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2	FLORIDA 1	PUBLIC SERVICE CO	MMISSION
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4	In the Matter o		CERT NO. 950699-TL
5	Resolution by City		300000 P
6	Commission of Bain Respecting Extends		
٦	Service (EMS) from		
7	City Exchange to A	u :	
_	Exchanges within P	olk Count;	
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9	71207	DAY - MORNING SE	SSION
10		VOLUME 1	
11		VOLUME I	
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13	PROCEEDINGS:	HEARING	
14			
15	LEFORE:	COMMISSIONER J.	
		CONTISSIONER SUS	
16		COMMISSIONER DIA	ME K. KIESLING
17			
-	DATE:	Tuesday, April 2	2, 1997
18			
19	TIME:	Commenced at 10:	00 a.m.
20			
- 1	PLACE:	Haines City, Cit City Commission	
21		502 Hinson Avenu	
22		Haines City, Flo	
23			
	REPORTED BY:	H. RUTHE POTAMI Official Commiss	ion Reporter
24		Official Commiss	Toll valories
25			BOOMIENT HUMBER-DA

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POST Office Box 110, FLTC0007, Tampa, Florida 32301, appearing on behalf of GTE Florida Incorporated.

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on behalf of Sprint-Florida, Inc.

CHARLES J. BECK, Deputy Public Counsel,
Office of Public Counsel, 111 West Madison Street,
Room \$12, Tallahassee, Florida 32399-1400, appearing
on behalf of the Citizens of the State of Florida.

Commission, Division of Legal Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0870, appearing on behalf of the Commission Staff.

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ROCEEDINGS (Hearing convened at 10:00 a.m.) 2 CONCISSIONER DEASON: Would you please read 3 the notice? MS. CULPEPPER: By notice issued April 8th, 5 1997, this time and place have been set for a hearing 6 in Docket No. 950699-TL, Resolution by the City 7 Commission of Haines City requesting EAS to all exchanges in Polk County. 9 COMMISSIONER DEASON: Thank you. We'll take 10 appearances, and when you give your appearance, I'm going to ask that you please stand so the people in the audience cen see who is speaking at the time and put a face with a name. MR. WANLEY: I'm Jeff Wahlen of the Ausley & 15 McMullen law firs in Tallahassee, Florida, on behalf 16 of Sprint-Florida, Inc. 17 MS. CASWELL: I'm Kim Caswell for GTE 18 Plorida. 19 MR. METTLETON: Robert Nettleton, City 20 Attorney for the City of Haines City. 21 MR. BECK: My name is Charlie Beck with the 22 Office of Public Counsel appearing on behalf of the 24 Citizens.

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MS. CULPEPPER: Beth Culpepper on behalf of

Commission Staff, 2540 Shumard Oak Boulevard.

commissioner DEASON: Thank you. I want to take this opportunity to welcome everyone to the hearing today. My name is Terry Deason. I'm a member of the Public Service Commission. I'll be chairing this hearing today.

Seated to my right is Commissioner Susan Clark, and seated to my left is Commissioner Diane Kiesling. We're the panel of Commissioners which will be hearing this matter and making the decision in this case.

There ere a number of Staff personnel that are here today. Ms. Culpepper just introduced herself. Also seated at the bench here is Ann Shelfar, and I think sitting behind her is Vonnie Wiggins. These are members of the staff of the Public Service Commission. You probably met some of our other Staff in the rear of the auditorium.

If any of you have any questions that you wish to address informally, any of these people will be more than glad to assist you in whatever way that they can.

The purpose of the hearing today is to give the citizens of Haines City and Polk County an opportunity to address the Commission concerning the pending request for extended area service. We will have a session this morning to take general customer and citizen testimony. We will then proceed into what we refer to as the technical portion of the hearing. And then there will be another session this evening beginning at 6:00 to once again give members of the public an opportunity to address us concerning this matter.

I want to review very briefly with you the procedure that we're going to follow today. When you entered the rear of the auditorium, you should have been greeted and been given the opportunity to sign up to speak. It is necessary for you to sign that card so that we can have a list of people who do wish to speak.

Mr. Beck from Public Counsel's Office will be receiving those cards and he will be calling names from that list. When your name is called we ask that you come forward to the podium directly in front of me and begin by giving us your name and your address, and if you think it would be helpful to the court reporter, you may wish to spell your name so that it will be accurate in the record.

This is an official hearing of the Public Service Commission. It is being recorded by our court

reporter. The information that you provide to us today will be evidence and will become part of the record, and the Commission will rely upon that information in making the decision that we make in this case.

so that your testimony will become part of the record, it is necessary that you be sworn in as a witness. This is a necessary step in the process. It is in no way intended to intimidate you, but it is necessary. So in a moment before we begin testimony, I'm going to ask all members of the public and other witnesses that are here today to stand and to be sworn in.

For those parsons who do not actually wish to make a formal statement here today on the record, you should have been provided a special report. If you will notice, the last page of that special report is designed to be detached so that you may provide comments to the Commission and fold that and mail that to the Commission. That is an opportunity which is also available to you.

Are there any other preliminary matters we need to address at this time?

MS. CULPEPPER: There is one matter regarding the stipulation of one witness' festimony,

but that can be taken up at the beginning of the technical portion. 2 COMMISSIONER DEASON: We'll address that at 3 this time. I'll ask the parties, do any of the parties have any preliminary matters before we begin taking customer testimony? MS. CULPEPPER: No, sir. 7 MR. METTLETON: No, sir. 8 COMMISSIONER DEASON: Very well. I'm going 9 to ask, than, all members of the public and other witnesses who have prefiled testimony as well 11 somewhere to please stand and to raise your right 13 hand. (Witnesses collectively sworn.) 14 COMMISSIONER DEASON: Thank you. Please be 15 Mr. Beck? seated. 16 MR. BECE: Thank you, Commissioner Deason. 17 First witness is Dr. Earle Lee. 18 19 20 21 22 23 24 25

DR. MARLE LES

2 appeared as a witness and, swearing to tell the truth,
3 testified as follows:

DIRECT STATEMENT

That's Earle with an "E" on the end. And I live at 41 Morth 20th Street here in Haines City, Florida. I appreciate your allowing me to speak first. I have to leave for Tallahassee as soon as I'm through here, so I appreciate the opportunity.

I've been residing in Haines City now for 17 years.

commissioner beason: If you get just a little bit closer to the microphone, it may help.

City now for 17 years, and for 17 years had the experience of every time you pick up the phone trying to figure out is this one long distance, is it not and, being isolated, can't even reach the county seat without it being a long distance call.

And I realize you have -- as a Commission, you have some statistics and, as you've put in the handout here, some studies that you've done; but I believe the service that's to be provided should go beyond those type of statistics and should deal with

the needs of the people and the needs of the area.

Haines City has grown. I've only been here
17 years, but I've seen it grow tremendously in that
time, and in the statistics from Tallahassee, in this
pest year Haines City itself is the fastest growing
city in northeast Polk County. So it is obviously
going to continue to grow, and this Commission can
weit until the growth is all in place and then
respond, or it can make a decision to respond shead of
time; and my hope and trust is thet you will be
proactive and respond shead of time.

Now, it's possible to call -- I don't know if you realized it or not, but in your statistics, man as a human being is a welfare maximizer and a cost minimizer; and, for instance, I can pick up my cell phone and I can call anyone in 941 and not have to bother with punching in all those numbers, and so I'll do that.

We have a large ministry here in town, and we have a lot of our folks that live throughout the areas and we have to make calls. If I have to go to Winter Haven I'll access a phone in Winter Haven where I don't have to pay long distance and things of this nature, and I'm sure that other people ere the seme as myself. They will have taken advantage of these types

of things in order to keep their costs down.

Many times when you want to reach someone, it's very frustrating when you dial and then the operator comes on and says you haven't done it right and then you remember, oh, yes, that one is long distance, and you go back at it a different way.

I hope that the Commission will certainly look beyond statistics and respond to the needs of the community. I know that our city -- our county government has some 800 numbers, but I've had the experience they're very hard to find, the 800 numbers, to start with, and then when you do they are so busy that you can't get through, so you again pick up and pay long distance to call your county seat to conduct your business as a citizen of Haines City.

And I know that others will speak, but I can only imagine what it must mean to our emergency personnel and people of this nature that also have to pick up the phone and find that it's long distance to access some of these other areas.

so I would like to go on record, and as you can well tell by now, encouraging this Commission to work out the details, technical and otherwise, so that we could have this expanded calling area in Haines City; and I believe in so doing, you would live up to

that key word in your name "service," and I trust that we'll end up with the right kind of service for Haines City. Thank you. (Applause.)

COMMISSIONER DEASON: Nr. Book.

mm. BECK: Eileen Kubiny. I apologise if I mispronounced your name.

various attorneys on notice, if you have a question for a witness let me know; otherwise, I'll assume that there are no questions for the public witnesses.

ELLEN KUBINY

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

WITHERS RUBINE: My name is Eileen Kubiny.

I live at 3802 Lake Ellen Drive, Haines City. I have been a resident since '83, and my daughter lives in Polk City, and it's long distance for me and for her and it -- har and my phone bill are tremendous because we call each other two or three times e day because she lives alone and I live alone. So I'd appreciate it if we could.

I do business in Lakeland, too, and it's all long distance, and like the gentleman said, we can't

even call the county seat unless we are long distance. So I would like that changed. Thank you. (Applause.)

commissioner DEASON: Thank you. I'm going to ask the witnesses again to please spell your names for the benefit of the Commission as well as the court reporter. Thank you.

COMMISSIONER DEASON: Thank you.

MR. BECK: Betty Skiffington.

DETTY SKIPPINGTON

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

Skiffington, S-K-I-F-P-I-N-G-T-O-N. I live at 2670
Lake Ellen Drive in Haines City and we've been with
the phone company here since 1978. I lived in Mismi
for 25 years and I could call anywhere in Dade County
and, I mean, here we can't even call in to Lakeland.
But my sister lives in Winter Haven and she can call
all over. And when I was in the hospital in Lakeland,
in order to call my husband without dialing a bunch of
numbers, I called my sister and my sister would call
me, and I just don't think it's right. If Mismi can
heve all over the county, I don't know why we can't.

Thank you. (Applause.) COMMISSIONER DEASON: Thank you. 2 MR. BECK: Roberta Downing. 3 ROBERTA DOWNING 5 appeared as a witness and, swearing to tell the truth, testified as follows: 7 DIRECT STATEMENT 8 WITHES DOWNING: I'm Roberta Downing, 9 D-O-W-H-I-N-G. I live 4580 East Lane, Haines City, and I work in Haines City and my supervisor lives in 11 Lakeland. So to keep in touch with her we have to 12 call long distance, and I would really appreciate it 13 if we could have a -- one toll, or whatever they do 14 for that, and that would be really nice if it were for 15 the whole county. Thank you. (Applause.) 16 COMMISSIONER DEASON: Thank you. 17 MR. BECK: Noel Otwell. 18 19 20 21 22 23 24

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NORT GIMETT

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

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WITHESS OTWELL: Hy name is Noel Otwell,
N=O-E-L, O-T-W-E-L-L. I reside at 4995 State Road 544
East, Haines City. I've resided there since 1981.
And really I think it's very unfair to live in a county that you have to have a long distance call to the county seat, which we often make calls there. And I'm also a disabled veteran, and I do have an 800 number there at the Veteran's Office, but most of the time it's tied up, and if I get another number, I have to pay a long distance.

we make many long distance calls out of state. I think the telephone company makes enough on that; make a lot of calls to Lakeland. And I appreciate having this opportunity to speak before the Commissioners. I'm certainly for it. Thank you.

MR. BECK: Ron Burchfield.

BOW BURCEFIELD

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

withes BURCEFIELD: Good morning, ladies and gentlemen. My name is Ron Burchfield, B-U-R-C-H-F-I-E-L-D. If I may, Ar. Chairman, I would just like to pass out one handout.

commissioner resulting: Would you give one to the court reporter, please?

enough copies. Mr. Chairman, I'll try to be brief in my comments since I've offered an exhibit which documents most of the concerns that I have and my company has, and I believe most of the citizens of Haines City have here this morning.

First of all, I am chief executive officer of Engineers of Central Florida. We're located at 902 Highway 27 North in Haines City Florida.

In September of this year because of the potential growth and the growth that's occurring along the 27 corridor and within the Haines City area, from my corporate office in Winter Haven I decided to open a branch office on Highway 27 in Haines City. This was in September or August of this year

That office, being successful, has now become my home base office, and my operations have shifted from Winter Haven to Haines City, and we're enjoying a very good relationship with the community of Haines City, and we're looking forward to continue doing business in Haines City.

However, as I handed out to you, I will read our concerns regarding some of our operating costs to do business in Haines City that we did not experience in Winter Haven. And as a matter of record let me go shead and read the information that I've handed out to the Commissioners and to the counsel so that the audience also will be privy to what is being submitted to the Commission, if it pleases the Commissioners.

"Gentlemen: Enclosed is a copy of a portion of our Haines City office phone bill for the month of March, 1997. Since we are an engineering firm, we deal with many items regarding governmental services in Bartow and Lakeland. These calls from Winter Haven and other areas in the county are considered local calls. However, in the Haines City area they are treated as long distance calls. In many areas of the county the distance to these offices is quite more significant than from Heines City. However, Haines City considers these long distance calls. These calls

have added approximately 20% to our already tremendous phone bill.

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We strongly support Haines City's effort to reclassify these calls to local. Continuing to charge long distance rater for these calls is an economic hardship on business and individuals in the Haines City area."

And what I've attached is my phone bill from GTE for the month of March, and along with that we've taken the last six pages and we have highlighted those phone calls, for example, to Bartow, Lakeland and Polk City that are classified as long distance phone calls, and we have taken those five or six pages and we've totaled them up, and our total cost for the month of March was \$71.52. This is the additional cost of doing business in the Haines City area that we didn't have in Winter Haven and some other areas within Polk City.

We feel like this is an unjust cost for doing business in this area. It's certainly additional cost that we had not anticipated when we moved our corporate office here to Haines City. We certainly enjoy doing business in Haines City and will continue to do so. However, we feel that this additional fare for long distance phone calls is a

hardship on business communities and also the private sector, and we ask that the Public Service Commission entertain our request this morning and look favorably upon removing these calls as long distance phone cells. Thank you very much. (Applause.)

a request. I'm looking at the attachment to your letter and I'm looking at the last page, and just below where you have totaled \$71.52 there's a cetegory there that refers to summary of GTE total solutions for business and there's a discount calculated there.

What is that?

the last month, of course, I've been on my accountants and my secretaries to reduce these phone cells because with the -- also the cellular phones that we have, which is an additional \$500.00 on top of these. They came up with a -- talking to GTE, that if we dialed 9 instead of dialing the number directly, we could receive a rebete back from our total costs. So that there is -- I balieve dialing 9 within our own system which gives it a 25% reduction.

commissioner DEASON: Now, is this a service you to subscribe to ---

WITHER BURCHFIELD: Yes, we have to request

this. Is there a fee for COMMISSIONER DEASON: 2 that, having that --3 WITHESS EURCHFIELD: There was a -- there 4 was a small fee to initially join it, but after that there's no fee. 6 CONDETESTOWER DEASON: But it's your 7 testimony, though, that that's not sufficient? 8 WITNESS BURCEFIELD: That is not sufficient. 9 We feel that our testimony and our letters show that 10 these phone calls should be considered local phone 11 calls and we should not be assessed as long distance phone calls. 13 COMMISSIONER DEASON: Is it your 14 understanding that this is a service just available to 15 business customers, or do you know? 16 WITHESS BURCEFIELD: I do not know. I do 17 not know at all. 18 COMMISSIONER DEASON: Thank you, sir. 19 MR. BECE: Commissioner, Deason, could 20 Mr. Burchfield's exhibit be marked? 21 COUNTESTONER DEASON: Yes, most definitely. 22 We have not identified any exhibits before today; is that correct? 24

MG. CULPEPPER: That's correct.

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COMMISSIONER DEASON: The letter and the attachment thereto will be identified as Exhibit No. 1.

MR. BECK: Thank you.

(Exhibit 1 marked for identification.)

MR. BECK: George Reilly.

GEORGE REILLY

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

WITHES REILLY: My name is George Reilly,
R-E-I-L-Y. I reside at 202 East Palm Street,
Devenport, Florida. I'll try to be brief. We've
lived in this area now for 11 years. Love it.

My wife is a shopper, as a lot of women are, so she just loves to hit the malls. We welcomed the opening of Eagle Ridge Mall figuring, gee, now she can call locally and find out what's -- you know, prices, availability of stuff; but I don't know whether you people realize it or not, the J.C. Penney and Sears at Eagle Ridge do not have the selection or the prices that the same stores in Lakeland have. It was a revelation, but we found it out.

There's no Home Depot in Polk County, no

Sam's Club except in Lakeland. Well, it's Home Depot in Lakeland. And, of course, there is an awful lot of professional people, legal, medical and various other types of businesses, in Lakeland that are not available anywhere else.

As everyone else has said, it's unbelievable that you have to pay a toll to call the county seat. It's, I mean, your -- and 'elative to the toll calls, anytime you do make a toll call and the first thing thay say is hold, and you hold, and while you're holding, those prices go up. It's unbelievable.

My wife's mom lives in Chicago. She can call her cheaper than we can call Lakeland during the same periods of time and for the span of the call.

Bo thank you very much for the opportunity to get this off my chest, but I -- prior to coming here, we lived in Allegheny County, which is Pittsburgh, and as the other gentleman -- the lady said about Dade County, Florida, we had access to the entire county without paying tolls. Here we don't. Thank you. (Applause.)

MR. BECK: Tressie Fortune.

TRESSIE PORTUNE

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

Fortune, F-O-R-T-U-N-E, and we live at 633 Watercrest Drive, Haines City, and we've lived in this area for about 19 years.

We, too, feel like it's very unfair to not be able to reach our county seat. We pay taxes.

We're homeowners. Many, many times you have to call.

And I'm like the gentleman before, you get someone on the line and you will hold 30 minutes. I can call my ramily in Tennessee much cheaper than I can make a call to Lekeland or to Bartow.

And this area is growing so fast and so many senior citizens and -- well all the trades of life as fer as that goes -- and our medical facilities are needed very much in Lakeland; and having to call long distance to get an appointment or to check on someone that's in the hospital there is ridioulous.

I would like to see us be able to call anyplace in Polk County without having to pay a fee, and I appreciate anything that you can do. Thank you. (Applause.)

MR. BECK: John Dembitsky.

JOHN DEMBITSKY

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

Dembitsky, D-E-M-B-I-T-S-K-Y. I reside at 7066
Fairview Village, Winter Haven.

We're in a pocket. We're in the city of Winter Haven, but we're not in the City of Winter Haven, and they list us in Haines City. So evidently everything we do is long distance out of there. The place across the street has a Winter Haven phone number. They can call anyplace in the county, but we're penalized because we're in an unincorporated area.

Veterans and we service most of Polk County. And every time I try to get in touch with some of our clients we get a long distance buzz on the phone, and it's -- I resorted down to getting a cell phone, but even thet, every time I make a call the taxes on that are terrific. Between your state taxes and your federal taxes, I make a 15-cent phone call and I get a

70-cent tax on it.

So I'd appreciate it if they would make the county all available as a local calling area, the same thing with like the cell phone, the whole state of Florida is local area. Thank you. (Applause.)

MR. BECK: John Tucker.

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JOHN TUCKER

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

WITHESS TUCKER: Good morning. My name is John R. Tucker, III, T-U-C-K-E-R. I live at 588 14 | Sweetwater Way East in Haines City.

I'm bere not only as an individual but I'm president of the Haines City Little League. I represent 500 children and approximately the same number of families. We're in the southernmost district of Little League. All the calls that we make are made to the Lakeland area, areas like Polk City. Every time we call it's an extra cost to the children, money that is raised by the kids and should not have to be spent unnecessarily for phone calls.

Many, many phone cells have to be made this time of year. We're setting up tournament schedules.

Even on a rain-out, a simple call for a rain-out costs the kids more money than should be -- have to be paid.

We, because we're in the southern part of this district, every call we make, even to our neighboring leagues, becomes a long distance toll call.

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So on behalf of the children of Haines City Little League, I would ask that you change this. Thank you. (Applause.)

COMMISSIONER DEASON: Excuse me, Mr. Tucker. I have a question. The calls that you're having to place, is that from one region to another, or is it actually team members that it's long distance for, say, for example, a coach to call a team member?

WITHESE TUCKER: It could be both. Our ersa 16 | extends all the way to the northern county line all way over to Winter Haven, to the eastern county line and down to Lake Wales. So some of these ereas ere toll calls if we have to be in touch with the children in our league.

Even our neighboring leagues, Polk City, We do an interleague schedule with Polk City. Every time we have to call them to schedule a game, to notify them of a rain-out, or to just be in touch with their isague, it's an unnecessary cost for us.

Our district administrator is in Lakeland.

All tournament schedules go through the Lakeland area,
so almost all of our calls become a toll call for us.

question. Do you realize that under one of the proposals that there would be an additional cost, a flat additional cost for residential and business customers, but for residential customers it would be in the range of \$3.22 to \$3.67 per month added to the bill. Were you aware of that?

WITHESS TUCKER: Yes. But it would appear to me, observing what our calls are, that that would still be much less expensive than the additional charge on every call.

COMMISSIONER DEASON: Okay. Thank you, sir. MR. BECK: Kelly Callihan.

KELLY CALLIERE

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

Callihan, and I'm the recreation director for the City of Haines City; and I would also just like to echo Mr. Tucker's concerns with our Little League beseball.

basketball program and numerous -- all -- any of our youth sports, and also our adult sports we run into the same problems where we have to call Lakeland, Bartow, the same -- you know, it's the same thing. You have to make those long distance calls, and it's just a problem for us and -- you know, that's really all I have to say. (Applause)

COUNTSSIONER DEASON: Thank you.

MR. BECK: Pather Hugh.

FR. HUGH MCGLASHON

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

WITHERS MOGLASHOM: Good morning. I'm the Very Reverand Hugh McGlashon, Jr. That's capital M-C, capital G-L-A-S-H-O-N. I'm the rector of St. Marks Episcopal Church here in Haines City, and I'm also the dean of the Southwest Episcopal Deanery of the diocese of Central Florida.

I'm going to talk about phones from a stewardship aspect. I have to make phone calls as a rector to my perishioners or they have to make them to me at the parish from a large surrounding area, Winter

Haven, Lake Wales, the cove up by the bass lake, all over Polk County. Not everybody who goes to church here lives in Haines City, and they do want to be in touch with their pastors and we want to be in touch with them.

It's expensive for the church to pay the phone bill when I'm on that phone, not just because of the parish, but my deanery, in which I am serving as the dean, runs from here to Lake Placid. It includes Lakeland, Mulberry, Wauchula, Bartow, Winter Haven, as I said, and Davenport and all these surrounding areas.

As the Bishop's limison man in this particular area for the deanery, I'm required to make phone calls to all of those areas and contact all of the parishes, 16 of them, and all of the clergy who are there with important notices. That's a lot of phone calls and it's a lot of money.

Yes, it's in the budget for the parishes to pay our phone bills. It's in my budget to pay my phone bill, because I make those same phone calls from the house and I do not charge the church. It's part of my give-beck to the church.

However, if I didn't have to pay long distance phone calls from the church, from my home, and if my parishioners didn't have to make long

distance phone calls living in Polk County, they might increase their tithe to the church and be better stewards of their money. (Applause)

money that we're using and if -- use it in a proper way, from a very theological viewpoint. It might help them, it certainly would help us, and it would help those who won't make a phone call because they can't afford to do so and they wait until they come into church on Sunday and maybe it's too late then.

I really urgs you to look at extended service for this community which, as others have said, is rapidly growing. We pastors are well aware of that because all of our churches are growing, and that means more and more people are coming into the area, and we do need to service them in a proper manner. Thank you for hearing what we had to say, and God bless you all.

COUNTSSIONER KIESLING: I just want to make sure that you understand that if this county gats countywide calling at a mandatory --

WITHESS MOGLASHOW: Yes, ma'am.

will you have to pay between \$3.22 and the \$3.67 a month extra, but that every one of your perishioners

1	will have to pay that also.
2	WITHESS MOGLASHOW: It's miniscule compared
3	to the long distance calls, ma'am. I will assure you
4	of that. I'll probably be back tonight and I may have
5	some figures for you then, but that \$3.00 is minimal.
6	Believe me.
7	commissioner wiesling: It just came to mind
8	because you mentioned that you have some parishioners
9	who can't afford to make a phone call to you so they
10	wait until they come into church, and if they can't
11	afford to make one now
12	WITHESS MCGLASEON: They won't be able to
13	make one then, either.
14	COMMISSIONER KINSLING: Are they going to
15	still be able to
16	WITHES MCGLASHOW: But I can call them, so
17	it will be easier. Thank you. Good question.
18	(Applause)
19	MR. BECK: David Savant.
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DAVID SAVAMI

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appeared as a witness and, swearing to tell the truth, testified as follows:

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DIRECT STATEMENT

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WITHES SAVANT: Good morning. My name is David Savant, spelled S-A-V-A-N-T. I'm here on behalf of a business which was recently located to the Haines City area, Ytong Florida, spelled, Y-T-O-N-G.

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We have selected a site here in Haines City and are just finishing a \$32 million manufacturing facility. At the moment we're employing around 75 12 people with that number going up in excess of 100, and these are manufacturing and other types of employment. It's a good kind of employment that has been brought to the area. One of the reasons that we came here was because of the growth that's been mentioned in the central Florida area and Florida as a whole.

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And in the course of the last year and a half, as we've bean through the process of constructing this manufacturing facility, of course we've had to make numerous, numerous phone calls to Bartow to the county planning, the soning, the building department and so forth. Also, our legal counsel is in Lakeland, and so we have a host of calls

that are part of our normal daily business routine.

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I didn't bring a copy of our phone bill, but I did look, and it is a substantial amount, in excess of \$150.00 a month that we're spending within the county on toll calls.

Let me say I'm a native of Polk County, born in Lakeland and raised in Winter Haven, and I remember the days when it was a toll call from Winter Haven to Lakeland. Of course, that was in the days when you had to rent your telephone at so much per month, and Polk County was quite a different area to live in, more rural, and the citizens pretty much stayed within their community; but that's not the case anymore.

Most of our employees either come from the Winter Haven-Lakeland area as well as Haines City, and so we find that the community at large is no longer just Haines City isolated or Winter Haven or Bartow.

polk County is growing and changing into a more -- more of a singular community, if you will, and from a purely business standpoint it really doesn't make sense that we can make the phone call to Winter Haven or to some other area that's nearby, but when I have to contact my legal counsel and spend 30 minutes on the telephone dealing with a complex matter or dealing with the county officials for whatever reason, that we have to then pay an inordinate amount of money

for that.

so I come representing a new business in town that has been very well and warmly received by the community. We're glad to be a part of Haines city. But for competitive reasons and for general business cost considerations, we believe it makes sense for the Commission to consider this request and to respond favorably to provide access, equal access, within the county at large. Thank you.

COMMISSIONER DEASON: Thank you, Mr. Savant,
I have a question. Do you realize that for business
customers that the increase per month to have extended
area service throughout the county could range
anywhere from \$8.11 to \$9.31?

WITHERS SAVANT: Yes.

countssioner DEASON: What is your feeling on that?

withess savant: We believe still with the volume that we do within the area that it would be still net coet beneficial to have equal access calling. (Appleuse)

COMMISSIONER DEASON: Thank you, sir.
MR. BECK: Alice Rogers.

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MLICE ROGERS

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

WITHESS ROGERS: My name is Alice Rogers, R-O-G-E-R-S; employed by the City of Haines City, the recreation department. Run the senior programs with approximately 500 or more seniors taking part in the program living this area, and I wish you had this about two months ago. We would have brought about 80 or 90 of those people with us each time.

But they do -- it is placing hardship on these seniors having to make these long distance calls; and like some of them have already said, a lot of them ere -- have medical appointments in Lakeland and they have to go to Bartow for different things, and it's a hardship on them; and I know that three -less than \$4.00 a month is a lot better than what they're having to pay now.

I also run a Heart of Florida senior games, and it's open to anybody within the county, and if somebody calls me for information from Lakeland, that's a long distance call for me, and I don't have a sponsor for my games. I mean, the people pay for their own, and it's supported by the people that take

part in the games; and so that places a hardship on our department, also, for having to make long distance calls.

And another thing there is the Haines City
Community Theater. A lot of times those that are
doing the parts in the plays live in Lakeland, and in
order to get in touch with them, it's a long distance
call. Somebody calls from Lakeland for tickets to the
play, that's a long distance call for me to call them
back and confirm their reservations.

And I do balieve that the little bit that
we're going to pay each month is well worth it,
especially a lot of these seniors are on fixed
incomes. These ones that are staying here year-round,
they are on fixed incomes, and the government keeps
taking more and more and more of that fixed income and
they're getting less for it.

And I would appreciate it -- I'm going to back my meniors 100%, and I just wish you would consider this as a cost to these people, an added cost, and they would be willing to pay that \$3.00 or \$4.00 a month regardless, because it is a eavings in the long run. Thank you. (Applause)

MR. BECK: Ruth Miller.

RUTH MILLER

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

WITNESS MILLER: Good morning. My name is
Ruth Miller, M-I-L-L-E-R, and I'm one of Alice's
seniors. Everything she said I say ditto to.

But I do want to say that we came from
Illinois, from the Chicago area. We had unlimited
calling to anyplace within a 100-mile radius, and when
we moved to Haines City, we picked Haines City because
of friends and the good report that we had on the way
seniors were treated, and when we made our budget, we
budgeted accordingly.

and the phone bills we get, like everyone else here our doctors are in Lakeland, our county seat is Bartow. We have extra charges, it seems, every time we make a phone call. We're fortunate because we don't know that many people yet because we're new, but we do have responsibilities and have taken up our place in your community and want to do the best we can.

Much of it has to be by phone because we don't drive that much. So remember us when you're taking your vote. And we do need this cut in our

phone bills. Thank you so much.

Did I give my address? It's 3000 US Highway 17/92 West. Thank you. (Applause)

MR. BECK: Julie Sapp.

JULIE SAPP

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

Sapp, 2305 Westridge Road in Davenport, and we lived there for 20 years; and, like I say, I have to call Bartow a lot, sometimes for our utilities and our taxes, and I've been on hold for a half an hour and I end up hanging up. So you have to call again, you know, and I don't think that's fair. Do you?

(Applause) That isn't fair.

And then I have a friend in Lakeland, and I call her end she'll call me. She said, don't call me because it's a toll call for you; and I thought, well, I'm going to return her calls. I don't want to be a cheapskate. So I would appreciate it if you would have that local calls. Thank you. (Applause)

COMMISSIONER DEASON: Ms. Sapp, what is your feeling on the \$3.00 ---

WITHESS SAPP: I would pay it. COMMISSIONER DEASON: You would pay it --2 WITHESS SAPP: Gladly, yes. 3 COMMISSIONER DEASON: Thank you. UNIDENTIFIED SPEAKER: Somebody from Winter 5 Haven has to pay that extra money. 6 MR. BECK: Lori Cunningham. 7 COMMISSIONER DEASON: Excuse me. Let me 8 clarify something. The information -- and I'm getting 9 this information from calculations that our Staff have 10 made. The numbers that I've been describing here, 11 \$3.22 or \$3.67, depending upon the specific area, is 12 for Haines City. That does not apply to the other 13 areas. That's information specific to Haines City, 14 15 that exchange. UNIDENTIFIED SPEAKER: What about the 16 17 Lakeland --COMMISSIONER DEASON: The additive, it is my 18 understanding, would not apply to Lakeland. 19 UNIDENTIFIED SPEAKER: Why? 20 (Miscellaneous inaudiole audience comments.) 21 UNIDENTIFIED SPEAKER: Does it make sense 22 23 what you're saying? COMMISSIONER DEASON: Hold on a second. 24 We're in a hearing here, and I'm trying to be helpful,

but just extraneous comments from the audience can't be picked up by the court reporter. Perhaps it would be better if you come forward and when you give your testimony, if you have a question, ask it. That question will be on the record, and then we can respond directly instead of just entertaining questions at random from unknown people at this point.

glad to try to help in any way. Just ask your question on the record, and then we'll try to handle it in that manner. Okay.

LORI CUMMINGHAM

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

WITHESS CUMMINGRAM: Good morning. My name is Lori Cunningham, and I'm the executive director of our Hainss City Chamber of Commerce located at 908 U.S. Highway 27 North here in Haines City, Florida.

The purpose of my meeting this morning is I just wanted to let you know that as our Chamber of Commerce, one of our primary initiatives, of course, is to bring economic and industrial development to our greater Haines City area.

move into the area or looking to move into our area, as well as residents, a lot of the questions are brought into the Chamber; and they ask us such questions as, "Where do we find information on different events and festivals in our county? Where do we have information on looking up plat book information and real estate information? How do you go about starting a small business in Haines City, in Polk County? What are the steps that are necessary to take?"

a phone call, but all those phone calls are typically a long distance charge. So we feel that it is very important to be able to offer our new businesses, as Mr. Savant brought up earlier, as well as to new residents that move in the area to be able to do their research and information and for it to be a local call.

additionally, the Chamber of Commence is comprised of many different committees that make us strong in our community. We currently have over 450 business and community leaders that are scattered throughout our Polk County area, and we often have to call them to discuss meeting times and dates as well

as to set up different programs for our folks.

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Our tourism committee is very active in the area, and a lot of the coordination is with our Polk County visitors and convention bureau which, in fact, is located in Bartow.

Additionally we have a very active education committee, which is comprised of a lot of cur different principals in the area, but once again, in order to do our job properly, we coordinate with our Polk County School Board; and our school board once again is located in Bartow, which makes for a long distance phone call.

Also, we have a governmental affairs committee which works with our various forms of government here in the city, but as well, we coordinate with our county government; and to do that and to speak to our supervisor of elections, once again that's a toll call to Bartow.

We also entertain a very active economic development committee which is trying very proactively to bring the business and the industry to our area to help us grow economically and financially; and to do that when discussions are had with these folks, a lot of the questions become, you know, "Where do you find information in setting up a new business?" And once

again, a lot of the phone numbers that we have to give them are, in fact, a toll call.

center for the folks coming into Polk County using the I4 and 27 corridor, because we're located right there on Highway 27 as you enter into Haines City. And a lot of these people that are coming in, both as seasonal visitors as well as new-time residents, stop at the chamber to ask for general information and packets and brochures; and lot of the information that we give them, once again, for them to get situated here are toll calls to our county seat in Bartow.

We also have a very active Polk Association of Chambers of Commerce, which is comprised of all of the chambers in greater Polk County, and we do have meetings every two months, six times a year. And once again, to try to coordinate that and get information out and find out reservation information, once again, to a lot of the different places, to Bartow, Lakeland, Prostproof, Mulberry and so forth, is a toll call.

So I appreciate the time to speak to you this morning, and I thank you for looking at our request. Thank you. (Applause)

MR. BECR: Captain Steve Williams.

STEVE WILLIAMS

appeared as a witness and, swearing to tell the truth, testified es follows:

DIRECT STATEMENT

WITHES WILLIAMS: Captain with the City of Haines City Fire and Rescue, and I'm a resident at 103 Crestview Court in Davenport.

area calling for emergency serices. In our day-to-day activity we are constantly communicating with our fire departments and other government agencies, especially in Bartow, being the county seat; and it would be very beneficial to us to be able to make a local dialed call in our day-to-day administrative duties.

In the case of an emergency such as fire, hurricanes, tornadoes, such as that, which is real to all of us, I think you'll agree with me that when emergency services are needed, that they're needed as expeditiously as possible. And to eliminate the long distance calling is only going to benefit in that expeditious call.

And we a lot of times have to rely on resources from other agencies that we may not have available within our own city, as they may have to

depend on something from us. So with the large influx of people, also, in the event of a hurricane not even in our area, just threatening Florida somewhere, we will have a large influx of people due to evacuation, and we need to be able to communicate throughout the county for shelters and so forth so these personnel will be taken care of.

But I'm trying to keep it brief, and that's
my main concern is our emergency function and tha
duties that will be expected of us, and through
eliminating the long distance calling, I think it
would benefit us as well as the citizens that we're
responsible for. Thank you. (Applause)

MR. BECK: Colonel Kirchik.

MARSHAL KIRCHIK

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

WITHESS KIRCHIK: Marshal Kirchik,

K-I-R-C-H-I-K. I live at 1122 Highway 17/92 North,

Davenport, Florida, and I've come this morning to

voice our support for the changes.

I am the officer in charge of the Florida Rescue Workers, and as such, we have to network with a lot of other social servants, agencies, within Polk
County; and from our point where we are, for us to
have to call Bartow and certain parts of Winter Haven,
I believe, and other areas in Polk County, it is a
long distance call for us.

Would be more than willing to pay as opposed to a call-by-call long distance charge would be a most welcome advantage to us. We have to call various agencies looking for beds and clothing and furniture and shelter and all different types of help for people to call our 24-hour hot line.

We also deal with a lot of the lower income families in the Davenport and Haines City area that have telephones, and I think that you will also probably find that if you institute this flat rate, people will be somewhat more willing to try to pay their phone bills completely and not have outstanding bills or having phones turned off. I think this will only serve to help people, low income families, to pay their phone bills. So we rise today in definite support of the flat rate. Thank you. (Applause)

question. You indicated that with the flat rate that you think it would be more likely that lower income

families which you provide services to would pay
their -- would be able to pay their bills. Is that
because they would no longer be running up high toll
charges on their bill, or what's the reason for that
assessment?

because the general bill, their general bill, the overall bill, which includes the tolls, would be a lot less, especially for families that have, you know, like relatives in Lakeland or relatives in some of the outlying areas, it would be a lot easier for them to pay their phone bills and, of course, GTE would also benefit from that, because their revenues would be coming in quicker and better, I guess, for them.

before you call your next witness, I notice there's a number of individuals and some ladies in the back that are standing. If you wish, I see three vacant chairs right on the front row. If you're standing because you want to stand, that's fine, but if it's because you don't have a seat, I know there's at least three on the front row. So if you would like to come forward, you may do so.

MR. BECK: Jane Jakes. Jukes; sorry.

FLORIDA PUBLIC SERVICE COMMISSION

JAME JUEES

2 appeared as a witness and, sweering to tell the truth,
3 testified as follows:

DIRECT STATEMENT

I live at 915 Hill Drive, Haines City; J-U-K-E-S.

Dr. Jukes and I have lived in Haines City for 34

years, and so I certain echo all of the statements

which have been made concerning indignities which we
face every time we try to shop, we try to handle

educational needs for our children, we try to take

care of medicel problems. They all become long

distance calls many, many times, and certainly we feel

the need for the same treatment which other

communities in Polk County have.

also in computers, and so I represent today over 400 computer users who live in the Ridge area who are active members of computer clubs in this area. Now I'm sure there are twice or three times that many computer users in the area who are not members of our clubs.

As you know, the use of computers is really growing, and every grandparent who moves down here who has a computer wants to be able to correspond with her

family, send e-mail to them and receive e-mail from her grandchildren. We are unable to do that because of only a few Internet service providers that are not long distance for us in this area. Even GTE which has just offered Internet service, become an Internet service provider, is still a long distance cell for us.

So we would welcome the use of the free numbers to Lakeland and Winter Haven where the majority of Internet service providers, mistakenly, probably went, thinking that was the biggest area, but they shut off a great area over here.

so I would certainly support the fact that
we need extended area calling in this area. And
perhaps I'll ask the question which has been raised
behind us, are we saving \$3.00 a month compared to
Winter Haven and Lakeland on our phone bills, so that
by paying that extra money, will we then be paying the
same they are, or are they paying an extra fee for the
services which they provide? (Applause)

COMMISSIONER DEASON: I don't know what the Lakeland and Winter Haven rates are at this point, but the new rate for Haines City would be \$14.08 per residence and \$35.56 for business.

Now, part of that increase is what we refer

to as a regrouping charge. What that means is that the number -- each exchange within the state is grouped according to the number of access lines they can call on a toll free basis, which means the more that you can call toll free, the bigger your monthly rate is.

one rate group to enother rate group, and so, for example, Lakeland, which has over 116,000 subscribers, ere probably already in that higher rate group and are already paying a higher rate than you're presently paying.

But part of the additive is not just the regrouping, but it is an increment above that to defray the cost of providing the service. And it's my understanding that there is an increment which is \$2.72 that would be spacific to Haines City for getting the extended area service.

Now, before we approve an increment to everyone's telephone bill, we require there be a survey taken of all customers to determine if they are willing to pay that increment; so we normally survey only the exchange which is seeking the extended area service.

Quite honestly, if we were to put an

increment on Lakeland and survey them, I would assure you that it would not pass, because usually the community of interest is from the smaller exchange to the larger; and when you survey the smaller exchange, your chances of getting that passed are much higher.

If we were to survey all 116,000 people in Lakeland, most likely there's not a majority of 116,000 people that want to call back to Haines City. That's just the nature of the area and the way things work.

withes jukes: I understand.

commissions DEASON: So the reason that we're not -- your chances of getting EAS are better by us not asking Lakeland to pay an additive; okay. So that's the reason it's done the way it is.

then, that you would consider this and that you would consider not only our local area, but Lake Wales and the other areas on the Ridge which are in the same situation we are. Thank you. (Applause)

MR. BECK: Dr. Hannon.

DR. CHANCELLOR HANDON

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

PITTERS NAMEON: Good morning, gentlemen,
ladies. My name is Chancellor Hannon. I live at 435
South 14th Street here in Haines City. I'm a retired
plant pathologist and citrus consultant.

I've lived in the area 41 years, and in that time I dare say that the population of the erea has at least doubled or increased beyond that, which means that the income to General Telephone for telephones has doubled in that time. I know our telephone bill has done nothing but go up since deregulation. And I evoid using General Telephone long distance anytime I can, even though I may only call Bartow or Lakeland, by simply dialing into the AT&T number and then dial the call for 10 cents a minute. It would cost me considerably more than that on GTE.

Now, looking at the profit picture of telephone companies -- and I own stock in some of them -- I know that they're doing very well, and I see no reason for a flat fee to let this area call to Bartow or Lakeland. I think it's ridiculous, and I think probably the company involved has already

calculated from the lost revenue of long distance how much of a flat fee they will have to charge; and I don't think that that is equitable for the people that live here.

people from Lakeland calling to Haines City will not have a fee on their phone. They will pay a long distance charge, but they will not have this flat fee to cure their long distance charge as we will be paying. So I think it's rather ridiculous all around that the Commission is even considering assessing a flat fee or allowing the phone company to charge a fee; and that's my feeling on the situation.

You look in the area here population-wise,
Polk County has more than doubled. You look in all of
these frozen grove areas and see the number of trailer
parks and new home sites, et cetera, all of which have
telephone service. There are more than 15 rural
routes served by the local post office, and all of
those people in these parts are telephone customers;
so I don't see why it's necessary to be thinking of a
\$3 or \$4 flat fee to call Bartow or Lakeland. Thank
you. (Applause)

thing. It's my understanding -- and correct me if I'm wrong -- that if there were a survey taken and it did

pass, that while there would not be a specific assessment added onto the Lakeland subscribers, they would be able to call toll free to Haines City, it would be two-way toll free calling. But as I indicated earlier, Lakeland is already in a larger rate group and is already paying to some degree a higher monthly rate than is currently being charged in Haines City, and that's because of the way local rates are set, besed upon the number of access lines which can be called on a toll free basis.

free? Why not the population of the area, or is that just because of the rules you have set?

commissioner DEASON: Well, normally the two generally coincide. Normally the population within an area is the number of access lines which can be called on a toll free besis. Generally, exchanges follow at least what have historically been commercial centers, cities and towns and things of that nature. They don't necessarily follow exact city boundaries, because we know this entire area is growing.

But generally Lakeland, being a big center as it is being over 116,000 customers, that generally follows what the population is of that area. So there's a great deal of similarity between the number

of telephone lines that can be called toll free and the population with any given area.

the logic of this. You have an area here that runs all up and down the Ridge from Prostproof to Baseball City, and many of these areas are long distance calls. I know Baseball City isn't. Davenport isn't. Polk City is. Bartow is. Prostproof is.

When you consider all of these people, that if they were on a toll free system I think that the company could well afford to ,ive this service. Certainly many of the other services of the company have disappeared. Used to if you had trouble with your line, you could call repair service and there would on be a man there within 15 or 20 minutes or a half an hour. Today it's going to cost you money if the repairman comes.

Service has not been as good today as it has been in the past any way you look at it and neither have the charges. Thank you. (Applause)

COMISSIONER DEASON: Thank you.

MR. BECK: Thelma Lander.

TERLIKA LANDER

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

Lander of Haines City, and I am a native of here.

After hearing from all these people this morning and all their good reasons, and every one of them are important, and especially Dr. Hannon, I don't think there's much more I could say except we do need the services that they're asking for; and I would like to submit my phone bills to you. I've made some copies of them.

convissioner DEASON: Do you have a copy you can provide to the court reporter? Ma'am, if you could distribute those and then make your comments at the microphone so it can be picked up on the record. Thank you.

call, those about six pages, most of them are in Polk County. And I really don't think the citizens of this area should be penalized for living here. This is a great area and they should be able to call anywhere in Polk County. And I agree with Dr. Hannon; I don't think it's necessary to add additional charges for \$3,

1	\$5, \$6, whatever it is. I think we do need the
2	service. Thank you. (Applause)
3	COMMISSIONER DEASON: Ms. Lander, could you
4	come back? Commissioner Clark has a question.
5	COMMISSIONER CLARK: I should have asked
6	Mr. Hannon, but as a native, you probably know. What
7	is meant by the term "along the Ridge"?
8	WITHESS LANDER: Well, it goes really from
9	Prostproof, it goes up to Loughman, in that area, and
10	then it extends well, that's the Ridge, from about
11	Prostproof, Avon Park and Lake Wales and Haines City,
12	Davenport.
13	(Simultaneous conversation.)
14	WITHESE LANDER: Yes, it basically follows
15	27.
16	COMMISSIONER CLARK: Okay.
17	WITHESS LANDER: But we're not we cannot
18	call these to Bartow, which they should be able to
19	call and talk to their county representatives without
20	cost.
21	COMMISSIONER CLARK: I just didn't know what
22	you meant by the term "Ridge". Thank you.
23	WITHESS LANDER: You're welcome.
24	MR. BECK: Commissioner Deason, that
25	completes the people who have filled out slips ahead

of time.

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then, has there been anyone who has entered the auditorium that has not signed up to speak but who wishes to speak, if you will raise your hand at this point and make yourself known.

being done, could we ask that Mrs. Lander's phone bill be marked as an exhibit, please?

COMMISSIONER DEASON: Surely. We can mark that as Exhibit 2.

(Exhibit 2 marked for identification.)

COMMISSIONER DEASON: Sir, if you'll come
forward. Where you previously sworn with the other
witnesses?

UMIDENTIFIED SPEAKER: No.

commissioner DEASON: If you will come to the podium and raise your right hand, please. If there's anyone else who was not sworn and wishes to testify, if you'll please stand and raise your right hand as well.

(inaudible) --(Laughter)

your right hand. Than I'll ask you if the testimony

you gave was truthful.

(Additional witnesses sworn.)

COMMISSIONER DEASON: Give us your name and your address.

LEE CARTER

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

WITHES CARTER: My name is Lee Carter, and I'm of Lee's Furniture downtown Hainas City; and the reason I'm here, I was told this meeting was taking place and it affects me quite a lot.

I have a business on the east side of the county, a couple of businesses on the east side, and one on the west side; and if I disl my store in Lakeland, I have to go a long distance call every time we communicate.

special line to connect us to the Lakeland store, and that's an extra cost we shouldn't have to do. I understand if we had open dialing that it would be probably more cost per phone, but it would still be worth it to me and everyone else on this side of the county.

I've been in Haines City making a living for the last 35 years, and we've always -- the east side of Polk City is like it had a fence down by it, about a mile or two west of 27 all the way down; and by doing so, it's isolated us. And we got more people in the area now, and it's very important that they open this phone system up and take the fence down.

But like I say, we had to put in a direct
line through the Winter Haven or Auburndale number and
our store in Lakeland so our people in east Polk
County can call our Lakeland store and we can call it.
But if that line is tied up, my other phones are
sitting there idle — because we have an automatic
system that would rotate from one line to another, but
we have to wait until that one line opens because it's
dialed on an automatic system. We have one line going
in from east Polk County, and keep us contacted
with — from store to store and through the people in
Polk County that we sell to.

we have a lot of people in the east side of the county go to our electrical store because we have a bigger store, better selection and bigger selection, and lot of people go there and suy, and they need to make contact back there. So they have to make a toll call back or -- if we don't let them use our toll

number. So we have a direct line they can just dial and it rings our Winter Haven or Auburndale number in our Lakeland store. But that's extra cost. We shouldn't have to do all this.

Like I say, for 35 years like we've been like we've been fenced in, you know, on this side of the county, and it needs to be removed. You know, the county is growing. The east side of Polk County is part of the other county, or the west side. So we don't need two counties, we need one county. Thank you. (Applause)

question for you. This direct line that you're referring to, do you know if that's what is referred to as an FX line, a foreign exchange line?

I had in the store in Auburndale. When I closed the Auburndale store, I built a bigger store in Lakeland and I closed the store in Auburndale. We carried that line with us. We pay a trunk service on that, so the telephone company tells me. We pay a toll on that line every time a call goes through it.

telephone number -- it's a telephone number with the prefix that applies to that area? Is that the way it

works?

you would have in a number in Auburndale. My number is 965-1000. You dial that here and it rings in my store in Lakeland direct.

CONTISSIONER DEASON: How much does that cost you a month? Do you --

pretty expensive. We -- by having that number, our customers can use it, but we have just that one line open, and sometimes we need to dial and can't get through because this line is tied up. See, if it was open, it would fall into my automatic system and switch from one line to another, in the case of the open line; but as it is, we've got to wait until that line clears to get a call through, and my customers have to do the same thing. We understand we'll probably have to pay more money, but --

commessioner Deason: Do you know generally if there are other businesses that have utilized similar services that you're doing, or you have no idea?

withess carries: Well, there's quite a few businesses, I understand, in this area. I see them from time to time they'll have a Winter Haven number by using that number, they can dial Bartow direct, they can dial Lakeland and all this. They don't have to go through the long distance system. To my knowledge, there's quite a few of them doing that, because it's a -- they just have the extended line. They've been doing it for years. It's not something new. It's been doing it for years.

COUNTSSIONER DEASON: I understand. Thenk
You, sir.

Okay. I think there were at least two or three other individuals that stood and were sworn in that perhaps have not yet testified. Does -- anyone else that has been sworn and wishes to testify and have not yet testified, if you'll please just come forward to the podium. (No response.)

I think the others must have already testified and they were then being sworn in. I think that concludes the customer and citizen input in this phase of the hearing.

As I indicated earlier, we will have another session this evening at 6:00. We're going to take a recess at this point. After the recess we will enter into what we refer to as the technical phase of the hearing. Everyone is welcome and invited to stay for

that session as well. But for right now we're going to take a 10-minute recess. We will reconvene at 11:30.

(Brief recess.)

commissioner DEASON: Ladies and gentlemen, if I could ask everyone to please reenter the auditorium and take your places, we will call the hearing back to order. We are now entering the technical phase of the hearing.

we have a number of witnesses who have prefiled testimony with the Commission, a number of individuals on behalf of Haines City, and those witnesses are scheduled first, and we will take them at this time. I believe the first witness is James Brantley.

WITHESS BRANTLEY: Good morning,
Commissioners. Welcome to east Polk County.

commissioner DEASON: Just for a moment, before you begin. Normally when we go and we have prefiled testimony, there is a procedure that we follow to have that inserted into the record and that sort of thing.

Let me ask, Mr. Nettleton, are you familiar with our procedure for getting that testimony into the

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1	record?
2	MR. METTLETON: I believe so, yes.
3	commissioner DEASON: Okay. Go ahead, then,
4	please.
5	
6	James Brantley
7	was called as a witness on behalf of Haines City and,
8	having been duly sworn, testified as follows:
9	DIRECT EXAMINATION
10	BY MR. METTLETON:
11	<u>o</u> Please state your name.
12	A James C. Brantley.
13	g And with whom are you affiliated? What is
14	your affiliation?
15	A I am affiliated with the East Polk County
16	Committee of 100.
17	Q Have you prefiled testimony in this docket?
18	A Yes, I have.
19	Q And if you are asked the same questions,
20	would your answers be substantially the same?
21	A Yes, they would.
22	Q Are there any corrections or deletions to
23	that prefiled testimony that you would wish to make at
24	this time?
25	a I would like to add one addition.

- 1	1
1	COMMISSIONER RIESLING: Mr. Nettleton, I'm
2	sorry. Could you speak into the mike. We can't hear
3	you and the court reporter can't hear you.
4	Q (By Mr. Mettleton) My question was, are
5	there any corrections or deletions to that prefiled
6	testimony that you would like to make at this time?
7	A There are no corrections or deletions.
8	MR. METTLETCH: Then I would ask,
9	Mr. Chairman, that the prefiled testimony of this
10	witness be inserted into the record as if read in
11	full.
12	commissioner peason: Without objection, it
13	will be so inserted.
14	mr. merriaton: Thank you.
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1		Direct Testimony of
2		JAMES C. BRANTLEY
3		On Behalf of The City of Haines City
4		Before the Florida Public Service Commission
5		February 21, 1997
6		
7	Q.	Please state your name, business name, address and title.
8		
9	A.	James C. Brantley, 401 Avenue B, N.W., Winter Haven, Florida, 33880,
10		Executive Director, East Polk County Committee of 100, a committee that
11		includes representatives from all chambers of commerce in Eastern Polk
12		County.
13		
14	Q.	Please describe your educational background and your business
15		experience.
16		
17	A.	Graduate of Florida State University and the University of Oklahoma Economic
18		Development Institute. B.S. in Criminology and Corrections, Graduate
19		Certificate Public Administration. My experience includes thirty years in a
20		combination of public management, community and economic development.
21		Served as President and CEO of the Central Florida Development Council,
22		Inc. for thirteen years. This organization was responsible for the marketing and
23		attraction of new industry to the community, assisting existing business and I
24		industry with problems they were having in expanding. Assisted companies in
25		development of new export markets, and assisted foreign companies in locating

their	US (Corporate	Headqua	rters to	the commu	nity
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Additionally, I am the President and CEO of The Brantley Partnership, an international economic and tourism strategy development company. Our clients are located throughout. Florida, USA, and currently the U.K. Many of our clients. are looking to locate in the greater Haines City area. Our tourism division works primarily with groups looking for locations, for corporate meetings and retreats.

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Q. Please describe your role as a community leader in Haines City.

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My role as a community leader in Haines City is in the area of promoting economic growth which will bring jobs to an area that still has a highunemployment rate due to the nature of our economic base. The area is very dependent on Tourism and Citrus, of which both experience a cyclical nature

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15 Q. Why is it appropriate that the Florida Public Service Commission be concerned with the provision countywide extended area service for Haines City?

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It is very appropriate that the Public Service Commission consider the provision of extended area service as it would serve as an economic enhancement for the N.E. Polk County, according to GTE, has a greater entire Haines City Area. number of telephone connections than any other area in Polk County. Also, of the sixteen new companies locating in Polk County, during the past twenty four months, eleven of them has been within the N.E. quadrant. Additionally, the last two U.S. headquarters of foreign companies have located in Haines City

1		area.
2		
3		With the economic growth which has occurred and will continue, it is essential
4		for the Public Service Commission to consider this issue and to act favorably on
5		the request.
6		
7	Q.	In what ways will the implementation of countywide extended area service
8		impact your business and community interest?
9		
10	A.	Business and industry which must conduct a great deal of its business
11		outside of the Haines City area would be able to do so in a more cost
12		effective and competitive fashion. Individuals hired from outside the area i.e.
13		Lakeland, Bartow, etc. would benefit by being able to conduct personal
14		business more cost effectively. A large number of residents living in the
15		area have medical needs outside the area. Many of these individuals are
16		retired and live on fixed incomes. The cost can become significant when
17		calling clinics and physicians in the Lakeland area where many of the clinic
18		and medical related facilities are located. This is also an issue when working
19		with new companies considering Haines City as a location.
20		
21	Q.	In what ways do you foresee the implementation of countywide extended
22		area service impacting the economy of Haines City?
23		
24	A.	The economic impact would be significant both from the elimination of this issue
25		in a company's decision to locate to Haines City as well as the employees that

1		would be hired. A barrier would be removed for people making a decision
2		to purchase homes in the area.
3		
4	Q.	Describe what you see as Haines City's growth potential with countywide
5		extended area service for local telephone usage.
6		
7	Α	When companies are considering a location many factors must be reviewed.
8		The bottom line for any company is the cost associated with doing business.
9		Significant cost in telephone service, as in gas or water, can be a deciding factor
10		in choosing a community over another.
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1	Q (By Mr. Mettleton) Now, Mr. Brantley,
2	would you like to summarize your testimony for the
3	Commission?
4	A I would like to add some additional
5	testimony that was not made available in the prefiled
6	paper.
7	commissioner Deason: Let me tell you that
8	normally that's not allowed, but if there's no
9	objection by the parties, I will allow it; but
10	normally you're limited to your prefiled testimony,
11	and that's the reason
12	WITHESS BRANTLEY: That's fine. I have no
13	problem with that.
14	commissioner peason: That's between you and
15	your attorney.
16	WITHESS BRANTLEY: I don't have a problem
17	with it. Thank you.
18	CONCISSIONER DEASON: Now you may summarise
19	your testimony, but when you indicated that you wanted
20	to cover additional matters, that's where we normally
21	don't allow that; but summaries are certainly welcome.
22	MS. CASWELL: No questions. Well, I did
23	have one, but I can ask it
24	MR. METALETON: Mr. Brantley
25	MS. CASTALL: That's okay.

MR. METTLETON: Would you come back to the 1 microphone, please. 2 COUNTSSICHER RIBSLING: There are questions 3 for you, Mr. Brantley. 4 WITHESS BRANTLEY: I'm sorry. I thought I 5 had been dismissed by the Chairman. Excuse me. 6 COMMISSIONER DEASON: There are some 7 questions, it's my understanding. Hs. Caswell. 8 CROSS EXAMINATION 9 BY MS. CASWELL: 10 Yeah, I just have a couple of things, 11 Mr. Brantley. 12 I'm Kim Caswell with GTE Plorida. I wanted 13 to be clear on what exactly you think the Commission 14 should order in this case. You talk about countywide extended area service. What does that mean to you 17 exactly? Well, what it means to me is that this 18

A well, what it means to me is that this procedure that is now in place has been in place a long time. I don't know -- I'm assuming it was appropriate in the '50s or the '60s, but three years before moving into the new century, it's a very inadequate and antiquated system for an emerging economy and an emerging community such as the greater Haines City area has been experiencing for the last

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three to five yeers.

As you saw in the testimony, there are more GTE hookups in this northeast section than the balance of the county, and I think that it means to me that from a business and a personal standpoint, people who live within a geographic boundary where a lot of the business has to take place in other cities such as Lakeland that -- and even other communities, it is a commuting county, people work and drive. They have to leave their children in day care in one city and they come to another, and it seems to me like that although this mey have been very appropriate when it -- you know, I remember when it was long distance to call winter Haven from here.

And so it seems very appropriate that moving into this new -- into the new century and as rapidly as this area is growing six -- 11 out of the 16 companies that located in Polk County last year located in the northeast and along the 27 Ridge.

Now, you would say, well, then obviously that's not a -- that doesn't create a problem, but many of those, unfortunately, it's after the fact. I mean, we don't work with every company directly. We work with a good number of companies, but not every company, and especially in the retail area.

And so this is the fastest growing segment or quadrant in the four quadrants of Polk County. So what it means to me on extended service is being able to go into Ann Toney's office and me pick up the phone because I've got to do business in Bartow.

There is an incredible -- I mean, think of the difference in regulatory requirements between '50s, '60s, '70s and even into the '80s and now in the '90s, and they're only going to get increased significantly, because we all are very concerned about the environmental issues.

So with that increased activity back to your own county seat, and it becomes a long distance charge, the extended service to me just -- it just seems that it's time to move into the 20th -- the new century.

o Okay. And focusing just on the charges now, you pay long distance -- or toll charges now. What would you pay under the countywide extended area service that you're recommending?

a Well, I don't have any idea, because I don't pay currently. I don't live in Haines City --

- Q Okay. Are you --
- I just work the area.
- Okay. I guess what I'm trying to get at is

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1	instead of paying toll charges, the recommendation you
2	have here for the countywide service, would you pay
3	anything in place of toll charges, or would you get
4	the calls for free? What 45 you want the Commission
5	to do?
6	a Well, you know, I'm definitely not an expert
7	in telephone service, so I don't know that I can
8	professionally answer that. I can give you my
9	layman's opinion. I'm not sure why anybody ought to
10	have to pay a \$3 whatever-you-call-it just to be able
11	to to make a call.
12	I mean, I you know, I can add this. It's
13	probably irrelevant. But I live in a city that has
14	the same problem on the Ridge, and I do a lot of
15	business, both medical, professional, personal, in
16	Lakeland, and it every time I make that call; and
17	they do add up. I mean, we're not talking about a few
18	pennies.
19	ME. CASWELL: Okay. Thank you,
20	Mr. Brantley.
21	WITHES BRANTLEY: Thank you.
22	COMMISSIONER DEASON: Further questions?

MR. BECK: Yes.

CROSS EXAMINATION

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Q Mr. Brantley, let me try and see if this raises an objection. Did you have an additional matter that you wanted to raise that wasn't in your testimony?

A Actually, I just wanted to focus in a little bit on the tourism aspects. I ran the Central Florida Convention Visitors Bureau for 13 years, and I just wanted — that's all. But it was well stated in the previous testimony.

MR. BECK: Thank you.

COMMISSIONER DEASON: Does Staff have questions?

MS. CULPEPPER: Just a couple.

CROSS EXAMINATION

BY MS. CULPEPPER:

Q Mr. Brantley, if the Commission were to determine that EAS were not appropriate, do you believe that you, yourself, and other residents of Haines City would be willing to pay 25 cents per call for residential and 10 cents per minute and 6 cents for each additional minute for business calls?

a I wished I could answer that. I'm not a resident of the area. You know, I live in another

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1	community. I represent this area in economic
2	development, and so I don't think I could speak for
3	them.
4	Ms. CULPEPPER: That's all Staff has.
5	CONTESTONE DEASON: Thank you,
6	Mr. Brantley.
7	WITHESS SRAWTLEY: Thank you.
8	(Witness Brantley excused.)
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10	COUNTESTOWER DEASON: Mr. Nettleton, you may
11	call your next witness.
12	MR. METTLETCH: George Carefoot.
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14	GEORGE CAREFOOT
15	was called as a witness on behalf of Haines City and,
16	having been duly sworn, testified as follows:
17	DIRECT EXAMINATION
18	BY MR. METTLETON:
19	g State your name, please.
20	A George Carefoot.
21	a And, Mr. Carefoot, what is your affiliation,
22	or what business or occupation are you in?
23	a I'm president of the First National Bank of
24	Polk County, and I'm also president of the Haines City
25	Chamber of Commerca.
ı	

COMMISSIONER DEASON: Mr. Nettleton, let me 1 interrupt for just a moment. If your witnesses wish, they can sit down at the table, which is customary for 3 people who have prefiled testimony. Sometimes cross examination can be lengthy and that sort of thing, and if they wish, they can sit down at the table, and if they have any notes or anything they need to lay out on the table they can do that; but that's strictly the witness' choice. It's not necessary that they be at the podium. I just wanted to clarify that. 10 MR. METTLETON: Thank you. 11 (By Mr. Mettleton) Mr. Carefoot, did you 12 prefile testimony with this Commission? 13 Yes, I did. 14 And if asked the same questions, would your 15 answers be substantially the same? 16 They would. 17 Are there any corrections or deletions to 18 that testimony that you wish to make at this time? 19 No, there are not. 20 MR. METTLETON: Then, Mr. Chairman, we would 21 ask that Mr. Carefoot's prefiled testimony be 22 23 admitted.

will be inserted into the record.

COMMISSIONER DEASON: Without objection, it

1		Direct Testimony of
2		George H. Carefoot
3		On Behalf of The City of Haines City
4		Before the Florida Public Service Commission
5		February 21, 1997
6		
7	Q.	Please state your name, business name, address and title.
8	A.	George N. Carefoot, Fresident, First National Bank of Polk County, Post Office
9		Box 188, Haines City, FL 33845-0188.
10		
11	Q.	Please describe your educational background and your business
12		experience.
13	A.	I graduated with a BSBA from Stetson University in 1967 I am currently
14		President of First National Bank of Polk County. I have previously served as
15		President of Southland Bank in Deltona and Flagship Bank in Tallahassee.
16		
17	Q.	Please describe your role as a community leader in Haines City.
18	A.	I am current President of Haines City Chamber of Commerce and past President
19		of the Haines City Rotary. I also currently serve on the Ridge Technical School
20		Advisory Board.
21		
22	Q.	Why is It appropriate that the Florida Public Service Commission be
23		concerned with the provision of countywide extended area service for
24		Haines City?
25	A.	Heines City is the fastest growing area in Polk County. The County seat is in

1		Bartow, and Lakeland is the largest city in the county Haines City residents
2		must call long distance for many county services. Many services only available
3		in Lakeland or other parts of the county require long distance calls, professional
4		as well as retail.
5		
6	Q.	in what ways will the implementation of the extended area service impact
7		your business and community interest?
8	A.	In January we made 92 calls to various in-county long distance numbers. This
9		is costly over a year. We now have to use directory assistance or multiple
10		phone books to make calls to Bartow and Lakeland and other exchanges in Polk
11		County.
12		
13	Q.	In what ways do you foresee the implementation of the extended area
14		service impacting the economy of Haines City?
15	A.	Because of the growth, Haines City is losing its isolation from the rest of the
16		County. It will allow Heines City to become a center of commerce.
17		
18	Q.	Describe what you see as Haines City's growth potential with the extended
19		area service for local telephone usage.
20	A.	It will make Haines City an even better choice for residents. Retail services will
21		benefit since their customers cen contact them without long distance charges.
22		
23	Q.	Please describe any additional factors which you believe the Florida Public
24		Service Commission should consider with regard to Haines City's
25		application.

1	A.	Our County is tied together economically - retirement, citrus, distributions. It
2		makes no sense to chop communication into smaller parts. In a time when one
3		communicates with the world for flat rate cost, we must use a 1950's telephonic
4		communications system. Using cellular phones, we can call throughout Central
5		Florida, Orlando, Tampa and South to Fort Myers, without long distance
6		charges. This Community should at leese have the small window of our county
7		within which we can communicate freely.
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1	MR. METTLETON: Thank you.
2	Q (By Mr. Mettleton) Now, Mr. Carefoot,
3	would you like to summarise your testimony for the
4	Commission?
5	A Yes. I'd like to echo what Mr. Brantley
6	just said, that as we approach the 20th Century or
7	the 21st Century, the end of the 20th Century, that as
8	I said in my testimony, I can sit in my home, which
9	happens to be in en area that can dial locally to
10	Lakeland, and I have choices of Internet connections
11	that I would not have in Haines City where my business
12	is located, and I can connect to a computer anywhere
13	in the world with a local phone call; and yet if I
14	want to call the county seat or if I want to call a
15	doctor or a reteil establishment or professional
16	person in Lakeland, I've got to pay toll charges.
17	That somehow doesn't seem to be on the
16	cutting edge of the information new information
19	world.
20	MR. METTLETON: Thank you.
21	COMMISSIONER DEASON: Questions.
22	ms. caswell: I do have just a couple of
23	questions.

FLORIDA PUBLIC SERVICE COMMISSION

CROSS EXAMINATION

BY MS. CASWELL:

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Q Mr. Carefoot, I'm Kim Caswell with GTE. I'm looking at your direct testimony on Page 3. The sentence beginning on Line 4, you state that using cellular phones we can call throughout central Florida, Orlando, Tampa and South Ft. Myers without long distance charges.

But even though there aren't any long distance charges, don't you still have to pay usage with cellular cells?

- A I sure do, and --
- Q The bill -- I'm sorry.
- A And that cellular service is provided to me by GTE.
 - Q Do you know what the per minute usage is?
- 17 a I think it's like 21 cents per minute is the 18 rate.

MS. CASWELL: Okay. Thank you.

COMMISSIONER DEASON: Further questions?

question. You mention in your -- again on Page 3 you

23 say, "Our county is tied together economically:

retirement, citrus and distributions. " Could you sort

of describe for me how those different things you

describe, retirement, citrus and distributions, are distributed throughout Polk County?

WITHESS CAREFOOT: Yes. The east side of the county has traditionally been a rural and retirement area.

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COMMISSIONER CLARK: When you say east side, are you talking about east of 27? Is that --

WITHESS CAREFOOT: 27, east of Winter Haven. It's along the Ridge. (Laughter)

CONSTRUCTOR CLARK: Now, that clarified it for me.

WITHESS CAREFOOT: Along 27. But citrus is a very important business in our area. It's not bounded by whether it's on the Ridge or not. There's citrus all over the county. The Department of Citrus has their offices in Lakeland.

Tourism and retirement is countywide. We have many, many retirees moving to this area. We have a lot of people that come to stay for the winter in the Haines City area. They're interested in 21 || participating in activities all over the county.

Distribution; Polk County is known as a distribution area because of its location on along I-4. Lakeland is a very important distribution area. Recently Wal-Mart has built a 20-acre distribution

center. It's in the actual Winter Haven city limits, but it's only a mile and a half from 27.

This kind of business ties the county all together. People are working all over the county. People are doing things all over the county. Polk County is a single governmental subdivision as far as the governmental county is concerned, yet the telephone service is fragmented.

number for Lakeland or Bartow in your phone book, which is required to be provided by the Public Service Commission, if you went to look up a number in Bartow, you can't find it in there. You have to call information service and pay an extra charge to have that number given to you.

In their wisdom GTE has provided us the numbers for Kissimmee, but that's not a very important factor as far as who you want to call, I don't think, in Polk County.

COMMISSIONER CLARK: Do you know what the Ridge ie? I mean, what ---

really does run along 27, and it's a geographic ridge and Highway 27 happens to follow that ridge and probably starts up around Ocala somewhere and ends up

down in Lake Placid. But along that area that we all like to refer to as the Ridge was a very important citrus growing erea. Most of the communities along there are — have by default, because of the nice climate and beautiful surroundings, it's become a retirement area.

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And I don't know where it began, but over the years it's been called the Ridge. When I was growing up in Fort Meade, we were part of the Ridge conference, and that was a long time ago. So this is just the Ridge, and it's a geographic thing that's taken on a more escial description through the years, I think.

commissioner Clark: Then I glean from your testimony that people who live throughout Polk County may work where they live or they may go to another part of Polk County. Can you say, for instance, that most of the people who live in Winter Haven work in Lakeland, or --

I know that there is a significant amount of commuting within the county from living places to working places; and people that live in the western part come over here. The largest employer in this area is Green Leaf. They, during the wintertime, have at times five

and 600 people working out there.

My office is on State Road 544. They all call come right in front of there in the morning. The traffic is terrific and they're all coming from the west. So there's a terrific amount of commuting within the county for work.

COMMISSIONER CLARK: Okay. Thank you.
COMMISSIONER DEASON: Staff?

MS. CULPEPPER: Staff has just a few questions.

CROSS RYANIBATION

BY MS. CULPEPPER:

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g Mr. Carefoot, looking in your testimony Page 2 and Line 8, you indicate there that your business made 92 calls to various in-county, long distance numbers. Do you know whether those were to other businesses, or were most of them to government offices?

businesses. Because of the nature of our business, we interreact with law firms, title companies and that type of thing throughout the county. We don't have any offices of our business that are located outside of our local calling area. One day we may, but most of those were probably to professional realtors, that

type of thing.

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Okay. In your opinion as a community leader and a business owner, if I were to ask you to prioritise the exchanges in Polk County based on your own calling needs and those of the community that you're aware of, which of the following would be your top three choices? The exchanges are Lakeland, Bartow, Mulberry, Polk City, Prostproof Indian Lakes and Fort Meade.

Lakeland, Bartow and Polk City, probably, for us.

Okay. I just have one more question. 0 your opinion, do you believe that the residents of Haines City would be willing to pay an extra \$322 to \$367 a month, and business customers \$8.11 to \$9.31 a 16 month to call all of Polk County toll free?

I'm certain that people would be happy to do 18 # that.

I'm sorry. We do have one more question. Then in your opinion, if the Commission determined that EAS were not appropriate, do you feel that residents would agree to use 25-cent calling per call for residents and 10 cents for the first minute and six cents for each additional minute for business calle?

1	Mell, I think the Commission would be
2	mistaken if thet's their determination, but I and I
3	really am not equipped to answer that other question
4	because I don't know what the relative cost is.
5	MB. CULPEPPER: Thank you.
6	COMMISSIONER DEASON: Thank you, sir.
7	(Witness Carefoot excused.)
8	MR. METTLETON: Call James DeGennaro.
9	
10	JAMES JOSEPH DeGEMMARO
11	was called as a witness on behalf of Haines City and,
12	having been duly sworn, testified as follows:
- 1	I
13	DIRECT REALINATION
13 14	DIRECT EXAMINATION BY MR. METTLETON:
14	BY MR. MUTTLETON:
14 15	BY MR. METTLETON: Q Please state your name.
14 15 16	BY MR. METTLETON: Q Please state your name. A James Joseph DeGennaro.
14 15 16 17	O Please state your name. A James Joseph DeGennaro. O And, Mr. DeGennaro, what is your affiliation
14 15 16 17 18	O Please state your name. A James Joseph DeGennaro. Q And, Mr. DeGennaro, what is your affiliation or occupation, sir?
14 15 16 17 18	Please state your name. A James Joseph DeGennaro. Q And, Mr. DeGennaro, what is your affiliation or occupation, sir? A I'm the senior vice president of the Central
14 15 16 17 18 19 20	Please state your name. A James Joseph DeGennaro. Q And, Mr. DeGennaro, what is your affiliation or occupation, sir? A I'm the senior vice president of the Central Florida Development Council in Bartow. We're a
14 15 16 17 18 19 20 21	Please state your name. A James Joseph DeGennaro. Q And, Mr. DeGennaro, what is your affiliation or occupation, sir? A I'm the senior vice president of the Central Florida Development Council in Bartow. We're a public/private partnership between the Board of County

A Yes, sir.

and if asked the same questions today, would
your answers be substantially the same?
A Yes, sir.
Q Are there any corrections or deletions in
that prefiled testimony that you would like to make?
A No, sir.
MR. METTLETON: Then I would ask that
Mr. DeGennaro's prefiled testimony be inserted into
the record.
COUNTESTOWER DEASON: Without objection, it
shall be so inserted.

1		Direct Testimony of
2		James J. DeGennaro
3		On Behalf of The City of Haines City
4		Before the Florida Public Service Commission
5		February 21, 1997
6		
7	Q.	Please state your name, business name, address and title.
8	A.	James DeGennaro, 600 N. Broadway, Suite 300, Bertow, Florida, Senior Vice
9		President Central Florida Development Council.
10		
11	Q.	Please describe your educational background and your business
12		experience.
13	A.	I attended the University of South Florida and graduated from the Economic
14		Development Institute at the University of Oklahoma in Norman. I have been an
15		Economic Development Professional for 13 years and have been with the
16		Central Florida Development Council since its inception in 1985. In 1995, the
17		Florida Economic Development Council recognized me as its "Professional of
18		the Year".
19		
20	Q.	Please describe your role as a community leader in Haines City.
21	A.	I have worked directly with the City of Haines City for 15 years in both
22		community and economic development. As the former Administrative Manger
23		of the Polk County Community Development Block Grant Program, I was
24		responsible for working with City Government to make comprehensive housing
25		and neighborhood infrastructure improvements to the community. These

projects were valued at more than \$5 million. As the chief business recruiter and manager of a county wide business retention program, I have worked extensively with Haines City in the expansion of existing businesses as well as in the attraction of new companies to the fast growing community. A recent example would be in my close working association with City officials to attract the \$35 million Ytong Florida, Inc. project to Haines City. Ytong will open its lightweight concrete products plant this spring and will employ 120 persons.

8 Why is it appropriate that the Florida Public Service Commission be Q. 9 concerned with the provision of countywide extended area service for 10 Haines City?

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A.

Long distance telephone tolls create an economic impediment as Haines City develops along with several of Polk County's municipalities. As Lakeland and Winter Haven have become the hubs for economic activity in Polk, it is imperative that the citizens of Haines City have easy and economical access in order to enjoy the same business climate growth. Furthermore, long distence tolls create a cost of doing business and living in Haines City that creates a competitive disadvantage for business in that community.

In what ways will the implementation of countywide extended area service 19 Q. impact your business and community interest?

> One of the primary objectives of the Central Florida Development Council - a public/private partnership between the Board of County Commissioners and all area Chambers of Commerce - is to market the assets of Polk County as a whole throughout the United States and the world. Haines City brings valuable assets to our marketing effort. However, the office of the Central Florida

2		requires long distance telephone cells and vice versa to our office.
3		
4	Q.	in what ways do you foresee the implementation of countywide extended
5		area service impacting the economy of Haines City?
6	A.	As the U.S. Highway 27 corridor (Frostproof through Haines City) and the 17-92
7		highway 60, and interstate 4 corridors, continue to develop as a business and
8		residential location, Haines City will interact more and more with established
9		business communities in Polk County. It is imperative that extended erec
10		service be available to promote countywide development. If EAS is
11		implemented, Haines City's market area is increased. The West Polk County
12		area holds a potential market for la jer than the Haines City and extreme
13		Eastern area of the County. When tolls are lifted, that market can be cos
14		affectively targeted by Haines City business.
15		
16	Q.	Describe what you see as Haines City's growth potential with the extended
17		area service for local telephone usage.
18	A.	With extended area service in place, Haines City can mature as one of the
19		fastest growing residential and service areas in Polk County.
20		
21	Q.	Please describe any additional factors which you believe the Florida Public
22		Service Commission should consider with regard to Haines City's
23		application.
24	A.	As it now stands, Haines City is the only community in Polk County where
25		residents and business owners are penalized by long distance telephone tolls

Development Council is located in Bartow, the county seat. To call Haines City

1	to their friends and business contacts in other parts of the county.	Haines City
2	is not an island, but a key player in Polk's future growth.	
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Q (By Mr. Mettleton) And would you like to summarise your testimony today?

A Yes, sir, I may. Copernious and Galileo were wrong. Haines City is the center of the universe. (Laughter)

It seems in this age of modern telecommunications advancements, it would be archaic not to have the extended area service in this area. Long distence telephone calls create an economic impediment as Haines develops with other Polk County municipalities.

As was stated to you all earlier today, the dynamics of the growth of Polk County have changed dramatically over the last decade. Growth in Polk County treditionally came from the west; from Tampa through Plant City into Lakeland.

Today Orlando has gone galactic. It's pushing growth into the northeast part of our county and along what's called the Ridge, or along on the eastern part of our county, so there are dramatic population shifts in our county.

Furthermore, long distance tolls create a cost of doing business and living in Haines City that creates competitive disadvantages for businesses. You heard from a representative, David Savant, from Ytong

recently. I mean, this morning.

We also brought a Japanese company into the Hainee City area called Gleeco Fruits, USA. And it just seems ironic we're trying to create an international base of business here and the people in Haines City can't even call Bartow without a toll being added. That's essentially my comments, sir.

COMMISSIONER DEASON: Thank you. Questions?

MS. CASWELL: I do have a couple of questions.

CROSS EXAMINATION

BY MS. CASWELL:

Q Mr. DeGennaro, I'm looking at your prefiled testimony on Page 3, the mentence starting on Line 24. It mays "As it now stands, Haines City is the only community in Polk County where residents and business owners are penalized by long distance telephone tolls to their friends and business contacts in other parts of the county." Do you know if Prostproof is in Polk County?

A Yes. And I've since learned that Lake Wales may have the same negative impediment.

- Q When you say negative impadiment, what are you referring to?
 - A It just seems God awful that someone would

1	live in one community of Polk County and couldn't
2	contact another community without a toll within the
3	same geographic area.
4	Q Okay. So Prostproof can only call Lake
5	Wales on a flat rate basis; is that
6	A I don't know, ma'am.
7	Q Do you know the calling scope of Bartow and
8	Indian Lake?
9	A Bartow?
10	Q Do you know if Bartow and Indian Lake, which
11	are also in Polk County, can call countywide
12	without
13	A I don't know, ma'am.
14	MS. CASWELL: Okay. Thank you.
15	COMMISSIONER DEASON: Purther questions?
16	MS. CULPEPPER: Staff has a few.
17	CROSS EXAMINATION
18	BY MS. CULPEPPER:
19	Q Mr. DeGennaro, in your role as a business
20	and community leader, are you aware of whether the
21	residents of Haines City would be willing to pay extra
22	to have toll free calling within Polk County?
23	A No, ma'am.
24	g If I were to ask you to prioritize the
25	exchanges in Polk County based on your own need, which
-	

- 1	
1	of the following would be your top three choices:
2	Lakeland, Bartow, Mulberry, Polk City, Frostproof
3	Indian Lakes or Fort Neade?
4	a For my own need would be Lakeland, Bartow
5	and Mulberry.
6	MS. CULPEPPER: Thank you.
7	COMMISSIONER DEASON: Thank you, sir.
8	(Witness DeGennaro excused.)
9	
10	COMMISSIONER DEASON: Mr. Nettleton, you may
11	call your next witness.
12	MR. NETTLETON: All right. Thank you. At
13	this time Jim Melson was the scheduled witness, your
14	Honor, and as the Commission has been informed,
15	Mr. Nelson was not able to be here today, and I
16	understand that the other parties to this docket are
17	willing to stipulate the prefiled testimony of
18	Mr. Melson into evidence, and I would ask that that be
19	done at this time.
20	COMMISSIONER DEASON: Are there any changes
21	to that testimony? There are no changes to the
22	testimony?
23	MR. NETTLETCH: Not that I'm aware of.
24	COUNTSSIGNER DEASON: Okay. And it's your
25	representation there's no objection to simply having
- 1	

1 that testimony inserted into the record? Is there any 2 | objection? (No response.) No objection. Very well. The prefiled testimony, then, of Mr. Jim Nelson will be inserted 5 into the record.

1		Direct Testimony of
2		Jim Nelson
3		On Behalf of The City of Haines City
4		Before the Florida Public Service Commission
5		February 21, 1997
6		
7	Q.	Please state your name, business name, address and title.
8	A.	Jim Nelson, Post Office Box 545, Haines City, Florida, 33844, Public
9		Supermarket, Store Manager.
10		
11	Q.	Please describe your educational background and your business
12		experience.
13	A.	Graduate of Florida State University. Twenty-six years with Publix Supermarket
14		
15	Q.	Please describe your role as a community leader in Haines City.
16	A.	Former City Commissioner of Haines City, 1994 - 96; Member of the Haines City
17		Chamber of Commerce, served on its Board of Directors for eight (8) years
18		served on the Board of Directors of the Haines City Mainstreet Program, and
19		currently a countywide "elected" official to the Polk County School Board
20		District.
21		
22	Q .	Why is it appropriate that the Florida Public Service Commission be
23		concerned with the provision of countywide extended area service for
24		Haines City?
25	A.	Because as a resident, I feel we should not have to pay long distance to other

1		cities in Polk County when it is not long distance to them. As a manager of
2		Publix Store, we call our home office (Lakeland) frequently. As an Elected
3		Official with the School Board office in Bartow, I feel I should not have to pay the
4		"extra charge" when conducting husiness and performing my elected duties.
5		
6	Q.	In what ways will the implementation of countywide extended area service
7		Impact your business and community interest?
8	A.	It will most definitely increase the volume of calls around the County. It would
9		serve as an added "incentive" for people and businesses to call around the
10		County without the detraction of inflated phone bills.
11		
12	Q.	In what ways do you foresee the implementation of countywide extended
13		area service impacting the economy of Haines City?
14	A.	Haines City and the surrounding areas are statistically the fastest growing area
15		in Polk County, and the fourth largest of the 17 municipalities. Extending the
16		calling service can only have a positive impact for business and residents
17		both now and in the future. It most definitely will increase the volume of calls
18		from this area both from business, personal and governmental purposes.
19		
20	Q.	Describe what you see as Haines City's growth potential with countywide
21		extended area service for local telephone usage.
22	A.	Again, you will see a significant increase usage in the first year and a steady
23		rise in the years after.
24		
25	Q.	Please describe any additional factors which you believe the Florida Public

1		Service Commission should consider with regard to Haines City's
2		application.
3		
4	A.	With major companies and distribution centers located in Lakeland, many
5		Haines City residents either work or seek jobs in the Lakeland areas which
6		require frequent long distance calls.
7		
8		Also, the GTE Governmental Liaison for the Haines City area is located in
9		Lakeland requiring a long distence call to contact him.
10		
11		Because Bartow is the County seat, and home of the Polk County School
12		system, parents, citizens and businesses in the Haines City area are charged
13		long-distance rates where others in the County are not. This, I believe is an
14		injustica.
15		
16		As an elected countywide official, voted on by registered voters from the entire
17		County, my constituents from Frostproof, Mulberry, Polk City, Fort Meade,
18		Lakeland, and Bartow cannot reach me via a local telephone call at my
19		residence or place of employment in Haines City.
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Next witness would be Ben METTLETON: 1 2 Saag. 3 DEN SAMO 4 was called as a witness on behalf of Haines City and, 5 having been duly sworn, testified as follows: 6 DIRECT EXAMINATION 7 BY MR. METTLETOM: 8 State your name, please. 9 Ben Saag, S, as in Sam, A-A-G. 10 And your occupation or affiliation, sir? 11 I currently serve as the town manager for 12 the town of Dundee. Up until two days ago, I was the 13 assistant to the City Manager and Main Street Director 14 for the City of Hainas City. 15 And we miss you already. Q 16 Thank you. 17 Did you prefile testimony in this regard, 18 sir? 19 Yes, I did. 20 If asked substantially the same questions, 21 would your answers be substantially the same? 22 Yes, sir. 23 Are there any corrections or deletions that 24 you wish to make in that prefiled testimony?

Just that I now was or serve as town manager of Dundee and no longer serve, as I wrote in my 2 I testimony, as Assistant City Manager and Main Street Director for the City of Haines City. MR. METTLETON: Thank you, Mr. Chairman. We would ask that Mr. Baag's prefiled testimony be inserted into the record. COUNTS FIGURE DEASON: Without objection, it shall be so inserted.

1		Direct Testimony of
2		Ben Saag
3		On Behalf of The City of Haines City
4		Before the Florida Public Service Commission
5		February 21, 1997
6		
7	Q.	Please state your name, business name, address and title.
8	A.	My name is Ben Saag. I currently serve as Assistant to the City Manager/Main
9		Street Director for the City of Haines City, Florida. My address is 32 North 6th
10		Street, Haines City, Florida.
11		
12	Q.	Please describe your educational background and your business
13		experience.
14	A.	In 1990, I received a Bachelor of Arts degree from Indiana University in
15		Bloomington, Indiana. In 1993, I received a Master of Public Administration
16		degree from Northern Illinois University in DeKalb, Illinois. For the past six
17		years, I have been employed in municipal government. From 1991 to 1993, I
18		served as an Administrative Intern in the Village Manager's office in Hinsdale,
19		Illinois. From 1993 to 1994, I served as a Management Assistant in the County
20		Administrator's office in Scott County, Iowa. Since May, 1994, I have been
21		employed in my current position as Assistant to the City Manager/Main Street
22		Director with the City of Haines City, Florida.
23		
24	Q.	Please describe your role as a community leader in Haines City.
25	A.	As the Assistant to the City Manager/Main Street Director I have a great deal of

contact with the community. I specifically deal a tremendous amount with the local business community through my role as Main Street Director. I have daily contact with over 100 downtown merchants and business people, oversee the operation of the Main Street Board of Directors, serve on three Chamber of Commerce committees, and attend meetings of various boards, commissions, and civic clubs throughout the City on a regular basis.

Q.

Why is it appropriate that the Florida Public Service Commission be concerned with the provision of countywide extended area service for Haines City?

11 A. Having the daily contact with the local business community which I have, I see
12 the problems that many local business people have with conducting their
13 business under the current telephone system. Many smaller businesses depend
14 heavily on dealers and distributors who are located in the larger Polk County
15 communities of Bartow and Lakeland. Currently, if these smaller businesses
16 need to contact their distributors, they are forced to make a long distance phone
17 call or send a facsimile long distance to place an order or ask a question.

Further, many of the dealings which the Main Street program has are with other programs in Polk County. It is often times necessary for us to contact these programs or for these programs to reach us. Again, this currently requires a tong distance phone call or facsimile.

The Main Street office frequently receives visitors who need governmental services from county offices or the local phone or electric companies. Reaching all of these offices are long distance since the County offices are located in

1		Bartow, the phone company governmental liaison is located in Lakeland and the
2		electric company district supervisor is located in Sebring. Further, contact with
3		the main offices for the <u>Lakeland Ledger</u> and <u>Tampa Tribune</u> are both located
4		in Lakeland.
5		
6		One of the primary functions of the Main Street program is to recruit new
7		businesses and industry to the community. It is difficult to recruit new
8		businesses to downtown Haines City when a business can open in downtown
9		Winter Haven (10 minutes away) and be able to call all of Polk County without
10		a long distance charge being assessed.
11		
12	Q.	In what ways will the implementation of countywide extended area service
13		impact your business and community interest?
14	A .	Should extended area service be implemented, it would make recruiting
15		businesses and industry into the downtown Haines City area considerably
16		easier. It would offer a popular incentive that currently is not offered here, but
17		is offered in neighboring communities with similar demographics.
18		
19	Q.	In what ways do you foresee the implementation of countywide extended
20		area service impacting the economy of Haines City?
21	A.	As previously stated, I believe that the implementation of extended area service
22		into Haines City would greatly increase the economic vitality of the community.
23		I believe that more businesses and industry would consider locating in Haines
24		City and that the flux of new business and industry would create a "snowball"
25		type of growth on the smaller retail and service oriented businesses in the

1		downtown. The increased businesses and industry would add to Haines City's
2		economy directly by way of property and sales taxes. They would also add
3		indirectly by way of increased traffic through the area.
4		
5	Q.	Describe what you see as Haines City's growth potential with countywide
6		extended area service for local telephone usage.
7	A.	Haines City is by no means a land-locked community. Many annexation and
8		growth opportunities exist outside the city limits. The addition of extended area
9		service would add a tremendous incentive for these residents and businesses
10		to annex into the City. There is also room for growth within the City limits of
11		Haines City. This growth potential exists with both undeveloped and
12		underdeveloped property.
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Q (By Mr. Mettleton) Mr. Saag, would you like to summarize your testimony?

representing the 100-plus members of the Main Street organization whom I served as their director until last week, many of who are small business owners in the city of Haines City and immediately surrounding area; more specifically, many of whom operate in the downtown business district of Haines City which has, among other things, no highway access other than Highway 17/92 -- it has no access off the major through route of Haines City, T.S. 27.

Those business owners are handicapped by the fact that they have to pay long distance charges to call their customers, distributors in areas, specifically Bartow and Lakeland, where many of them do business.

You heard from one of our local business owners this morning, the owner of Lee Furniture, who told you about his situation. There are many others, many of whom operate much smaller businesses than Lee's furniture, that are handicapped by this regulation.

I also come before you, as I wrote in my testimony, as a citizen of the city of Haines City who

is handicapped personally by the fact that we have to pay long distance telephone charges. If we want to check and see what time a movie is playing in Lakeland, that's a long distance phone charge. If we want to see what time the county offices in Bartow are open until, that's a long distance phone charge.

from both a business and professional -from both a professional and personal standpoint, I
believe it's in the best interests of the city, of the
businesses and the residents of the city, to have the
extended area service that's been requested.

MR. METTLETON: Thank you.

COMMISSIONER DEASON: Questions?

ws. casumil: I've got just a couple of questions.

CROSS BIAMINATION

DY MS. CLEVELL:

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- g In your testimony I think you mentioned that you need to pey long distance charges to call county offices, the phone and electric companies, the Lakeland Ledger and the Tampa Tribune; is that right?
 - A That's correct.
- g But aren't there 800 numbers that you could use to call those --
 - The only one that I'm aware of that has an

soo number is the County Commission switchboard, and that puts you through to some offices located in a very centralized area. They cannot connect you to outlying offices such as the Clerk of Courts or such as other outlying recreation offices, things like that.

Power or GTE or, as I state in my testimony, the Lakeland Ledger and the Tampa Tribune, which are two of the larger daily circulated newspapers in this area that are both located outside of the local calling area.

- Q Have you ever looked in the phone book to see if there are 800 numbers for those businesses?
- A I have, indeed, for the Lakeland Ledger, the Tampa Tribune and Florida Power. I've never looked for GTE.
- Q Okay. I'd like to ask you something else about another statement you made in your testimony.
 - A Sure.

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- This is on Page 3. Lines 9 and 10 you state that Winter Haven is able to call all of Polk County without a long distance charge being assessed.
 - A I believe that to be true.
 - g Where did you get that information?

- 1	I
1	A I don't remember where I got the information
2	from. I believe it to be a true statement.
3	Q Would you be surprised to learn it's not
4	true?
5	A Yes, because I believe it to be true. If
6	it's not true, I'd be surprised; yeah. (Laughter)
7	MS. CASWELL: Okay. That's all I have.
8	Thank you have?
9	COMMISSIONER DEASON: Further questions?
10	Staff?
11	CROSS BIANINATION
12	BY MS. CULPEPPER:
13	Q Mr. Saag, we just have a couple questions.
14	Do you think that the need for countywide calling is
15	necessary primarily to access other businesses in the
16	county or to access government offices?
17	a I think ere you asking me from a business
18	perspective or personal? From my experience as Main
19	Street Director or from my experience as a resident of
20	Haines City?
21	Q How about from both perspectives.
22	a Prom a Main Street perspective, I think the
23	vaet mejority of our merchants would use the extended
24	area service to call other businesses. I don't know

25 how many of them have day-to-day contact with

governmental agencies outside of the area.

From a personal perspective, I think both are very important. I have made several calls long distance from my home to both businesses and governmental agencies outside of the area. I wish they had 800 numbers.

If you know of any, since I was surprised by your lest statement, I'd like to know if you know of any of those 800 numbers, because I'd be glad to use them all; save some money.

- g Well, I'd also like to ask you to prioritise --
 - Lakeland and Bartow.
 - Q Thank you.

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You can pick from the other ones as a third, but Lakeland and Bartow are the two biggest.

MS. CULPEPPER: Thank you.

commissions pracon: I have a question. Is it your testimony that Florida Power cannot be called on a toll free business --

here. Their district office right now is located in Sebring. They have regional offices in Lakeland and Lake Wales, but in order to get anything other than your power turned on, turned off, if you want to one

of the executives, who many businesses have contact with the local regional manager who used to be located in the Lake Wales office, is now located outside of the local calling area. When he was in Lake Wales, it wasn't that big a problem. You could pick up the phone and you could call Lake Wales. But now that they've moved that region outside -- they've expanded the region and moved it outside -- you can no longer call one of the regional managers or regional offices. You can only call the local electric company, which is located here in Haines City, if you need your power turned on or turned off. But if you need to call John Marts, who happens to be our regional manager, you have to make a long distance phone call to do that.

COMMISSIONER KIESLING: Well, I can tell you I'm a Florida Power customer, too, up in Monticello, Florida, and they have one number for the whole state.

witness sald: Do you get a busy signal a lot? (Laughter.)

COMMISSIONER EIESLING: Yes.

that number and gotten someone in Winter Haven to try
to solve my electric problem in Monticello. And I
have had experiences -- since you brought up Florida
Power, I've had personal experience with Florida Power

- 1	1
1	where you try and call their office and they cannot
2	connect you to their offices outside of this area.
3	Instead, they give you a number, a long distance phone
4	number that you need to call to take care of your
5	problem. They don't give you an 800 number. They
6	give you a long distance phone number to call to take
7	care of your problem.
8	commissioner prason: Florida Power is kind
9	of a touchy subject these days anyway.
10	WITHESS SAAG: So is GTE, but there's none
11	of you asking me questions about that. (Laughter)
12	COMMISSIONER DEASON: Any further questions?
13	(No response.) Thank you, sir.
14	(Witness Saag excused.)
15	MR. METTLETON: Walter Storm.
16	
17	WALTER STORMS
18	was called as a witness on behalf of Haines City and,
19	having been duly sworn, testified as follows:
20	DIRECT REARINATION
21	BY MR. METTLETON:
22	o Please state your name, sir.
23	A Walter W. Storms. There's an "S" on both
24	ends.
25	a and Mr. Storms, what is your occupation or

- 1	1
1	business affiliation?
2	a I'm the director of Polk County Elderly
3	Services.
4	Q For?
5	A For the Board of County Commissioners for
6	Polk County.
7	Q And did you prefile testimony in this
8	docket, sir?
9	A Yes, I did.
10	Q And if you were asked the same questions,
11	would your answers be substantially the same?
12	a Perhaps a little enhanced, but the same.
13	Q Are there any corrections or deletions that
14	you would like to make with regard to that testimony?
15	A Just under the one area with all the math
16	questions. I do not have a degree in mathematics.
17	It's a degree in marketing, and that is incorrect on
18	there.
19	Q All right, sir.
20	MR. METELETON: With that correction, then,
21	Mr. Chairman, we would ask that the prefiled testimony
22	of Mr. Storms be inserted into the record.
23	CONCESSIONER DEASON: Without objection, it
24	shall be so inserted.

1		Direct Testimony of
2		Walter W. Storms
3		On Behalf of The City of Halnes City
4		Before the Florida Public Service Commission
5		February 21, 1997
6		
7	Q.	Please state your name, business name, address and title.
8	A.	Walter W. Storms, 1290 Golfview Drive; Post Office Box 9005, Drawer HS07,
9		Bartow, Florida; Director - Elderly Service Division, Polk County Board of
10		County Commissioners.
11		
12	Q.	Please describe your aducational background and your business
13		experience.
14	A.	Bachelor's Degree in Mathematics and Accounting
15		28 Years Public Service
16		Chief Fiscal Officer in Public sector and Division of Elderly Services.
17		
18	Q.	Please describe your role as a community leader in Haines City.
19	A.	My role not only as a Community Leader in Haines City, but throughout ell of
20		Polk County is very instrumental in working closely with the City of Haines
21		City, businesses, Chamber of Commerce, service agencies, and religious
22		organizations in forming partnerships to better serve the needs of frail,
23		elderly clients and preventing premature institutionalization.
24		
25	Q.	Why is it appropriate that the Florida Public Service Commission be

1		concerned with the provision of countywide extended area service for
2		Haines City?
3	A.	Frail elderly low to moderate income clients in the Haines City area pay a
4		premium to access services throughout Polk County.
5		
6	Q.	In what ways will the implementation of countywide extended area
7		service Impact your business and community interest?
8	A.	Polk County Elderly Services not only provides in-home services to frail,
9		elderly clients in Haines City, but also maintains two nutrition sites and one
10		adult day care center. The cost saved through an extended area service
11		would be used to serve additional clients in Haines City.
12		
13	Q.	In what ways do you foresee the implementation of the countywide
14		extended area service impacting the economy of Haines City?
15		
16	A.	Encourage more businesses to expand and relocate in the area.
17		
8	Q.	Describe what you see as Haines City's growth potential with the
9		countywide extended area service for local telephone usage.
20	A.	Significant.
21		
2	Q.	Please describe any additional factors which you believe the Florida
3		Public Service Commission should consider with regard to Haines
4		City's application.
5	A.	Give favorable consideration in the request, considering Polk County is the

1	fourth largest county geographically, wherein many of the services needed by
2	our citizens are located in other Polk County towns outside the Haines City
3	calling area.
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- Q (By Mr. Mettleton) Mr. Storms, would you like to summarise your testimony?
 - A Yes, I would.

- Q All right. Please do.
- that in Polk County that 23.4% of the elderly -- of the citisens of Polk County are 60-plus years old, and of those people who are 60-plus years old, most of those are on a fixed income, and of those that are 60-plus years old, about 22% of those are low to moderate income; and those are the people who are being hurt the worst by the telephone bills that they have to pay.

And the reason I state that is because if you're a frail, elderly person, your best friend is the telephone, because you are usually homebound or semi homebound, and you need to make those calls to be in contact with the outside world. You also need those phone calls to be in contact with services that you need for any kind of an in-home service that you may need.

Most of those services either originate in Bartow or in Lakeland. And for every \$2.50 that can be saved by anyone, that's a meal I can provide to someone. For every \$10.00 I can provide a shower to

would like to see come back into this community and provide services to the frail and elderly in Polk County.

COMMISSIONER DEASON: Questions?

NO. CASUALL: No questions.

COMMISSIONER DEASON: Staff?

CROSS EXAMINATION

BY MS. CULPEPPER:

- Q Mr. Storms, in your role as a community leader, do you think that the residents are willing to pay extra to call all of Polk County toll free?
- I'm disturbed by saying "paying extra," because if I have a \$20.00 phone bill and we go do an expanded wide area and my phone bill is only \$17.00, then I don't understand where "extra" is. So I don't believe they're willing to pay extra. They're willing to pay less, however you want to phrase that.
- Q Okay. I'd also like to ask you to prioritize the exchanges that you think are most important.
- Based on the clientels that I serve, I con't think that they should be placed ir a position to have

to prioritise, because the services they need are very important to them wherever they come from. If I were forced to do that, from my personal point of view it 3 would have to be Bartow and Lakeland. Ms. CULPEPPER: Thank you. 5 COUNTSSIONER DEASON: Thank you, sir. 6 WITHESS STORMS: Thank you. 7 (Witness Storms excused.) 8 MR. METTLETOM: Thomas Wheeler. 9 10 THOMAS WHEELER 11 was called as a witness on behalf of Haines City and, 12 having been duly sworn, testified as follows: 13 DIRECT BEAMINATION 14 BY MR. METTLETON: Please state your name, sir. 16 Richard Thomas Wheeler. 17 And your affiliation? 18 I am the Chief of Police for the City of 19 Haines City. 20 And did you prefile testimony in this 21 docket, mir? 22 Yes, I did. 23 If you were asked the same questions, would 24 your answers be substantially the same?

1	A Yes.
2	Q Are there any corrections or deletions that
3	you wish to make in that testimony at this time?
4	A Mone.
5	MR. METTLETON: Sir, then I would ask that
6	the prefiled testimony of this witness Mr. Wheeler, be
7	inserted into the record.
8	COMMISSIONER DEASON: Without objection, it
9	shall be so inserted.
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1		Direct Testimony of
2		Richard Thomas Wheeler
3		On Behalf of The City of Haines City
4		Before the Florida Public Service Commission
5		February 21, 1997
6		
7	Q.	Please state your name, business name, address and title.
8	A	My name is Richard Thomas Wheeler. I am Chief of Police for the City of
9		Haines City. My business address is 502 Hinson Avenue, Haines City,
10		Florida.
11		
12	Q.	Please describe your educational background and your business
13		experience.
14	A.	My educational background consists of a Masters and Bachelors Degrees in
15		Criminal Justice, an Associates of Art Degree in Police Science. I am a
16		graduate of the FBI National Academy. My background in business involves
17		over thirty years as a law enforcement officer in Polk County and seven years
18		as a Chief Investigator for both the Public Defender's Office and the State
19		Attorney's Office with responsibilities for the oversight of criminal
20		investigations in the Tenth Judicial Circuit consisting of Polk, Highlands and
21		Hardee Counties. I have served as Chief of Police for two of the larger cities
22		in Polk County for approximately ten years.
23		
24	Q.	Piease describe your role as a community leader in Haines City.
25	A.	My involvement in the community consists of President of the Polk County

College Alumni Association; Vice President of the Heart of Florida Optimist Club; served for three years as a youth motivator for Eastside Elementary School; and a member of the Quality Improvement Councils for Eastside Elementary School, Boone Middle School, and Haines City High School. I am a Past President of the Polk County Police Chief's Association and am currently serving on its Board of Directors. I am also a board member of the Tampa Bay Chiefs Association. I spend a great deal of my time speaking to service and civic clubs, churches, youth groups, etc. I presently serve on a number of committees relating specificelly to the Criminal Justice System and Juvenile Justice System.

Q. Why is it appropriate that the Florida Put its Service Commission be concerned with the provision of countywide extended area service for Haines City?

A.

I believe the Florida Public Service Commission should be concerned with the need to extend service for Haines City for several reasons, among which is the mere fact that Polk County is over 2,000 square miles and Haines City is located in the uppermost northeast corner of the county.

A.

Q. in what ways will the implementation of countywide extended area service impact your business and community interest?

Law enforcement services are impacted greatly because criminals have no boundaries. This necessitates constant communications between law enforcement agencies within the county. It is the fastest form of relaying intelligence information from agency to agency and many times will require

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tenathy conversations between investigators. Due to the present restriction on telephone service and the requirements for an officer to justify his or her long distance calls, not having extended area service often hempers the sharing of necessary information.

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in what ways do you foresee the implementation of countywide Q. 7 extended area service impacting the economy of Haines City?

Q A. Projections for growth in this northeast corner for the next ten years indicate we are in the fastest growing area in the county and perhaps the state. With 10 growth comes the need to improve and enhance not only the area's 11 infrastructure but desirability for new business to locate here in the Haines 12 City area because we have enticements that will promote and draw business 13

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to them.

Describe what you see as Hainee City's growth potential with the 16 Q. extended area service for local telephone usage.

Extended telephone service is a tremendous drawing card. Businesses know A. up front that if over fifty percent of their telephone business in the county will require long distance charges, they will have second thoughts about relocating their business, thus, having a tremendous economic impact.

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Please describe any additional factors which you believe the Florida Q. Public Service Commission should consider with regard to Haines City's application.

1		
2	A.	I believe that if the Florida Public Service Commission will grant the extended
3		service area to include all of Polk County, it would cause a greater sharing of
4		information between agencies in dealing with criminals. The simple equation
5		of becoming more effective and efficient will decrease crimes committed.
6		This will cause a decrease in the costs associated with law enforcement
7		efforts which will decrease the crime rate which, in turn, will be an
8		encouragement for people to locate in the Haines City area.
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Q (By Mr. Wettleton) Mr. Wheeler, would you like to summarize your testimony?

A Yes, I would. I am not a new kid on the block here in Polk County. I grew up here and I've been a resident of Polk County for 54 years.

The last 33 of those, I have been in law enforcement. I served as the police chief in Winter Haven for a number of years, and I didn't have the problem that I have since I've become Chief of Police here in Haines City, because I had the capability for my investigators to call all the other agencies, with the exception of maybe one.

I don't have that capability here in Haines
City for my investigators to pick up the phone and
talk to an investigator in Lakeland, in Fort Meade, in
Mulberry, in Prostproof about a particular case.

I will tell you that we do not have the cepability of picking up the telephone and talking to a witness or a victim that lives in another part of the county. And that kind of summarizes the fact that communications is very, very critical to those of us who are in this business. And in having this added capability, it would greatly enhance our capabilities to investigate crimes, therefore making, I think, this area a much safer community for our citizens and for

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1	the people who come from other areas into Haines City.
2	COMMISSIONER DEASON: Questions?
3	MS. CASWELL: No questions.
4	COMMISSIONER DEASON: Staff?
5	Ms. CULPEPPER: No questions.
6	COMMISSIONER DEASON: Thank you, sir.
7	(Witness Wheeler excused.)
8	MR. METTLETON: Ann Toney Deal.
9	
10	ELISABETE ANN TONET DEAL
11	was called as a witness on behalf of Haines City and,
12	having been duly sworn, testified as follows:
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13	DIRECT SYMMETRATION
13 14	DIRECT EXAMINATION BY MR. METTLETON:
14	BY MR. METPLETON:
14 15	BY MR. METTLETON: Q Please state your new name.
14 15 16	O Please state your new name. A My new name, for the record, is Elizabeth
14 15 16 17	O Please state your new name. A My new name, for the record, is Elizabeth Ann Toney Deal.
14 15 16 17	Q Please state your new name. A My new name, for the record, is Elizabeth Ann Toney Deal. Q And what is your affiliation?
14 15 16 17 18 19	Q Please state your new name. A My new name, for the record, is Elizabeth Ann Toney Deal. Q And what is your affiliation? A I am City Manager for the City of Haines
14 15 16 17 18	Q Please state your new name. A My new name, for the record, is Elizabeth Ann Toney Deal. Q And what is your affiliation? A I am City Manager for the City of Haines City.
14 15 16 17 18 19 20	Q Please state your new name. A My new name, for the record, is Elizabeth Ann Toney Deal. Q And what is your affiliation? A I am City Manager for the City of Haines City. Q Did you prefile testimony in this docket?
14 15 16 17 18 19 20	Q Please state your new name. A My new name, for the record, is Elizabeth Ann Toney Deal. Q And what is your affiliation? A I am City Manager for the City of Haines City. Q Did you prefile testimony in this docket? A Yes, I did.

1	Q Are there any corrections or deletions to
2	that prefiled testimony that you would wish to make at
3	this time?
4	A Only the change of my name.
5	MR. METTLETON: I would then ask that the
6	prefiled testimony of this witness be inserted into
7	the record as if read in full.
8	commessioner prason: Without objection, it
9	shall be so inserted.
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1		Direct Testimony of
2		Elizabeth Ann Toney / -
3		On Behalf of The City of Haines City
4		Before the Florida Public Service Commission
5		February 21, 1997
6		
7	Q.	Please state your name, business name, address and title.
8	A.	I am Elizabeth Ann Toney. I am City Manager of the City of Haines City. Our
9		business address is 501 Hinson Avenue.
10		
11	Q.	Please describe your educational background and your business
12		experience.
13	A .	My educational background consists of an Associates of Art Degree from
14		Polk Community College, a Bachelors of Art Degree in Political Science from
15		the University of Florida, and a Masters of Art Degree in Political
16		Science/Public Administration from the University of Florida. My business
17		experience includes a management internship with the City of West Palm
18		Beach, and serving the City of Boynton Beach as Assistant to the City
19		Manager and then es Assistant City Manager and as Interim City Manager for
20		a period of time. I served as Deputy City Manager for the City of North Miami
21		Beach. I am currently the City Manager with the City of Haines City, a
22		position which I have held for approximately five years.
23		
24	Q.	Please describe your role as a community leader in Haines City.
25	A.	As City Manager I am in charge of the City's 160-plus employees. We are a

full service city providing services for recreation, tibrary, public works, water, wastewater, police, fire, parks, etc. Also in our community, I am active on various committees in the Chamber of Commerce and have served as Chairman of the Governmental Affairs Committee on three separate occasions. I am also a member of the Central Florida Economic Development Council and am Chairman of the Polk County City and County Management Association. I am active in the American Legion Auxiliary at both the local and the state level. I also serve my church as a niember of the Pastor-Parish Committee; and for two years prior to this, I have served as Stewardship Chairman.

Q.

Why is it appropriate that the Florida Public Service Commission be concerned with the provision of countywide extended area service for Haines City?

A. Countywide extended area service or extended calling service is very important for the City of Haines City for a variety of reasons. Haines City clearly has numerous "communities of interest" with other parts of the county and we have a significant barrier due to our inability to make local telephone calls to other parts of the county. I would like to first note that Haines City is the fourth largest city, based on population, out of the seventeen municipalities in Polk County. Haines City is also statistically the fastest growing area of Polk County. Therefore, the communities of interest not only exist but will continue to intensify in their importance over the coming years. The first item I would like to note is that Bartow is the county seat of Polk County. Located within Bartow is the County Administration Building, the

Polk County Courthouse, the Polk County School Board Offices, the Polk County Sheriff's Main Office, and the main office of all Polk County Constitutional officers. In order for the citizens of this City to cell Bartow, they must use long distance service. This circumstance is somewhat unfair and isolates this very large part of Polk County from what is the governmental nucleus of Polk County. Also because Bartow is the county seat and houses the County Administration Building, the Polk County Courthouse, the Polk County School Board, the Polk County Sheriff's Main Office, and the main office of all Polk County Constitutional officers, many residents from Haines City commute to Bartow to work. In this scenario, in order to place a call to or from one's office to or from Haines City would also require a long distance telephone cell.

The City of Lakeland which is the lergest city, based on population, in Polk County has many doctors offices, a regional hospital, and a major medical clinic. Due to the dynamics of Haines City and the greater Haines City area population, many medicel related activities transpire. One item I would like to specifically note is that Haines City does not have a dialysis center and residents of Haines City requiring this treatment have driven to Lakeland to the Watson Clinic in order to raceive kidney dilation in order to extend their quality of life. In order to call to make an appointment, to change an appointment or for an inquiry relative to treatment would require said residents to make a long distance telephone cell.

From an economic standpoint Lakeland is a major employment and

Farms, etc. In the Lakeland area are many employment opportunities for Haines City area residents, and access to Lakeland is very easy due to Haines City's location on 17-92 and its easy access to Interstate 4, both of which are direct routes to the City of Lakeland. Also from an economic standpoint, our City's businesses order stock and supplies from major companies located in Lakeland. Therefore, from both an employment and a business prospective, long distance calls are required of the business community in Haines City.

В

Lakeland is also the home of Florida Southern College, which provides our residents with higher education opportunities. Florida Southern College is the largest college in Polk County; and in order to call to gain information relative to registration or activities related to Florida Southern College athletics or performing arts series, residents from this area must place a long distance call.

The Lakeland Center located within the corporate limits of the City of Lakeland is the most culturally significant facility for cultural and entertainment opportunities in Polk County. In order to make inquiries or reservations would require residents of the Haines City area to make a long distance telephone call. The Lakeland Center continues to be a major focus of the Polk County Tourist Development Council as a major asset to our County and its dynamics. The Lakeland Center is a recipient of a high percentage of the Tourist Development tex dollars. Ironically the area of the

county generating the largest percentage of the Tourist Development tax dollars is the northeast part of the county, a/k/a the greater Haines City area. It is truly a statement by the Tourist Development Council to the residents of Polk County that the Lakeland Center is the focal cultural and entertainment point in Polk County based on its decision to allocate a large share of funds for that facility.

It should also be noted that the Polk County Museum of Art is located in Lakeland. The museum is sponsored by private and governmental donations from throughout Polk County. A Haines City resident would have to make a long distance call to make an inquiry relative to hours of operation, exhibits, etc.

One of Haines City's two oldest and significant industries is citrus and trucking. Haines City is home to the Haines City Citrus Growers Associations (HCCGA), the largest citrus co-op in the state of Florida. Because of the number of citrus owner's serviced and represented by HCCGA there are constant countywide telephone requirements.

Secondly, Haines City is known nationwide as a trucking center. Products from throughout the county, state, and nation are brokered out of offices located in Haines City. You will note that when traveling throughout Florida, signs refer to the number of miles to Haines City. The reason for this is the significance of the trucking industry in Haines City. Unfortunately, trucking brokers and drivers in Haines City and Polk County in general are put to an

1	economic disadvantage within their own county due to the fact that they are
2	unable to make local calls throughout Polk County.
3	
4	The trucking industry is a communications driven industry and the inability for
5	a trucker in Frostproof, Mulberry, Fort Meade, Bartow, Polk City and
6	Lakeland to call his broker in Haines City is not only inconvenient but it
7	economically affects his/her business.
8	
9	I would also note that the Florida Department of Transportation (FDOT) now
10	has right-of-way acquisition monies in the FDOT work program to purchase
11	land so U.S. 27 can be widened to six (6) lanes. Now, and even more so in
12	the futura, U.S. 27 will naturally link Frostproof to Haines City.
13	
14	Additionally, one of Haines City's strongest assets is its location. We
15	contend that "all roads lead to Haines City" Because of the State highway
16	system, despite its location on the other side of the county, people do travel
17	between Fort Meade and Haines City for employment and shopping. Both of
18	these activities are conducive to the need for telephone contact. In
19	particular, I find it of interest that the Assistant Principle of Fort Meade Middle
20	School is a Haines City resident.
21	
22	Another important link between the schools of Polk County is high school
23	athletics. Both Bartow High School and Mulberry High School are two of our
24	biggest rivals. Athletic events certainly do not end with football season and
25	involve both girt and boy participants. School to school ceres, parent to

1		parent calls, and friend to friend calls are quelled due to a countywide
2		communication barrier known as long distance telephone calls.
3		
4		It is also interesting to note that the General Telephone Electronics (GTE)
5		Governmental Liaison for the Haines City area is located in Lakeland. To
6		contact him by telephone would require a resident of this area to call long
7		distance or to call collect.
8		
9	Q.	In what ways will the implementation of countywide extended area
10		service impact your business and community interest?
11	A	It is my opinion as City Manager that an extended area or calling service
12		opportunity for the citizens of Haines City would certainly diversify our
13		opportunity to compete with neighborin, cities in attracting not only larger
14		businesses but also smaller businesses. This is important in diversifying the
15		business community. Given an opportunity a business will locate in an area
16		where telephone access to more of the county is prevalent. Contact with
17		possible customers and suppliers is facilitated by having the ability to make a
18		local call.
19		
20	Q.	In what ways do you foresee the implementation of countywide
21		extended area service impacting the economy of Haines City?
22	A	Without question this will become an economic development selling point for
23		the Haines City area. For so long government representatives from Haines

City have heard criticisms that Haines City is difficult to access by telephone,

and the irony is that it is easy to access by major roadways, yet difficult in the

1		quickest way of communication which is by telephone. We would be able to
2		encourage economic exchanges by allowing persons in other parts of the
3		county to call the businesses in Haines City for cost comparisons and
4		business information more easily.
5		
6	Q.	Describe what you see as Haines City's growth potential with
7		countywide extended area service for local telephone usage.
8	A.	With or without the extended area or extended calling service, the City of
9		Haines City will continue to grow. However, the quality of this growth will be
10		greatly enhanced by greater communication opportunities. It is true in any
11		business as well as in government that the ability to interact at various levels
12		is most important. The consumer to interact with a business, the business to
13		interact with a supplier, and governments to interact with each other. In
14		those cases, Haines City has been denied that economic opportunity for the
15		most important exchange areas in Polk County.
16		
17	Q.	Please describe any additional factors which you believe the Florida
18		Public Service Commission should consider with regard to Haines
19		City's application.
20	A.	I believe the Public Service Commission should consider the growth of
21		Haines City and how much the potential growth could be accelerated by the
22		addition of extended area or extended calling service to the greater Haines
23		City area. It also should be noted that Haines City has tremendous economic

locating in this area not only help Haines City, but Polk County as well as the

development opportunities. Accordingly, such industries and citizens

State of Florida.

From an educational standpoint, it is disturbing to think that a student from Heines City who wishes to attend a county-wide Magnet School in Lakeland, such as Hamson Center for the Performing Arts, would be unable to make a local call to the school for any reason. Truly, the lack of extended area or extended calling service has been a barrier to the City of Haines City for economic, cultural, entertainment, and medical as well as information exchange at the governmental level.

Also, the availability for countywide EAS will allow our residents to solicit a larger number of medical specialists and to have "local" access to more medical facilities for health care.

One item that I feel is especially important to emphasize is that the GTE figures on the telephone traffic between Haines City and other Polk County cities is not a true representation of ACTUAL traffic flow. There are numerous businesses and non-profit agencies that have opted to purchase the services of a toil-free line in order for the long-distance issue to be partially addressed. As a result, it is ultimately the consumer or taxpayer who compensates this expense. Furthermore, not everyone chooses GTE as their long distance carrier. Other providers for placement of long distance calls are utilized. Additionally, more and more people are utilizing their cellular telephones to make telephone calls thet would otherwise be local. The cost of a cellular call is less than placing the cell to or from Haines City

1	and be assessed a long distance charge. Unless the above-mentioned
2	situations are considered and factored in, a TRUE picture of the traffic flow to
3	and from Haines City is at best incomplete and certainly not reliable.
4	
5	The bottom line is that businesses and residents in the fourth largest city in
6	Polk County cannot place a "local" call to the County Seat (Bartow).
7	Furthermore, the existing economic stress caused by the Haines City
8	business community's inability to communicate county-wide will continue to
9	increase with each passing month. The further enhancement of this
10	condition comes with the creation of magnet schools, and with the increasing
11	focus on the cultural arts in the Lakeland area with the Lakeland Center, the
12	fine arts series at Florida Southern College, and the Polk County Museum of
13	Art. With the compilation of each item discussed in my testimony, imagine
14	each item representing a brick. When all are gathered together a "wall" is
15	constructed that keeps the residents from Haines City from having free
16	flowing communication opportunities relative to county-wide events and
17	activities, educational and medical options, and from having contact with the
18	governmental and social servica agencies of Polk County.
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(By Mr. Mettleton) And would you like to 1 | Q summarise your testimony for the Commission? 2 Yes, sir, I would. 3 Please do. 4 As City Manager of Haines City I have 5 various roles, as are indicated in my testimony. 6 the record, I serve as chairman of the Polk County 7 City Managers Association. I am a board member of the Central Florida Economic Development Council, and in my civic activities, I am a member of the American 10 Legion Auxiliary and serve the state in various 11 capacities, in particular, chairman of the Girls State 12 13 program. I have a career history in South Florida as 14 being assistant to the City Manager and Assistant City 15 Manager for the City of Boynton Beach; worked for the City of West Palm Beach, and deputy City Manager of 17 18 North Miami Beach. I have lived in various phone calling 19 20

I have lived in various phone calling districts with various options and, as evidenced in my testimony, see many impediments to the current system we have with GTE in the Haines City area at this time.

We have numerous communities of interest that far exceed just convenience. It is economic. It is contact with governmental agencies. It is contact

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with medical facilities and educational facilities, as well as outtural type facilities.

Haines City, the Ridge area as we refer to it, as has been mentioned earlier, is often isolated because of our inability to communicate freely with other areas in so many avenues.

For example, our county seat is Bartow, and testimony indicated earlier there is a 1-800 number. The number is often busy. It is only manned until 5:00 p.m., if you are lucky, and as most of us know who work in government, our issues don't just happen at 5:00 or prior to 5:00.

We have a total inability to contact the school board offices, and we have numerous elementary schools, two middle schools and a high school here in Haines City. We have intergovernmental relations with our schools in order to save our tempayers dollars for joint use of city school facilities —— city facilities and school facilities. We shere gyms, ball fields, meeting rooms, et cetera.

We have a summer recreational program where we use school buses to -- and we lesse school buses from the County to transport our students at three different sites. They're all school sites. We have a year-round constant contact with various schools in

our community, and need to contact our school board, which would dictate us accessing through long distance.

There are also constitutional offices in Bartow. There are some branch locations, and having recently filed for a marriage license, there are certain offices that you can get through to sooner than others.

Manager, I've seen that come up more and more. In particular in my testimony, I indicated a dialysis center. Most of the people that I'm aware of in Haines City who are currently undergoing dialysis do travel to Watson Clinic; and we don't think that much about having that opportunity until we need it or until our family needs it. And it happens that I have a city employee whose family member is traveling to Lakeland on a regular basis and is calling and scheduling appointments and making long distance calls back and forth.

Education is another issue that's not been mentioned today, other than the school board. We're very proud in Polk County to be the home of Florida Southern College. Frank Lloyd Wright designed a facility that many students from this area attend; and

also there is a lot of interaction between the school and various communities with governmental projects, at cetera.

Lakeland is also the campus of Polk

Community College branch as well as the University of
South Florida. There are a lot of commuters because
the University of South Florida campus is geared
toward those persons who are working and are attending
classes predominantly in the evenings. Many of these
people have families, and calls are needed to be made
back and forth.

The Lakeland Center is the focus of Polk

County's -- I don't want to say cultural, but I'll say
entertainment activities. The Tourist Development

Council of the county has dedicated numerous funds to
the expansion of this center and it's one of the
largest centers of its type now in Florida.

Many of us in this room have spoken today -in fact, just yesterday I was at a program at the
Lakeland Center, and for me to call the Lakeland
Center, it is a long distance number for us to inquire
about activities or for us to have a municipal
liaison.

Also in Lakeland is the Polk County Museum of Art. It is the only museum of its type in Polk

County, and it is long distance for our residents to inquire about exhibits, opening times or to make any contributions that we would.

Haines City has things unique about our community. We are considered a trucking center, and when I was in South Florida it made me feel good -- because I grew up in Polk City -- to look at road signs and I'd see Haines City, but I never knew why Haines City was on the signs until I moved here. But because this is considered a major trucking hub, many signs along especially the 27 route do indicate the number of miles to Haines City.

so as Mr. DeGennaro indicated, this may be the center of the universe because that's where all the truckers come to.

With trucking comes brokering that is a highly intensive telephone usage, and the brokers of this community certainly would be better suited if they were able to call fellow brokers in the Auburndale/Lakeland/Frostproof/Mulberry, et cetera eress in this county.

We also are the home of the Haines City
Citrus Grovers Association. They are a citrus co-op.
They have clients throughout the state, but especially
throughout Polk City because of the intense citrus

industry in our entire county.

I would like to add also, somewhat tongue in cheek, that to call our GTE government liaison is a long distance call; and when I did bring this to his attention he said I could call him collect. So I do want to acknowledge that there were not any 800 numbers available for our governmental liaison in Lakeland.

Commission, as I've indicated in my testimony, would be well -- or serve our citizens well in looking at the possibility of giving our citizens an opportunity to have flat rate or the 25-cent rate calling. It is something that I, as City Manager, have heard asked of me for the over five years that I've been in this community. Why can we not call other cities in Polk City, and why do we have to be assessed the long distance calls?

So at this time I would yield to any questions, and I appreciate your favorable consideration of Haines City's request.

COMMISSIONER DEASON: Questions?

MS. CASUMLL: I do have some questions.

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CROSS EXAMINATION

BY MG. CASWELL:

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- Q I want to make sure I heard you correctly.
 In your summary I think you've asked the Commission to order either flat rate calling or the 25-cent ECS plan; is that true?
- a It was our understanding early in the process that should, for some reason, the ballot fail for a flat rata, that in lieu of that, our citizens be given the opportunity of the 25-cent calling.
- Q Okay. And if EAS is not eventually ordered, the flat rata EAS, do you have a preference as to the 25-cent per call plan and a 70% reduction in the toll rates that you pay now?
- a Not having been privy to that information to do an analysis of the cost difference, I would not be situated to answer that question.
- o In your summary I think you were also critical of the 1-800 number for the Bartow county offices because you couldn't reach them after 5:00; is that right?
 - A That is correct.
- Q And do you think if your calling scope were extended so that thet was now a local call, that the staffing hours of the county offices would change so

that you could reach someone after 5:00?

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A Absolutely. Because in lieu of calling the 800 number, I do dial their direct numbers. I find that my colleagues in the City Administrator's office, the department heads, specifically Charles Sadler, Darrell Gunn, Jim Keene — he was administrative services director, now the County Administrate — J. R. Roden, they all work the same hours I do, and oftentimes get more work done after 5:00. And I believe that the inward dialing capability without resorting to the dialing the long distance call would benefit me tremendously.

Q I'd like to talk a little bit about Haines City as a nationwide trucking center. Do you know what percentage of the brokerage activity is wholly within Polk County?

a No. I do not have that information available to --

Q Do you think most of the brokerage occurs outside of Haines City because it's a nationwide center?

A The actual brokerage -- because calls are dictated within, because we do carry a lot of produce -- whether there's a 50/50 split, I do not know.

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1	Q Okay. On Page 9 of your testimony, Line 25,
2	you state that the cost of a cellular call is less
3	than placing a call to or from Haines City and be
4	assessed a long distance charge. Do you know what per
5	minute usage is on a similar call?
6	a Pardon me. I could not hear your last
7	question.
8	Q I'm morry. Do you know what per minute
9	usage is on a cellular call?
10	a Do I know what per minute
11	Q Yeah, because
12	A I don't understand your
13	Q And what I'm referring to I'm sorry if
14	you didn't hear me is Page 9, Line 25. I think you
15	indicate that the cost of a cellular call is less than
16	if you called using the land line telephone.
17	A That's true.
18	Q From Haines City. And do you know what the
19	per minuta charge for a cellular call would be?
20	A Now I understand your question. That
21	fluctuates tremendously. For example, one of our
22	cellular phones is unlimited weekend calling,
23	therefore, is saro, and that's the per minute call on

24 the weekend. Therefore, it's much cheaper to do that

25 than it would be to use the toll lines, and it depends

on time of day, it depends on whether your carrier is Call One, GTE, BellSouth. Whoever is providing your long distance service, it varies, and this is just a 3 observation on some of the phone bills that I have looked at where the rates would be different. And 5 especially if you utilize your cell phones on the 6 weekend, it's just like having local calling, because 7 you don't pay a fee if you're on the plan where you don't pay that fee. You pay a flat rate, and then 9 10 that's it. Okay. Leaving out the weekend, do you know 11 what the peak and off-peak rates are? 12 I cannot speak for every company who 13 provides services --14 15 Okay. -- offhand. 16 Do you have a range in mind? 17 I would not venture to give that. 18 Do you pay, also, a monthly charge for 19 similar service? 20

A That is --

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- Q Flat rate charge.
- A -- correct --
- g Do you know what the range of those charges might be?

- 1	1
1	A It varies. Approximately \$40.00 is probably
2	the basic rate.
3	Q Okay. Do you know what the average toll
4	rate is to or from Haines City that you're referring
5	to here?
6	a I couldn't tell you what the average is of
7	all the companies
8	MS. CASWELL: Okay. Thank you. That's all
9	I have.
10	CONNESSIONER DEASON: Staff?
11	CROSS BEAMINATION
12	BY MS. CULPEPPER:
13	Q In your role as City Manager of Haines City
14	do you think that the residents and the businesses
15	would be willing to pay extra to have toll free
16	calling in Polk County?
17	A I can only speak to that at two levels, as
_	what I had heard prior to the hearing and what I've
	heard today. Prior to the hearing, the business
19	
20	community and the residents have spoken enough that it
21	was the impetus for our City commissioners to ask that
22	this be done. And then at the hearing today, not
23	knowing what the residents would say, I would have to
24	say based on the hearing and based on the citizens

25 | that have called me, I have not had one telephone call

or one citizen comment that disagreed with what is being proposed.

g We've heard a lot today about the medical facilities in Lakeland. Does Haines City have its own medical facilities?

wery proud. In fact, we do have a hospital and we also have a lot of doctors' offices. However, there are specialties that we are endeavoring to attract to this area. Some of the doctors, in fact, that practice here have dual practices where they may be in Lakeland X number of days and Haines City X number of days, and their appointments are made out of the Lakeland office.

so I believe -- you know, I can't speak, because I'm very fortunate that I go to a local doctor and I don't have reason to go very often. Recently I had to schedule an appointment with a doctor in Bartow because that -- his office hours, the only time I could get in to see him was to go to Partow, therefore a long distance cell.

put Lakeland Medical Center right now is the one most recognized for doing open heart surgery and the kidney dialysis associated with the Watson Clinic. But I don't want to take anything away from our

business community and our medical community here in that we are growing, we are attracting -- that some of 2 the doctors that practice here also have dual 3 practices in other areas of the county and outside of 5 the county. Do you know that if EAS is approved, the additive will apply to all Heines City customers and 7 not just those who voted in favor of it? 8 Yes. I do. 9 WITHESS DEAL: And, also, if it's 10 permissible, Mr. Chairman, could I ask for a 11 clerification on that question? 12 COMMISSIONER DEASON: Cortainly. 13 WITHERS DEAL: The additive you speak of, 14 would you explain the breakdown and how long that 15 would apply? 16 COUNTSSIONER DEASON: Ms. Shelfer. 17 MS. SINTAPER: Historically it's been up to 18 four years, but that's at the Commission's discretion. 19 Whenever we bring a recommendation before them, we 20 generally put a limitation on it. That's just for the 21 The regrouping stays on. additive now. 22 WITHERS DEAL: But the total coat that we 23

spoke of in the public hearings, the \$3.30 to 3.60 was

both together, the additive and the regrouping cost;

and I believe it says about a 50/50?

regrouping, depending on which portion of the Haines
City exchange that you're served from, will be
anywhere from 50 cents to 95 cents.

STRESS DEAL: And that's the part that stays on?

MG. SEMLFER: That stays.

WITHESS DEAL: Right.

the is one that would eventually, if the Commission makes that determination, could go away.

just -- I wanted that clarification, because some of the citizens had asked that question of me. Thank you.

Q (By Ma. Culpepper) Ms. Deal, are the public colleges -- or are you aware if the public colleges in Polk County are accessible toll free?

a Well, I can tall you that Polk Community
College, Winter Haven Campus is accessible, because
Winter Haven is in our exchange. Florida Southern
College is not. The joint campus of the University of
South Florida and Polk Community College, I do believe
one or the other may have an 800 line that is answered

at certain times.

My office -- I used to serve on a committee at the University of South Florida, and my office predominantly used the regular number.

- g Could you just clarify; are all those other colleges, are they public?
- a Oh, I'm sorry; I didn't hear you say "public". Florida Southern -- of those I spoke of, Florida Southern College is the only private college. Polk Community College and the University of South Florida, Lakeland Campus, is a state -- are state schools.
- g Do you think that the need for toll free calling stems primarily for access to businesses in the county or for government offices?
- A Both. I don't think that either one is not needed. They both are very much needed, and that is the -- what I'm hearing from the citizens and the business community.
- Q Looking now at your testimony on Page 9,
 Lines 15 through 17, you state there that GTE's
 figures on the telephone traffic is not a true
 representation between Haines City and other Polk
 County cities. Could you explain that statement?
 - A In fact, I'm glad you asked. I meant to

bring that out in my summary. I, for one, am somebody who chooses to use other long distance services and dial 1-800 Call AT&T right off of my telephone here in order to call other cities, when I call my parents in Fort Meade, when I call my doctor in another community or when I call other perhaps family or business associates.

Also on cell phones there's no way for us to know how many people -- our very first speaker today, Dr. Earle Lee, indicated that he chooses to use his cellular phone; and so there are -- there is traffic information. I am not even representing that that's the majority of the calls made.

I am representing, however, that there are calls that have not been captured in the traffic studies that are confidential, I understand, and have been presented to Staff.

Q Okay. We just have one more question. And I'd like to ask you to also prioritize the exchanges that you feel are most important. However, if I could ask you to prioritize all of them, not just give me your top three.

a Okay.

Q The exchanges are Lakeland, Bartow, Mulberry, Polk City, Prostproof, Indian Lakes and Fort Meade.

Fort Meade would be my number three, but I'm going -because my mom and ded live there, so I'll go
professionally as City Manager. The way I would rank
would be Bartow, one; Lakeland, two; Polk City, three.
It would be very tough between Mulberry, Fort Meade
and Prostproof to put in the next place. That would
probably be a three-way tie, because I can think of,
you know, instances where they all would qualify. But
based on athletics, I would have to say that because
of maybe school interaction that Mulberry would be
next with -- Mulberry, then Fort Meade and Prostproof
would be tied, and Indian Lakes being last. OAnd I
hope I didn't leave any out.

O That's all of them.

MS. CULPEPPER: Thank you.

CONTESTONER DEASON: I have a question.

I'm trying to understand one of the last points that
you made concerning customers using other carriers to
make a long distance call or else using their cellular
phones and bypassing GTE.

So it's your belief, then, that the statistics, the celling data that's been provided, may not be indicative of the actual community of interest

between these various exchanges; is that correct? WITHOUT DEAL: Yes, sir. I feel very 2 strongly about that, and also the use of 800 numbers; 3 because without capturing -- for example, my humbend's firm has an 800 number in Lakeland and, you know, 5 there are calls from Haines City to that firm; and without look at the County's 800 number traffic flow, 7 admittedly if it's a County 800 number, we may say 8 it's free for the citizens, but we're really kidding 9 ourselves, because the citizens are paying for the 800 10 11 line. So I think that 800, cellular phone, and 12 those who choose to use other carriers when they're 13 calling within the county long distance may be more significant than even what I think it is; but I do believe it's a factor that I would ask this Commission 16 to consider overall. 17 CONCESSIONER DEASON: Further questions? 18 19 Thank you. (Witness Deal excused.) 20 21 CONTRECORER DEASON: I believe that 22 concludes the City's direct case. 23 MR. METTLETON: It does. 24

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CONDITIONER DEASON: Mr. Wahlen, I believe

your witness is scheduled next, and there may be a stipulation.

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MR. WANTEM: Yes, Commissioner Deason. talked with the other lawyers, and I believe there's an agreement to stipulate her testimony into the record.

There is a correction to be made on her testimony on Page 5. On Line 3 the word "Lakeland" needs to be changed to "Bartow," and on Line 4, the word "Bartow" needs to be changed to "Lakeland." And with those changes I'd like to move Ms. Sharon Harrell's direct testimony into the record as though read.

COMMISSIONER DEASON Without objection, Ms. Harrell's direct testimony will be inserted into 16 the record.

MR. WANLEN: I'd also like to have Ms. Harrell's confidential Exhibit 1 which is certain traffic study information, it's 10 pages, identified for the record and moved into the record.

COMMISSIONER DEASON: This confidential 22 exhibit was prefiled; is that correct?

MR. WANLEY: Yes, it was prefiled, and the Commission has already granted the request for confidential classification on it.

COUNTSSICURE DEASON: The prefiled exhibit of Witness Harrell will be identified as composite Exhibit No. 3 and, without objection, shall be admitted into the record. (Exhibit 3 marked for identification and received in evidence.)

SPRINT-FLORIDA, INC. DOCKET NO. 950699-TL FILED: February 21, 1997

1		BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
2		DIRECT TESTIMONY
3		OF
4		SHARON E. HARRELL
5		
6	Q.	Please state your name, business address and citle.
7		
8	λ.	My name is Sharon E. Harrell. My business address is
9		Post Office Box 165000, Altamonte Springs, Florida,
10		32716-5000.
11		
12		I am the Tariff Manager - Exchange Services for
13		Sprint-Florida, Incorporated ("Sprint").
14		
15	Q.	Please describe your previous work experience.
16		
17	λ.	I began my career in 1964 when I joined United Telephone
18		of Ohio as a long distance operator. In 1973, I
19		transferred to the position of Service Representative in
20		the Business Office. In 1977, I relocated to Florida and
21		began work as a long distance operator with United
22		Telephone of Florida. I transferred to the Business
23		Office in 1978 in the capacity of Service Representative.
24		In 1980, I was promoted to the position of Business

Office Supervisor. I moved to the Staff Administrator

1		Customer Service position in 1986. In that position I
2		was responsible for providing support and direction to
3		eight business offices and two collection offices for
4		United.
5		
6		I began my present assignment in 1993.
7		
8	Q.	Have you previously testified before the Commission?
9		
10	λ.	Yes. I was the witness for Sprint-United and
11		Sprint-Centel in Docket No. 941281-TL, which dealt with
12		the proper tariffing of telephone service for elevators
13		and common areas within residential facilities. I also
14		testified in Docket No 930173-TL, Polo Park EAS, and
15		Docket No. 941281-TL, Groveland EAS involving United
16		exchanges.
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What is the purpose of your testimony? Q.

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The purpose of my testimony is to address the issues 20 λ. identified in Docket No. 950699-TL. These issues include 21 whether a sufficient community of interest exists between 22 GTE's Haines City Exchange and all other exchanges within 23 Polk County. 24

1 Q. Have you prepared an Exhibit to accompany this testimony? 2 3 A. Exhibit One to this testimony is a traffic study for the Sprint routes involved in this proceeding. was prepared under my direction and supervision and is 5 true and correct to the best of my knowledge. 6 7 contains information Sprint believes to be proprietary confidential business information, so a redacted version а 9 has been included with this testimony. The confidential version, with the confidential information highlighted, 10 11 was submitted to the Division of Records and Reporting under a confidential cover with a 12 Request Confidential Classification. 13 14 15 Q. Which routes in this Docket involve Sprint exchanges? 16 Haines City to Fort Meade is the only route involving a 17 A. 18 Sprint exchange. Fort Meade is a Sprint exchange.

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20 Q. Did Sprint conduct traffic studies on this route?

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22 A. Yes. Sprint recently conducted a traffic study on this
23 route, and it is attached as Exhibit One. In Order No.
24 PSC-95-1429-PCO-TL, issued November 27, 1995, the
25 Commission recognized the Fort Meade, Avon Park (pocket)

1		and Bowling Green exchanges as being interLATA. The
2		Order stated that the routes would not be studied since
3		GTEFL could not provide traffic studies on interLATA
4		routes. Based on that Order, no traffic studies were
5		prepared at that time.
6		
7	۵.	What is Sprint's position in this Docket?
8		
9	λ.	Traffic study results on the Ft. Meade to Haines City

7 A. Traffic study results on the Ft. Meade to Haines City route reflect calling rates that are not sufficient to meet the requirements for messages per access line per month (M/A/Ms), or frequency distribution to qualify for balloting for flat rate, non-optional Extended Area Service (EAS) or the implementation of any form of toll relief.

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Q. What other community of interest factors should be considered in determining if either an optional or non-optional interLATA toll alternative should be implemented?

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22 A. In addition to traffic studies, there are some factors
23 often mentioned by subscribers desiring EAS. Such.
24 factors may include the location of schools, fire/police
25 departments, medical emergency facilities, and county

1		government.
2		Ennigori
3		The Fort Meade Exchange currently has EAS to Lakerand.
4		which is the County Seat, and Barcow, where the State and
5		Federal Offices serving this area are located.
6		
7		Schools are located within the Fort Meade Exchange, and
8		medical requirements that can not be handled by the Fort
9		Meade Medical Center are most often handled via medical
Ł O		facilities in Lakeland, which as mentioned above is EAS.
11		
12	٥.	Should the Commission determine that an alternative toll
13		plan such as ECS should be implemented, what is the
14		economic impact on the Company.
15		
L 6	x.	Based on the monthly calling volume reflected in the
17		traffic study, the estimated annual revenue impact to the
18		Company would be a loss of approximately \$5,460 if there
19		is no stimulation on the route. A 50% stimulation, which
20		is consistent with the factor used by Southern Bell in
21		Docket No. 920260-TL, would result in a revenue loss of
22		approximately \$3,855. These dollars do not reflect the
23		additional costs for facilities that would be required to

24

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associated

carry the traffic, or other administrative costs

with the implementation of the toll

1		alternative.
2		
3	٥.	If the Commission should determine that EAS is
4	-	appropriate, should subscribers be required to pay an
5		additive as a prerequisite to implementation? If so, how
6		much of a payment is required and how long should it
7		last?
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9	A.	Should the Commission determine that EAS is appropriate
LO		on the Fort Meade/Haines City route, the 25/25 Plan with
11		Regrouping should be ordered.
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L3	Ω٠	If EAS is determined to be appropriate, should customers
L 4		be surveyed?
15		
16	A.	Yes. If a non-optional plan is determined to be
17		appropriate, the subscribers should be surveyed. All
18		subscribers should have a voice in the implementation of
L 9		such a plan since all subscribers will pay for the plan
20		if implemented.
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22	٥.	Does that conclude your direct testimony?
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24	A.	Yes.

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1	MR. WANTEN: And that, I believe, is all we
2	have.
3	communications beason: We're going to take a
4	lunch recess before we proceed further. We will take
5	a recess and reconvene at 1:45.
6	(Thereupon, lunch recess was taken at 12:40
7	p.m.)
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9	CONSTRUCTOR DEASON: Call the hearing back
10	to order. Mr. Beck?
11	MR. BECK: Citizens call Mr. Earl Poucher.
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1	R. EARL POUCEER
2	was called as a witness on behalf of the Citizens of
3	the State of Florida and, having been duly sworn,
4	testified as follows:
5	DIRECT EXAMINATION
6	BY MR. BECK:
7	Q Mr. Poucher, would you please state your
В	name and your business affiliation?
9	A My name is Earl Poucher. I work for the
10	Office of Public Counsel. I'm a legislative analyst.
11	Q Did you file direct testimony in this case?
12	A Yes, I did.
13	Q And did you have one exhibit marked REP-1 to
14	your testimony?
15	A That's correct.
16	MR. BECK: Commissioner Deason, I'd ask that
17	his exhibit be marked for identification.
18	CONDITIONER DEASON: It will be identified
19	as Exhibit 4.
20	(Exhibit 4 marked for identification.)
21	Q (By Mr. Beck) Do you have any changes or
22	corrections to your direct testimony?
23	A Yes, I do. On Page 8, Line 21, in the
24	middle of the line of the word "two" should be changed

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1	commissioner missling: I'm sorry; could you
2	repeat? It's Line 21?
3	WITHERS POSCERR: Page 8, Line 21, Change
4	"two" to "three".
5	COMMISSIONER DEASON: Well, there's two
6	"twos" on that line.
7	WITHES POUCHER: You're correct. "Three
8	out of 32 routes."
9	CONTESIONER RIESLING: Okay. Thank you.
10	Q (By Mr. Beck) Do you have any other
11	changes?
12	A That's it.
13	Q If I were to ask you the same questions
14	today, would your enswers be the same?
15	A Yes, they would.
16	MR. BECK: I would ask that his testimony be
17	inserted into the record as though read.
18	countractors brason: Without objection, it
19	shall be so inserted.
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1		DIRECT TESTIMONY
2		R. EARL POUCHER
3		FOR
4		OFFICE OF PUBLIC COUNSEL
5		BEFORE THE
6		FLORIDA PUBLIC SERVICE COMMISSION
7		DOCKET NO. 950699-TL
8	Q.	Please state your name, business address and title.
9	A.	My name is R. Earl Poucher. My Eusiness address is 111 West Madison St.,
10		Room 812, Taliahassee, Florida 32399-1400. I am employed by the Office of
11		Public Counsel and my title is Legislative Analyst.
12	Q.	Please state your business experience.
13	A.	I graduated from the University of Florida in 1956 and I was employed by
14		Southern Bell in July 1956 as a supervisor-trainee. I retired in 1987 with 29
15		years of service. During my career with Southern Bell, I held positions as
16		Forecaster, Gainesville; Business Office Manager, Orlando, District Commercial
17		Manager, Atlanta; General Commercial-Marketing Supervisor, Georgia;
18		Supervisor-Rates and Tariffs, Florida; District Manager-Rates and Tariffs,
19		Georgia; General Rate Administrator, Headquarters; Division Staff Manager
20		Business Services, Georgia; Profitability Manager-Southeast Region, Business
21		Services; Distribution Manager-Installation, Construction & Maintenance, West
22		Florida and LATA Planning Manager-Florida. In addition, I was assigned to
23		AT&T in 1968 where I worked for three years as Marketing Manager in the
24		Market and Service Plans organization. I joined the Office of Public Counsel in
25		October 1991.

1 Q. Have you ever appeared before this Commission?

2 A. Yes I have. I testified on behalf of Public Counsel in United Telephone's Docket 3 No. 910980-TL on rate case matters and Docket No. 910725-TL on depreciation. matters. GTE Docket No. 920188-TL on Inside Wire, in Southern Bell's 4 depreciation Docket No. 920385-TL and in Docket No. 951123-TP, a generic 5 6 rulemaking docket dealing with disconnect authority of local exchange 7 companies. In addition, as an employee of Southern Bell I testified in rate case. 8 and anti-trust dockets before the Public Service Commissions in Georgia and 9 North Carolina.

10 Q. What is the purpose of your testimony?

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The purpose of my testimony is first, to describe the community of interest standards that are appropriate for consideration of extended area service and second, to recommend that the PSC approve toll relief on the routes requested by Haines City.

15 Q. What actual experiences have you had it the handling of extended area services?

A. As a Legislative Analyst for the Office of Public Counsel, I analyze all of the PSC's EAS cases and rulemaking dockets involving EAS and I participate as required by the Public Counsel. As an employee of Southern Bell, I spent a number of years in various Forecasting and Rate and Tariff organizations within the company, where I was frequently involved in various EAS dockets, in both Florida and throughout Southern Bell's operating territories. One of my specific assignments early in my career with Southern Bell was the production of Community of Interest factors for use by the Company and the Commission on those major toll routes where EAS was being considered. It was our

- responsibility to not only determine the traffic factors involved in EAS cases, but to also develop the relevant demographic factors within the exchanges at issue.

 As General Rate Administrator in Southern Bell Headquarters, I was frequently involved in the development of EAS policies and the resolution of specific EAS requests.
- 6 Q. Why is it appropriate that the Florida Public Service Commission be concerned with the provision of extended area service?

8 A.

Attachment 1 includes an extended explanation of the concepts regarding exchange planning and consideration of extended area service requests. In a state such as ours that has experienced extensive population growth, it would have been impossible to maintain exchange boundaries as they existed in 1960, for instance, without some modification to recognize growth and expansion of population and commerce. When the communities of interest between two or more separate telephone exchanges begin to merge, the application of high long distance rates becomes more onerous to the consumer body. In response to the expressed needs of local telephone customers for relief from high long distance charges, the Public Service Commission has traditionally implemented a less costly means for delivery of communications that are essentially local in nature.

Historically, the approval of extended area service plans between two exchanges have been based on valid community of interest considerations. In some cases, the traffic volume alone has been determined to be sufficient to demonstrate that a community of interest exists and EAS is warranted. In other cases, the Commission has considered demographic data (such as the need for countywide calling or access to schools) in reaching a conclusion that EAS is

1		appropriate.
2	Q.	What are the traffic standards that have been accepted by the Commission
3		in determining that a community of interest exists between two
4		exchanges?
5	A.	Commission rules require that at least three (3) messages per month (MAM) be
6		originated from an exchange requesting EAS to another exchange before the
7		Commission will require a vote for the provision of flat rate EAS. This is the
8		most common measurement. It applies to one way traffic, normally from a
9		smaller, suburban exchange that would normally be dependent upon a large
10		exchange for economic support and governmental services
11		When considering the traffic volumes when exchanges are approximately equa
12		in size, the Commission rules require a threshold level of 2 messages per
13		access line per month on a two way basis before automatically requiring a ballo
14		for EAS.
15		The Commission, however, has waived this threshold level when presented with
16		additional evidence confirming an adequate community of interest to justify the
17		balloting of customers for flat rate EAS between two exchanges.
18		In all cases, the Commission requires that a local petition or a resolution from
19		a governmental body be recaived before it will implement an EAS docket.
20	Q.	Has the Commission approved any other alternatives to flat rate EAS in the
21		past?
22	A.	Yes. The Commission has considered and approved numerous alternatives to
23		flat rate EAS in past years. During the 1970s and the 1980s the Commission
24		approved a large number of optional EAS plans that were implemented when
25		traffic volumes were less than the threshold level for flat rate EAS, or when

balloting for flat rate EAS failed on a given route. During the past ten years, the Commission has approved non-optional EAS plans such as the \$.25 Extended Community Service (ECS or \$.25)) plan when demographic community of interest considerations were considered, or when flat rate EAS ballots were rejected. It is generally valid to state that when an exchange generates three or more messages per access line per month to a distant exchange, the Commission considers this level of traffic to be proof, per se, that a valid community of interest exists between the two exchanges to justify relief from long distance rates in the form of non-optional flat rate EAS or an appropriate non-optional EAS plan such as ECS. In addition, where traffic volumes have been found to be less than 3 MAM, the Commission has approved both flat rate EAS offerings and alternative EAS plans, based upon demographic community of interest considerations. According to Commission rules, an exchange must not only exceed the traffic threshold 3 MAM, but also have at least 50% of the customers generating two or more calls per month in order to be considered eligible for a balloting of customers. Frequently, when the distribution of traffic failed to meet the Commission standards, then alternative EAS plans were implemented is it essential that an exchange have 3 MAM per month and an acceptable distribution of calls in order for the Commission to approve flat rate EAS? No. The Commission has waived the 3 MAM threshold rule and the distribution. rule in the past by ordering the companies to ballot customers for flat rate EAS. (See Franklin County EAS, Docket No. 900302-TL) When the Commission has waived its rules for flat rate EAS, it has done so due to the demographic

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community of interest factors.

Q.	What	t are the demographic community of interest factors you have
	ment	ioned?
A.	Com	nunity of Interest factors are more thoroughly discussed in Attachment 1.
	The (Community of Interest Factors that I would regard as relevant to EAS are
	as fol	lows:
	1.	Governmental Services
		Access to state end local governmental offices
	2.	Medical Services
		Access to physicians, hospitals, emergency care
	3.	Professional Services
		Access to lawyers, CPAs, architects, etc.
	4.	Commerce
		Level of business interactivity, shopping and other commercial
		interactions between exchanges
	5.	Employment
		Incidences of major employment in one exchange with employee
		residences located in another exchange.
	6.	Transportation
		Availability of transportation links that encourage commercial and social
		interaction between two exchanges
	7.	Social Interaction
		Dependence of one exchange for entertainment and cultural activities
		available only in a distant exchange
	8.	Schools
		Students whose school is located in an exchange that is not within the
		The Cas fol 1. 2. 3. 4. 7.

1			student's residential local calling area.
2		9.	Countywide Calling
3			Increased recognition that county boundaries create a need for local
4			calling between exchanges within the county for a variety of reasons that
5			include many of the preceding factors.
6		10.	Natural Barriers
7			While the above factors, when considered, are elements that draw two
8			communities together, natural barriers, such as bodies of water, swamps.
9			etc. may tend to separate communities, even though the actual distance
10			between the exchanges may be relatively short.
11		No si	ngle factor or formula can be identified that would enable regulators to
12		easily	determine when there is sufficient community of interest between
13		excha	anges to justify EAS. Each case will have a different set of facts.
14		Discre	tion is left to the Commission to implement EAS plans that are consistent
15		with th	ne public interest and non-discriminatory to all users.
16	Q.	Does	Haines City have sufficient traffic volumes between the Haines City
17		excha	inge and the other exchanges in Polk County to warrant balloting for
18		flat ra	te EAS?
19	A.	The t	raffic volumes and the distribution of messages on the routes between

The traffic volumes and the distribution of messages on the routes between Haines City and its sister cities in Polk County is insufficient, per se, to justify flat rate EAS balloting between Haines City and all of the exchanges in Polk County However, consistent with the Commission's decision in Franklin County Docket No. 900302-TL, the Commission may be convinced by the non-traffic factors that sufficient community of interest exists to require offering flat rate EAS on all existing countywide routes between Haines City and its sister cities in Polk

- 1		County.
2	Q.	Are the traffic volumes sufficient to justify an alternative EAS plan between
3		Haines City and other exchanges within Polk County?
4	A.	Yes. Based on past precedent, the traffic between Haines City and other
5		exchanges in Polk County is consistent with the traffic in other rural counties
6		that has resulted in approval of alternative plans such as ECS or the \$.25 calling
7		plan by this Commission.
8		
9		For instance, the Commission ordered the implementation of the \$.25 calling
10		plan for all of Volusia County when many of the routes had less than one
11		message per month per customer.
12		In the Volusia County docket, PSC staff stated,
13		"The remaining routes in the county exhibited one-way calling volumes
14		which are consistent with the other countywide EAS requestsThis is
15		consistent with staff's recommendation in several other countywide EAS
16		dockets with rural areasRecent erees include Franklin, Gulf, Jackson,
17		Holmes, Okaloosa and Walton Counties."
18	Q.	Doesn't the Commission require at least 3 MAM before it implements an
19		alternative EAS plan such as ECS?
20	A.	No. For Instance, the Commission approved ECS between two counties $1 \ln \ell \leq 2$
21		Hillsborough and Pinellas-when only two out of 32 routes within the two
22		counties had traffic that exceeded 3 MAM. Many of the Tampa Bay routes
23		showed little if any levels of traffic.
24		In another case, the Commission ordered a ballot for <u>flat rate EAS</u> in Franklin
25		County when none of the routes exceeded 3 MAM. Ultimately, when the flat rate

ballot failed, the Commission ordered the \$.25 plan for all routes in the county. In the Liberty County docket, the Commission determined that toll rates were inappropriate and the \$.25 calling plan should be implemented with the traffic volumes shown below:

The above routes were approved by the Commission because of the need for

countywide catting on the part of a small pocket of 56 subscribers in Sumatra

5 ONE WAY MAM

Bristol to Eastpoint .39

Eastpoint to Bristol .18

Hosford to Eastpoint .24

Eastpoint to Hosford .06

who lived in Liberty County, but were served by Eastpoint, which is located in Franklin County. The Commission, on December 26, 1995, approved the \$.25 plan for these routes, even though the treffic from the Sumatra pocket to Hosford was .06 and from Hosford to Sumatra " as 1.03 MAM.

Likewise, the Commission approved implementation of the \$.25 plan between Sarasota and Englewood in November 1995 due to community of interest factors other than traffic considerations, namely, high countywide calling from a Sarasota County pocket of subscribers located in the Englewood exchange. Commission files, which are incomplete due to confidentiality, show that the Commission has approved the offering of the \$.25 plan or other alternative plans in numerous cases where the traffic volumes were less than 3 MAM. In Southern Bell's Docket No. 920260-TL, the Commission approved an ECS offering for 252 exchanges, many of which had less on 1 message per access line per month. Of the original 252 routes proposed by Southern Bell, only

1		relatively few had more than 3 MAM. (See Staff recommendation dated August
2		31, 1995) The Commission, of course, approved its Alternative Staff
3		Recommendation by accepting the Company's ECS filing in the absence of
4		specific, route by route community of interest data.
5	Q.	What is your recommendation for the Commission in this docket?
6	A .	Based on the testimony given by the leaders of Polk County in this docket, the
7		Commission should allow the residents of Polk County to vote for flat rate EAS.
8		In view of the traffic volumes that currently exist between Haines City and its
9		sister cities in Polk County, GTE would probably experience a revenue increase
10		if the ballot should pass, based on the past policies of the Commission of
11		including regrouping revenues and a 25% surcharge above existing local
12		exchange rates when granting an EAS request .
13	Q.	Should the Commission consider offering the \$.25 plan between Haines
14		City and its sister cities in Polk County?
15	A,	Based on the community of interest testimony of the leaders of Polk County, the
16		Commission should require GTE to implement the \$.25 calling plan if it decides
17		not to ballot the customers, or if the ballot fails. As GTE itself said in its Tampa
18		Bay ECS case:
19		"As our society becomes more mobile, expansion of local calling based
20		on traditional point to point calling is no longer practical. People no
21		longer have the same calling needs as their neighbors"
22		
23		"With this plan, there are no losers. Customers who make no calls to the
24		ECS exchanges continue to pay their same current monthly local rates."
25		

1		In the GTEFL rate case, Docket 920188-TL, GTE proposed countywide calling
2		for all of its counties, including Polk County. The Commission refused to
3		implement the request of GTE, stating "While we have generally responded to
4		countywide needs, we find a wholesale conversion to countywide calling
5		absent (a governmental request) to be inappropriete."
6		In the current case before the Commission, there is a governmental request. In
7		addition, petitioners are providing substantial, additional testimony
В		demonstrating the community of interest needs that Haines City customers have
9		for communications with their sister cities in Polk County.
10	Q.	Please summarize your testimony.
11	A.	It is clear from past PSC decisions that the Commission regards the need to
12		access other exchanges within county boundaries to be a powerful factor in
13		approval of flat rate EAS or non-optional ECS type plans in lieu of traditional toll
14		rates. The testimony of the public leaders of Polk County should be sufficient
15		to cause the Commission to require GTE to implement either a ballot for flat rate
16		EAS or, at the very least, a non-optional ECS plan just like the current ECS plan
17		that is already in place throughout Tampa Bay.
18	Q.	Does this conclude your testimony?
19	A.	Yes, it does.
20		(Transcript continues in sequence in Volume 2.)
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