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May 22, 1997

Ms. Blanca S. Bayo, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850 30 North Sixth Street Post Office Box 277 Haines City, Florida 33845-0277

FILE COPY

Re: Docket No. 950699-TL Public Service Commission

Dear Ms. Bayo:

Enclosed for filing in the above docket are the original and fifteen (15) copies of City of Haines City Brief and a Word Perfect 5.0 Disc.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning the same to this office in the enclosed, stamped, self-addressed envelope.

Thank you for your assistance in this matter.

Very truly yours,

Robert C. Nettleton

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BEFORE THE FLORIDA PUBLIC SERVICE CONDISSION

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In Re: Resolution by City Commission of Haines City requesting extended area service (EAS) from Haines City exchange to all exchanges within Polk County.

Docket No. 950699-TL Filed: May <u>27</u>, 1997

CITY OF HAINES CITY BRIEF

The City of Haines City (City), by and through ROBERT C. NETTLETON, City Attorney, files this post-hearing brief.

Legal Issue 1: Is there a sufficient community of interest to justify implementing EAS, as currently defined in the Commission rules, or implementing ECS, or an alternative toll proposal on any of the following routes:

Baines City/Lakeland** Baines City/Polk City Haines City/Bartow* Baines Cit: 'Mulberry Baines City/Frostproof Haines City/Frostproof Haines City/Fort Meade * County seat of Polk County

** State and Federal offices serving the area

<u>Position</u>: There is a sufficient community of interest to warrant a vote on EAS for each of the routes. If the vote fails, ECS should be implemented on each of the routes.

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Discussion:

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The City of Haines City would first reiterate its position that the data provided by GTEFL pursuant to Commission Order No. PSC-95-1429-PCO-T1 dated November 17, 1995, is flawed, incomplete and has failed to reflect the true volume of traffic being generated between the Haines City Exchange and the other countywide routes. The City first called the Commission's attention to this disputed issue of material fact in its Petition for a Formal Proceeding dated May 25, 1996, and filed as a part of this docket.

The GTEFL study itself indicates that the data collected pursuant to the said Order did not include traffic studies on the interLATA routes, because GTEFL no longer performs billing services for ATLT.

At the public hearing held in Haines City on April 22, 1997, the citizens testimony cited numerous inventive and ingenious ways to avoid long distance calls which would go not through GTEFL switching systems and not be counted in the GTEFL traffic study. The post-hearing brief of the Office of Public Counsel offers excerpts from and citations to the avoidance testimony. The City of Haines City's Brief will not duplicate those quotations and citations in the interest of brevity and because the Commission members were personally present and had the opportunity to evaluate the citizens testimony and demeanor, although the City considers that testimony vitally important.

Of particular interest with respect to the creditability and

reliability to be given to the data obtained from traffic studies performed by GTEFL is the testimony of GTEFL's witness and GTE employee DAVID E. ROBINSON. During Mr. Robinson's testimony the Commission ordered traffic study was marked and identified as Exhibit 8 and given the short title of "GTE Traffic Study for Lakeland, Bartow and Mulberry" [TR Pg 324, L12-17].

Although the GTE traffic study information was declared confidential information and not available to the City of Haines City or the general public, if the title is descriptive of the content of Exhibit 8 the study only covers three (3) of the seven (7) routes involved in Legal Issue 1 and does not give an accurate representation of the countywide calling data from the Haines City Exchange to all exchanges within Polk County.

Even more indicative of the reliability and materiality of information obtainable from GTEFL records is the response of GTE witness, Mr. Robinson to a question by Mrs. Culpepper. "Are you able to obtain that information?" [TR Pg 324, L24]. Witness, Robinson responded:

"We could obtain information using what we have available, but we think -- its my opinion that that information, the data would actually be flawed because of many of the things we've talked about today."

"Number one, we don't have 100% of the marketplace, we won't have 100% of the marketplace in the future, and that to give you a revenue impact study based on 1995 data, which will not be like that ever again in the future, we think it would be -- certainly it will be data and it will be something you can look at; but we again want to really emphasize that it is not data that would be salient information for today's marketplace." [TR Pg 324, L25 - Pg 325, L13]

This position on the flawed data taken by the GTE employee and GTEFL witness, David E. Robinson is in marked contrast to his sworn testimony regarding the importance to be given the numerical calling statistics as demonstrated in his prefiled answer to Issue 2, wherein he states "The numerical calling statistics are the critical part of the EAS or ECS inquiry." [TR Pg 255, L4-5] It appears that to GTEFL the numerical calling statistics are chameleon-like and able to change color or importance depending on the background or context in which they are found.

Another inconsistency is GTEFL's position that a more marketoriented approach to the EAS expansion request should be used and that other types of surrogate data should be used. [TR Pg 258, L4-10] That approach requires that less emphasis be placed on the numerical calling statistics and places more emphasis on the other community of interest factors, including the fact that the Baines City Area is statistically the fastest growing area of Polk County [TR Pg 135, L21-23]

In view of the f wed numerical calling statistics the people most affected should be allowed to vote on countywide BAS.

Legal Issue 2: What other community of interest factors should be considered in determining if either EAS, ECS, or an alternative toll plan should be implemented?

Position: Yes, there are other community of interest factors which include, but are not limited to, (1) Governmental Services, (2) Medical Services, (3) Professional Services, (4) Commerce, (5) Employment, (6) Transportation, (7) Social Interaction, (8) Schools, (9) County wide Calling, and (10) Natural Barriers.

Discussion:

Bistorically the Haines City Area and Northeast Polk County has been described as the "Step-Child of Polk County". It was clear from the testimony of some of the citizens that there is a perception of isolation and unfairness in the receipt of State and County services, caused mainly by the lack of convenient and inexpensive telephone communication with the governmental services available to the rest of the County without toll charges.

Por example:

"I think its very unfair to live in a County that you have to have a long distance call to the County seat." [TR Pg 18, L8-'7]

"We, too, feel like its very unfair not to be able to reach our County seat." [TR Pg 26, L9-10]

"Under the current service we have been denied access to our County government, services and businesses of our choice and communications by our computers without paying extra charges or costs." [TR Pg 346, L6-9]

Many other examples of the perception of isolation and unfairness were voiced at the public hearing, many of those are listed in the post-hearing brief of the Office of Public Counsel.

Once again for the make of brevity and to avoid repetition those comments will not be duplicated here, but they do accurately reflect the mood and perception of the people. If a vote on EAC fails then it would be the will of a majority of their fellow citizens.

Legal Issue 3: If a sufficient community of interest is found on any of these routes, what is the economic impact of each plan on the customer and the company (summarized in chart form and discuss in detail)?

- A) EAS with 25/25 plan and regrouping
- B) Alternative toll plan
- C) ECS; and
- D) Other (specify)

Position: Existing toll rates inhibits economic development along the routes. EAS or ECS will have a positive economic impact on the community.

<u>Discussion:</u> The City of Haines City cannot speak to the economic impact of each plan for the company. However, as the local service provider GTEFL should take note of the many ways that area residents and businesses avoid toll charges. It would seem to this country boy that the economic impact would be more favorable to the company to receive regrouping income and the

temporary additive increase from all its Haines City area customers, rather than to invite competition from cellular phones, e-mail, and other long distance providers. It may be years, if not decades, before there will be another local franchised provider, unless the continued GTEPL toll charges adversely impact and anger the local customer thereby fostering other methods of communication. [TR Fg 51, L24-Pg 52, L12] [TP Pg 347, L16-21] It appears that countywide calling would benefit GTEPL by giving it the lions share of calls within the county, with payment being made monthly for that countywide access. The customer would also benefit and could budget monthly rather than on a per call basis.

Legal Issue 4: Should subscribers be required to pay an additive as a prerequisite to implementation of EAS? If so, how much of a payment is required and how long should it last?

Position: The Commission should put countywide flat rate EAS to a vote. Any increase should last no more than 4 years.

Discussion: At the Public Hearing many citizens were asked about the economic impact of EAS by Commissioners. 100% of those asked, responded that the economic impact would be minimal compared to the current expense and inconvenience of the present toll charges. Not one customer objected to a rate increase. When it

was pointed out by Ms. Shelfer of the Commission staff, that the additive portions of the increase two seventy-two (\$2.72) would eventually go away [TR Pg 157, L10-12] and only the regrouping cost would stay on (50 cents to 95 cents) [TR Pg 157, L2-8] a murmur of approval was heard from the customers in attendance. If the rate breakdown and the length of time the additive would apply are made clear on the ballor it will win approval from even the most economically disadvantaged as they must now pay toll charges to reach needed governmental services [TR Pg 123, L5-13] or health care providers [TR Pg 349, L24-Pg 350 L6]

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Legal Issue 5: If a sufficient community of interest is found, what are the appropriate rates and charges for the plan to be implemented on these routes or route?

Position: The 25/25 plan for **EAS** can be calculated from existing rates. **ECS** would not change local rates.

<u>Discussion</u>: The estimated EAS rates and charges discussed during the public hearing by the Commission and the staff were apparently calculated from existing rates. Many of the witnesses indicated that the estimated increase was acceptable. None of the 50 to 60 witnesses that spoke and none of the public in the audience expressed any unwillingness to pay the estimated rates for

EAS. ECS if voted as the preferred alternative would not change local rates.

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Respectfully submitted,

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CERTIFICATE OF SERVICE DOCKET NO. 950699-TL

I HEREBY CERTIFY that a copy of the foregoing has been furnished by U.S. Mail to the following parties on this 22nd day of May, 1997.

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