1		BEFORE THE	
2	PLORI	A PUBLIC SERVICE COMMISSION	
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6	In the Matter	of DOCKET NO. 961153-TL	리고, 신청
7	Petition for nu		ine.
8	area relief for cede by BellSout		6.
	Telecommunicatio	ons, Inc. :	
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12	PROCEEDINGS:	PANANA CITY SERVICE HEARING	
13 14	BEFORE:	CHAIRMAN SUSAN F. CLARK COMMISSIONER DIANE K. KIESLING COMMISSIONER JOE GARCIA	
15			
	DATE:	November 5, 1996	
16 17	TIME:	Commenced at 6:30 p.m. Concluded at 7:00 p.m.	
1251			
18	PLACE:	Commission Room City Hall	
19		9 Harrison Avenue Panama City, Florida	
20		Panama City, Fiorida	
21			1.0
	REPORTED BY:	H. RUTHE POTAMI, CSR, RPR	95 9
22		Official Commission Reporter	- NOI
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25			DOCUMENT ANALYS - DATE

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FPSC-RECORDS/REPORTING

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1	APPEARANCES:

2	ROBERT G. BEATTY, BellSouth
3	Telecommunications, Inc., Museum Tower Building, Suite
4	1910, 150 West Flagler Street, Miami, Florida 33130,
5	Telephone No. (305) 347-5555, appearing on behalf of
6	BellSouth Telecommunications, Inc.
7	CEARLES J. BECK, Deputy Public Counsel,
8	Office of Public Counsel, 111 West Madison Street,
9	Room 812, Tallahassee, Florida 32399-1400, Telephone
10	No. (904) 488-9330, appearing on behalf of the
11	Citizens of the State of Florida.
12	CHARLIE PELLEGRINI, Florida Public Service
13	Commission, Division of Legal Services, 2540 Shumard
14	Oak Boulevard, Tallahassee, Florida 32399-0870,
15	Telephone No. (904) 413-6199, appearing on behalf of
16	the Commission Staff.
17	
18	
19	ALSO PRESENT:
20	RALPH WIDELL
21	WAYNE TUBAUGH
22	
23	
24	
25	
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FLORIDA FUBLIC SERVICE CONNISSION

PROCEEDINGS

(Hearing convened at 6:30 p.m.)

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CHAIRMAN CLARK: We'll call the hearing to order. We have some formalities to go through prior to taking any testimony from members of the public. Let's start with reading the notice. Charlie, would you please read the notice.

8 MR. PELLEGRINI: Yes. Pursuant to notice
9 dated October 22nd, 1996, this time and place has been
10 set for a service hearing in Docket 961153-TL,
11 petition for numbering plan area relief for 904 area
12 code by BellSouth Telecommunications, Inc.

13 CHAIRMAN CLARK: Thank you. We'll take
 14 appearances starting with you, Mr. Beck.

15 MR. BECK: Thank you. My name is Charlie
16 Beck, Office of the Public Counsel, Claude Pepper
17 Building, Room 812, Tallahassee, Florida, 32399-1400,
18 appearing to sponsor public witnesses.

19 MR. BEATTY: I'm Robert Beatty, counsel for
20 BellSouth Telecommunications, Inc. My address is 150
21 West Flagler Street, Suite 1910, Miami, Florida,
22 33130.

23 MR. PELLEGRINI: My name is Charles
24 Pellegrini, counsel for the Public Service Commission.
25 Appearing with me is Ralph Widell with the Staff.

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CHAIRMAN CLARK: My name is Susan Clark.
 I'm the Chairman of the Public Service Commission, and
 with me today are Commissioner Kiesling, who is on my
 right, and Commissioner Garcia, who is on my left.
 And our purpose for being here is to hear from members
 of the public, however many they may be.

Your comments today are going to be recorded
by our official court reporter, who is Ruthe Potami,
and you will need to come to the microphone so she can
record what you have to say.

By way of background, the process for determining an area code begins with the code holders in the telecommunications industry, which is the local exchange company. Cellular companies and pagers companies are unable to reach a consensus as to where to draw the line if we have a new area code.

This particular proceeding began when the
code administrator, which is currently BellSouth,
filed a petition requesting that the Commission
determine the area code relief method to implement
changes in the 904 area code.

We have several documents that I hope you have picked up that give you information about this proceeding and the need for area code changes, the first of which is a single-page document, this blue

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1 document, and it's entitled "Why Do Area Codes Have To
2 Be Changed," and it provides a brief explanation of
3 the history of the North American numbering plan used
4 in the United States and some of the reasons for the
5 need for new codes.

6 Then, secondly, we have a special report,
7 and this document explains the history of this
8 particular proceeding and the three options that have
9 been proposed by the code administrator. Pages 5, 6
10 and 7 are maps showing area codes.

11 Since this is an official proceeding of the 12 Commission, we have parties who have intervened who 13 have indicated their desire to participate formally in 14 this proceeding and may sponsor witnesses to give 15 testimony on the option they may support.

Also, during this whole proceeding we will
hold public hearings like this elsewhere. We had one
last night in Pensacola. We will have one in
Tallahassee, another one in Jacksonville, and another
one in Daytona.

During these public hearings all the parties who are participating in the case are represented, and you heard who those people are. Mr. Beck is representing the public, Mr. Beatty represents BellSouth, Mr. Pellegrini and Mr. Widell represent the

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1 Commission Staff in this proceeding.

2	I would also like to indicate that there are
3	other representatives of the Commission Staff here who
4	you may talk to if you don't wish to give testimony.
5	They're in the back. And it's Sandy Simmons if
6	you'll raise your hand and Robby Cunningham is over
7	here. This gentleman right here is not with the
8	Commission, he's with BellSouth, and he's Wayne
9	Tubaugh.
10	Our procedure tonight is going to ask those
11	who wish to testify to be sworn in, and then we'll ask
12	you to come to the microphone so we can hear your
13	testimony and the court reporter can take it down.
14	Since we have only two people signed up and two people
15	here, we'll go ahead and hear from both of you and
16	then we will probably take a break for 10 minutes to
17	see if anyone else is going to come to this hearing.
18	If no one shows up in 10 minutes, then we will adjourn
19	the hearing. Is there any other preliminary matter I
20	need to cover? (No response)
21	Mr. Beck, will you go ahead and start with
22	the first person.
23	MR. BECK: Thank you, Chairman Clark. The
24	first witness is Pamela Johnson.
25	CHAIRMAN CLARK: Let me swear you in. And

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	1
1	the other gentleman who is going to speak, if you
2	would stand and be sworn at the same time.
3	
4	PANELA JOHNSON
5	appeared as a witness and, having been duly sworn,
6	testified as follows:
7	DIRECT STATEMENT
8	Hello. Good evening. My name is Pam
9	Johnson. I currently serve as customer care manager
10	of the Panama City Cellular Telephone Company, Ltd.,
11	which is licensed by the FCC Commission to provide
12	cellular telephone service to the Panama City, Florida
13	metropolitan statistical area, which encompasses all
14	of Bay County. Our company markets its cellular
15	service under the service mark of Cellular One.
16	Our service area in Bay County has an
17	estimated 1996 population of 145,711. We have
18	operated the Panama City cellular system since its
19	inception in 1988. I'm here tonight to discuss the
20	impact on our company and our customers if the Panama
21	City LATA is required to change its area code and,
22	more importantly, to discuss the policy considerations
23	that I feel must be included in an analysis of the
24	proposed area code geographic splits.
25	As I'm sure you've heard time and time
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again, any area code change is disruptive to the
 persons affected and costly to both the
 telecommunications providers and their customers. Our
 company has implemented a number of recent area code
 changes in Florida, Georgia and Alabama.

We estimate that the cost to our company to 6 7 implement an area code change for our subscribers in Panama City would amount to approximately \$150,000 in 8 addition to the disruption and cost to our customers. 9 To a company our size, \$150,000 is a significant 10 expense. But the reality is that regardless of which 11 area code split you select, there will be a cost and 12 13 disruption to telecommunication providers and their 14 customers.

The more important consideration is how adequately -- how equitably we allocate this burden of the new area code to one of the proposed geographic areas. To adequately analyze this issue, you must determine one basic fact; what region of the current 904 area is most responsible for the depletion of the available numbers in the 904 area code.

Equity dictates that the burden and expense of implementing an area code change should fall upon that geographic area that has received the greatest benefit from the current telephone numbering

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resources. It's simply fair play and sound regulatory
 policy that those that enjoy the greatest benefits
 also bear the burdens of sustaining the systems from
 which they receive those benefits.

Currently there are several proposals before 5 the PSC for geographic division of the current 904 6 area code. The first proposal would retain the 7 present 904 area code in the Jacksonville and Daytona 8 LATAs and assign the new 850 area code to the 9 Pensacola, Panama City and Tallahassee LATAs. The 10 second proposal would assign the new 850 area code to 11 Pensacola and Panama City LATAs only, while retaining 12 904 elsewhere. 13

We feel that both of those proposals should 14 be rejected. These two proposals ignore the fact that 15 16 the majority of the phone users in the current 904 area code reside in the area of the Jacksonville and 17 Daytona LATAs. Undoubtedly, demand for second 18 telephone lines for Internet hookups, fax machines and 19 20 other telecommunication uses in the highly populated region of the Jacksonville and Daytona LATAs was the 21 major contributor to the current depletion of the 22 available numbers in the 904 area code. 23

Clearly the Jacksonville and Daytona LATAS
 have received the greatest benefit of the current

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1	number and resources and they should bear the burden
2	and cost of sustaining the area code system.
3	Accordingly, fairness dictates that the Panama City
4	Pensacola and Tallahassee LATAs retain the current 904
5	area code, and the new 850 area code should be
6	assigned to the Jacksonville and Daytona LATAs.
7	Thank you.
8	CHAIRMAN CLARK: Thank you, Ms. Johnson.
9	Any questions? (No response.) Thank you.
10	MR. BECK: Thank you. Don Bryan.
11	
12	DON BRYAN
13	appeared as a witness and, having been duly sworn,
14	testified as follows:
15	DIRECT STATEMENT
16	Well, first off, I'm just a homeowner. My
17	name is Don Bryan.
18	CHAIRMAN CLARK: Would you spell your last
19	name.
20	WITNESS BRYAN: B-R-Y-A-N. My phone number
21	is important to me. And I didn't have much notice to
22	prepare for this. I don't know why you picked
23	election night. I mean, you know, nothing is right
24	about this. But, anyway, I'm here because my phone
25	number is important.
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I've had my phone number since 1967. I've 1 been away for two years at a time. I always kept my 2 phone number. You have people who may not call you 3 but every three or four years. Guess what. They're 4 going to get somebody else. Somebody else isn't going 5 to know there was a change in the area code, et 6 7 cetera, et cetera. But she is right; Pam was right. Let those 8 who are responsible for this pay for it. They have to 9 pay in other ways; schooling, sewage, all the other 10 utilities, and yet you're going to put it on the 11 little old outlying area of Panama City and Pensacola, 12 sure as shooting. It won't happen to Tallahassee, I 13 bet you that. So -- it won't. You watch. 14 15 So, anyway --COMMISSIONER GARCIA: Just so you know, the 16 17 first plan we're considering --WITNESS BRYAN: Well, I didn't know about 18 19 the --20 COMMISSIONER GARCIA: If you don't mind, I'd ---21 22 WITNESS BRYAN: Go ahead. COMMISSIONER GARCIA: Maybe I can explain it 23 24 to you. If you'll look on the green sheet -- and this

25 can serve for, I guess, some of the people who don't

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know it who just arrived --1 WITNESS BRYAN: Right. 2 COMMISSIONER GARCIA: -- two other new 3 people. If you look at the first page which shows the 4 map, there's Page 5, 6, and 7. I don't know if you've 5 6 got one. There's --7 WITNESS BRYAN: I have one. CONNISSIONER GARCIA: Okay. On the first 8 plan that we're considering, the area code change does 9 include Tallahassee and on the second one it does not, 10 but that one favors the way you'd like to see it, 11 which is to remain as is and Tallahassee goes with 12 you. And then the third one is a change that doesn't 13 include Tallahassee, but does include you. Just so --14 15 WITNESS BRYAN: Okay. COMMISSIONER GARCIA: -- an idea of what's 16 17 out there. WITNESS BRYAN: We'll see how it all works 18 out. You haven't been to Tallahassee yet, have you? 19 COMMISSIONER GARCIA: Oh, no. 20 CHAIRMAN CLARK: That's tomorrow night --21 no, Thursday night. 22 23 WITNESS BRYAN: Okay. Well, anyway, the other thing of it is, you know, it's a little --24 you're not giving people much notice. It's not going 25

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to impact me like it will some of the businesses, but 1 some of these businesses have advertising that may be 2 in effect for a long period. They have stationery. 3 Of course they buy it in volume because they can save 4 5 money.

I say if you're going to make the change, 6 let BellSouth and the other people involved help pay 7 the cost of this. Reduce -- whoever has to bear the 8 9 burden of this, reduce the cost in their area.

Better yet, don't take out of the percentage 10 of profit, take it out of the percentage of management 11 salaries that's responsible for not giving us more 12 notice. They know. I mean, you know, we have -- who 13 better than the phone company knows where the growth 14 areas are? They see it every day. They could have 15 seen this five years ago. It would have had less 16 17 impact.

Anyway, as I say, I really didn't have a 18 19 chance to prepare for it. We didn't have any information. All I knew was I knew you were going to 20 change my phone number, and I object. All right. 21 COMMISSIONER GARCIA: Mr. Bryan, let me give 22 you several suggestions. 23 24

WITNESS BRYAN: Okay.

25

COMMISSIONER GARCIA: If you'd like to

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prepare a more thorough discussion for us, on this green sheet you will find that there is an address where you can mail it, and it becomes part of the public record; and you can put out as much information s you'd like.

I do believe that you can call Mr. Widell on 6 this particular issue and discuss specifics with him, 7 and that's what he's there for. You can call through 8 the 1-800 number and they'll put you through. So it 9 doesn't even cost you on that. And if you can't get 10 through, you leave your number and Mr. Widell will 11 call you back at our expense. And you also can call 12 the 1-800 number and leave your opinion on there, and 13 you can let anyone know. But, as you can imagine, 14 we're going -- we did this in Pensacola, we're going 15 to do it in Panama Beach, and we're going to do it in 16 17 Jacksonville in the next few weeks.

WITNESS BRYAN: Okay. But if you would just 18 19 consider the fact that the growth area always has to 20 pay the burden in most situations. Why should the phone system be any different? And you people in the 21 Commission here are set up to represent us, the 22 people; and even though you may think it's easier 23 to -- because we're smaller, to put it on us, it isn't 24 fair. It just flat isn't fair. 25

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1	Let those who Pamela said it better than
2	I. You know, reap the benefit of all this, let them
3	pay. And that's all I have to say.
4	CHAIRMAN CLARK: Thank you, Mr. Bryan. Are
5	the two people that just came in we have started
6	the proceeding. You've heard the two other people who
7	are here. Do you want to make a statement about the
8	area code change?
9	UNIDENTIFIED SPEAKER: Actually, I'm not on
10	record as a speaker, but if I may.
11	CHAIRMAN CLARK: You may.
12	WITNESS BRYAN: One thing, area code 805
13	CHAIRMAN CLARK: Wait a minute. You can't
14	do that. You've got to come up here, because she
15	can't hear you.
16	WITNESS BRYAN: Oh, I'm sorry. In the paper
17	this morning they mentioned area code 805. It's going
18	to upset a lot of people in California if they find
19	out it's being changed; okay?
20	MR. WIDELL: It's 850.
21	WITNESS BRYAN: Well, it's in the paper as
22	805.
23	CHAIRMAN CLARK: Unfortunately, we can just
24	give them the information and hope they do
25	UNIDENTIFIED SPEAKERS: (Simultaneous

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)	
1	comments)
2	CHAIRMAN CLARK: If you would like to come
3	up to the microphone, we are swearing people in so
4	that we can rely on what you have to say, so if you
5	would raise your right hand.
6	
7	KRISTEN EAGEN
8	appeared as a witness and, having been duly sworn,
9	testified as follows:
10	DIRECT STATEMENT
11	My name is Kristen Eagen. I'm the general
12	manager of 360 Communications, the other cellular
13	provider in town. Really, I didn't prepare any speech
14	or anything like that; I'm just kind of talking from
15	my experience, having moved down here from Chicago
16	where we went through a four area code split,
17	basically. And all I really ask that you consider
18	when you do make your decisions is the cost analysis
19	of it all, and the other issue being what happens to
20	the end consumer, the customer, of all of ours.
21	As far as costs go, when you do and you
22	know this when you change an area code over for a
23	land line customer, local telephone, really you're
24	just changing the area code, and they don't have to
25	bring in telephones and equipment to be programmed and

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all that. It's really a relatively simple process,
 other than maybe letting your friends and neighbors
 know that your number has changed, and also maybe
 changing the speed dial numbers on your phone. It's
 really a very simple process.

In the wireless world, however, as you know, 6 7 cellular phones, pagers and PCS, which is up and coming, we really have tremendous costs involved in 8 changing the area codes. So I kind of like the 9 original argument there, which is in Jacksonville and 10 other areas of the community involved in this possible 11 area code change are the ones incurring most of the 12 demand for these numbers. Then I would ask that we 13 look at the cost causer argument for that, because, 14 conversely, over here in Panama City, you know, we've 15 got many thousands of cellular customers, as does Cell 16 17 One.

18 All those people have to come in and to
19 bring their phone equipment in to us. There's a cost
20 involved in reprogramming those phones and
21 reinitializing the service so that it works properly,
22 and it takes quite a long time to get that many
23 customers back in to do this.

24 So, really, just wanted to point out that 25 cost involved, and also the inconvenience to the end

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1	user; whereas on the local telephone side, like a lot
2	of the numbers are skewed. You know, in Jacksonville
3	you've got however many hundreds of thousands of
4	customers that are involved, but a lot of that is just
5	local telephone; and so you have to weigh out the
6	wireless side of the equation.
7	CONNISSIONER GARCIA: Seeing that your
8	company is one of the providers in Leon County also, I
9	would assume that then you would probably favor the
10	I can't figure which one your company would favor. I
11	guess
12	WITNESS EAGEN: None of them. I propose a
13	fourth option. (Laughter)
14	COMMISSIONER GARCIA: Just so that you
15	know and, Ralph, you can correct me if I'm wrong
16	I think that when we did this in Dade County for the
17	Dade/Broward split, we gave the cell providers and the
18	beeper carriers an extended amount of time, if I'm not
19	mistaken, to switch over.
20	MR. WIDELL: Not necessarily the beepers,
21	but the cellular (inaudible)
22	THE REPORTER: Excuse me.
23	COMMISSIONER GARCIA: Hold up the mike,
24	because they can't hear you.
25	MR. WIDELL: I just said that the cellular

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folks in the 954 area, they still have permissive 1 dialing, while the pagers cut early this year and the 2 regular subscribers cut in August this year, and 3 there's no reason why that couldn't be done again; but 4 I'm not --5 COMMISSIONER GARCIA: Well, maybe it's 6 7 something we should look at after we --8 MR. WIDELL: Right. WITNESS EAGEN: And that's a good point. 9 That would be very helpful. Even, I think, in Chicago 10 there was about a year grace period, and that would be 11 very helpful, again, just to minimize the disturbance 12 to our customers. I'm guessing probably Option 2 13 would be the least difficult. 14 COMMISSIONER RIESLING: I think it's also 15 important to realize these are the three options that 16 were put forth by BellSouth after consultation with 17 everyone else. It doesn't necessarily mean that those 18 are the only three that would be possible. 19 WITNESS EAGEN: Okay. Thank you. 20 21 CHAIRMAN CLARK: Thank you, Ms. Eagan. Ms. Johnson, would you like to add something? 22 23 WITNESS JOHNSON: I just have one question. Have you all seen any cost analysis on -- of course, 24 you know, we're in favor of Option 2 because it's way 25

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1	out of the Panhandle area, Jacksonville and Daytona.
2	With that area being the fastest growing area, who is
3	to say where they do not have an area code change, and
4	Panama City/Pensacola area did have the area code
5	change, all the numbers being depleted in, say,
6	another year or so and you would probably know this
7	more so than they would how fast would they run out
8	of the 904 if, in fact
9	CONNISSIONER GARCIA: That's one of the
10	things that gets considered.
11	CHAIRMAN CLARK: We will look at
12	CONNISSIONER GARCIA: It's one of the
13	options that we go through when and, in fact, it's
14	discussed in some of the
15	WITNESS EAGEN: Okay. I guess my question
16	is
17	COMMISSIONER GARCIA: But the reality
18	there is an opposite argument that we heard at the
19	other hearing the other day, which was someone from
20	Pensacola Beach stated, why don't you give us a new
21	area code, that way we'll have that number for a lot
22	longer period of time. In other words, we just
23	changed Broward County's area code from 305 to 954.
24	They will probably go unchanged somewhere in the
25	neighborhood of 12 to 15 years. Dade County will be

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split probably in the next two to three. So --1 CHAIRMAN CLARK: That's one thing we will 2 look at, the longevity in the particular options --3 WITNESS EAGEN: I assume BellSouth has 4 probably analyzed --5 6 (Simultaneous conversation.) CHAIRMAN CLARK: They will provide us the 7 information. But the good news is the growth in 8 cellular and pagers and fax are, I'm sure, one 9 reason --10 UNIDENTIFIED SPEAKER: (Simultaneous 11 12 comment.) CHAIRMAN CLARK: -- we need this, and I'm 13 sure that makes your company very happy. 14 WITNESS RAGEN: That's very good. Thank 15 16 you. CHAIRNAM CLARK: Thank you. Is there anyone 17 18 else who wants to comment at this time? (No 19 response.) If not, we will stand adjourned for 10 20 minutes. We'll stay here until 7:00. If no one else 21 shows up, we will adjourn for the evening. 22 23 (Brief recess.) 24 CHAIRMAN CLARK: We're going to go back on 25

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2	so we are going to adjourn for the evening.	
3	(Thereupon, the hearing concluded at 7:00	
•	p.m.)	
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FLORIDA PUBLIC SERVICE COMMISSION

1 STATE OF FLORIDA) CERTIFICATE OF REPORTER 2 COUNTY OF LEON) I, H. RUTHE POTAMI, CSR, RPR Official 3 Commission Reporter, 4 DO HEREBY CERTIFY that the Panama City Service Hearing in Docket No. 961153-TL was heard by 5 the Florida Public Service Commission at the time and place herein stated; it is further 6 7 CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this 8 transcript, consisting of 23 pages, constitutes a true 9 transcription of my notes of said proceedings. DATED this 6th day of November, 1996. 10 11 12 H. RUTHE POTAMI, CSR, RPR 13 Official Commission Reporter (904) 413-6734 14 15 16 17 18 19 20 21 22 23 24 25

FLORIDA PUBLIC SERVICE COMMISSION