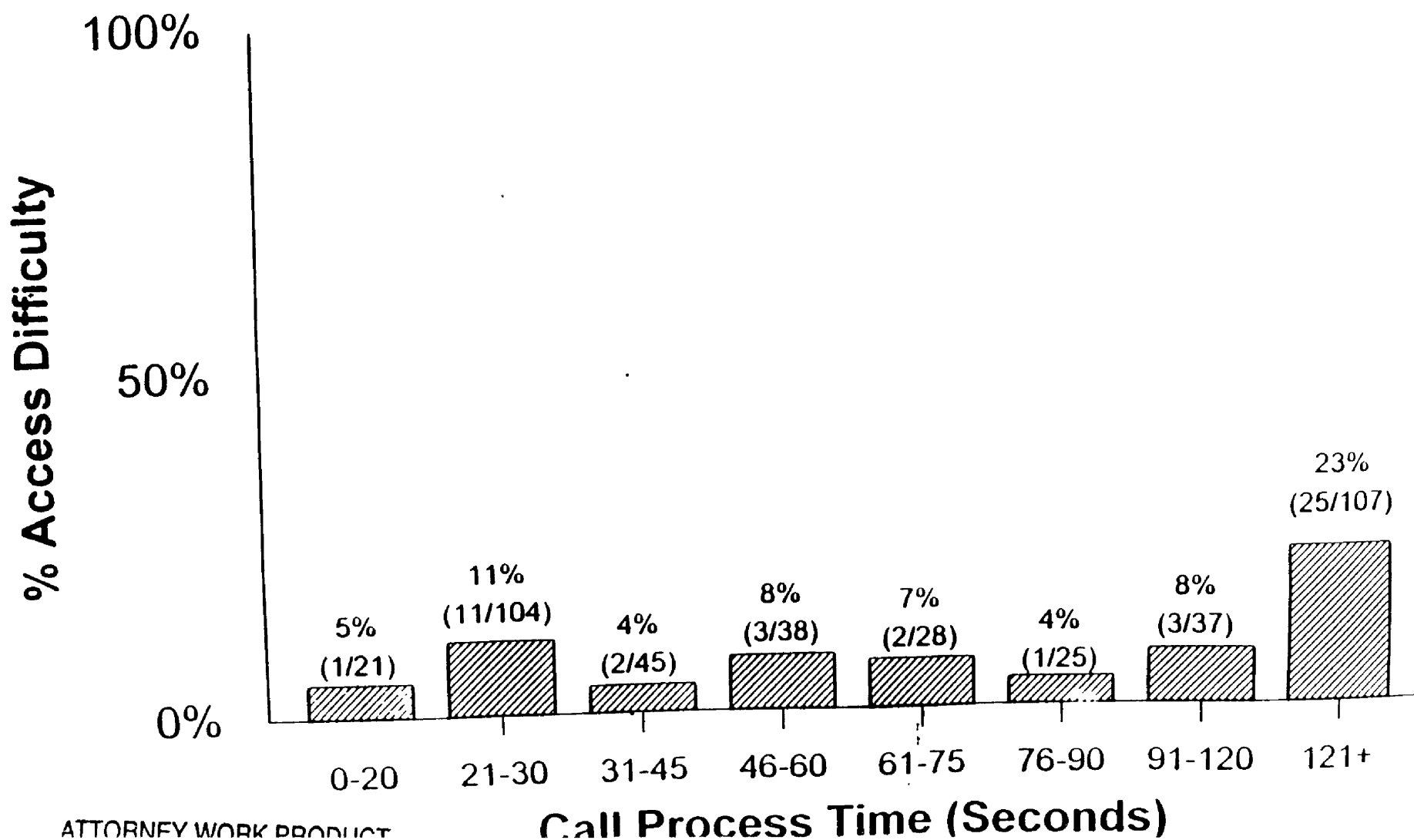
(Base: Total Respondents = 405; Overall Satisfaction is 72% = 290/405)



% Access Difficulty by Call Process Time

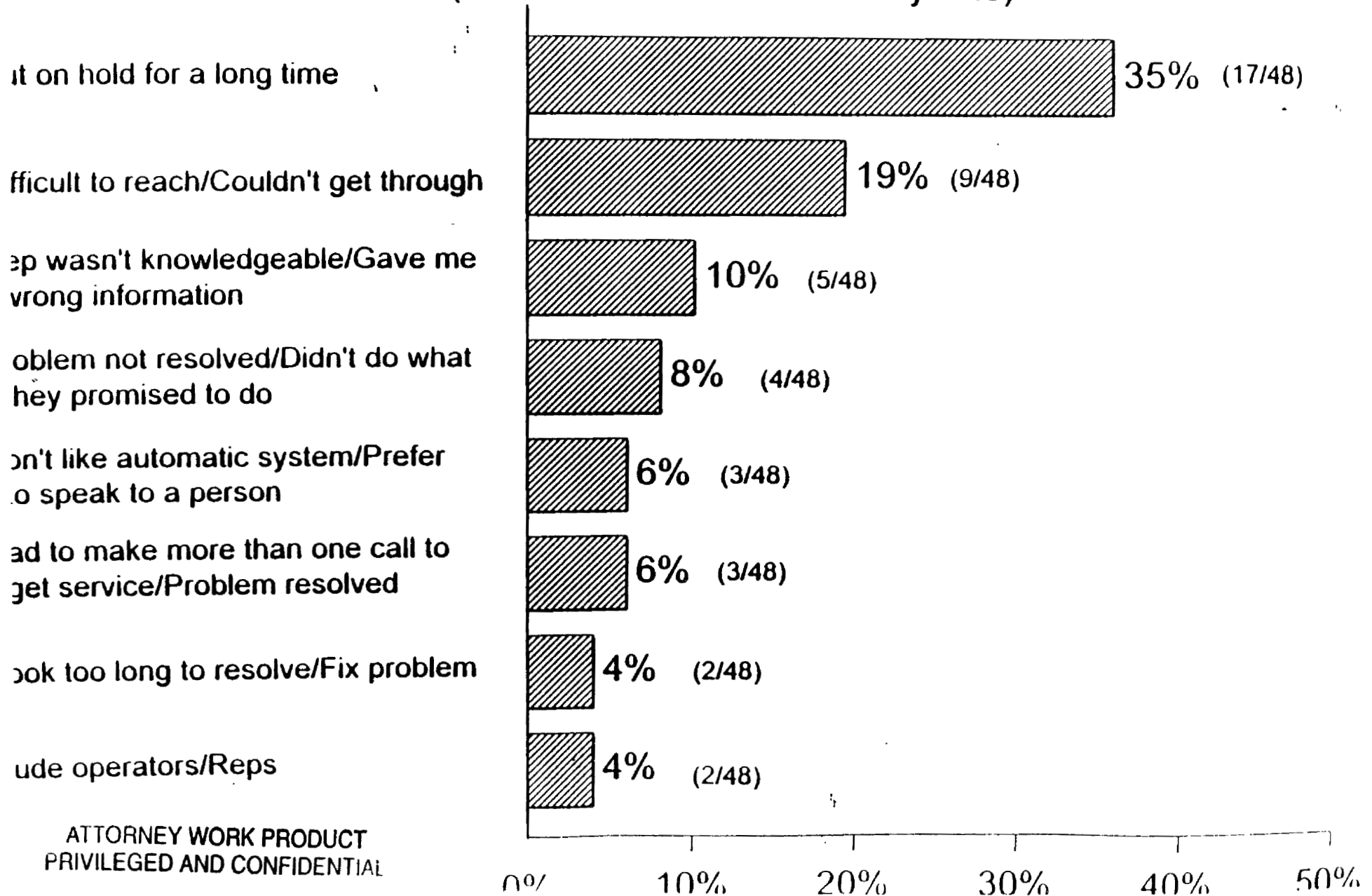
Consumer - Business Office

(Base: Total Respondents = 405; Overall Difficulty is 12% = 48/405)



Reasons For Difficulty Consumer - Business Office

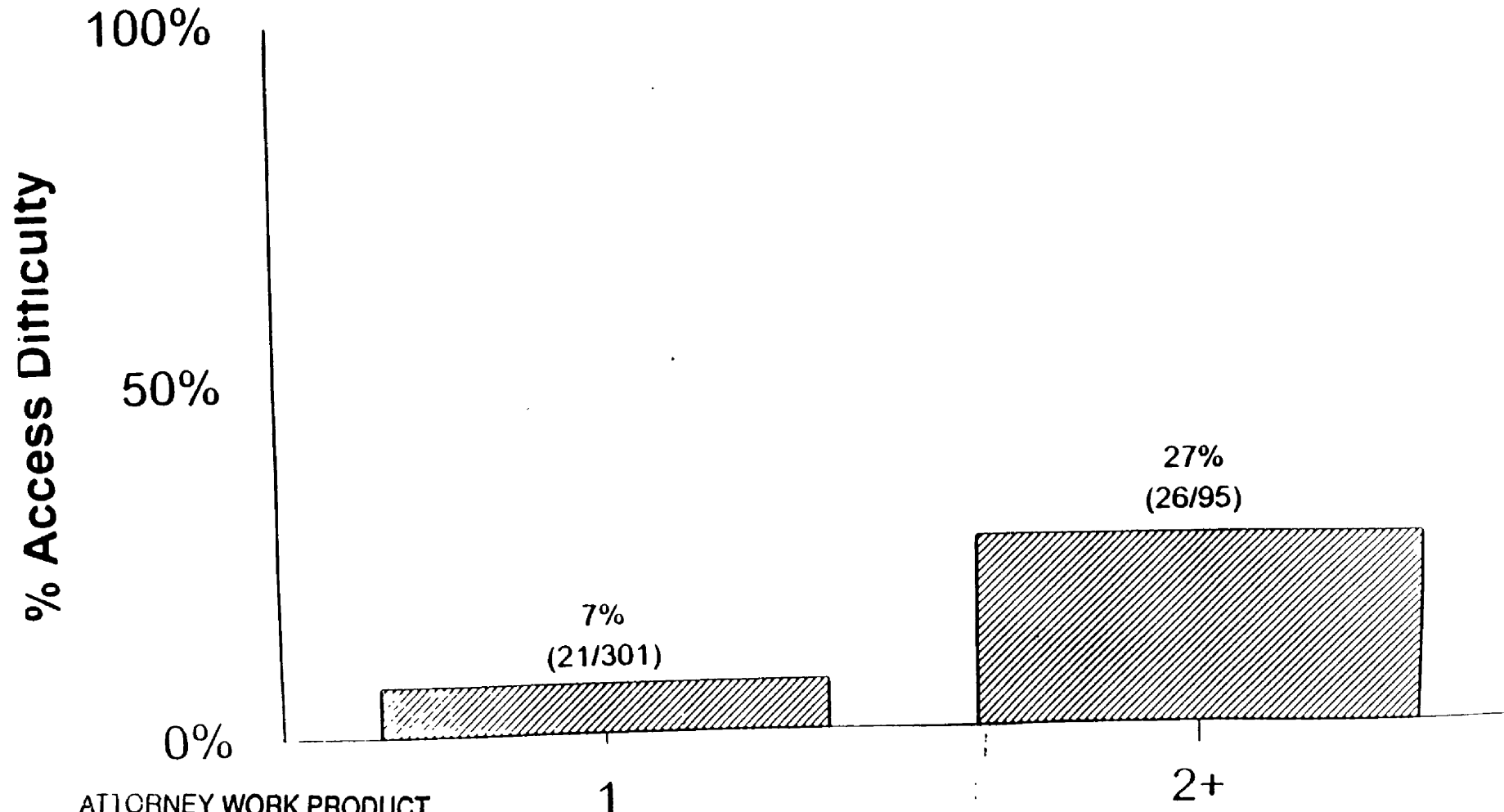
(Base: Those who had difficulty = 48)



% Access Difficulty by Number of Attempts

Consumer - Business Office

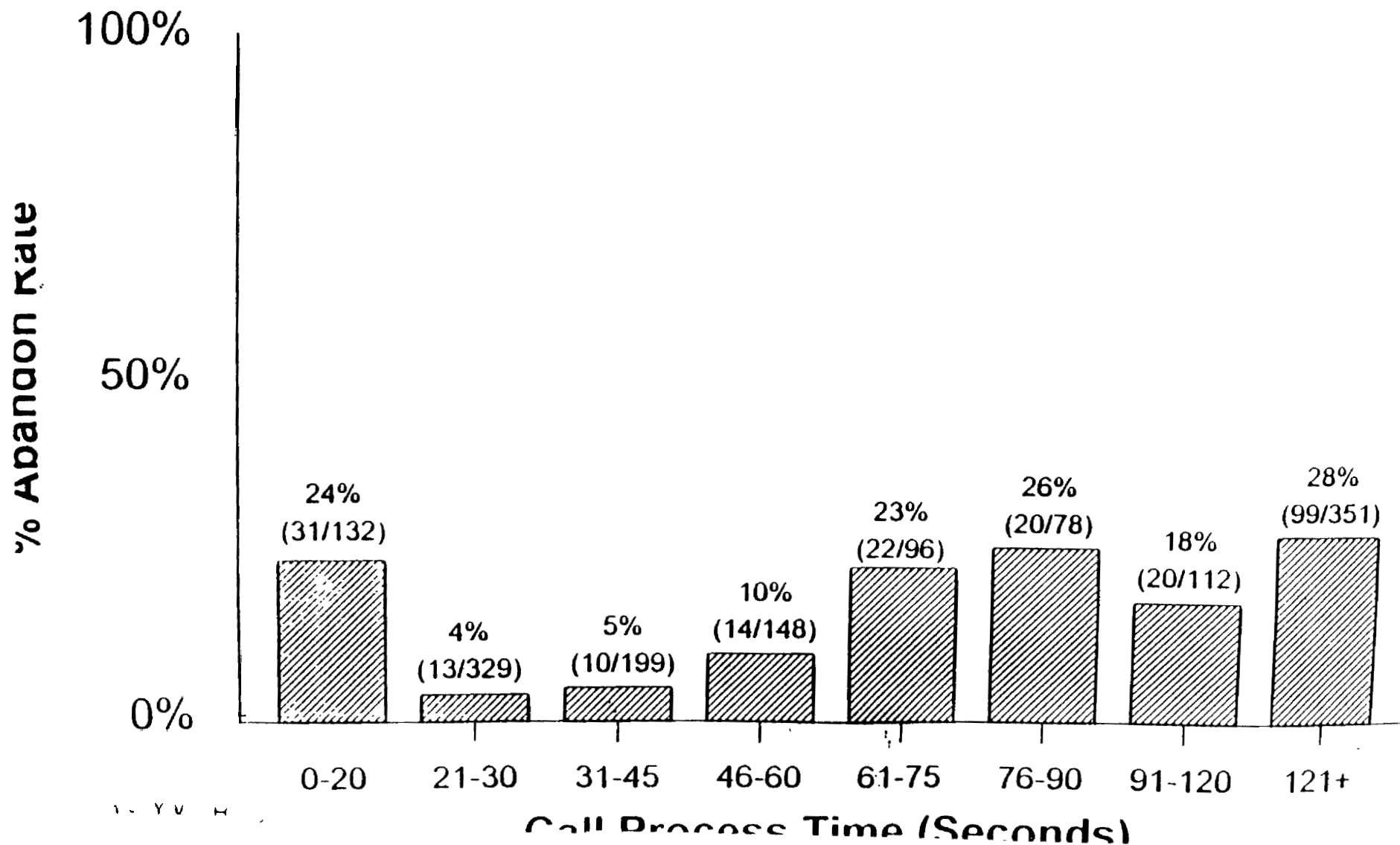
(Base: Total Respondents = 405)



Abandon Rate by Call Process Time

Consumer - Business Office

Base: Total Sample Provided = 1445; Overall Abandon Rate is 16% = 229/1445)



BBS (A) REPAIR CUSTOMERS

Top Two Box Satisfaction by Call Process Time

Overall, "A" repair customers' satisfaction with how BellSouth handled their call does not differ across the call process times. One-half (51%) of "A" repair customers give BellSouth a satisfaction rating of 9 or 10 (on a 10-point scale) for the way their call was handled. While sample sizes are small, *no significant differences* occur in customers' satisfaction ratings as the time in queue increases.

% Access Difficulty by Call Process Time

The majority of "A" repair customers indicate that they did *not* have difficulty when calling the BellSouth repair center. In total, only 14% of "A" repair customers state that they had difficulty when they called into the BellSouth repair center. While sample sizes are small, call process time does not appear to be a driving factor in determining difficulty.

Reasons for Difficulty

As with Small Business/B&C customers, "A" customers who had difficulty say it was due to the *rep not being knowledgeable or giving them the wrong information* (16%). These customers also express difficulty because they were *transferred too many times* (16%). Fewer "A" repair customers say that they were *put on hold for a long time* (4%) or *had difficulty reaching or getting through to BellSouth* (12%).

% Access Difficulty by Number of Attempts

"A" repair customers who have to make more than one call are more likely to express that they had difficulty when calling the BellSouth repair center. Only 11% of customers who made one attempt expressed difficulty, compared to 20% of customers who made two attempts and 45% of customers who made three or more attempts.

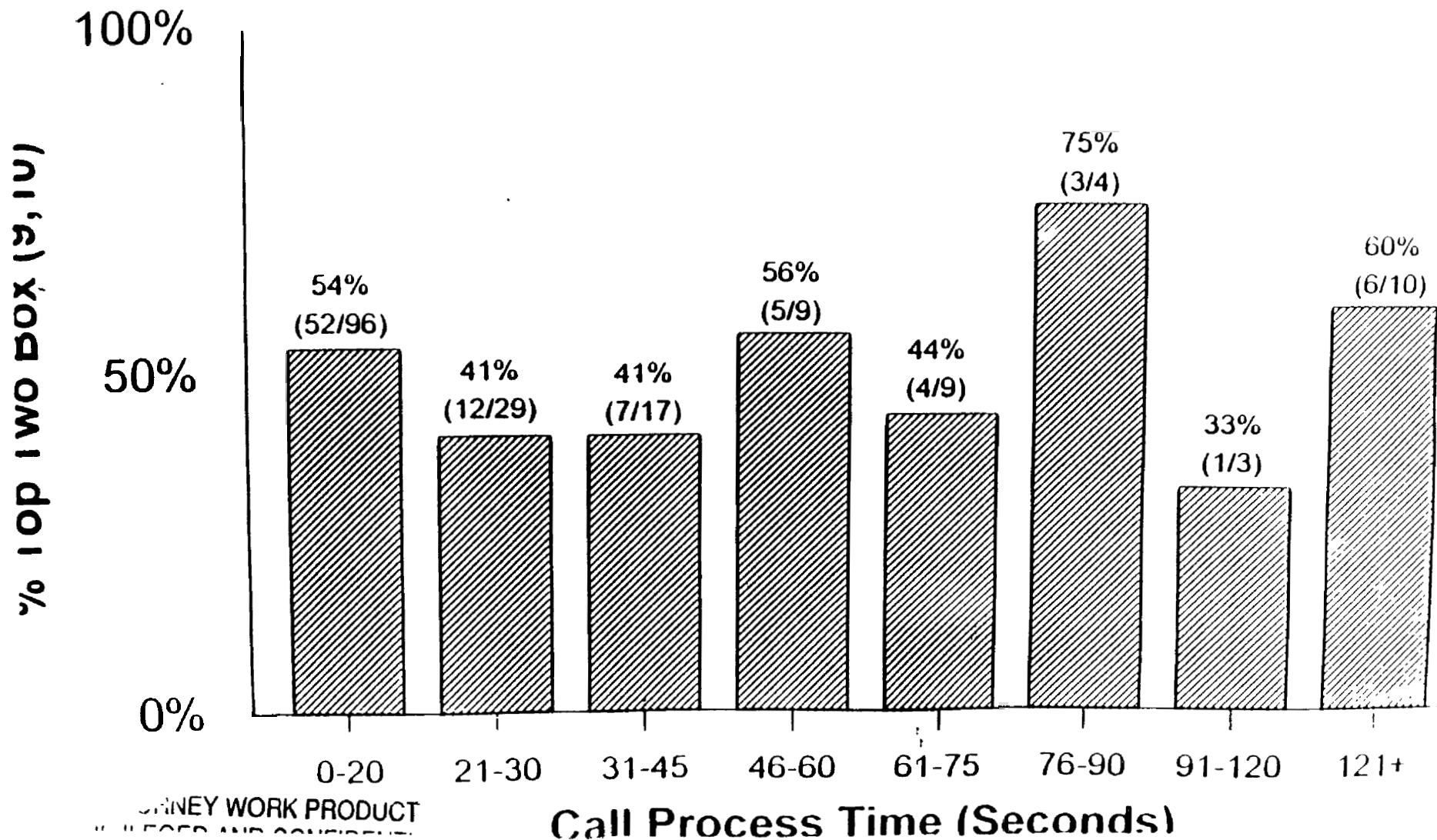
Abandon Rate by Call Process Time

Abandoning calls due to the call process does not appear to be a significant problem for BBS "A" repair customers. Overall, one in ten (10%) "A" repair customers abandon their call before a BellSouth representative can assist them. After 75 seconds in the queue, however, more than 27.5% of customers do abandon the call.

Top Two Box Satisfaction by Call Process Time

BBS (A) - Repair

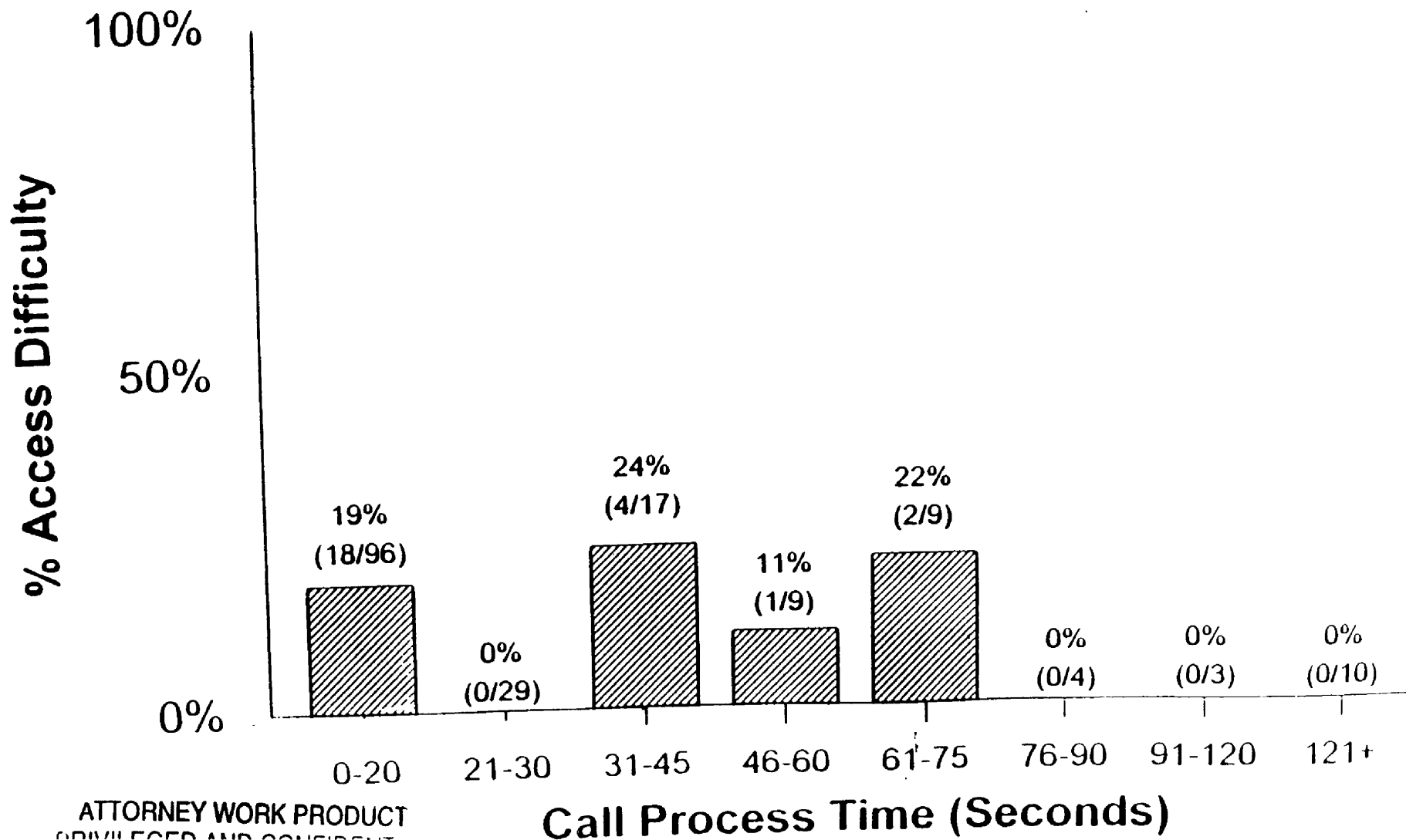
(Base: Total Respondents = 177; Overall Satisfaction is 51% = 90/177)



% Access Difficulty by Call Process Time

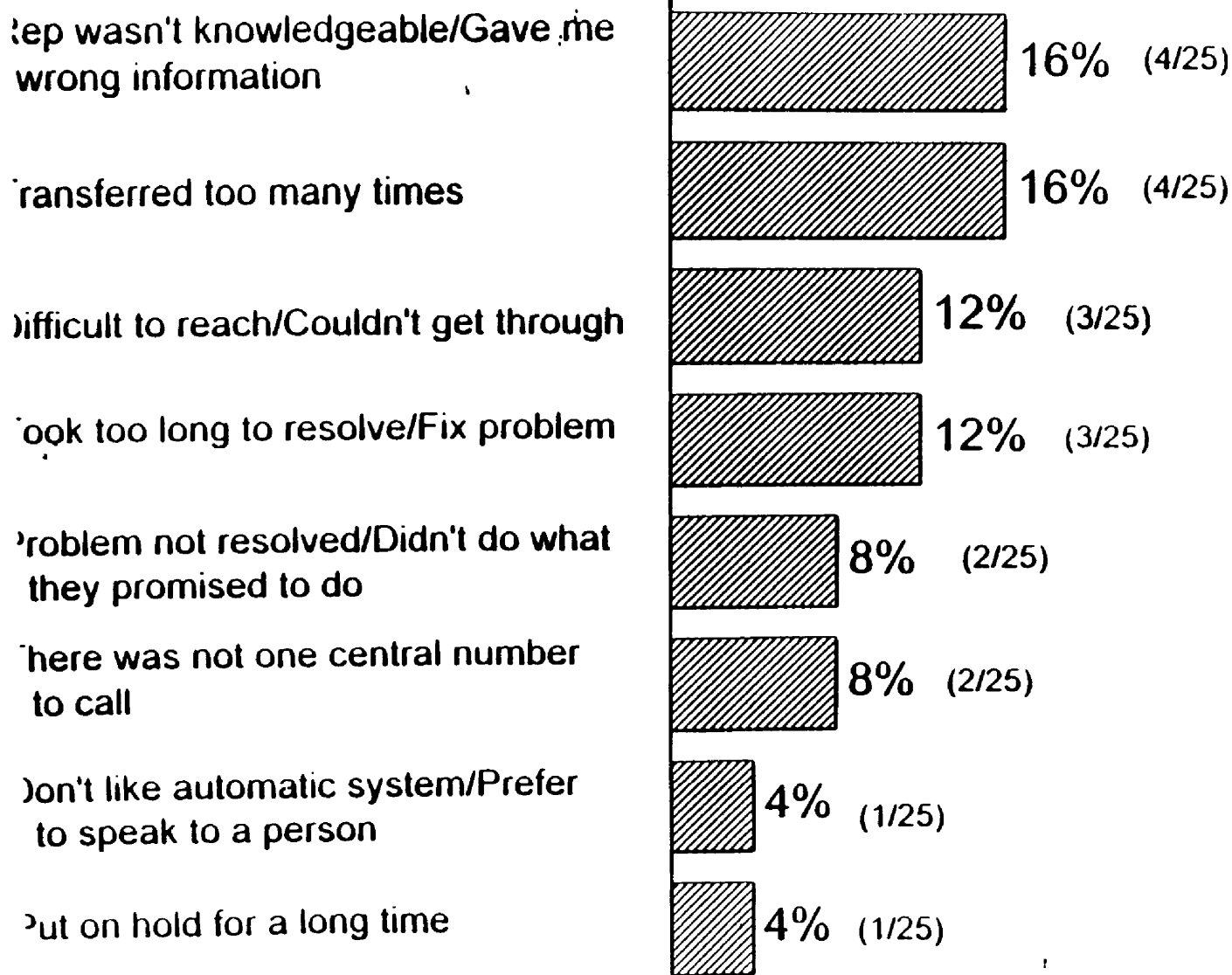
BBS (A) - Repair

(Base: Total Respondents = 177; Overall Difficulty is 14% = 25/177)



Reasons For Difficulty BBS (A) - Repair

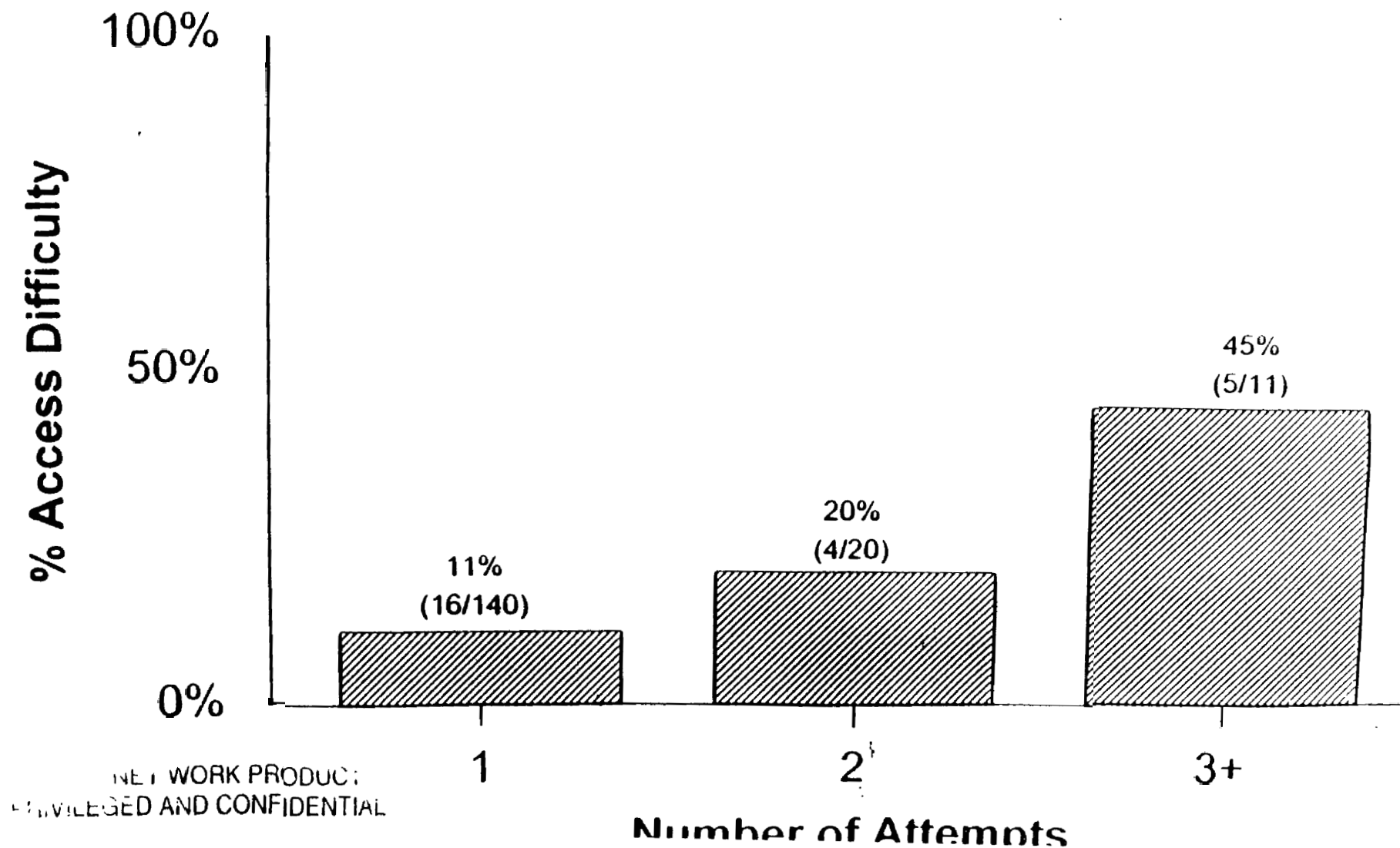
(Base: Those who had difficulty = 25)



% Access Difficulty by Number of Attempts

BBS (A) - Repair

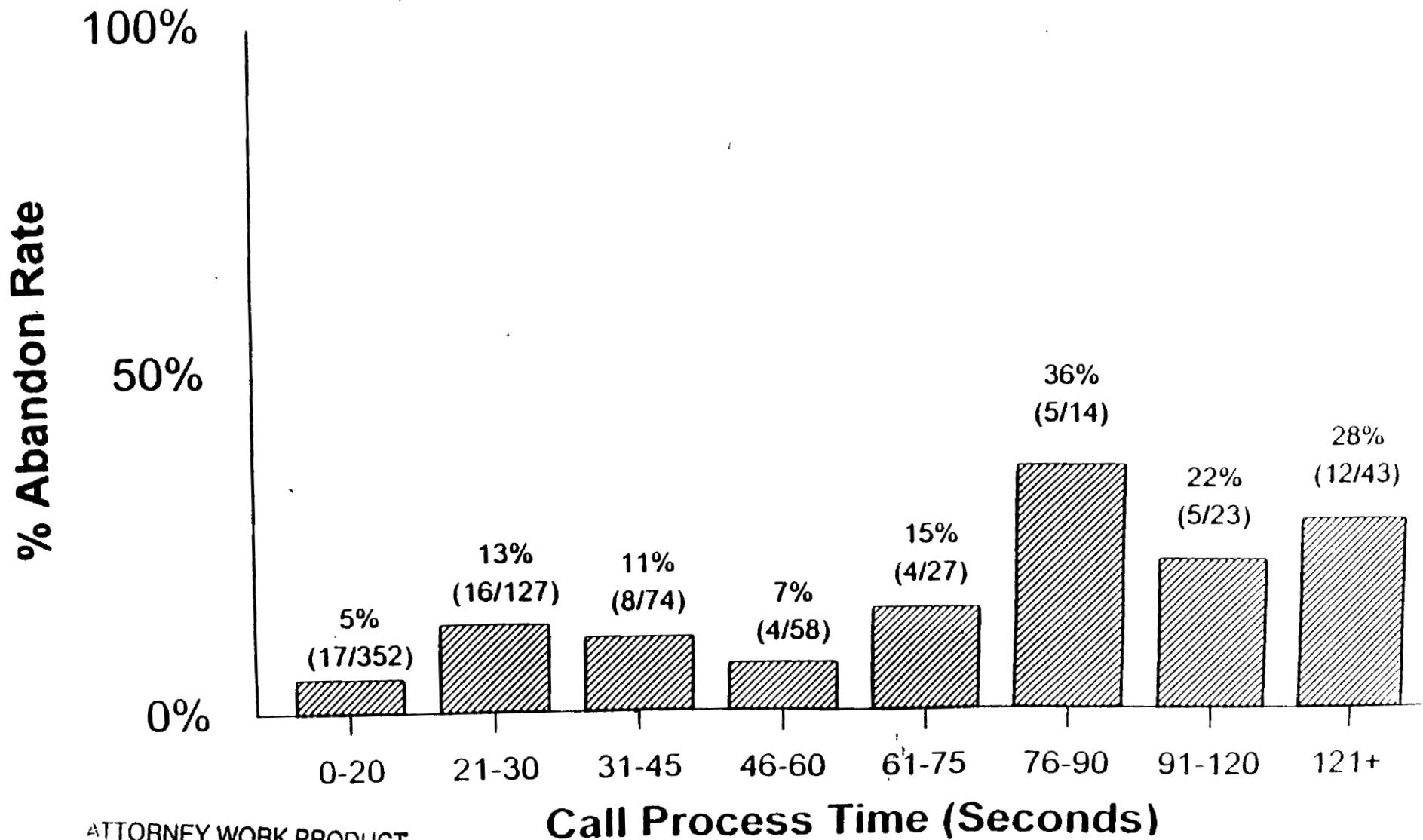
(Base: Total Respondents = 177)



Abandon Rate by Call Process Time

BBS (A) - Repair

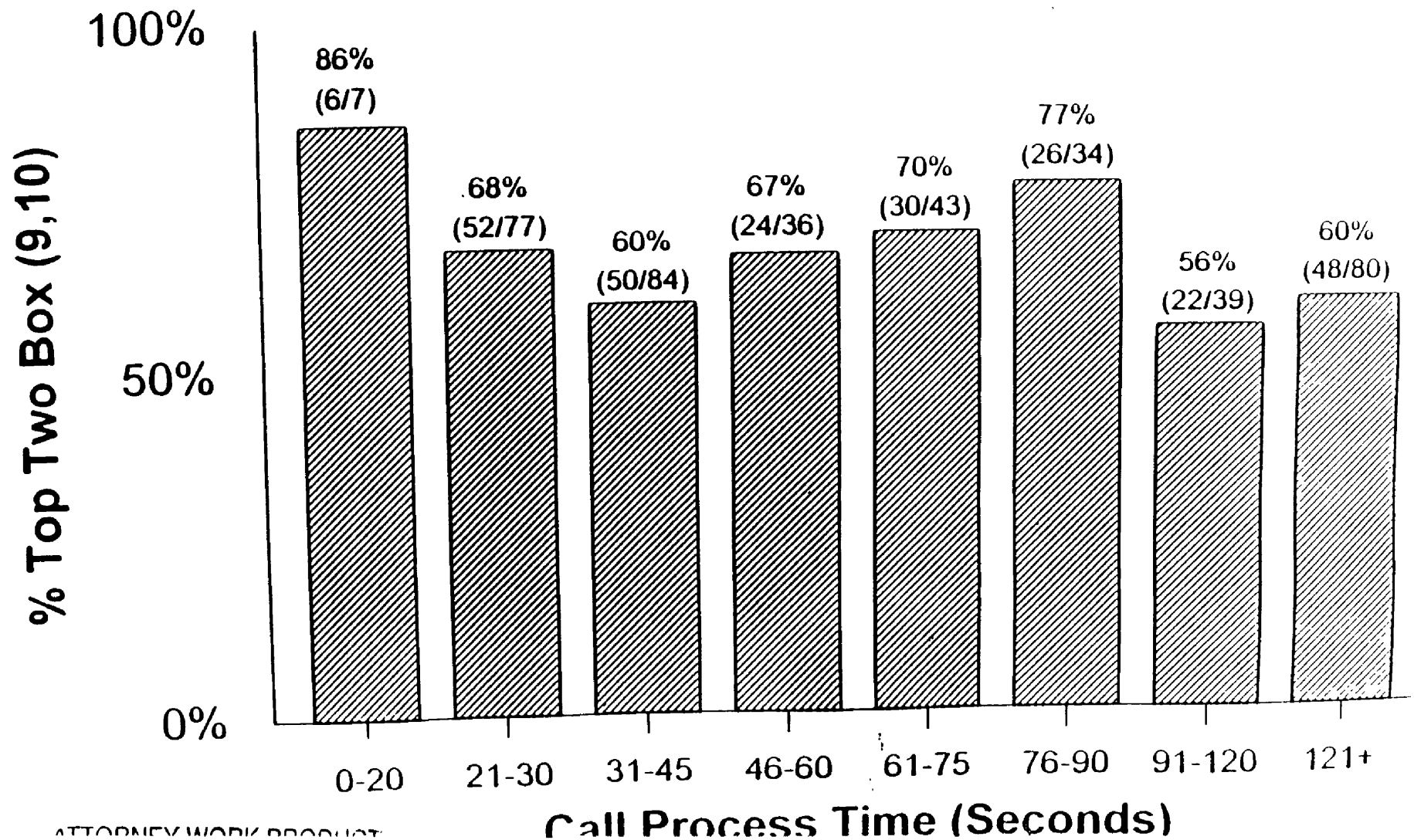
(Base: Total Sample Provided = 718; Overall Abandon Rate is 10% = 71/718)



Top Two Box Satisfaction by Call Process Time

Small Business/B&C - Repair

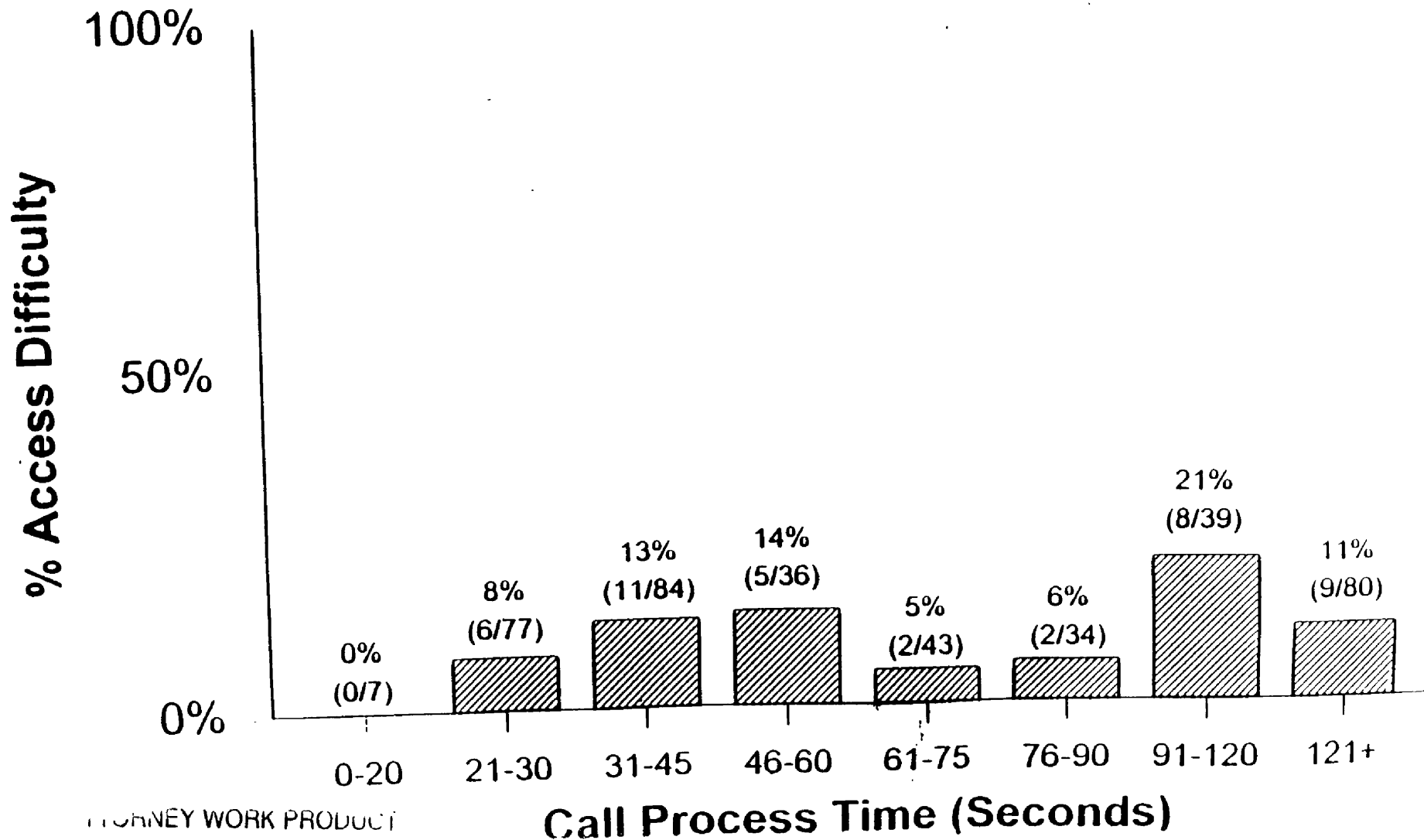
(Base: Total Respondents = 400; Overall Satisfaction is 65% = 258/400)



% Access Difficulty by Call Process Time

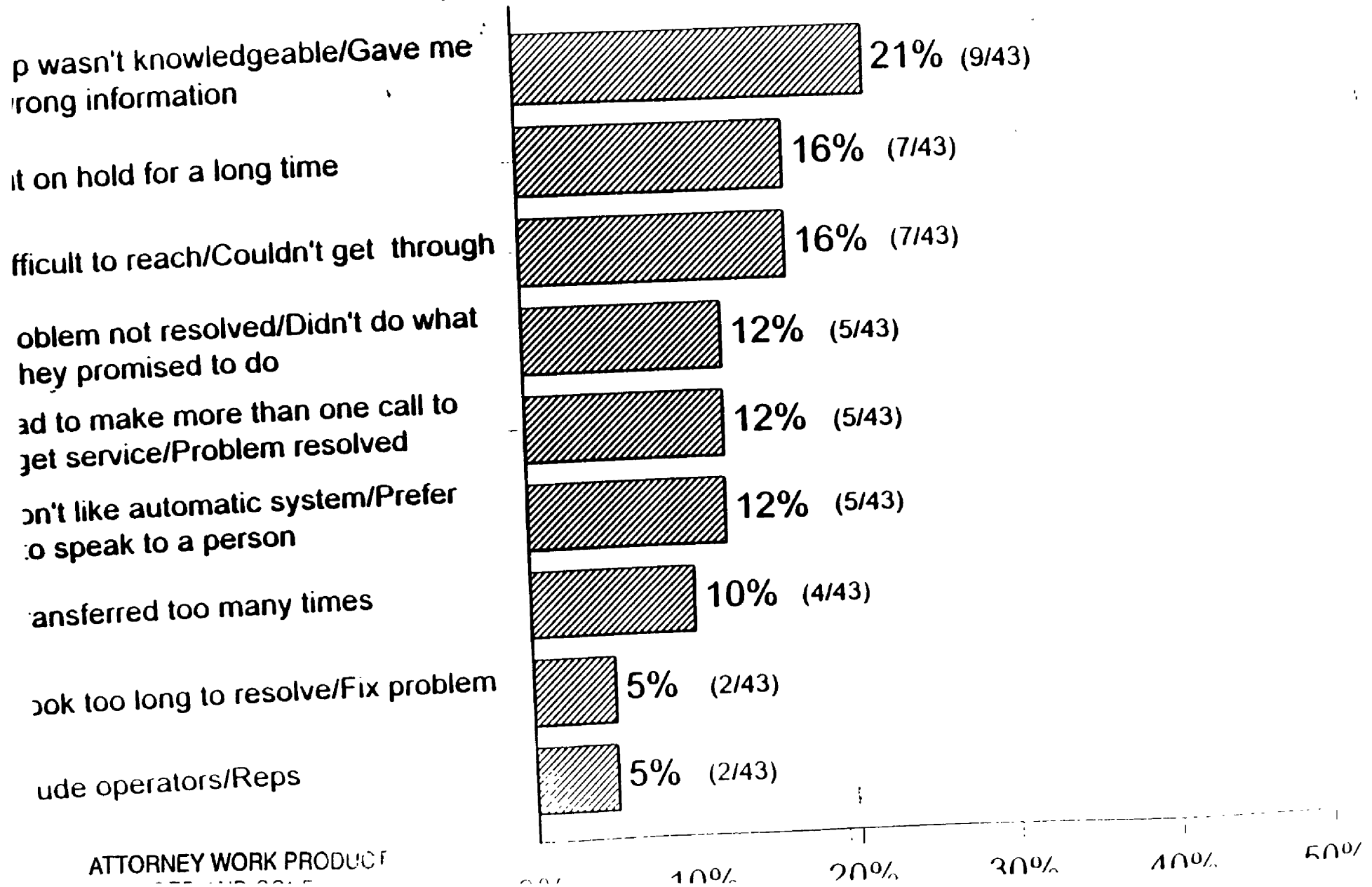
Small Business/B&C - Repair

(Base: Total Respondents = 400; Overall Difficulty is 11% = 43/400)



Reasons For Difficulty Small Business/B&C - Repair

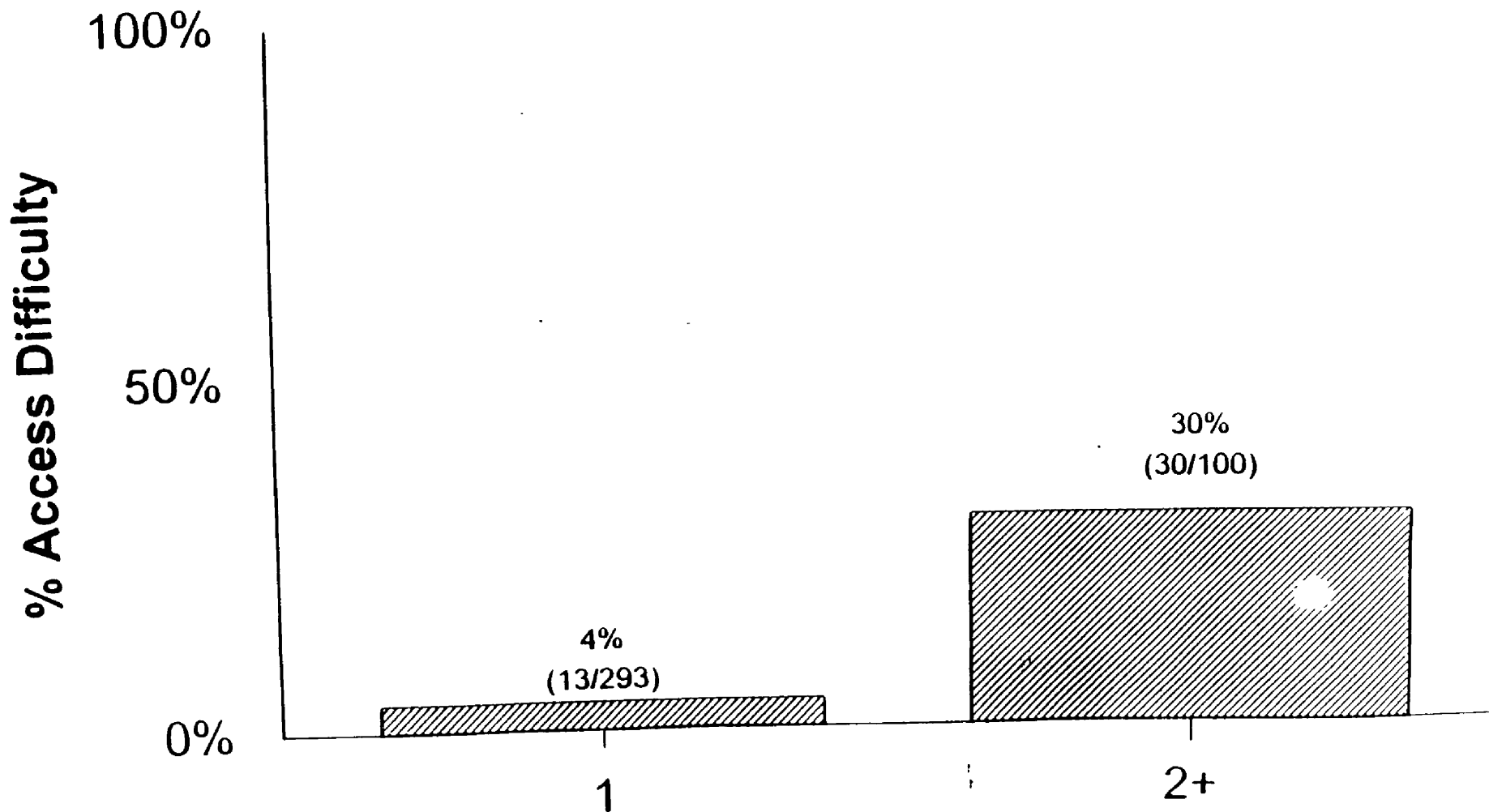
(Base: Those who had difficulty = 43)



% Access Difficulty by Number of Attempts

Small Business/B&C - Repair

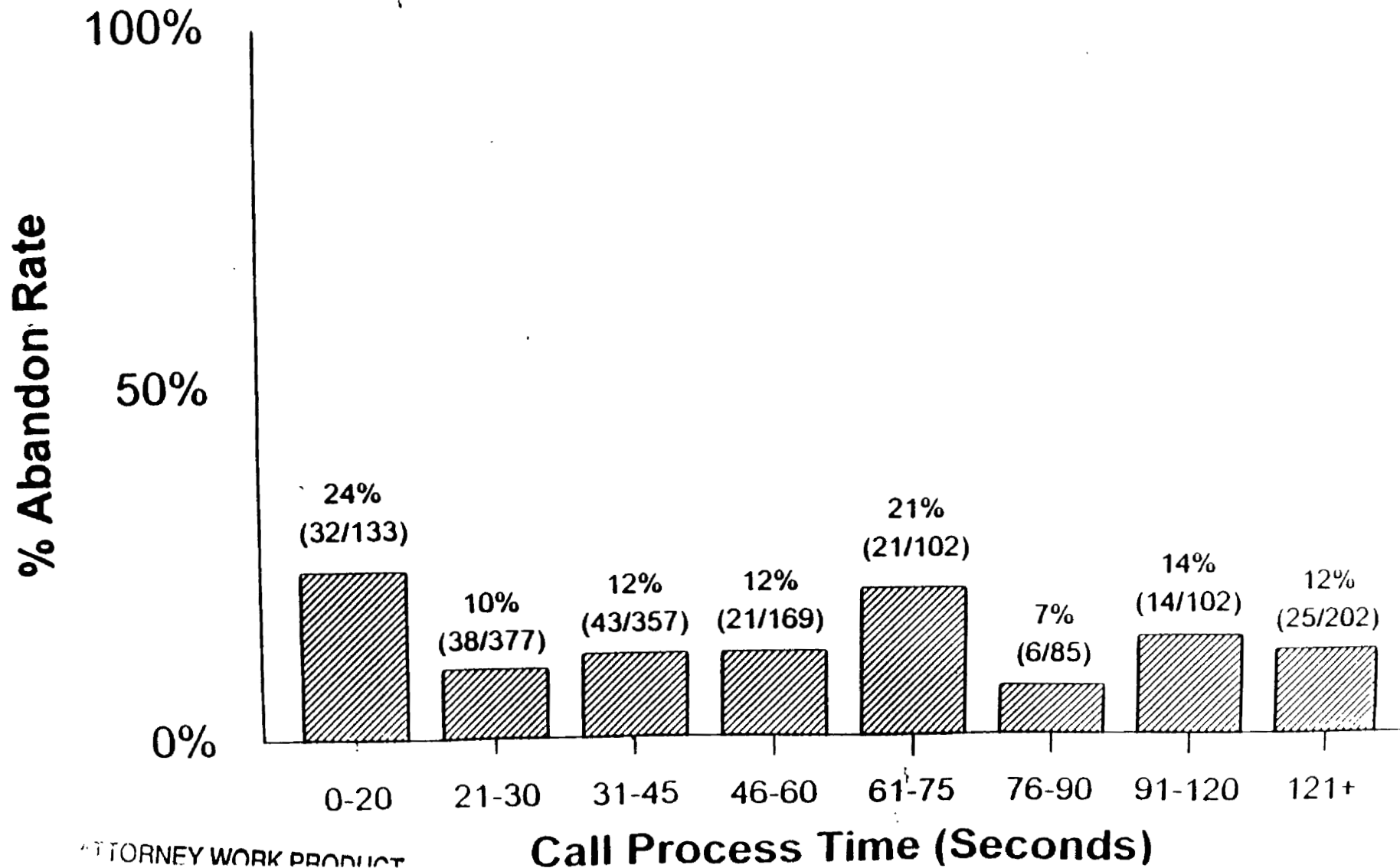
(Base: Total Respondents = 400)



Abandon Rate by Call Process Time

Small Business/B&C - Repair

(Base: Total Sample Provided = 1527; Overall Abandon Rate is 13% = 200/1527)



APPENDIX

- **CERTIFICATION STATEMENT**
- **QUESTIONNAIRE**

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CERTIFICATION STATEMENT

Project #: 09-9488

Project Name: Access Indicator Study

Standards

We hereby certify that the research reported herein was designed, conducted, analyzed, and reported following "generally accepted research procedures" as defined by the CASRO (Council of American Survey Research Organization) Code of Standards and Code of Business Practices with regard to confidentiality, privacy, disclosure, data collection, data processing, reporting, data ownership, and storage.

CASRO's Data Collection guidelines and Data Processing Guidelines are an integral part of our quality control process. We follow these guidelines on all Elrick and Lavidge projects.

Objectivity

This report fairly, accurately, and objectively reflects the complete results of our research. Nothing has been purposely omitted from the methodology, tabulations, or analytical report which would change the analysis or interpretation of the reported findings.

Use of This Research

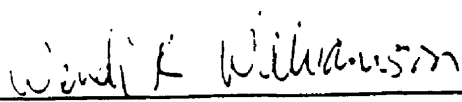
Elrick and Lavidge offers this research, including its Conclusions and Recommendations, as our professional judgment in understanding the marketing environment facing the client, and what we conclude and recommend based on our knowledge of the situation at hand in relation to our experience and judgment. Acceptance of this research, and action or results of actions based thereon, are the sole responsibility of the client.

This research is for the sole and exclusive proprietary use of our clients and their agents. Any use of this research in advertising, promotion, or publicity should be reviewed by Elrick and Lavidge prior to such use.

Additional Information

Additional information on any aspect of this research, in accordance with CASRO guidelines, will be provided upon request.

Submitted by


Wendi R. Williamson
Elrick and Lavidge, Inc

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4 How many call attempts did you make before you got through to the office?

_____ [RECORD EXACT AMOUNT]

5 Were you transferred to another representative at any time during the call?

	Yes	1
[SKIP TO Q.7] ←	No	2

6 How many times were you transferred?

_____ [RECORD EXACT AMOUNT]

7 When you called into the BellSouth [BUSINESS OFFICE/REPAIR CENTER], how long were you on hold before a representative answered the call? [ENTER MINUTES AND SECONDS]

_____ Minutes _____ Seconds

8 Was the amount of time you were on hold satisfactory?

Yes	1
No	2

Thank you for your cooperation!