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BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of :  
:   
Comprehensive review of : DOCKET NO. 920260-TL  
revenue requirements and rate :  
stabilization plan of :  
SOUTHERN BELL Telephone and :  
Telegraph Company. :  
-----

PROCEEDINGS: JACKSONVILLE SERVICE HEARING

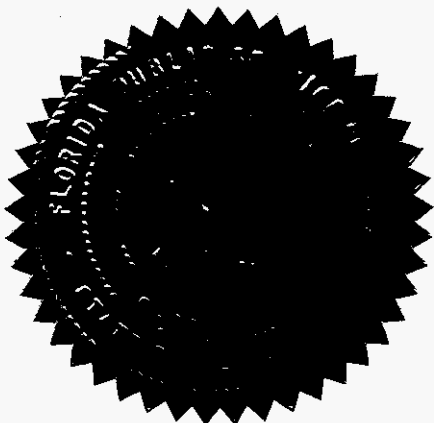
BEFORE: COMMISSIONER SUSAN F. CLARK  
COMMISSIONER LUIS J. LAUREDO

DATE: Monday, November 8, 1993

TIME: Convened at 6:00 p.m.  
Concluded at 6:58 p.m.

PLACE: The Prime Osborn Civic Center  
1000 Water Street  
Rooms 102 and 103  
Jacksonville, Florida

REPORTED BY: PAMELA A. CANELL  
Official Commission Reporter



DOCUMENT NUMBER-DATE

12348 NOV 17 93

FPSC PUBLIC SERVICE REPORTING

## 1 APPEARANCES:

2 HANK ANTHONY, Southern Bell Telephone and  
3 Telegraph Company, c/o Marshall Criser, III, 150 South  
4 Monroe Street, Suite 400, Tallahassee, Florida 32301,  
5 Telephone No. (904) 222-1201, appearing on behalf of  
6 Southern Bell Telephone and Telegraph Company.

7 CHARLIE BECK, Office of the Public Counsel,  
8 111 West Madison Street, Room 812, Tallahassee, Florida  
9 32399-1400, Telephone No. (904) 488-9330, appearing on  
10 behalf of the Citizens of the State of Florida.

11 ANGELA GREEN, FPSC Division of Legal  
12 Services, 101 East Gaines Street, Tallahassee, Florida  
13 32301, Telephone No. (904) 487-2740, appearing on  
14 behalf of the Commission Staff.

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EXHIBITS

IDENTIFIED      ADMITTED

3	(Southern Bell) Proof of Publication of the Notice of Hearing in the Florida Times Union	10
3A	(Wilson) Memorandum from Judy Titus to Bob Wilson regarding Southern Bell Docket 920260-TL	29

P R O C E E D I N G S

(Hearing convened at 6:00 p.m.)

COMMISSIONER CLARK: I would like to call the hearing to order. I don't have a gavel, so I hope you can hear my knuckles. We need to start this public hearing.

I think it's a little bit after six, and there's some preliminary matters we have to go through before we give you the opportunity to testify before us. And one of those things is to read the notice that has been published informing you all of this meeting. So with that, I would like to have our Staff read the notice.

MS. GREEN: Pursuant to notice this matter was set for a public service hearing before the Florida Public Service Commission in Jacksonville, Florida, on November 8th, 1993. This is in the matters of Dockets 920260 --

COMMISSIONER CLARK: Angela, bring it closer to your mouth, you have to be real close to it.

MS. GREEN: This is in the matter of Dockets 920260, 910163, 910727, 900960 and 911034, all relating to the revenue requirements of Southern Bell Telephone Company.

COMMISSIONER CLARK: Thank you. The next

1 thing we usually do is take appearances, but before we  
2 do that I would like to introduce myself. I'm  
3 Commissioner Susan Clark, I'm a Commissioner on the  
4 Public Service Commission. With me today is Luis  
5 Lauredo, he's likewise a Commissioner on the Public  
6 Service Commission.

7 I now would like the attorneys appearing for  
8 the various parties to introduce themselves by way of  
9 entering their appearances, and we'll begin with  
10 Southern Bell.

11 MR. ANTHONY: My name is Hank Anthony, I'm  
12 appearing here tonight on behalf of Southern Bell  
13 Telephone and Telegraph Company.

14 MR. BECK: My name is Charlie Beck, I'm with  
15 the Office of the Public Counsel in Tallahassee, and  
16 I'm here representing you, the Southern Bell customers.

17 MS. GREEN: And I'm Angela Green, I represent  
18 the Commission Staff in this proceeding.

19 COMMISSIONER CLARK: Thank you. As a notice  
20 to indicate the purpose of this hearing today is to  
21 gather information from you, the public, relating to  
22 our evaluation of the incentive regulation plan under  
23 which Southern Bell has operated for the past five  
24 years. Southern Bell's current proposal is for a rate  
25 reduction and some changes in how it bills for its

1 services.

2           What I would like to do is to refer you to  
3 this handout provided by the Public Service Commission  
4 Staff, which will give you more particulars as to some  
5 of the proposals Southern Bell is making in which they  
6 want us to evaluate in this proceeding.

7           We are particularly interested today in your  
8 comments about the quality of service provided by  
9 Southern Bell. And your comments on its proposal as  
10 outlined in this blue sheet.

11           Let me just take a minute to explain it to  
12 you. This is a report that the Commission puts out  
13 telling you what Southern Bell has requested. This  
14 sheet that's a little bluer is one that the Company has  
15 put out and has handed out independently of the  
16 Commission.

17           Your comments today will be recorded by an  
18 official court reporter, this lady right here in the  
19 red jacket. And they will become part of the official  
20 record in these proceedings. Your comments will be  
21 used by us, along with other evidence gathered in the  
22 case, to make a decision. For that reason, it will be  
23 necessary to swear you in so that we may rely on your  
24 testimony in making our decision. I hope you won't let  
25 that intimidate you. We'll do the swearing in

1 together, and then we'll take you in the order you have  
2 signed up with Mr. Beck.

3 We will hold other hearings in this case,  
4 what we call technical hearings. And those are  
5 scheduled to be held in the month of January and  
6 February. My recollection is we have approximately  
7 four weeks set aside to review this petition filed by  
8 Southern Bell.

9 After all the hearings have been conducted,  
10 the Commission will meet once again in a public meeting  
11 at an agenda conference to decide the issues in this  
12 case.

13 As indicated earlier, all parties today are  
14 represented by attorneys. Today the Utility is  
15 represented by Mr. Anthony, the Utility's customers are  
16 represented by Mr. Beck and our Staff is represented by  
17 Ms. Green.

18 We also have other Staff members in the room  
19 to assist you if you have a specific problem regarding  
20 your telephone service, or you have other questions you  
21 would like to ask an individual on the Commission  
22 Staff.

23 I'm going to call their names and have them  
24 raise their hand so you know who they are and you can  
25 ask them for assistance if you need it. The first



1 person I would like to introduce is my aide, Billy  
2 Stiles. He's in the back of the room. Next to him is  
3 our public information director, Bev DeMello. And  
4 sitting down in the back, Margaret Ring with our  
5 Consumer Affairs Division. And over seated next to Ms.  
6 Green is Julian O'Pry and Brick Walls, who are on our  
7 communication staff. They likewise can provide you  
8 with any assistance you need.

9 Now, let me ask, has everyone who wants to  
10 testify signed up on a sheet in the back of the room.  
11 Bev DeMello has them. If you wish to speak and have  
12 not signed up, please see Bev.

13 Now, let me ask a question of Public Counsel  
14 and the Company. Do you intend to make opening  
15 statements or any public comments?

16 MR. ANTHONY: I have a brief opening  
17 statement.

18 COMMISSIONER CLARK: Mr. Beck.

19 MR. BECK: Likewise.

20 COMMISSIONER CLARK: Okay. What I would like  
21 to do is go ahead and swear in the witnesses, and,  
22 then, I'll give Mr. Anthony five minutes and Mr. Beck  
23 five minutes to make their presentation relative to  
24 this case. And then we will move quickly to hear your  
25 comments.

1           With that would everyone who wants to testify  
2 please stand up and raise your right hand.

3           (Witnesses collectively sworn.)

4           COMMISSIONER CLARK: Mr. Anthony, why don't  
5 you go ahead.

6           MR. ANTHONY: Thank you, Commissioner Clark.  
7 Before I begin, though, I have one procedural matter  
8 and that's just the proof of publication of the notice  
9 of this hearing in the Florida Times Union, if I could  
10 provide that to the court reporter as an exhibit.

11           COMMISSIONER CLARK: We'll mark it as Exhibit 3.

12           (Exhibit No. 3 marked for identification.)

13           MR. ANTHONY: Good evening. As I mentioned,  
14 my name is Hank Anthony. I'm here on behalf of  
15 Southern Bell, and as Commissioner Clark noted, the  
16 purpose of this hearing is to hear from you, so I'm  
17 going to try to keep my remarks as brief as I can.  
18 There are a few things, though, that I think need to be  
19 said to set the context for tonight's discussion.

20           If you've had a chance to see the newspapers  
21 or magazines recently, you've seen the headlines about  
22 articles and other descriptions that talk about how the  
23 telephone business is changing at an ever increasing  
24 pace. Time magazine for example recently described the  
25 merger of Bell Atlantic, which is one of the regional

1 Bell operating companies further up the coast, and TCI,  
2 which is the nation's largest cable company in these  
3 terms, and I quote, "By adding high speed switches to  
4 the cable wires that serve TCI's almost 11 million  
5 customers, Bell Atlantic would enable its subscribers  
6 to chose from hundreds of channels with the click of a  
7 remote control button. Bell Atlantic could also  
8 provide phone service, even video phone service over  
9 TCI's ubiquitous cable wires and thereby invade the  
10 territories of other Baby Bells from coast to coast."

11 In a recent front page article in a major  
12 Florida newspaper said, and I quote again, "In Florida  
13 the merger of Bell Atlantic and TCI may challenge  
14 Southern Bell's decade old dominance of local telephone  
15 service." This story continued that by mid 1994, the  
16 Bell Atlantic/TCI system will link living rooms in  
17 major portions of Florida with America's data  
18 superhighway through a single outlet in the home.

19 America and Florida in particular are in the  
20 middle of a communications revolution, not just in  
21 evolution. And yet our traditional regulatory process  
22 never envisioned this changing market. The regulatory  
23 policies of today and of the past do not address the  
24 changes that are occurring today and will continue to  
25 occur tomorrow.

1           That brings me to the proposal that we have  
2 before the Public Service Commission. That proposal is  
3 really about continuing Florida's transition to this  
4 new world. It's about providing new options. It's  
5 about proving reasonably priced reliable service and  
6 also about providing Southern Bell the opportunity to  
7 position itself so that it can compete in this new  
8 world.

9           Since we have already sent you, our  
10 customers, a bill insert that describes our proposals  
11 in detail, and the Commission has provided information  
12 as well, I won't belabor those points tonight. If you  
13 still have questions, as Commissioner Clark mentioned,  
14 you can talk to the Staff from the Commission and  
15 Southern Bell has employees here as well who can answer  
16 your questions.

17           I do want to emphasize two primary points  
18 about our proposal though. First, this is a rate  
19 reduction case. Since 1988 when the Commission  
20 approved Southern Bell's current incentive regulatory  
21 plan, our customer's have received more than 1.4  
22 billion -- that's with a B -- billion dollars in rate  
23 reductions and refunds. In our proposal that we're  
24 talking about tonight, we're suggesting another  
25 reduction of over \$26 million to you in addition to the

1 \$49 million in reductions that are already scheduled by  
2 the Commission.

3           Secondly, if Southern Bell is to be able to  
4 continue offering reasonably priced service, you must  
5 have a regulatory environment that encourages  
6 efficiency and provides capital resources so we can  
7 bring the benefits of the information age to you.

8           There are many other beneficial features of  
9 this proposal, but I did tell you I was going to be  
10 brief so I will. Tonight is about hearing from you, I  
11 want to thank you for coming and look forward to  
12 hearing what you have to say.

13           Thank you.

14           COMMISSIONER CLARK: Thank you, Mr. Anthony.  
15 Mr. Beck.

16           MR. BECK: Thank you, Commissioner. One day  
17 we may all be better off if there's competition both  
18 for your cable TV and for your telephone service, but  
19 that day is not here now.

20           What this case is dealing with is, first of  
21 all, Southern Bell's proposal to reduce rates. Again,  
22 that's a little unusual. Often when we're here with a  
23 utility, the utilities are asking for a rate increase.  
24 In this case the question is how much should they  
25 reduce rates? Technology has dramatically reduced the

1 cost of providing telephone service.

2           If any of you have watched the cost of  
3 computers, you know, every few months you'll see  
4 decreases. And this has been going on for years.  
5 Well, likewise, the provision of telephone service uses  
6 the same technology. It's highly computerized. There  
7 are digital switches, there are fiber optics colinking  
8 the switches of Southern Bell's office. All of this  
9 technology is dramatically reducing the costs of  
10 providing telephone service and there should be rate  
11 reductions.

12           Southern Bell's proposal is completely  
13 inadequate in their reductions they're proposing. In  
14 fact, we filed our case today showing that the rates  
15 should be reduced by hundreds of millions of dollars.  
16 And Southern Bell is simply trying to hold on to as  
17 much as they can by their proposal for \$26 million rate  
18 reduction.

19           A few things you should know about the  
20 Company. The Company is forecasting, even with their  
21 reductions, that they're going to earn an after-tax  
22 return on equity of approximately 13.5% this year. In  
23 other words, you pay the taxes on their profits, and,  
24 then, after you have paid the taxes, they have earnings  
25 of 13.5% on their equity investment. Given today's

1 climate of interest rate, decreases were at all time  
2 lows. That is a completely excessive return and ought  
3 to be well below 10% on their return on equity.

4 We feel, first of all, that the Company  
5 should eliminate the Touch-Tone charges. It costs the  
6 Company more not to provide Touch-Tone than it cost to  
7 provide it. There's no reason anymore to continue  
8 having a dollar charge on your bill for Touch-Tone  
9 service.

10 We also believe that toll rates should be  
11 reduced. Southern Bell's proposal has a hitch to it.  
12 They're proposing reductions in your toll rates out to  
13 a 40-mile distance, but they're proposing that if and  
14 only if you subscribe to local measured service. If  
15 you do not elect to subscribe to the local measured  
16 service, Southern Bell's proposal is that you do not  
17 get those long distance reductions. It's our position  
18 that those reductions should be made available to  
19 everyone, not just those people who elect to have local  
20 measured service.

21 In addition to the traditional matters we  
22 bring up in a rate case, which include the return on  
23 equity, there's a lot of accounting matters that we  
24 dispute with Bell. Can they forecast according to  
25 their computations that they're going to earn a 13.5%

1 return on equity? We believe it's much higher and that  
2 they haven't calculated their earnings properly.

3 But in additions to those matters, there's  
4 two other items being looked at in this case. One  
5 concern is their sale practices in the late 1980s. A  
6 number of Southern Bell employees added services to  
7 many customers' bills without even asking or talking to  
8 the customer about whether they wanted it. These  
9 services included Touch-Tone, custom calling services,  
10 inside wire. They called it an assumptive sales  
11 technique where they assumed the customer wanted it  
12 even if they didn't ask the customer about it. We're  
13 going to be presenting evidence about Southern Bell's  
14 sales practices during the incentive plan that they  
15 operated under in the late 1980s.

16 There's also been an investigation of their  
17 repair activities. In other words, how do they report  
18 your service if your service is out of service. We've  
19 got just a swarm of evidence showing that they've  
20 falsified records to the Commission showing that people  
21 were not out of service when, in fact, they were. And  
22 one of effects of that was that customers did not  
23 receive refunds for their circuits being out of service  
24 when they should have gotten refunds.

25 Compared to all the other major telephone



1 companies in the state, Southern Bell's repair record  
2 is at the bottom. Every other telephone company has  
3 done much better from GTE, United Telephone Company and  
4 Centel.

5 So that's what we're doing. We have the  
6 hearing set for January and February, and we'll be  
7 trying very hard to get your rates reduced by much more  
8 than what Southern Bell has proposed.

9 Thank you.

10 COMMISSIONER CLARK: Thank you, Mr. Beck.

11 Will you call your first witness?

12 MR. BECK: Mr. Jim Deaton.

13 COMMISSIONER CLARK: One thing I forgot to  
14 ask. Will you please state your name and address, and  
15 if you would spell your name for the court reporter, I  
16 would appreciate it.

17

- - - - -

18

JAMES E. DEATON

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

22 WITNESS DEATON: My name is James E. Deaton,  
23 D-E-A-T-O-N. My address is 5741 Cedar Park Lane,  
24 Jacksonville 32210. My telephone number, if you need  
25 that, is 904-771-0681. So I am a subscriber.

1 I heard the comments from both of the  
2 gentlemen about the telephone service and the way  
3 they're billing us. And I agree with some of it from  
4 what both of you have said. But one subject that I  
5 wanted to talk on was a Touch-Tone phone. It's my  
6 understanding, according to my wife who pays the bill,  
7 that we pay a dollar a months for that Touch-Tone  
8 service. And we've been doing it ever since it's been  
9 initiated.

10 Touch-Tone service wasn't for the consumer or  
11 the subscriber as an individual. It's for the  
12 companies. Those companies that have the robots that  
13 answer the phone -- when you call a phone and you dial  
14 into a number and it says, "Punch one if you want so  
15 and so, two, three, four and five." Eventually you  
16 will say, "Well, I've got the number that I wanted.  
17 All of the agents are busy." And you'll hold and your  
18 call will be taken in order.

19 Now if you start metering that -- let me tell  
20 you what happen to me in Jacksonville. This is true  
21 story. The lightning struck a transformer in front of  
22 my house and I had no lights. So I dialed the JEA,  
23 which is our local electric company here. And I got a  
24 voice that says, "So and so and so and so, punch one,  
25 two or three." And I punched my selections, and they

1 said, "All of our agents or operators are busy. Your  
2 call will be taken in order." Then the Southern Bell  
3 juke box come on and I listened to the music, which  
4 wasn't my favorite music. And I listened to that and  
5 then, oh, every few seconds or minutes the operator  
6 come back. "The operators are still busy. Your number  
7 will still be taken when your time is up in the order  
8 that we received it."

9 So I started timing it after about five  
10 minutes of waiting, and I waited for 15 minutes. Now,  
11 supposed I had a measured call or metered call on my  
12 phone at that time. I haven't gotten anyone. I  
13 haven't talked to a human being up until this time.

14 So Touch-Tone was to energize the automatic  
15 equipment that they have installed -- and I'm not  
16 against that. That's fine. But what I am against is  
17 the consumer paying for it. Those people that buy that  
18 equipment that uses that Touch-Tone phone, the signal  
19 that we're sending with that Touch-Tone phone, are the  
20 ones that should be paying for it.

21 And I think that they should do away now with  
22 the Touch-Tone charge. And that was one of the things  
23 that you brought up, but the reason I say is that I  
24 think we shouldn't have to wait. It's bad enough  
25 having to talk to a machine, I don't like to do that.

1 But we know that that's going to happen in the modern  
2 technology, but I don't think we should have to pay for  
3 it. I'm sure that their subsidiaries sell those  
4 machines that those people are using to talk to instead  
5 of us talking to a human being or an operator. And  
6 that's my beef primarily.

7 Thank you very much.

8 COMMISSIONER CLARK: Thank you. Does anyone  
9 have any questions?

10 Mr. Deaton, that certainly is an area we will  
11 be looking at is the charge for Touch-Tone. Thank you.

12 (Witness Deaton excused.)

13 - - - - -

14 MR. BECK: Mr. Fred Cancilla.

15 FRED CANCELLA

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

19 WITNESS CANCELLA: My name is Fred Cancilla,  
20 and I live at 478 West 65th Street here in  
21 Jacksonville.

22 COMMISSIONER CLARK: Would you spell your  
23 last name, please?

24 WITNESS CANCELLA: C-A-N-C-I-L-L-A.

25 COMMISSIONER CLARK: Go ahead.

1                   WITNESS CANCELLA: Okay. I am a board member  
2 of the Florida Consumer Action Network and also the  
3 president of the Northeast Florida Area Council of  
4 Senior Citizens. And I would like to thank you people  
5 for coming here to hold this hearing first off.

6                   The Florida Consumer Action Network is a  
7 statewide organization of 40,000 members throughout the  
8 state. We have been involved in this request since it  
9 first surfaced last year. It has changed little since  
10 the first filing, and we will continue to oppose this  
11 plan.

12                   First, we oppose the plan because of the  
13 proposal to begin local measured service. We  
14 understand Southern Bell is selling the concept as  
15 nothing more than an option. But history has shown  
16 that once this option begins, it quickly becomes the  
17 norm and not an option. Southern Bell is using the  
18 bribe of an expanded local calling area with the  
19 option. We believe Southern Bell should be required to  
20 give consumers a larger calling area with a flat rate  
21 billing. The local measured service option should be  
22 abandoned.

23                   Second, the incentive plan -- the incentive  
24 rate plan must be scrapped. Southern Bell as a  
25 regulated company is making 13.5 rate of return. In

1 today's market the abnormally high rate of return  
2 should be lower. We as consumers are lucky to make a  
3 3% return on our investments. Why should we guarantee  
4 Southern Bell such a high level, question mark. Let's  
5 lower the rate of return to 10%, a more realistic  
6 number in today's economy.

7 Finally, we believe the one dollar charge we  
8 all pay for the privilege of Touch-Tone service must be  
9 eliminated. The charge is unjustified and nothing more  
10 than a gift to Southern Bell. Let consumers have their  
11 dollar back.

12 Let me conclude by saying for the last time,  
13 let's disconnect the Southern Bell call for local  
14 measured service. Let's expand the local calling area  
15 and bring Bell's profit in line with other companies in  
16 our state.

17 Thank you.

18 COMMISSIONER CLARK: Mr. Cancilla, can I ask  
19 you a question? You think that the incentive plan  
20 should be discontinued, and I understood that to be  
21 because of the rate of return. If we lowered the rate  
22 of return in the sharing point, would you still be  
23 opposed to it?

24 WITNESS CANCELLA: If it were lowered, no.

25 COMMISSIONER CLARK: Thank you. Any

1 questions?

2 (Witness Cancilla excused.)

3

- - - - -

4 COMMISSIONER CLARK: Go ahead, Mr. Beck, call  
5 your next witness.

6 MR. BECK: Jessie Sammons.

7

JESSIE SAMMONS

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

11 WITNESS SAMMONS: My name is Jessie Sammons,  
12 S-A-M-M-O-N-S. I live at 9280 Heckscher Drive, 32226.  
13 My telephone number 904-251-3384.

14 I would like to know why Southern Bell  
15 customers in exchange 251, which is for the Georgia  
16 area, are not included in the local expanded service?  
17 Just to reach our state representatives since  
18 reapportionment, we have to make a long distance call,  
19 which discourages from calling -- I don't call him. I  
20 get somebody else to call him. I call Jim King's  
21 office or some of the other legislatures, but I don't  
22 call him and he knows it.

23 It's discouraging, it's expensive and it's  
24 not right. I heard something about transition into the  
25 new world. We would like to get into the current one,

1 please. We want to be in the local expanded area.

2 Thank you.

3 COMMISSIONER CLARK: Thank you. Are there  
4 any questions? Thank you.

5 (Witness Sammons excused.)

6

- - - - -

7 COMMISSIONER CLARK: Go ahead, Mr. Beck.

8 MR. BECK: Thomas Tyrrell.

9

THOMAS TYRRELL

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

13 WITNESS TYRRELL: My name is Thomas Tyrrell,  
14 that's T-Y-R-R-E-L-L. I live at 15505 Brim Road West.  
15 I am the past district coordinator for AARP vote for  
16 the Fourth Congressional District that covers from the  
17 Georgia line to Daytona.

18 I don't make up the speeches to give at these  
19 things, I try to give it the way I see it. If I'm in  
20 error, I hope you accept my apologies.

21 You know, I had a brother retire from the  
22 telephone company as an engineer for 30 years.

23 You know, the senior citizens from the area  
24 that I represent or did represent are all on a fixed  
25 income. And with the economy being like it is today,



1 how in God's world and good gracious can the telephone  
2 company even contemplate raising rates and adding  
3 additional costs.

4 I just don't understand it. Evidently,  
5 they're not getting the message we're in a hard time.

6 So like I say, I don't see these rates are  
7 necessary, they're making a profit. You said 13%.  
8 Pardon me, but that is a hell of lot of money as far as  
9 the senior citizens are concerned. So how about giving  
10 us a break and seeing what you can do for us.

11 Thank you.

12 COMMISSIONER CLARK: Thank you, Mr. Tyrrell.

13 Any questions?

14 (Witness Tyrrell excused.)

15

- - - - -

16 MR. BECK: Bob Wilson.

17 BOB WILSON

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

21 WITNESS WILSON: Good evening. I'm Bob  
22 Wilson, I'm the County Manager of Clay County located  
23 in Green Coast Springs, Florida. And I'm here this  
24 evening to present a memo that was done by our staff  
25 and Clerk Keene in working on our communication

1 systems. Whom may I give this to?

2 COMMISSIONER CLARK: I'll take it, and we'll  
3 mark it as an exhibit.

4 WITNESS WILSON: Fine. Thank you.

5 Basically, it is in concert with this mainly because  
6 we're in Rate 2 soon to be -- have the cap taken off in  
7 February, I believe it is. Under the new system we  
8 would go to Rate 9, which would make us local and save  
9 us an awful lot of money.

10 COMMISSIONER CLARK: Okay. I'm going to mark  
11 this as Exhibit 3A. For the record it is a memorandum  
12 from Judy Titus to Bob Wilson regarding Southern Bell  
13 Docket 920260-TL.

14 (Exhibit No. 3A marked for identification.)

15 (Witness Wilson excused.)

16 - - - - -

17 COMMISSIONER CLARK: Mr. Beck, do you have  
18 any more witnesses?

19 MR. BECK: Yes, we do. Linwood Arnold.

20 LINWOOD ARNOLD

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

24 WITNESS ARNOLD: Somebody said, "Give them  
25 hell." I said, "I ain't mad at nobody."

1           COMMISSIONER CLARK: Let me ask a question.  
2 I'm trying to recall how many people stood up when I  
3 swore people in. Did I swear you in?

4           WITNESS ARNOLD: Yes, indeed. My right hand.

5           COMMISSIONER CLARK: All right. I must not  
6 be able to count very high. Go ahead.

7           WITNESS ARNOLD: My name is Linwood Arnold, I  
8 live at 3820 LaVista Circle in Jacksonville, Florida.  
9 My telephone number is 733-3791.

10           I'm a native of our fair city here in  
11 Jacksonville. I've been here all my life, and I've  
12 seen this old train station developed to what it is.  
13 And I say this about this area of Jacksonville or any  
14 area of any city. One of the bad things I think about  
15 this meeting tonight is the location and the time of  
16 day.

17           Now, we have -- I represent the senior  
18 citizens as well as anyone else who would like to fall  
19 into this category that I'm a member of the state  
20 legislative committee for the AARP. We have a session  
21 over in Tallahassee tomorrow, and I will be there in  
22 the morning and explain about our meeting, tonight's  
23 meeting.

24           But the reason I said that, the day with the  
25 crime situation like it is and such to come out in an

1 area in anywhere in Jacksonville, you do not want to  
2 send your mother, your uncles or your aunts or neither  
3 your daughters or your sons out in this area or any  
4 other area just about anywhere in the United States.  
5 Unfortunately sad. I think we all know that. So,  
6 consequently, I think we would have had more people if  
7 we could have had it arranged sometime in the daytime  
8 even though if it was a working time. So maybe this  
9 would be of interest.

10 I'll admit I've been to your meetings before  
11 in years past, and there were not a lot of members --  
12 people that should be interested in attending this type  
13 of meeting. But when you think about what this  
14 potentially as I understand it, they were caught at an  
15 additional cost to something -- to like a person  
16 mentioned, Mr. Tyrrell mentioned a moment ago, that  
17 these people, on a fixed income are especially having  
18 to wait until the end of the month to find out if they  
19 -- how much, because of this additional cost -- and  
20 it's very flexible as I understand it, that you may be  
21 taken in District 40, District 29, which has a  
22 variation there, and consequently you'll have a  
23 different cost.

24 And these senior citizens or the people today  
25 are afraid to even come out of their households. Now

1 don't take them that privilege of having to be limited  
2 to what they can say in their household, because  
3 they're afraid to go out on the streets at night.  
4 That's anywhere in the USA. I'm not running down my  
5 city because I love it.

6 But this is something to think of and this is  
7 what we have today as far as the rates are concerned,  
8 of bringing up an additional cost.

9 Now, Southern Bell is a great company. Any  
10 utility company that we have is a great company. But  
11 they are a utility company, they are a monopoly and  
12 rightfully so they are a monopoly. But they have a  
13 certain amount of money that they should make as ruled  
14 so. And I know by investing the monies in other areas,  
15 consequently, they can spread this out. I do not know.  
16 Somebody told me, he said that monies like this they  
17 can spread it on over into cable and such as this and,  
18 consequently, it will not show as a net profit, and  
19 that's why the taxpayers are paying this much more  
20 money for their investments. Not necessarily of the  
21 phone that they're using around the home to speak to  
22 their neighbors.

23 And so I think this is one of the great  
24 things that I've had to say today. I have no other  
25 words to say to that. As I said, I am representing

1 AARP for the state of Florida in the legislative  
2 committee, and this is one of the items that we have  
3 top priority on that we, the AARP, oppose this  
4 legislation. That's why I'm here tonight.

5 COMMISSIONER CLARK: You oppose the measuring  
6 of the service?

7 WITNESS ARNOLD: I oppose this as a  
8 representative of AARP and as an individual, yes.

9 COMMISSIONER CLARK: Let me ask you a  
10 question. Do you understand that there is not  
11 currently a proposal to raise local rates?

12 WITNESS ARNOLD: What I do understand, I've  
13 been told that because of the district that a person  
14 will not know what he or she will pay until at the end  
15 of the month because of the fact that they're paying --  
16 they're calling from a district which is now considered  
17 a local call and may have an additional fee on it; is  
18 that right?

19 COMMISSIONER CLARK: No. They have offered  
20 an elective measured service, which gives you some  
21 extended options, as I understand it. But if you elect  
22 to continue on just your regular service, it will not  
23 change.

24 WITNESS ARNOLD: Well, every article had some  
25 paraphernalia sent to me and out of each one of them it

1 says, "It is like putting a pay telephone in your  
2 home." Is that right?

3 COMMISSIONER CLARK: Well, if you elect to  
4 take their optional -- there is an optional measured  
5 service that individuals could chose. That's what  
6 they're proposing. We have not approved it. But  
7 that's optional, and they have not proposed any  
8 increases in their local rates.

9 WITNESS ARNOLD: Well, did the passing of  
10 this legislation then would be an additional cost to  
11 the people?

12 COMMISSIONER CLARK: No.

13 WITNESS ARNOLD: So it will not be an  
14 additional cost?

15 COMMISSIONER CLARK: Not for your local  
16 rates. There would not be an additional cost at this  
17 time.

18 WITNESS ARNOLD: Would there be an additional  
19 cost to the people at any rate?

20 COMMISSIONER CLARK: No. Their proposal, as  
21 I understand it, is a rate decrease. And they want to  
22 offer different kinds of services to you.

23 WITNESS ARNOLD: I stand to be corrected in  
24 my thoughts. As I understood it, I felt it was to be  
25 an increase of the fact that --

1           COMMISSIONER CLARK: You are not the only one  
2 who has been confused by this filing.

3           WITNESS ARNOLD: This is in some periodical.  
4 I don't if it's in the Times --

5           COMMISSIONER CLARK: Yes. I'm sure what they  
6 have discussed in that periodical is the optional  
7 measured service, which will give you an expanded  
8 calling rate.

9           Let me just indicate to you, it's my  
10 understanding that the AARP's position is that they  
11 don't want to see even the optional measured service  
12 because they feel that something that starts out  
13 optional will soon become nonoptional. And that's a  
14 concern, and we certainly understand that at the  
15 Commission. We have heard that from the AARP loud and  
16 clear.

17           Let me ask you another question with regard  
18 to when you would like to have us hold service  
19 hearings. We specifically went to evening service  
20 hearings so those people who work would be able to come  
21 here. Are you indicating now that it's because of  
22 other considerations it would be better for us to hold  
23 them during the day?

24           WITNESS ARNOLD: I would say at an earlier  
25 hour, yes. In the daylight, yes. I would think that



1 if you walked out of this building tonight by yourself  
2 to your car, you would be very apprehensive of what  
3 could happen.

4 COMMISSIONER CLARK: It's something we  
5 struggle with because as soon as we hold it during the  
6 day, we have people to come and say, "I had to get off  
7 of work to do this, and I think you should hold it at  
8 night."

9 WITNESS ARNOLD: Do they get off of work, do  
10 they come at night? I've never been to one of your  
11 meetings -- I've been to many of them in the past,  
12 years ago.

13 COMMISSIONER CLARK: It can tell it various  
14 greatly. I have been in Fort Lauderdale when an  
15 auditorium of this size was packed and we had to put  
16 speakers outside.

17 WITNESS ARNOLD: I think the AARP was very  
18 active in that one.

19 COMMISSIONER CLARK: It's unfortunate that  
20 people are afraid to come down to their civic center at  
21 night. I agree with you. Are there any question?

22 MR. BECK: No. Thank you.

23 WITNESS ARNOLD: Thank you.

24 COMMISSIONER CLARK: Thank you, Mr. Arnold  
25 (Witness Arnold excused.)

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MR. BECK: That's all we have signed up ahead of time.

COMMISSIONER CLARK: We don't have anyone else signed up. Is there anyone else who would like to speak. (Pause)

I'm not sure I swore him in. Come on up here and I'll swear you in.

VINCENT SIDNEY CAMERON

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

COMMISSIONER CLARK: State your name and spell it, and then give us your address.

WITNESS CAMERON: Good evening, my name is Vincent Sidney Cameron. That's V-I-N-C-E-N-T, C-A-M-E-R-O-N. I reside at 1130 East 15th Street, Jacksonville, Florida 32206.

Now, the reason I've come before you this evening is mainly on a fact-finding mission because even though I just read the literature that was presented before us this afternoon, I'm still a bit vague because some of this is not in laymen's terms. A bit of this information is presented to us in a more technical term that tends to lend favors towards the

1 people that are in the industry.

2           And so with that in mind, I would like to  
3 have a clearer understanding of what we're dealing  
4 with, and what I've heard from your last discussion --  
5 I arrived late that so that also puts me at another  
6 disadvantage -- from what I heard you saying to the  
7 gentleman who was up here from AARP is basically  
8 there's an option and you got two forks in the road in  
9 which you could address. One could be -- you could go  
10 ahead with the metered service and the other is staying  
11 with the basic.

12           Now, I'm sure the Company, when they sat down  
13 and came up with this proposal, they saw the long-term  
14 benefits of involving themselves with a metered  
15 service. Even though on the front side it looks like  
16 it's a proposed savings to all the consumers involved.

17           I am struck. I'm in a hard place to believe  
18 that this would be a philanthropic effort on the  
19 Company's part to befriend the customer and afford some  
20 discounts. I would believe that this would be more of  
21 an effort in the long run to have metered service as  
22 the standard and also the metered service would tend to  
23 -- that there are actually more revenues to be derived  
24 in the long run dealing with metered service as opposed  
25 to getting stuck in a basic system.

1           I would wish that when the Public Service  
2 Commission does convene a group of concerned consumers  
3 that we would talk more about the problems that we've  
4 been having with our local exchange carriers, and that  
5 it seems lately that once we've got into this public --  
6 the pay phone situation that we've lost a lot of  
7 quality.

8           And way back when Judge Greene announced that  
9 AT&T was a monopoly and it broke down into the Baby  
10 Bells and everything that we ended up originally with  
11 the Baby Bells: Southern Bell, North Atlantic and all  
12 the rest of the Bells across the country. They kept  
13 pretty good -- on the local exchange level, they did a  
14 pretty good service.

15           Now, it seems like they've lent out the pay  
16 phones to other providers for -- carriers. I don't  
17 know if they're leasing trunk lines or whatever that  
18 is. But I'll tell you I run into more problems with  
19 quality and getting ripped off by pay phones that I  
20 wish that this thing would be expanded a forum to  
21 address some grips.

22           Going back to this, just getting back to the  
23 point in hand, and that is in reference to this metered  
24 service, I would have to agree with the fellow from  
25 AARP, and the AARP as a whole, that I don't feel that

1 this is in our best interest in the long run. I'm sure  
2 they've put their statisticians to work, and they've  
3 come up with that in the long run this metered service  
4 will be the rate to go. Because, heck, we're becoming  
5 a more of an electronic community. We're using  
6 everything via the faxes and everything is just an  
7 electronic community.

8           And, basically, we're dealing with --  
9 Southern Bell is going to be at the forefront of that  
10 because even today they were talking about interactive  
11 television, which is going to be sending other forms of  
12 communication via cable lines, that's cable we're  
13 talking about, telephone lines. But information being  
14 transmitted through these lines eventually could fall  
15 under metered service. You may not even be able to  
16 have a computer on-line service like Prodigy or America  
17 On Line unless you tie into a metered service. That  
18 could be a prerequisite down the line, which could once  
19 again, tie the consumer into higher up-front cost,  
20 monthly exposure on a higher level than they're  
21 currently exposed to.

22           I don't see that with us pressing further  
23 into an electronic medium that this is actually in our  
24 best medium. This is just some groundwork for future  
25 revenues to be derived. And it sounds great like we're

1 going to be saving, but I don't think that this is  
2 actually going to be a savings in the long run. And I  
3 guess with that, that's about all that I have to say on  
4 it.

5 COMMISSIONER CLARK: Thank you.

6 MR. BECK: Thank you.

7 (Witness Cameron excused.)

8 - - - - -

9 COMMISSIONER CLARK: Any questions? Is there  
10 anyone else who has come in who would like to testify?  
11 Ms. Sammons.

12 JESSIE SAMMONS

13 was recalled as a witness on behalf of the Citizens of  
14 the State of Florida and, having been previously sworn,  
15 testified as follows:

16 WITNESS SAMMONS: I appreciate this  
17 opportunity. I thought we were pressured for time so  
18 since we have a few more minutes, I did want to tell  
19 you that I'm not representing just myself. I am  
20 president of the Heckscher Drive Community Club, which  
21 I have been authorized to be here on their behalf.

22 Also in 1988 when I was president at that  
23 time, we had a petition circulated out for George, and  
24 several hundred signatures where there. So we all are  
25 interested. It's not just me, myself that is

1 interested in having Port George included in this local  
2 expanded service. I appreciate this extra opportunity.

3 COMMISSIONER CLARK: Thank you.

4 (Witness Sammons excused.)

5 - - - - -

6 COMMISSIONER CLARK: I think what we'll do  
7 now is take a five-minute break. We'll reconvene, if  
8 there are no other further public witnesses, we will  
9 adjourned this hearing. So we'll take five minutes.

10 (Brief recess.)

11 - - - - -

12 COMMISSIONER CLARK: Is there anyone else who  
13 has signed up to speak or who would like to speak?

14 MR. DEATON: I wanted to make an additional  
15 statement.

16 COMMISSIONER CLARK: Mr. Deaton, go ahead.

17 JAMES E. DEATON

18 was recalled as a witness on behalf of the Citizens of  
19 the State of Florida and, having been previously sworn,  
20 testified as follows:

21 WITNESS DEATON: Since everyone else was  
22 telling who they representing, I would like to tell you  
23 who I represent.

24 COMMISSIONER CLARK: Go ahead.

25 WITNESS DEATON: I'm the coordinator, the

1 North Florida coordinator for the AFL-CIO Retirees  
2 Project. In the Jacksonville area we have 127  
3 international unions. We have 40,000 retired AFL-CIO  
4 members in this area. 20 years ago in the state of  
5 Florida there was 720,000 -- 72,000 retirees. Today,  
6 1990, there's 720,000 AFL-CIO retirees in the state of  
7 Florida.

8 We are in the process of organizing those  
9 retirees. We already have 17 international unions in  
10 Jacksonville organized, and these are some of the  
11 people you see here today. And before it's over we're  
12 going to have the whole 40,000 organized here, and  
13 we're going to make a difference.

14 Thank you very much.

15 COMMISSIONER CLARK: Thank you.

16 (Witness Deaton excused.)

17 - - - - -

18 COMMISSIONER CLARK: Is there anyone else who  
19 would like to speak? (Pause)

20 I don't think I swore you in, and I'm going  
21 to do that now.

22 JOHN HOWEY

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



1           COMMISSIONER CLARK: Would you give us your  
2 name and address and spell your name for us, please?

3           WITNESS HOWEY: Yes. My name John Howey, Sr.  
4 That Howey is spelled, H-O-W-E-Y. And my address is  
5 5060 Lincoln Circle South, Jacksonville. The zip code  
6 is 32209. Do you need my telephone number?

7           COMMISSIONER CLARK: I don't think we do.

8           WITNESS HOWEY: As I stated my name is John  
9 Howey. I'm a former president of the Florida Consumer  
10 Action Network. I'm presently vice president of the  
11 Northeast Florida Council for Senior Citizens.

12                   And I just want to speak on that we, at this  
13 time, being a senior and on fixed incomes, it would be  
14 hard for us to endure any other increase in our  
15 services. And we think that Southern Bell should not  
16 raise the service in which we're now -- we think we're  
17 now paying enough.

18                   My wife is a sick person, and, of course, I  
19 need my telephone. I've got to have a telephone. And  
20 she's see been sick now since January, and we do use  
21 the telephone a lot. So we're opposed to this metered  
22 service because we just feel that it's going to be an  
23 imposition on most senior people who are on fixed  
24 incomes. And most seniors do need a telephone.  
25 There's nothing else in the house. They have to make

1 contact with doctors, friends, hospitals and things  
2 like that.

3 And I tell you if you're going to charge this  
4 metered service, some of us would have to do without a  
5 telephone. That's about all I need to say.

6 Thank you.

7 COMMISSIONER CLARK: Thank you very much.

8 (Witness Howey excused.)

9 - - - - -

10 COMMISSIONER CLARK: One final call. Is  
11 there anyone else who would like to testify who hasn't  
12 testified? (Pause)

13 Let the record reflect nobody raised their  
14 hand or came forward. And with that, we'll adjourn  
15 this public hearing. Thank you very much for coming  
16 out, we do appreciate your comments. That concludes  
17 our hearing.

18 (Thereupon, the hearing adjourned at 6:58  
19 p.m.)

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1 F L O R I D A )  
:  
2 COUNTY OF LEON)

CERTIFICATE OF REPORTER

3

4 I, Pamela A. Canell, Official Commission  
5 Reporter,

6

DO HEREBY CERTIFY that the informal customer  
meeting in this cause, Docket Nos. 920260, 910163,  
910727, 900960 and 911034, was heard by the Staff of  
the Florida Public Service Commission at the time and  
place herein stated; it is further

8

CERTIFIED that I stenographically reported  
the said proceedings; that the same has been  
transcribed under my direct supervision, and that this  
transcript, consisting of 42 pages, constitutes a true  
transcription of my notes of said proceedings.

11

DATED this 17th day of November, A. D., 1993.

12

Pamela A. Canell  
PAMELA A. CANELL  
Official Commission Reporter  
(904) 488-5981

13

14

15

16

17 STATE OF FLORIDA)  
:  
18 COUNTY OF LEON )

19

The foregoing certificate was acknowledged  
before me this 17th day of November, 1993, by PAMELA A.  
CANELL who is personally known to me.

21

22

Patricia A. Church  
PATRICIA A. CHURCH  
Notary Public - State of Florida  
Com. No. CC-90785  
Notary Public, State of Florida  
My Commission Expires April 20, 1995  
Bonded Thru Troy Fain - Insurance Inc.

23

24

25

**FLORIDA PUBLISHING COMPANY**  
*Publisher*  
JACKSONVILLE, DUVAL COUNTY, FLORIDA

STATE OF FLORIDA }  
COUNTY OF DUVAL }

Before the undersigned authority personally appeared \_\_\_\_\_

Kevin Sharpe

\_\_\_\_\_ who on oath says that he is

Account Executive

\_\_\_\_\_ of The Florida Times-Union,

a daily newspaper published at Jacksonville in Duval County, Florida; that the

attached copy of advertisement, being a \_\_\_\_\_

legal Notice

in the matter of \_\_\_\_\_ Southern Bell

in the \_\_\_\_\_ Court,

was published in THE FLORIDA TIMES-UNION in the issues of \_\_\_\_\_

Wednesday, Oct. 27, 1993

Affiant further says that the said The Florida Times-Union is a newspaper published at Jacksonville, in said Duval County, Florida, and that the said newspaper has heretofore been continuously published in said Duval County, Florida, The Florida Times-Union each day, has been entered as second class mail matter at the postoffice in Jacksonville, in said Duval County, Florida, for a period of one year next preceeding the first publication of the attached copy of advertisement; and affiant further says that he has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in said newspaper.

Sworn to and subscribed before me  
this 3rd day of

November A.D. 1993

Jelly W. Rhodes  
Notary Public,  
State of Florida at Large.

My Commission Expires \_\_\_\_\_  
Notary Public, State of Florida

My Commission Expires Jan. 1, 1994

DA 444

Bonded Title Trust Insurance Inc.

3

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 920260-TL EXHIBIT NO. 3

COMPANY/

WITNESS:

DATE: 11/8/93

unrealistic," he said.

The FMA, which has been based in Jacksonville since it was founded in 1872, is considering the move to Tallahassee because that's where much of the action in Florida health care is these days.

Legislators passed a major health care law this year that restructures the way medical services are pur-

Therefore, some in the medical community argue that the economic interests of FMA members would be better served if the association were located in Tallahassee where it could keep a closer eye on government activity.

Others aren't so sure.

Philip H. Gilbert, executive vice president of the Duval County Med-

He points out that the FMA's mission also includes promoting educational and scientific interests that benefit patients and the public.

"I feel really strongly about this issue," Gilbert said in an interview. "There's a lot more to medical societies and medical associations than pocketbook issues."

## Dames Point port plans still face hurdles

(From Page B-5)

ing," JPA Chairman Mark Hulsey said of yesterday's presentation. "I was very impressed with the experts."

"I thought it was a very interesting hour and a half," said Councilman Eric Smith, one of seven council members attending the briefing.

The JPA still must overcome several stumbling blocks, though, before the third terminal becomes a reality.

For starters, it still hasn't closed on about 80 acres of property owned by private owners at Dames Point.

And it must receive \$117 million from the city to begin Dames Point construction in April.

So far, the city has remained pretty quiet on how it's going to fund the rest of the expansion.

It already gave the port about \$38 million from an expanded telecommunications tax. The money was used for engineering, permitting and some land acquisition costs.

But the port still needs \$117 million to complete the \$155 million expansion.

One funding possibility is changing the Jacksonville Electric Authority's contribution to the city. The increase would go to the general fund, then would be parceled out to projects, including the port's expansion.

Smith said there's a high level of interest among council members in funding the port. He said he's hoping to get the port funding issue resolved by the end of the year.

### FOOTNOTES

All stock quotes provided by The Associated Press. Appearance of NYSE, AMEX and Nasdaq stocks is based on daily sales volume. Appearance of mutual funds is based on each fund's net asset value. u—Indicates a new 52-week high. d—Indicates a new 52-week low. g—Dividend or earnings in Canadian money. Stock trades in U.S. dollars. No yield or PE shown unless stated in U.S. money. n—New issue in the past 52 weeks. The high-low range begins with the start of trading and does not cover the entire 52-week period. s—Split or stock dividend of 25 per cent or more in the past 52 weeks. The high-low range is adjusted from the old stock. Dividend begins with the date of split or stock dividend. v—Trading halted on primary market. Unless otherwise noted, rates of dividends in the foregoing table are annual disbursements based on the last quarterly or semi-annual declaration. Special or extra dividends or payments not designated as regular are identified in the following footnotes. a—Also extra or extras. b—Annual rate plus stock dividend. c—Liquidating dividend. e—Declared or paid in preceding 12 months. i—Declared or paid after stock dividend or split up. j—Paid this year, dividend omitted, deferred or no action taken at last dividend meeting. k—Declared or paid this year, an accumulative issue with dividends in arrears. r—Declared or paid in preceding 12 months plus stock dividend. t—Paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. x—Ex-dividend or ex-rights. y—Ex-dividend and sales in full. z—Sales in full. pf—Preferred. pp—Holder owes installment(s) of purchase price. rt—Rights. un—Units. wd—When distributed. wi—When issued. wt—Warrants. ww—With warrants. xw—Without warrants. vj—In bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. **FOR MUTUAL FUNDS:** e—Ex-distribution. f—Previous day's quotation. s—Stock split or dividend. x—Ex-dividend. NL (n)—No load. p—Distribution costs apply. r—Redemption charge may apply. t—Both p and r footnotes apply.

### LEGAL NOTICE NOTICE OF PUBLIC HEARING

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

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

Monday, November 8, 1993—6:00 PM  
Prime Osborn Convention Center  
1000 Water Street  
Rooms 102 and 103  
Jacksonville, Florida

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

Vendors Wanted!

Special Rate For New Vendors

**BEACH BLVD.  
FLEA MARKET**

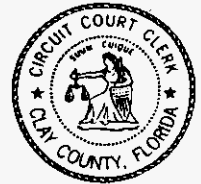
11041 Beach Blvd. 645-5961



JOHN KEENE

CLERK OF THE CIRCUIT COURT

EX 3a



CIRCUIT COURT • COUNTY COURT • COUNTY RECORDER • CLERK BOARD OF COUNTY COMMISSIONERS • COUNTY COMPTROLLER

MEMORANDUM

*Clay County forward of 920260-TL.*

**DATE:** November 5, 1993  
**TO:** Bob Wilson, County Manager  
**FROM:** Judy Titus, Computer Operations JT  
**SUBJECT:** Southern Bell Docket 920260-TL

The Florida Public Service Commission Rule 25-22.0406 requires that a synopsis of requests for general rate increases and decreases by electric, gas, water and sewer utilities and telephone companies be provided to each county and municipality in the utility's service area. This docket was provided to assist us in familiarizing ourselves with the proceedings. Southern Bell filed its direct testimony and the Minimum Filing Requirements on July 2, 1993. The office of Public Counsel has intervened in this proceeding on behalf of the Citizens of the State of Florida and along with any other intervenors, will file testimony on November 8, 1993. The Commission Staff will file testimony on November 22, 1993. Southern Bell will file rebuttal testimony on December 10, 1993. Service Hearings will be held as follows:

November 8, 1993  
6 PM  
Prime Osborn Convention Center  
1000 Water Street  
Rooms 102 and 103  
Jacksonville, Florida 32204

The purpose of these hearings will be for Southern Bell's customers to testify on Southern Bell's service or on any other issues of concern to them.

In order to comprehend what this Docket means to the Board of County Commissioners and other County Offices, Teresa Snell and I have had several discussions and meetings with different Southern Bell staff members. We met with Dick Smith-Marketing, Marshall Criser-Operations Manager, Regulatory Relations, Randy LeFever-Public Relations, and Teri Vann-Major Account Representative. There are two areas of concern on this Docket.

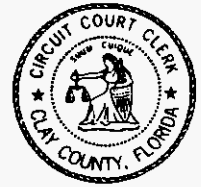
**I. Rate making and Rate Case (See Appendix A)**

- Rate Reductions in most areas except the Service Order will increase.

FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 920260-TL EXHIBIT NO. 3A  
COMPANY/  
WITNESS: \_\_\_\_\_  
DATE: 11/8/93

# JOHN KEENE

CLERK OF THE CIRCUIT COURT



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## II. Local Calling Area Local Calling Area with Expanded Local Service

- **Local Calling Area would be changed from Group Rate 2 to Group Rate 9. Presently Green Cove Springs and Penney Farms are in Group 2. Green Cove Springs, Middleburg, Orange Park, Julington, Jacksonville and Maxville would be in Group 9. This would mean we would have a larger Local Calling Area. (See Appendix B)**
- **Local Calling Area with Expanded Local Service**  
This is for a more expanded 40 mile radius from your residence. This is for residential homes only. This would be on a measured service rate. This seems to be where the resistance on the proposal is coming from. This is Optional and is not mandatory. There is also a Premium Local Expanded Local Service available. The resident can option to pay a flat rate of \$20.00 per month instead of a measured rate. This is also Optional.

If the Local Calling Area passes this would mean that all Clay County residents would have the ability to call the county without any cost to them. As you know FX Lines are a measured service. We are presently under a Cap. The Cap is coming off on February 1, 1994. We will then be paying .08 for the first minute and .06 a minute thereafter. If this proposal is approved we could eliminate the Orange Park FX Lines. This would mean a great reduction to the County.

The Keystone Heights residents are not in this proposal due to the Interlata boundaries. We are presently looking at other alternatives to this area of the county.

If the proposal passes, Green Cove Springs will regroup to Rate group 9 in 1995 on the effective date of new directories.

Southern Bell continues to strive for lower rates while expanding technology in our direction of the county. I have been informed that by this time next year we should have a new Central Office that is fully Digital with the latest technology available.

In summary, we are in favor of the Docket 920260-TL because of the Rate reduction and regrouping from rate 2 to rate 9. We also think that when the Clay County residents understand the Docket fully, they will also be for the approval of this Docket.

C: John Keene, Clerk of Court  
Don Moore, Finance Director  
Teresa Snell, Telecommunications Manager

## Appendix A

SOUTHERN BELL - FLORIDA  
DOCKET NO. 920260-TLMAJOR RATE CHANGES

ITEM OF SERVICE	CURRENT RATES	
SERVICE CONNECTION CHARGES		
PRIMARY SERVICE ORDER - RES	\$ 25.00	
SECONDARY SERVICE ORDER - RES	\$ 9.00	
PRIMARY SERVICE ORDER - BUS	\$ 35.00	
SECONDARY SERVICE ORDER - BUS	\$ 12.00	
ACC LN CONNECTION - CO WORK	\$ 19.50	
ACC LN CONNECTION - NEW LINE	\$ 31.50	
NO CHG - PER SO - RES	\$ 9.00	
NO CHG - PER NO - RES	\$ 11.50	
NO CHG - PER SO - BUS	\$ 12.50	
NO CHG - PER NO - BUS	\$ 11.50	
SERVICE CONNECTION CHARGES		
	PROPOSED RATES	
LINE CONNECTION RES - 1ST	\$ 40.00	
LINE CONNECTION BUS - 1ST	\$ 60.00	
LINE CONNECTION RES - ADD'L	\$ 12.00	
LINE CONNECTION BUS - ADD'L	\$ 13.00	
LINE CHANGE RES - 1ST	\$ 24.00	
LINE CHANGE BUS - 1ST	\$ 38.00	
LINE CHANGE RES - ADD'L	\$ 10.00	
LINE CHANGE BUS - ADD'L	\$ 11.00	
SECONDARY SERVICE CHARGE - RES	\$ 9.00	
SECONDARY SERVICE CHARGE - BUS	\$ 19.00	
CUSTOM CALLING SERVICES	CURRENT RATES	PROPOSED RATES
CALL FORWARD VAR. - RES	\$ 2.45	\$ 2.20
CALL WAITING - RES	\$ 3.50	\$ 3.35



GREEN COVE SPRINGS EXCHANGE      APPENDIX B

LOCAL CALLING AREAS

CURRENT LOCAL CALLING AREA:

- Tier 1: Green Cove Springs exchange
- Tier 2: Middleburg, Orange Park and Julington exchanges
- Tier 3: Jacksonville and Maxville exchanges

PROPOSED LOCAL CALLING AREA FOR FLAT AND MESSAGE RATE SERVICE:

- Green Cove Springs, Middleburg, Orange Park, Julington, Jacksonville and Maxville exchanges

PROPOSED LOCAL CALLING AREA WITH EXPANDED LOCAL SERVICE:

- Basic:      Green Cove Springs, Middleburg, Orange Park, Julington, Jacksonville and Maxville exchanges
- Expanded: Baldwin, Callahan, Crescent City, Florahome, Fort George, Hastings, Interlachen, Jacksonville Beach, Kingsley Lake, Lake Butler, Lawtey, Macclenny, Palatka, Pomona Park, Ponte Vedra Beach, Raiford, Sanderson, St. Augustine, Starke and Welaka exchanges