1	PLORT	BEFORE THE	
2			
3			
4			
5	In the	he Matter of :	DOCKET NO. 970882-TI
	Proposed Rule 2		
6	F.A.C., Custome:		
7	Rules Incorporati		
	25-4.003, F.A.C	., Definitions, :	
8	25-4.110, F.A.C Billing; 25-4.1		
9	Interexchange C Selection; and	arrier :	
10	F.A.C. Customer	Relations; :	
11	Rules Incorpora		********
12			
13	PROCEEDINGS:	PREHEARING CO	MPERENCE
14			
15	BEFORE:	CHAIRMAN JULI Prehearing Of	
16			
	DATE:	Friday, Janua	ry 23, 1998
17			0.20
18	TIME:	Concluded at	
19	PLACE:	Betty Easley Room 148	Conference Center
20		4075 Esplanad	e Way
		Tallahassee,	Florida
21			
22	REPORTED BY:	H. RUTHE POTA Official Comm	MI, CSR, RPR ission Reporter
23			New York Control of the Control of t
24			

NANCY B. WHITE, c/o Nancy Sims, 150 South 1 Monroe Street, Suite 400, Tallahassee, Florida 32301, 2 3 and JOHN R. MARKS, Katz, Kutter, Haigler, Alderman, Bryant & Yon, P.A., 106 East College Avenue, Tallahassee, Florida, appearing on behalf of BellSouth 5 Telecommunications. 6 BENJAMIN FINCHER and MONICA BARONE, 3100 7 Cumberland Circle, Atlanta, Georgia, 30399, and EVERETT BOYD, Ervin, Varn, Jacobs & Ervin, 305 South Gadsden Street, Tallahassee, Florida, appearing on 10 behalf of Sprint Communications Company, Limited 11 12 Partnership.

CHARLES REHWINKEL, 1313 Blair Stone Road, Tallahassee, Florida 32302, appearing on behalf of Sprint Florida, Incorporated.

J. JEFFRY WAHLEN, Ausley & McMullen, Post Office Box 391, Tallahassee, Florida 32302, appearing on behalf of AllTel Florida.

MARSHA E. RULE, 101 East College Avenue, Suite 700, Tallahassee, Florida 32301-1509, appearing on behalf of AT&T Communications of the Southern States, Inc.

23

22

13

14

15

16

17

18

19

20

21

24

APPEARANCES CONTINUED:

1

2

3

6

7

8

9

10

11

12

13

14

15

16

17

18

20

21

22

23

RICHARD D. MELSON, Hopping Green Sams and Smith, Post Office Box 6526, Tallahassee, Florida 32314, and MARSHA WARD, 780 Johnson Ferry Road, Suite 700, Atlanta, Georgia 30342, appearing on behalf of MCI Telecommunications Corporation.

DONNA CAMBANO, Wiggins & Villacorta, P. A., Post Office Drawer 1657, Tallahassee, Florida 32302, appearing on behalf of Intermedia Communications.

VICKI GORDON KAUFMAN, McWhirter, Reeves,
McGlothlin, Davidson, Rief and Bakas, 117 South
Gadsden Street, Tallahassee, Florida 32301, appearing
on behalf of the Florida Competitive Carriers
Association.

SUZANNE SUMMERLIN, 1311-B Paul Russell Road, Tallahassee, Florida, appearing on behalf of the Furst Group, Inc.

CHARLES J. BECK, Deputy Public Counsel,
Office of Public Counsel, 111 West Madison Street,
Room 812, Tallahassee, Florida 32399-1400, appearing
on behalf of the Citisens of the State of Florida.

MICHAEL GROSS, Office of Attorney General, PL-01, The Capitol, Tallahassee, Florida 32399-1050, appearing on behalf of the Office of the Attorney General.

APPEARANCES CONTINUED:

KIN CASWELL, One Tampa City Center, Tampa, Florida 33601, appearing telephonically on behalf of GTE Florida Incorporated.

DIANA CALDWELL, Florida Public Service

Commission, Division of Appeals, 2540 Shumard Oak

Boulevard, Tallahassee, Florida 32399-0870, appearing
on behalf of the Commission Staff.

ALSO PRESENT:

HARRIET EUDY

1	
1	
2	INDBX
3	MISCELLAMEOUS
4	ITEM PAGE NO.
5	
6	CERTIFICATE OF REPORTER 51
7	
8	
9	
LO	
11	
12	
13	
4	
.5	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	

4	۱	
	ı	u
•	-	۰

ROCEEDINGS

2

(Hearing convened at 9:30 a.m.)

3

5

6

7

8

9

10

11

12

13

14

15

17

18

21

22

23

25

CHAIRMAN JOHNSON: We're going to go ahead and start the proceeding. Counsel, could you please read the notice?

MS. CALDWELL: Pursuant to FAW Notice of December 17, 1997, as modified by order issued January 2nd, 1998, this prehearing conference will be held at this time and place.

CHAIRMAN JOHNSON: Take appearances.

MR. BECK: My name is Charlie Beck. I'm with the Office of Public Counsel, 111 West Madison Street, appearing on behalf of the citizens of Florida.

MR. GROSS: Michael Gross, Assistant Attorney General on behalf of the Attorney General's Office at PL-01, the Capitol. Thank you.

MS. KAUFMAN: Vicki Gordon Kaufman, McWhirter, Reeves, McGlothin, Davidson, Rief & Bakas, 117 South Gadsden, Tallahassee, Florida 32301. I'm appearing on behalf of the Florida Competitive Carriers Association.

MS. WHITE: Nancy White, 150 South Monroe Street, Room 400, Tallahassee, Florida, for BellSouth, as well as John Marks, 215 South Monroe Street, Suite

1	130, Tallahassee, Florida.
2	MR. REHWINKEL: Charles Rehwinkel on behalf
3	of Sprint Florida, Incorporated, 1313 Blair Stone
4	Road, Tallahassee, Florida, 32301.
5	MR. MELSON: Richard Melson of the law firm
6	Hopping Green Sams and Smith, P.A., P.O. Box 6526,
7	Tallahassee, on behalf of MCI Telecommunications
8	Corporation.
9	MS. WARD: Marsha Ward on behalf of MCI, 780
10	Johnson Ferry Road, Suite 700, Atlanta, Georgia.
11	MS. RULE: Marsha Rule on behalf of AT&T,
12	101 North Monroe Street, Suite 700, Tallahassee.
13	MS. CANZANO: Donna Canzano of the Wiggins &
14	Villacorta Law Firm, 501 East Tennessee Street,
15	Tallahassee, Florida, appearing on behalf of
16	Intermedia Communications.
17	MR. FINCHER: Benjamin Fincher appearing on
18	behalf of Sprint Communications Company, Limited
19	Partnership, 3100 Cumberland Circle, Atlanta, Georgia
20	303399. Appearing with me is Monica Barone with
21	the
22	CHAIRMAN JOHNSON: Who is she? (Laughter.)
23	MR. BOYD: Everett Boyd of the Ervin Varn,
24	Jacobs & Ervin Law Firm, 305 South Gadsden Street,

25 Tallahassee, Florida, also appearing on behalf of

1	Sprint Communications Company, Limited Partnership.
2	MR. WAHLEN: Jeff Wahlen of the Ausley &
3	McMullen Law Firm, P.O. Box 391, Tallahassee, Florida,
4	appearing on behalf of AllTel Florida, Inc.
5	MS. SUMMERLIN: Suzanne Summerlin. I'm here
6	on behalf of the Furst Group, 1311-B Paul Russell
7	Road, Tallahassee, Florida.
8	CHAIRMAN JOHNSON: I think there were a
9	couple of individuals who are participating by
10	telephone. If you could, state your name and who you
11	represent and your address.
12	MS. EUDY: This is Harriet Eudy on behalf of
13	AllTel, Florida, Inc. My address is 206 White Avenue,
14	Live Oak, Florida 32060.
15	MS. CASWELL: This is Kim Caswell for GTE.
16	Address is One Tampa City Center, Tampa, Florida
17	33601.
18	CHAIRMAN JOHNSON: Is there one other
19	individual? (No response.)
20	MS. CALDWELL: Diana Caldwell, Florida
21	Public Service Commission, 2540 Shumard Oak Boulevard,
22	Tallahassee, Florida 32399-0862 on behalf of Staff of
23	the Commission.
24	CHAIRMAN JOHNSON: Are there any preliminary

25 matters, counsel, that we may need to entertain from

the parties or Staff?

MR. MELSON: Chairman Johnson, just so the record is clear, Ms. Ward has entered an appearance on behalf of MCI. I'm sponsoring her. She's a member of the South Carolina Bar and regularly practices before state commissions.

CHAIRMAN JOHNSON: Thank you. Any other preliminary matters? (No response.)

Then I guess we can just proceed with going through the different sections of the prehearing order. To the extent that there is an issue, if you could, just make sure that I'm aware of that and we can address it at that time.

We have a very short case background, and when I get to a section, if you have a question or objection or a change, just make sure that you make me aware of that.

Section II is Rulemaking Hearing.

Section III, Procedure for Handling Confidential

Information. I don't see Section IV. Section V,

which follows on Page 3, is the Hearing Procedures.

MS. CASWELL: Excuse me. This is Kim

Caswell for GTE. Can I ask you a question about the
hearing procedures?

CHAIRMAN JOHNSON: Sure.

1 MS. CASWELL: I'm not that familiar with
2 rulemaking, and this seems, in some sense, sort of a
3 hybrid. We have prefiled testimony from witnesses,
4 but if other witnesses want to get up and speak, then
5 they can speak, too? Is that how it works?

CHAIRMAN JOHNSON: You're asking if others could speak?

ME. CASWELL: Yeah. Well, other than the people that prefiled testimony, will there be like public witnesses or, say, if a company had an additional witness they wanted to put out and they didn't have prefiled testimony, could they speak as well?

MS. CALDWELL: Let me explain how I envision the hearing to proceed. I understand we have some customers that wish to speak, and I think they ought to go first. We will first hear from the customers.

We then will go through the order of the witnesses that have had prefiled testimony. Once the prefiled testimony has been concluded with the rebuttal and all the cross-examination questions. I think we should take some time that anyone who has filed comments or wishes to comment can at that time make a statement. Those statements, with time permitting, could then be -- questions could be asked

of those people who are making those statements. 2 MS. CASWELL: Okay. So then in the third 3 group, people making comments, you could potentially have other company representatives? Is that --5 MS. CALDWELL: That is how I think that it would be fair to do it that way. 6 7 MS. CASWELL: Okay. MS. CALDWELL: And just keep in mind that we 8 just have one day for this hearing. 9 10 MS. CASWELL: Right. MS. CALDWELL: And that, you know, it's 11 12 going to be late and we might have to limit the amount of time that these people have to make their comments. 13 MS. CASWELL: Okay. Thank you. 14 15 CHAIRMAN JOHNSON: Any questions regarding the procedure? 17 MS. RULE: This is Marsha Rule for AT&T, and perhaps this is a good time to raise the point that 18 the order of witnesses presented is perhaps a bit in 19 conflict with the procedure listed under Part 5, 20 21 Hearing Procedures, on Page 3 of the draft. 22 Under Hearing Procedures on Page 3 it says 23 "Staff will present a summary of the statement of estimated regulatory costs and the rules." And then

the order of witnesses lists Staff as going last.

Typically Staff is the last to take the stand in a hearing procedure simply because Staff has no position, and their purpose for the Commission is to fill in the blanks, make sure the record is complete, and later advise the Commission.

In this case, however, Staff is the proponent of specific rule provisions, as is Public Counsel and the Attorney General. I think it makes more procedural sense and is fundamentally more fair to have the proponents of the rule go first to explain to the Commissioners and to the parties exactly what the basis is for their recommendations, allow some questions, and then have the parties put on their cases as to why they agree or don't agree and what they suggest instead. And simply because Staff is in the posture of the proponent of the rule, they should be going first.

I talked to Ms. Caldwell about it briefly.

She pointed out that the Attorney General and Public Counsel are also rule proponents and, accordingly, it would make sense to me to have them go first. Other than that, I think the procedures outlined by Ms. Caldwell are quite workable for this type of hybrid hearing.

CHAIRMAN JOHNSON: Ms. Caldwell, would you

want to respond to the order of witnesses?

ms. caldwell: I don't think we have a problem with Staff going first. What we'll do is a presentation, an overview of the rules, and present a statement of regulatory costs; then we'll put on our witnesses and allow for cross-examination.

After we're through, I think Public Counsel can go, and we'll go on down the road.

MS. WHITE: The customers would come first and then Staff presentation and Staff witnesses and Public Counsel, and then the parties. Is that how you're thinking of it?

ws. CALDWELL: I still think that Staff ought to just present the rule before we put on testimony. So we'll still let Staff go first as far as explaining the rule, because it's not our witness, our prefiled witness. So we'll have Staff explain the rule and explain the circumstance and then we'll let the customers comment, and we'll come back with expert testimony.

CHAIRMAN JOHNSON: Does everyone understand the procedure? Any other questions or objections or concerns?

MR. GROSS: Commissioner Johnson, my name is Michael Gross. And there is a pending motion that has

been resolved between the Attorney General and Sprint Long Distance. But I have just talked to Mr. Everett Boyd, and we've come to a resolution, but it would require an order to give the protection to Sprint Long Distance that would give it the comfort level it needs.

We had petitioned several companies for access to documents that were confidential, but in the hands of Public Counsel; and the Attorney General also wanted to look at those documents and use them. And there were just two points of contention that initially Sprint Long Distance and the Attorney General couldn't resolve. But we have basically that if I signed an agreement on behalf of the Attorney General's Office, that's binding on any employee in the Attorney General's office and every employee doesn't have to sign a separate agreement.

And the other issue was as far as reproducing any handwritten notes or making copies of the documents, they would also remain confidential, but that would be permitted; and they would all have to be returned.

Mr. Boyd, am I stating our arrangement consistent with your understanding?

MR. BOYD: Yes, I believe so. What we want,

Commissioner, is the -- for the protection of the company in disclosing this confidential customer information. That's the basis of our objections, to 3 preserve the statutory prohibition against revealing customer information, that the conditions that 5 6 Mr. Gross has just stated that they be incorporated 7 into an order by, I guess, you as prehearing officer; 8 and then, according with that order, we would produce 9 the documents. So the matters that are set forth in this motion, if they are incorporated into an order, we do not oppose the entry of such an order. 11 MR. GROSS: Would you still want to execute 12 13 a written agreement, or would an order -- because the petition only addresses two of the issues, but there were many issues that we agreed on right from the outset that were in the draft agreement. 17 MR. BOYD: Doesn't the agreement that you attached incorporate those matters? 18 19 MR. GROSS: Yes. The petition attaches a specimen of an agreement, so if that was incorporated 20 by reference into the order, that would be fine with 21

MR. BOYD: We want it in the form of an order.

22

23

24

25

us.

CHAIRMAN JOHNSON: Something that was filed

with the Commission? 1 MR. GROSS: Yes, yes; it was several weeks 2 3 ago. CHAIRMAN JOHNSON: Ms. Caldwell, would you be prepared to address that, then? 5 MS. CALDWELL: I think we were waiting for 6 the parties to work it out so if -- I think we can 7 issue the order granting their request pursuant to their agreement. I don't have a problem with that. 9 MR. GROSS: Thank you very much. 10 CHAIRMAN JOHNSON: Any other preliminary 11 matters? MS. WHITE: I have one more thing on 13 Section V. On Paragraph 2, under Section V, it says 14 that the first exhibit will be a composite exhibit, 15 and part of it is materials provided to the Joint Administrative Procedures Committee in connection with 17 the proposed rules which include the statement of facts and circumstances, and so on and so forth. I have not been involved in a lot of 20 rulemaking procedures, but I don't know what that is 21 and how can I go about getting a copy. 22 MS. CALDWELL: We will provide copies. When 23

we file the rule for proposal, we have to provide

certain information to the Joint Administrative

Procedures Committee, and it's just a short statement.

It is the information that is in the FAW, so that is your copy of that information; and we will have copies available. They're going to be fairly cumbersome, but we will have copies available for your review at the hearing.

CHAIRMAN JOHNSON: Any other questions on the hearing procedures?

MB. CALDWELL: I think I'd like to ask at this time does anybody -- since this is a rulemaking proceeding, I just want to raise the issue that this first composite exhibit will not -- it's not the general sworn testimony, but I still feel like it's information for the rulemaking proceeding that needs to go into the record. And so it won't be sworn testimony; it will be true copies of what was provided and a true representation of what was sent to the FAW, the proposed rules and the comments that people sent to us.

But I just wanted to make everybody aware that these comments are not sworn testimony, and all I can do is say that this is a true copy of the sworn testimony -- a true copy of the comments, and if anybody chooses to speak, those that are speaking will then be sworn in; and I think the Commission would

give due weight to the fact that this information is 2 not sworn. MR. MELSON: I'm unclear about exactly the 3 contents of that Exhibit 1. Is it Staff's intention to include the prefiled direct testimony of parties 5 who will be testifying at the hearing in that exhibit? 6 MS. CALDWELL: No, because I'll let you move 7 that at the time -- generally in a rulemaking hearing, 8 if there was prefiled testimony, we would have included it, but because of this proceeding, we're 10 going to allow the companies to move it into the 11 record as their witnesses are being introduced. 12 MR. MELSON: Will we have an opportunity, 13 perhaps after the prehearing conference this morning, 14 to review the contents of that exhibit and then get 15 copies of pieces of it that we may not have yet. 16 MS. CALDWELL: Which exhibit? 17 MR. MELSON: Exhibit 1. 18 MS. CALDWELL: I haven't put it together. 19 probably will have it before the hearing. So 20 February, probably like the first of February, copies 21 will be available in my office. 22 MS. RULE: Ms. Caldwell, I'm assuming that 23

this composite will be the standard rulemaking

exhibit?

1	NS. CALDWELL: It is.
2	MS. RULE: And it's intended to fill out the
3	record as to what the comments are?
4	MS. CALDWELL: That's correct.
5	MS. RULE: And you're not proffering it as a
6	factual support for the rules?
7	MS. CALDWELL: That's correct.
8	MS. RULE: We have no objection to it.
9	MR. BECK: The transcript from the eight
10	workshops, that's part of the record?
11	MS. CALDWELL: That is my understanding.
12	CHAIRMAN JOHNSON: Any questions on the
13	hearing procedures? Seeing none (Audio
14	difficulties.)
15	(Brief recess.)
16	
17	CHAIRMAN JOHNSON: We're going to go back on
18	the record. I think we were still discussing the
19	posthearing procedures. Any final questions on that?
20	No. Seeing none
21	MS. RULE: Excuse me. Was that on the
22	posthearing procedures? Are we on that yet?
23	CHAIRMAN JOHNSON: I meant hearing
24	procedures. We fished the hearing procedures, and
25	we're now on the posthearing procedures. So you were

ahead of me, but right where we needed to be.

think need to be decided in conjunction with this section. And what I was going to request was more than 50 words, since the issue is a summary issue, and basically we argue our position on each of the rule amendments under this position.

However, I believe Public Counsel has proposed some other issues, and I think we need to address all of this at the same time.

What I would suggest -- right now the issue is whether the Commission should make any changes to its rules, basically. I agree with Public Counsel that that's not the most efficient way to allow parties to argue and explain their positions to the Commission. It's not the most efficient way, I think, for the Commission to understand the specific changes that either Staff, Public Counsel or the other parties believe are necessary. But on the other hand, nor do I agree that Public Counsel should be framing issues with brand new rules right now.

What I would suggest, and I think would work best from a procedural point of view, is that you have an issue for each rule, should the Commission adopt the rule as proposed. Because the Commission has

already formally proposed rules, those are the rules that are on the table. Those are the rules that we have the opportunity to change, accept, or comment on.

That would allow you, as Commissioners, to get a briefer argument on each section of the rule upon which you have to vote. It would allow us a more specific opportunity to present our arguments and, I believe, would also allow Public Counsel the opportunity to argue their positions that they're raising in their issues.

CHAIRMAN JOHNSON: Okay.

MS. CALDWELL: Staff would have no objection to that. Each issue would be -- each of the rules as proposed. So we would have an issue for 25-24.845, 25-4.003, 25-4.110, 25-4.118 and 25-24.490. So there would essentially be five issues.

MS. RULE: I believe so, although I haven't counted the rules.

CHAIRMAN JOHNSON: And the 50-word limitation would apply to each of those?

MS. RULE: I would ask that we extend the limitation simply because some of those rules are quite lengthy and embody more than once change.

CHAIRMAN JOHNSON: What's your suggestion as to the amount of words?

1 MS. RULE: Well, I'd say 100, simply because 2 even though we break it down on a rule-by-rule basis, 3 the rules have many changes.

CHAIRMAN JOHNSON: Any suggestions or objections to increasing the word limitation to 100 words? Public Counsel?

WR. BECK: Commissioner Johnson, I agree with the 100-word on that, but if we're going to have five issues delineating those five rules, I'd request we have one other asking if there are other -- any rule proposals that should be adopted so we can get in our -- the other things we propose as well.

In other words, you're going to say "Should the Commission adopt," and then list five different rules. I think we ought to have a sixth issue, "Are there other rules that should be adopted by the Commission," so that we can put in other -- the changes that we would like and the additional things we would like.

MS. RULE: Commissioner, may I respond?

CHAIRMAN JOHNSON: Yes.

MS. RULE: The concern I have about that is that at this point the Commission's procedure is limited by those rules that it has published, and you are allowed by the APA to make changes or

modifications to those rules and supported by the record of the hearing; but I really don't think the APA allows the promulgation of new rules.

Now, of course that would be a question that would have to be decided on -- a suggestion or a request-by-request basis. You'd have to determine what's inside the scope of your notice and what's outside the scope of your notice. But I don't think proposing a new rule during the course of a rule hearing, the statutory purpose of which is to examine the rules that the Commission has published, I don't -- I think that goes too far for the notice purposes of the APA.

CHAIRMAN JOHNSON: Public Counsel?

MR. BECK: I think --

CHAIRMAN JOHNSON: She can't hear you. Is your mike on?

MR. BECK: No. We'll go with the five, and use our -- and propose limits to them to be consistent with what we've proposed.

CHAIRMAN JOHNSON: Very good. Then we'll have the five issues. We will change the summary of position to no more than 100 words, and I think that will take care of the posthearing procedures. Are there any other questions -- I'm sorry.

MR. WAHLEN: Yes. This is Jeff Wahlen for AllTel. I have a question.

Are we talking about identifying five issues for briefing purposes, or are we also going to identify five issues in the prehearing statement. And do you contemplate each of the parties submitting positions for the prehearing order on the five issues that we've just talked about?

MS. CALDWELL: I don't know. I mean, Marsha, what did you have in mind?

Well, at this point I think perhaps it would be helpful to identify them for briefing purposes. Given the free-form nature of a rule hearing, I don't know that it's strictly necessary to do that, particularly when we all have witnesses who have been addressing the one central issue.

So although it's an unusual procedure, I think it would help the Commission in its understanding of everybody's positions, and I'd be just as happy if we identified the five issues for briefing purposes and left the one issue for hearing purposes. I think that allows everybody to make the arguments they're going to make and allows us to characterize them in a more concise fashion for

briefing purposes.

CHAIRMAN JOHNSON: Any other comments on that? Would anyone like to file, in the form of prehearing positions, a summary on each issue?

MR. MELSON: Commissioner Johnson, I'm not sure I've got a definite position on that. MCI originally filed a quite lengthy position on the single issue because we did try to address our concerns on the specific rules, and Staff, I believe appropriately for this purpose, cut us back to a paragraph in the draft prehearing order.

We are prepared to state a position on each of the particular amendments. I think the question is, what would be most helpful to the Commissioners, because I understand you all read these prehearing statements in advance of the hearing; and if having the parties' position on particular rules would give the Commissioners a better framework for understanding the testimony, MCI, at least, would be willing to take the extra effort to do that at this stage.

CHAIRMAN JOHNSON: And I was sitting here contemplating just that. I think generally from the Commissioners' perspective it's helpful. I'm just wondering, because we definitely put a word limitation on that, how responsive you all could be if we were

to -- and perhaps less than 100 words.

My initial thoughts would be that we should, indeed, have something at the preliminary that would be helpful to the document and helpful for the Commissioners to follow before the witnesses come forward.

Let's go with that. Let me have more discussion, if necessary, if you don't believe that that's possible. I don't know if you can summarize and provide with us that information. Ms. Rule?

MS. RULE: Well, Chairman, as usual,
Mr. Melson raises excellent arguments, and I'm
entirely persuaded; and I think that we'd be certainly
willing to ante up some positions on those five
issues.

However, typically the 50-word limit doesn't apply to our prehearing position; it applies to our posthearing position. Most of us try to limit it to 50 words up front just so we don't have to reword it over again.

I'd say if you'd allow leeway up front and keep us to 100 words during the brief, it will probably -- I think it will work out.

CHAIRMAN JOHNSON: Okay.

MS. KAUPMAN: Chairman Johnson, just to jump

PLORIDA PUBLIC SERVICE COMMISSION

into the fray. Like, Mr. Melson, FCCA's position, basic position, was cut back by the Staff for purposes of preparing the draft prehearing order, and I had discussed that with Ms. Caldwell -- and I know some other parties are in the same position -- and she had at least indicated to me that in the final prehearing order she did not have any problem putting back in our entire statement of basic position, which I think covers the majority of the rule changes.

If the Commission believes it's more helpful to have us delineate the individual issues for prehearing purposes, we'd certainly be glad to do that, but perhaps if the original statements of everyone's basic position was reflected in the final order, that might be helpful.

charman Johnson: Okay. I think what we should do, then, is have the statements -- I'll allow -- the filing actually would require that we file the prehearing statements, but I would like them delineated by issue as opposed to one comprehensive statement. I believe that will be even more helpful if you can do that, tailor it to the specific issue and why you believe whatever you might believe; that that will be helpful to the process with no word limitation on the front end.

But I caution you to be as brief and 1 succinct as possible, because that's the most helpful 2 for the Commissioners. And at the posthearing we'll stick with the 100-word limitation. MR. WAHLEN: Can we talk about timing and 5 the mechanics of doing that? I mean, when do you want 6 to have those in? The hearing is two weeks away, I 8 quess. MS. CALDWELL: Monday or Tuesday. I mean, 9 I'd like to be able to do that, to get the -- I mean, 10 by the time I get it in, then I get it into the order, 11 and then we get it downstairs and distributed, if I 12 got it by Tuesday, you're looking at no earlier than a 13 Thursday distribution, and that doesn't leave you but 14 a week with the order. So the sooner I get it -- like 15 even if I had it on Monday. 16 MS. WHITE: Can we just do it in the form of 17 18 a letter? MS. CALDWELL: Yes. 19 MS. WHITE: Giving you a position on the 20 21 five rules? MS. CALDWELL: If you did it in a letter 22 format, sort of an addendum to your current prehearing 23

statement, and just list the issues and list your

25

positions on it; and it would be really helpful if you

would file on disk as well, and then I'll get it out 1 2 as soon as I can. 3 MS. WHITE: File what as well? MS. CALDWELL: A disk. 5 MS. WHITE: A disk. CHAIRMAN JOHNSON: Ms. Caldwell, are you 6 7 saying Tuesday? MS. CALDWELL: Tuesday at the latest. 8 CHAIRMAN JOHNSON: Tuesday at the latest. 9 So we'll set Tuesday as the -- Tuesday by close of 10 business day as the deadline, and if we can get those 11 12 in earlier, that will be most helpful. Anything else on the post or prehearing 13 14 procedures? (No response.) Prefiled Testimony and Exhibits; I guess 15 we're going to change the order of -- well, we can 16 handle that under Order of Witnesses. Prefiled 17 Testimony and Exhibits, any changes there or comments? 18 19 MR. BECK: Chairman Johnson, Mr. Poucher has three exhibits, and his first one that's identified as 21 REP-1 is letters and calls received by the Attorney General's Office and the Citizens. 22 We would like to file an addendum to that to 23 update, and that's all it would be is updating the 24

additional letters and -- that we've received.

1 2

4 5

We would propose to serve that on the parties next Friday if nobody objects. It will simply be a continuation of what we filed the first time.

CHAIRMAN JOHNSON: Ms. Rule?

MS. RULE: Well, in that sverybody has had the opportunity to respond to the exhibits already filed and will have no opportunity to respond or file rebuttal to an addendum to the exhibits, I would object.

Of course I understand that Mr. Beck retains the right to use whatever he wants as a cross-examination exhibit, but in that we would have no opportunity to respond or rebut an addendum to what's basically a direct testimony exhibit, I would object.

CHAIRMAN JOHNSON: Public Counsel?

MR. BECK: Well, I think this is simply putting in the letters that the customers -- were received. Nobody responded in any way to those that we submitted the first time.

If Ms. Rule wants to respond orally to the customer letters, we'd be happy to entertain that at the hearing. But I think the Commission deserves to have the comments that we've received from customers put into the record of this proceeding.

CHAIRMAN JOHNSON: Ms. Rule?

--

MS. RULE: Well, I would suggest that the reason that there is a cut-off date for testimony and rebuttal is to prevent exactly this event, parties constantly updating their position and moving the target for everybody to hit.

I do believe there's probably a way for Mr. Beck to use some of his information as a cross-examination exhibit. But, again, the deadline has passed. The deadline's purpose is to form up the issues and the testimony so everybody can respond to it, and I would object.

MR. BECK: Commissioner Johnson, one last thing. You've already said that customers can appear on the day of the hearing. You're going to allow company witnesses to comment after all the prefiled testimony.

Certainly this is no different. We can put on a witness at that time and put all the exhibits in. What I'm trying to do is to get it to people ahead of time to give them a chance to review it. So I think this is a better proposal than simply dumping it on them on the day of the hearing.

CHAIRMAN JOHNSON: Mr. Beck, when did you say you could have that information available?

1	MR. BECK: Next Friday is when we propose
2	serving it.
3	CHAIRMAN JOHNSON: And the hearing is
4	MR. BECK: Two weeks. That would be a week
5	before the hearing.
6	CHAIRMAN JOHNSON: Oh, you're saying next
7	Friday.
8	MR. BECK: Right. We would serve it on all
9	the parties next Friday. The hearing is the Friday
10	after that.
11	CHAIRMAN JOHNSON: Okay. I'm going to
12	allow
13	MS. BAROME: Sprint would object to filing
14	it that late in the process. If we get it the end of
15	the day on Friday, we don't have that much time to
16	take a look at it. We'd ask that it would be filed
17	sooner if you're going to allow it in.
18	CHAIRMAN JOHNSON: But if I just understood
19	the deadline, he's saying the Friday and then there's
20	a week? Is there a week between for reviewing the
21	information? And the information that has been filed
22	thus far, you're talking about the customer calls and
23	letters?
24	MR. BECK: That's all we're going yes.
25	CHAIRMAN JOHNSON: And it's not sworn

testimony. It's the stuff --

MR. BECK: Correct.

CHAIRMAN JOHNSON: -- that they have provided to you?

MR. BECK: Yes.

CHAIRMAN JOHNSON: I'm going to allow you to file that exhibit on next Friday. I don't have that date.

MR. BECK: January 30th.

chairman Johnson: And if there are any objections or clarifications that need to be made, if you all could bring that to the attention of the prehearing officer through Ms. Caldwell, we'll handle those in due course.

MR. MELSON: Commissioner Johnson, through
you, might I ask that Mr. Beck try to get that, at
least to the local parties, hand-delivered in time for
us to turn it around and get it Federal Expressed so
we don't lose the weekend?

MR. BECK: Certainly. In fact, we'll -- our problem is logistics of copying all this stuff. The first exhibit, you remember, was fairly thick. If we can get it out before Friday, we certainly will.

We'll try to.

CHAIRMAN JOHNSON: Okay. Any other

questions on the prefiled testimony and exhibits? (No response.) 2 Order of Witnesses; I think we're going to 3 make a few changes here. MS. CALDWELL: The changes that we will make 5 will be Staff will put on Jennifer Erdman-Bridges, and then J. Alan Taylor, first and second; and then it will be followed in the order of Mr. Poucher and then 8 on down the line. 9 10 CHAIRMAN JOHNSON: Any comments or 11 suggestions with the revised order of witnesses? 12 Seeing none, we'll go on to the next section, Section IX. 13 MS. BARONE: Madam Chairman, I spoke with 14 15 Ms. Caldwell earlier, and Sprint would like to make a change to its basic position; but I can get with her 16 17 after the prehearing and give her the exact language to incorporate. 18 19 CHAIRMAN JOHNSON: Thank you. MS. KAUFMAN: Chairman Johnson, and we would 20 just request, as I mentioned earlier, that our entire 21 statement of basic position be included when the final order is done. 23

MS. CALDWELL: Staff doesn't object to

CHAIRMAN JOHNSON: Okay.

24

1	either comment.
2	MR. REHWINKEL: That would be the same for
3	Sprint Florida.
4	CHAIRMAN JOHNSON: So there may be some
5	revisions to the basic position to include the entire
6	text of what was provided?
7	MS. CALDWELL: Yes, ma'am.
8	MS. WHITE: And that would be true for every
9	party?
10	MS. CALDWELL: That's correct.
11	CHAIRMAN JOHNSON: Yes, that will be true
12	for every party.
13	MR. WAHLEN: In terms of the deadline, since
14	we're providing positions on the issues by Tuesday,
15	can we also provide positions or changes to the
16	basic position by Tuesday, or earlier, of course, if
17	we have them?
18	CHAIRMAN JOHNSON: We'll use the same
19	Tuesday deadline.
20	MR. WAHLEN: Okay. Thank you.
21	CHAIRMAN JOHNSON: Any other well, I
22	guess many of you will be providing or we will be
23	revising this to reflect what was originally filed; or
24	if anyone would like to file additional statements,

25 please get those to Ms. Caldwell by Tuesday, close of

1	business day.
2	Issue X. That will be changed, I guess, to
3	more clearly delineate and break out each subissue?
4	MS. CALDWELL: Based on what everybody file
5	to me on Tuesday, by Tuesday.
6	MS. WHITE: Just so I can be clear, there
7	will no longer be one summary issue, there will be
8	five specific issues on the rules?
9	MS. CALDWELL: I think what I'll do is say
10	"Should the Commission adopt new Rule 25-24.845," wil
11	be the first issue.
12	The second issue will be "Should the
13	Commission adopt amendments to Rule 25-4.003," and on
14	down the line, and I'll break it down into each issue
15	and that's how it will be worded.
16	CHAIRMAN JOHNSON: Any questions? Any
17	questions on the exhibit list? Proposed stipulations
18	Any additional pending motions? (No response.)
19	And I guess Mr. Gross will have that order
20	for you and Sprint as soon as it's possible for us to
21	get that drafted and out.
22	Yes, ma'am?

PLORIDA PUBLIC SERVICE COMMISSION

24 one which I've mentioned to Mr. Beck and Ms. Caldwell,

25 and the other which kind of escaped me.

MS. RULE: Chairman, AT&T har two motions;

1	I had filed a motion to accept a late
2	prehearing statement, and I would like that granted at
3	this time. We'd be happy to argue it if any parties
4	have any objections.
5	MS. CALDWELL: Staff has no objections on
6	that one.
7	CHAIRMAN JOHNSON: A motion to file a late
8	prehearing
9	MS. RULE: To accept a late
10	CHAIRMAN JOHNSON: To accept a statement.
11	MS. RULE: It was filed one day late.
12	MS. CALDWELL: It was filed one day late,
13	and Staff had no objections.
14	CHAIRMAN JOHNSON: Show that granted.
15	MS. RULE: And the other pending issue is a
16	motion for protective order that I've filed and
17	Mr. Beck has responded to. It has not yet been ruled
18	upon, and I've talked to Ms. Caldwell about the
19	possibility of raising it for discussion today. I've
20	also mentioned it to Mr. Beck, and I don't believe he
21	has an objection.
22	MR. BECK: Oh, I have an objection to the
23	merits of the motion, but I don't have
24	MS. RULE: I meant to the procedure. And if
25	you'd like me to briefly address it, I can. The issue

1 is pretty -- it's just one issue.

CHAIRMAN JOHNSON: Okay. Please do.

MS. RULE: Mr. Beck, on behalf of Public Counsel and the Attorney General, has subpoensed information that under Section 364.24 is disclosure of which is not permitted. And, indeed, the statute does allow Mr. Beck to subpoens the information, and I am not objecting to providing Mr. Beck the information.

CHAIRMAN JOHNSON: Disclosure to whom is not permitted? To the --

MS. RULE: Anybody. Telephone companies are not supposed to give their customer lists out.

CHAIRMAN JOHNSON: Okay.

MS. RULE: We're not supposed to make our customer information known to third parties. It's a privacy issue and, therefore, in order to protect customer privacy, Section 364.24 requires that we produce this information only upon court order or subpoena; and I think there might be another issue, too. And you may remember this issue coming up in connection with the 271 docket.

should produce the information to Mr. Back upon subpoena. Of course they should, and that's what the statute says. But the subject of my protective order

request is to limit Public Counsel's use of the information.

And here's the reason: A customer list is kept private for the customer's purposes; that is, if I'm a customer of MCI or AT&T or Sprint, I don't want people giving my name and telephone number, using them for telemarketing purposes, trying to sell me anything, trying to reach me at home. I should have the privacy of that customer record protected under 364.24.

The purpose of my protective order request is to ask that you order Mr. Beck not to contact the customers whose names and phone numbers are turned over to him.

And the reason is simple. If the purpose of the statute is customer privacy, which I think is very clearly the purpose of the statute, then the customer privacy should prevail no matter who is attempting to contact the customer; that is, I don't believe the statute gives the Commission the authority or the duty to determine whether customers would be contacted for good purposes or for annoying purposes.

I think if the statute is to protect privacy, it must do so against all comers. For example, in this proceeding some of the issues that

parties have been discussing regard who is slamming who, to whom and away from whom.

I could, for example, subpoena MCI's customer lists, call up those customers who have complained about slamming, and try to get them to come back to AT&T, because I could argue they've been slammed away from AT&T, they were our customer to begin with. I've identified those customers by virtue of MCI's customer list and, therefore, I should be able to contact them. But I don't believe the statute allows you to make that sort of distinction. The terms of the statute apply equally to everybody who obtains the information by subpoena.

Now, Mr. Beck argues that he is the statutory representative of these customers and, thus, must be able to contact them.

I would argue that it's difficult to establish an attorney/client relationship unless you know the names of your clients. Now, of course he would say "Give me the names and then I'll know them." But I think what you get into there is circular reasoning.

In this particular proceeding the Commission has gone to great lengths with advertisements on TV, public notices, and hearings all around the state to

identify people who may have had a problem with
slamming, who wish to come forward, and who wish to
participate in this proceeding.

Therefore, I think Mr. Beck has, and certainly has shown by virtue of his voluminous exhibit to Mr. Poucher's testimony that he has had an ability to contact customers, to get in touch with them, and to inform them of their rights.

Now, my understanding is Mr. Beck has contacted those customers who have filed public complaints with the Public Service Commission. Those customers are in a different posture. Those customers made their names, their telephone numbers, and their complaints part of the public record.

The people who call up AT&T or MCI or Sprint and allege that they have either been slammed or ask questions about slamming have not waived that privacy and, therefore, I believe Mr. Beck can adequately protect his clients' interest with the information he has.

I am happy to turn over without restriction information on the numbers of customers, the types of complaints they have. The specific information I'm asking to be protected is their billed telephone numbers, their names, and their addresses. I think

that's a direct issue of customer privacy.

The Commission has always protected that information, and I'm just asking that you make it clear that nobody is allowed to contact customers whose names come into play by virtue of a subpoena.

CHAIRMAN JOHNSON: Mr. Beck?

MR. BECK: Thank you, Chairman Johnson.

This is a novel argument that's being presented to you by AT&T, and it's asking for a type of relief that I don't think the Commission has ever granted in the past.

I have three points. First of all, the statute has exceptions to it. Those exceptions apply and, therefore, the basis for AT&T's arguments doesn't hold. Even if it did apply, it doesn't authorize the relief that AT&T is asking for. And, third, the relief they're asking for is inconsistent with the Public Counsel statute.

Let me first read the portion of the statute that AT&T is relying on, and it's subpart (2) of 364.24. It says "that any officer or person in the employ of any telecommunications company shall not intentionally disclose customer account records, except as authorized by the customer, or is necessary for billing purposes, or as required by subpoena,

court order, other process of court, or as otherwise allowed by law."

Now, the information that they provided to us is in response to a process of law, which is our request for production of documents made consistent with the Commission's rule and the Rules of Civil Procedure.

Since other processes allowed by law is specifically exempted from this protection, that simply doesn't apply. Even if it did, at the request of AT&T, we asked the Commission's clerk's office to issue a subpoena for these documents, which they did, and which we served on AT&T. So they have been served with a subpoena for this.

Again, the disclosure is -- is that there is an exception, is that required by subpoena. So the statute has been met, and AT&T has provided, or is in the process, I think, of still providing these documents. They've provided us some.

Second of all, the statute doesn't at all address the relief AT&T is asking for. There's absolutely nothing in here that would lead you to conclude that once the information has been properly delivered to a person who is entitled to it, that they then can't use it. It's simply not there.

2 3

25 Ms. Rule?

They're coming out of the thin blue sky to try to ask you to do that when it's not a relief.

We've met the requirements of the statute, both by the request for production of documents and by subpoena.

Once that's been complied with, that's the end of it.

The statute's done. It's been complied with.

The third thing I would ask you to consider is that what they're asking for is an interference with our right to contact clients. And by statute, we represent the citizens of this state in matters before the Public Service Commission.

I'm not aware of any instance where the Commission has ever attempted to intercede and prevent us from exercising those statutory responsibilities, and that's what AT&T is asking you to do is stopping us from contacting people that we know have information relevant to a proceeding. That's what they've asked you to do.

They want to have you issue an order telling us that we can't contact the people we statutorily represent and use information that's relevant to the proceeding. I would urge you very strongly not to grant AT&T's request.

CHAIRMAN JOHNSON: Thank you, Mr. Beck.

MS. RULE: Brief reply. I would submit the question you have to answer is whether customer records are fair game once they've been subpoensed.

Under Mr. Beck's argument, there is nothing to prevent me from subpoenaing MCI's customer records, asking for all customers who have complained they've been slammed, turning it over to my marketing people, and having my marketing people contact each one of them and say "I understand you've been slammed; we'd like to fix that."

And I think because the statute does not authorize you to grant exceptions to customer privacy for good purposes versus perceived bad purposes, if you open the door you open it for all.

Customer records are not fair game simply because they've been subpoensed. We have to produce them, but the Commission retains the authority to issue a protective order delineating the use that may be made of those records, just as the Commission retains the right to issue a protective order regarding the confidential treatment of documents.

I believe that Public Counsel is not inhibited in its representation of customers. You can look at the documents they've already filed in this case and determine that they have found plenty of

people willing to complain about slamming.

And I think the issue that the Commission has always held as a very important issue is customer privacy, and I'm asking you to retain the customer privacy of these records.

CHAIRMAN JOHNSON: Okay. Staff?

that the statute -- it seems to me -- and I have not looked at the legislative history -- but it seems to me that the statute that is under question goes to the protection of the customers and their names and addresses, and it seems to be more in the customer list where other companies are using it.

And I feel like there is a distinction with the Public Counsel that they are not using it to contact the customer for solicitation of business or any other type of solicitation; it's merely there for asking them particular information.

And the fact that Public Counsel is given the directive to represent the ratepayers and the customers of telecommunications companies, I believe that they do have the right to contact them in order to find out information; and I don't think that they ought to be able to share that information beyond that or make that information public to that extent that

4 5

..

other companies could use the information for marketing techniques.

CHAIRMAN JOHNSON: Ms. Rule, did you have something you wanted to state?

MS. RULE: No. Well, lots of things.

chairman Johnson: No, no; that's okay. I'm not going to grant the protective order. Certainly I am somewhat sympathetic to the arguments posed by Ms. Rule.

However, I don't think that Public Counsel's delineation was painted with such a broad brush to suggest that once the subpoena information is provided via subpoena, that it's open for any and all to contact customers.

I believe that a special exception should be made for Public Counsel as they do represent the customers whom they will be protecting.

Certainly the privacy issue is an issue that would cause me great concern if the scenario you suggested, one company trying to contact the customers of another, were at issue. But because this is a motion that has been posed by -- or because this is an issue and the information is being requested in the context of being made by the Public Counsel who represents those individuals, I feel that it is proper

for them to go ahead, for you to provide them the additional information, because I think you've said you've not received everything that you've requested via the --

MR. BECK: We're in a continuing process of receiving documents from AT&T. They've provided us quite a few. I think fundamentally they've given us documents that are complaints filed at the Commission. We're waiting -- I believe there are still more documents to come.

MS. RULE: Yes. And we have some that we've been stamping and trying to produce, and it's dribbling out, and I apologize for that. But what we had provided Mr. Beck earlier in part was a redacted version, and what I would understand your ruling to me is we produce the unredacted version.

CHAIRMAN JOHNSON: Yes, ma'am. Any other questions? Sprint?

MR. REHWINKEL: Yes. Madam Chairman, I'm not trying to get in on this issue, but I just want to make sure that I understand, because I've provided information on the same basis.

Mr. Beck -- and I may have misunderstood his argument to a point. The ruling would not be based on any assumption that the information is still not

1	confidential and protected otherwise. It's still
2	CHAIRMAN JOHNSON: Right.
3	MR. REHWINKEL: You're just not interfering
4	with his use of it. He still can't disclose the
5	information.
6	CHAIRMAN JOHNSON: Absolutely. Now, the
7	information that you've provided, I was understanding
8	that it was just an issue between AT&T and Public
9	Counsel that they received, that you had not received
10	the telephone numbers or addresses?
11	MR. REHWINKEL: Yeah. Our information is
12	not at issue. I'm just concerned about the scope of
13	your ruling. That's all.
14	CHAIRMAN JOHNSON: I would agree. Thank you
15	for the clarification.
16	MS. RULE: And to further clarify, we will
17	produce it under confidentiality.
18	CHAIRMAN JOHNSON: Certainly.
19	MS. RULE: I think the question is just do
20	we now produce it.
21	CHAIRMAN JOHNSON: Thank you. Yes. Any
22	other questions or comments? Any other pending
23	motions? Final matters? Is that it?
24	Well, we have several documents that will be
25	provided to or statements of positions that will be

1	provided to Ms. Caldwell by
2	MS. CALDWELL: Tuesday.
3	CHAIRMAN JOHNSON: Which is the
4	MS. CALDWELL: Tuesday, January the 27th.
5	CHAIRMAN JOHNSON: January 27th. Also,
6	Public Counsel, you will be providing an amended
7	exhibit. And the date again?
8	MR. BECK: Right. It's an addendum to
9	Mr. Poucher's exhibit, and we'll be providing it on or
10	before next Friday, the 30th.
11	CHAIRMAN JOHNSON: Okay. And if there is a
12	question or comment with respect to that filing, bring
13	it to Ms. Caldwell's attention and she'll bring it to
14	my attention as prehearing officer.
15	Anything else? (No response.)
16	Thank you very much. The prehearing is
17	adjourned.
18	(Thereupon, the hearing concluded at
19	10:45 a.m.)
20	
21	
22	
23	
24	

STATE OF FLORIDA) 1 CERTIFICATE OF REPORTER COUNTY OF LEON I, H. RUTHE POTAMI, CSR, RPR, Official 3 Commission Reporter, DO HEREBY CERTIFY that the Prehearing Conference in Docket No. 970882-TI was heard by the Prehearing Officer at the time and place herein stated; it is further CERTIFIED that I stenographically reported 7 the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript, consisting of 50 pages, constitutes a true transcription of my notes of said proceedings? 9 10 DATED this 27th day of January, 1998. 11 12 H. RUTHE POTAMI CSK, RPR 13 Official Commission Reporter (904) 413-6732 14 15 16 17 18 19 20 21 22 23

24