

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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

PROCEEDINGS: MIAMI SERVICE HEARING

BEFORE: CHAIRMAN J. TERRY DEASON
COMMISSIONER LUIS J. LAUREDO

DATE: Thursday, October 14, 1993

TIME: Commenced at 6:00 p.m.
Concluded at 8:05 p.m.

PLACE:



Milander Auditorium
City of Hialeah
4800 Palm Avenue
Miami, Florida

REPORTED BY: JOY KELLY, CSR, RPR
Chief, Bureau of Reporting

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FPSC-RECORDS/REPORTING

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9 The Florida Legislature, 111 West Madison Street, Room
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11 488-9330, appearing on behalf of the Citizens.

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

16

17 ALSO PRESENT:

18 BEV DEMELLO and BRENDA MONROE, FPSC Public
19 Information Office.

20 ROBIN NORTON and FRANK WILLIAMSON, FPSC
21 Division of Communications.

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P R O C E E D I N G S

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

CHAIRMAN DEASON: If I could have your attention please, we will call the hearing to order. And before we begin, let me make an announcement.

I have been notified that there is a tan Chevrolet parked towards the north side of the parking lot which has its lights on, so you may need to attend to that if that is your automobile.

We will begin by having the notice read.

MS. DAVIS: Thank you, Mr. Chairman.

This time and place have been set for a service hearing by notice issued June 28th, 1993, in the consolidated Southern Bell dockets, Nos. 920260-TL, 910163-TL, 910727-TL, 900960-TL and 911034-TL.

CHAIRMAN DEASON: Thank you. Take appearances.

MR. ANTHONY: Harris Anthony, Joe Lacher on behalf of Southern Bell Telephone and Telegraph Company.

MR. BECK: My name is Charlie Beck, I'm Deputy Public Counsel and appearing on behalf of Southern Bell's customers.

MS. DAVIS: I'm Noreen Davis, I'm appearing on behalf of the Commission Staff.

CHAIRMAN DEASON: Thank you.

1 First of all, let me make sure that the
2 public address system is working, everyone can hear us.
3 Very well.

4 I'd like to take this opportunity to welcome
5 everyone out to our public hearing this evening. We
6 appreciate your taking time out of your schedule and
7 coming and sharing with us your thoughts on this matter
8 which is pending before the Public Service Commission.

9 There are a few preliminary matters which I
10 need to address before we get into the heart of our
11 meeting this evening. Let me begin by making a few
12 brief introductions.

13 My name is Terry Deason, I'm the Chairman of
14 the Public Service Commission; and sitting to my left
15 is Commissioner Luis Lauredo. We will constitute the
16 panel which will be conducting this hearing this evening.

17 You've already heard some introductions. To
18 my far left, your far right, are representatives of
19 Southern Bell. And to my far right and your far left
20 are representatives from the Office of Public Counsel.
21 And to my near right are representatives of the Staff
22 of the Public Service Commission.

23 In addition to the members of the Staff that
24 are up here at the front table, there are members of
25 the Staff who are towards the rear of the auditorium

1 who will make themselves available to you for any
2 questions that you may have. If they could please just
3 raise their hands, Brenda, Bev? Okay. These
4 individuals certainly would be glad to offer any
5 assistance to you that they can.

6 The purpose of the hearing this evening is to
7 hear from you, the customers of Southern Bell. This is
8 your opportunity to address the Commission on any of
9 the issues which are pending in this case and to give
10 us your concerns concerning the quality of service
11 which is being provided by Southern Bell.

12 I mentioned that at the rear of the room
13 there are individuals from the Commission. They also
14 have a handout which is entitled "Special Report."
15 It's printed on green paper. This will give you some
16 essential background information on the issues in the
17 case and the status of the case.

18 At the back of this information packet there
19 is a page which may be detached which will give you an
20 opportunity to make written comments to the Commission
21 if you prefer doing that as opposed to coming forward
22 and giving oral testimony. The choice is yours.

23 The procedure which we're going to follow
24 this evening is we will begin with brief opening
25 statements. We will have an opening statement from

1 Southern Bell, and their opening statement will be
2 followed by a brief opening statement from the Office
3 of Public Counsel.

4 After we conclude with opening statements, we
5 will ask all of those individuals from the public who
6 wish to testify this evening to stand and to be given an
7 oath. The testimony which you will give in this
8 proceeding will be under oath, it will become part of the
9 official record in this docket and can be relied upon as
10 evidence by the Commission in making its decision in this
11 case. There is a court reporter here this evening who
12 will be taking down everything that is said.

13 When you come forward -- your name will be
14 called by Mr. Beck from the Public Counsel's Office.
15 When your name is called, if you would please come
16 forward to the podium directly in my front, give us
17 your name -- and it's helpful if you could spell your
18 last name, that would be most helpful for the court
19 reporter. Give us your name, spell it, give us your
20 address and then proceed with your statement.

21 We're not imposing any time limits on your
22 statements. The only thing I would ask you is please
23 be courteous and realize there are others that are
24 waiting to give their statements to the Commission.
25 There may be some questions at the conclusion of your

1 statement, so you may want to take just a moment at the
2 end to see if anyone has any questions.

3 That's the procedure we're going to follow
4 this evening; so having taken care of these preliminary
5 matters, we will at this point begin with opening
6 statements. Mr. Anthony?

7 MR. ANTHONY: Mr. Chairman, just one
8 administrative matter. I have affidavits of publication
9 wherein the notice of this hearing was published in the
10 Miami Herald, El Nuevo Herald and the Diaro Las Americas.
11 If I could just give those to the court reporter, please.

12 CHAIRMAN DEASON: That will be fine and we
13 will identify those as Composite Exhibit No. 1.

14 (Composite Exhibit No. 1 marked for
15 identification.)

16 CHAIRMAN DEASON: Mr. Lacher, please proceed.

17 MR. LACHER: Mr. Chairman, thank you. If I
18 could do it without hitting the microphone again.

19 Good evening. I'm Joe Lacher, and I am
20 president of Southern Bell in Florida.

21 I want to thank all of you for coming
22 tonight. I'm going to be very brief in my comments so
23 we can get to your views. However, there are a few
24 things I believe need to be said to set the context for
25 tonight's discussion.

1 And we really need to look no further than
2 today's newspaper headlines to realize that the
3 telephone business is changing at an ever-increasing
4 pace. This morning's Miami Herald in a front page
5 article entitled "Merger Brings Information Home,"
6 says, and I quote, "In South Florida, the historic
7 merger of Bell Atlantic, one of the regional Bell
8 Companies, and Telecommunications, Inc., or TCI, the
9 nation's largest cable television company may also
10 challenge Southern Bell's decade-old dominance of local
11 telephone service." The story continued to quote TCI
12 officials. "TCI officials said the merged company
13 would upgrade their existing cable systems to provide
14 local telephone service in regions like South Florida
15 where TCI is already the biggest cable operator.

16 "By mid-1994, the TCI system will link living
17 rooms from Key West to Hollywood with America's data
18 superhighway. A nationwide network that would
19 deliver voice, video and computer data, through a
20 single outlet in the home."

21 Yes, indeed, America, and Florida in
22 particular, are in the middle of a communications
23 revolution, not an evolution. And yet our traditional
24 regulatory process never envisioned this dramatically
25 changing market. The regulatory policies of the past

1 do not address the changes that are occurring today,
2 let alone tomorrow's changes.

3 That brings me to our proposal: We have
4 before the Public Service Commission a proposal that is
5 really about continuing Florida's transition to this
6 new world. It's about providing new options. It's
7 about providing reasonably priced, reliable service.
8 And yes, it's about positioning us, Southern Bell, to
9 be able to compete in this new world of competition.

10 Now, we've already sent each of you customers a
11 bill insert that describes the proposals, and Chairman
12 Deason has mentioned the green flier that's out there.
13 And so I want take time to discuss the specific issues in
14 the case, but I do want to emphasis two points about the
15 proposal.

16 First, the proposal is a rate reduction. Since
17 1988 when the PSC approved Southern Bell's current
18 regulatory policy, you, our customers, have received more
19 than \$1.4 billion in rate reductions and refunds. In our
20 proposal tonight, we're talking about another reduction of
21 \$26 million to you, in addition to the \$48-plus million in
22 reductions that are already scheduled.

23 And secondly, if Southern Bell is to be able
24 to continue offering reasonably priced service, we must
25 have an environment that encourages efficiency and

1 provides the capital resources so that we can bring the
2 benefits of the information age to you.

3 Now, there are many other benefits, I think,
4 in the plan, but tonight's about hearing from you. If
5 you have questions about your service or need the help
6 of Southern Bell, we have a number of employees here
7 who are ready to assist you.

8 I thank you for coming. I look forward to
9 your comments. Thank you.

10 CHAIRMAN DEASON: Thank you. Mr. Beck?

11 MR. BECK: Thank you, Mr. Chairman.

12 This case is an unusual case. Most times
13 when utilities come before the Public Service
14 Commission they're asking for an increase in their
15 rates. This one is different because the question in
16 this case is how much should Southern Bell reduce their
17 rates? They're proposing a reduction of about \$26
18 million, and let me guarantee you that that is not
19 sufficient. That that proposal, you have to look in
20 perspective: That the telephone company is a very
21 steep cost-declining industry. The technology has done
22 amazing things. They have fiber optics serving many of
23 their offices. Their switches now are digital, they're
24 like computers, and it has enabled the Company, through
25 your paying rates paying for them, to make these

1 technological improvements. It has allowed them to reduce
2 their costs dramatically.

3 At the same time, Southern Bell is reducing
4 their employment levels. Over the next two years,
5 there's going to be several thousand less people
6 working for Southern Bell in Florida.

7 What their proposal is is, first of all, to
8 let them earn 14% on their investment in the Company
9 after taxes. In other words, they want you to pay
10 their taxes for them and let them earn a 14% return on
11 their investment. Then, under the plan that is in
12 effect and the one they want to continue, they want to
13 share excess earnings so that when they earn more than
14 14%, half would be returned to customers and they keep
15 the other half until they've earned up to a 16% return
16 on investment.

17 Now, everybody knows that interest rates are
18 about the lowest in recent memory. And just for the
19 same reason that interest rates are now at an all-time
20 low, the required profit levels of Southern Bell are
21 nowhere near that 14% level that they are requesting to
22 retain in the Commission. That was granted years ago
23 and is no longer the right profit level for them.

24 When you combine reducing their profit level
25 to a more reasonable level, and also with some --

1 there's some -- we don't agree with the way they're
2 computing their profits, we see that their rates should
3 be reduced by at least \$250 million. And there's a lot
4 of good ways that could be put to use.

5 First of all, Southern Bell has Touch-Tone
6 charges. It's about the only major telephone company
7 in the state that's still charging for Touch-Tone. And
8 we feel this case, one of the first things that should
9 be done is to get rid of the Touch-Tone charges.

10 Another thing is the long distance rates
11 should be reduced. Southern Bell has a proposal on the
12 table to allow you to call out to 40 miles at reduced
13 rates. But there's a catch to their proposal, and that
14 is they will only give you those reduced rates out to
15 40 miles if you take local measured service. In other
16 words, all your local calls now that are flat rate
17 would become measured calls, if you want to get that
18 reduced rate out to 40 miles.

19 We agree with the reductions in the toll
20 charges, but do not believe there should be any
21 connection between local measured service and reducing
22 the toll rates. They are certainly capable of reducing
23 the toll rates for everybody without trying to tie it
24 into a local measured service proposal for you.

25 Now, on top of the usual rate case, this case

1 is also looking at the type of service that Southern
2 Bell has provided over the past five years and also
3 some of their sales techniques. At the same time that
4 this Commission granted Southern Bell incentive
5 regulation -- and this is a special status of
6 regulation that only Southern Bell has -- at the same
7 time in 1988 when the Commission gave that to them,
8 they were engaged in widespread falsification of repair
9 reports to the Commission. In other words, they were
10 telling the Commission that they were meeting their
11 requirements to do repairs promptly on the lines, and
12 many reports were being falsified. People were not
13 getting the refunds they were entitled to because
14 repairs weren't being done in a timely manner. We're
15 going to present days of evidence on this to the
16 Commission and proposing that they be penalized one
17 percentage point in their earnings, which is about \$34
18 million per year, on account of that. And again, the
19 way to do that -- account for that would be to lower
20 rates by that additional amount.

21 Southern Bell has this incentive regulation;
22 but when you compare them to other companies, they come
23 out at the low end of the totem pole. Their overheads
24 are higher than the other major companies in Florida.
25 Their service quality rates at the bottom when compared

1 to other companies in Florida. In fact, Southern
2 Bell's own reports when comparing Florida to other
3 states shows Florida at the bottom of the nine states
4 that they serve.

5 So we're trying very hard to get your rates
6 reduced in this case and we hope to have a good conclusion
7 to it after the hearings in Tallahassee in February.

8 Thank you.

9 CHAIRMAN DEASON: Thank you, Mr. Beck.

10 For those that may have entered the
11 auditorium since we began the hearing, let me repeat
12 the procedure we're going to follow from this point.

13 It is now time to hear from you, the
14 customers of Southern Bell. It will be necessary to
15 swear you in. When you have your name called out by
16 Mr. Beck -- and by the way, if you have not yet given
17 him your name, you may wish to do that. Mr. Beck
18 will call your name. When you hear your name, please
19 come forward and give us your name and your address and
20 spell your name for the benefit of the court reporter,
21 and then you can proceed with giving the Commission
22 your statement.

23 So at this time we will swear in all of those
24 individuals from the public who wish to make a
25 statement to the Commission at this time. If you will

1 please stand and raise your right hand.

2 (Witnesses sworn collectively.)

3 CHAIRMAN DEASON: Please be seated. Mr.
4 Beck, you may call your first witness.

5 MR. BECK: Thank you. My first witness is
6 Ken Wolf.

7 -----

8 KEN WOLF

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

12 WITNESS WOLF: My name is Ken Wolf, W-O-L-F. I
13 reside at 534 N.E. 8th Avenue, Fort Lauderdale, my Zip
14 Code is 33301.

15 I am the vice president of the Florida
16 Consumer Action Network. I want to first take the
17 opportunity to thank you for holding these hearings on
18 this very important issue for the consumers and
19 customers of Southern Bell.

20 Consumer Action Network is a statewide
21 organization with over 40,000 members. We have been
22 involved in this request since it first surfaced last
23 year. It has changed little since the first filing and
24 we will continue to oppose the rate plan.

25 First, we oppose the plan because the

1 proposal calls for local measured service. We believe
2 Southern Bell should be required to expand all local
3 calling areas and provide flat rate service for unlimited
4 calling within these local calling areas. I think enough
5 people are confused about their phone bill and I brought a
6 few of mine, where, what they're calling for as local
7 measured service, they call it choice, we say it's more
8 confusion. It's difficult enough to try to figure one of
9 these out every month; and under the guise of choice,
10 we're going to get more confusion.

11 People want just simple, flat rate,
12 understandable service. And this is one of the things
13 we oppose is adding more pages to this, making it more
14 and more confusing.

15 We agree that there should be a minimum of
16 20-mile radius from each switching station, but the
17 extended local calling area should not come with the
18 requirement that individuals sign up for local measured
19 service. That requirement is simply not justified.

20 Second, the incentive rate plan must be
21 scrapped. Southern Bell is a regulated monopoly making
22 a 14% rate of return on profit. This company is making
23 this high profit without any risk. In today's market, it
24 is difficult, if not impossible, to justify a 14% rate of
25 return. We, as consumers and investors, are lucky to be

1 given a 3% return on our investments, and yet we allow a
2 regulate monopoly to receive a 14% rate of return. This
3 must be stopped and the incentive rate plan eliminated.
4 This plan has allowed Southern Bell to overcharge
5 customers by \$200 million and never share a dime.

6 Finally, and I have a visual demonstration
7 here, for the people at Southern Bell, let me remind
8 you that the majority of the phones do look like this,
9 Touch-Tone; 99% of the phones are Touch-Tone, yet
10 Southern Bell continues to make millions of dollars a
11 year by charging us are for Touch-Tone service. We
12 believe the \$1 surcharge we pay for the privilege of
13 this common Touch-Tone service must be eliminated.

14 Again, this charge is not justified. In a
15 world where all customers have Touch-Tone service, or
16 virtually all, it does not make sense to be socking
17 them with the extra \$1 charge.

18 Let me conclude by saying that, for the last
19 time, we want to bring an end to this call for local
20 measured service. Even though Southern Bell says it's
21 an option, we all know that what begins as an option
22 doesn't always end that way.

23 We want expanded local calling areas and a
24 Southern Bell that is making normal profits in today's
25 economy.

1 I want to end on a personal note. And I've
2 been working with the PSC and appearing before these
3 hearings for a few years as well, from the beginning.
4 And the one thing we keep hearing in these hearings, as
5 I said, is people want simplicity. It's nice to state
6 choices, but this isn't a real choice when Southern
7 Bell says, "Yes, you could have -- we'll extend your
8 local calling area, but only if you agree to the local
9 measured service," which, as you know by now, to us is
10 equivalent of putting a pay phone in every living room.

11 On a personal level, I'm a Miami native, I
12 live in Fort Lauderdale. My family is split between
13 Miami and Fort Lauderdale, that's probably very common
14 in this room today. We're one market, we're one media
15 market, or one business market; in all the senses,
16 we're one market. Why should my grandfather have to
17 worry about calling me because he's on a fixed income,
18 and he knows how expensive it's going to be from him,
19 from North Miami, to call me in Fort Lauderdale.

20 I know Southern Bell has accommodated some of
21 the other requests and I think -- I urge Southern Bell
22 to please accommodate what I hear as one of the
23 strongest requests in these hearings repeatedly, is
24 expand that calling area without strings attached. I
25 think that will make all consumers very, very happy.

1 Again, thank you for the opportunity to
2 testify. Appreciate it.

3 CHAIRMAN DEASON: Thank you, Mr. Wolf. Any
4 questions? (Applause)

5 (Witness Wolf excused.)

6

7 MR. BECK: Raida Rodriguez.

8

RAIDA RODRIGUEZ

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

12 WITNESS RODRIGUEZ: Hi. My English is broke,
13 okay? I'm sorry. I'm so happy about the Southern Bell
14 here in Florida. I don't have a problem. When I
15 sometimes have problem I call. And the people, really
16 nice people, the personnel, I'm so happy that Southern
17 Bell is here. Okay. Good night.

18 CHAIRMAN DEASON: Thank you. (Applause)

19 (Witness Rodriguez excused.)

20

21 MR. BECK: Rita Warren.

22

23

24

25

1 RITA WARREN

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 WITNESS WARREN: Good evening, ladies and
6 gentlemen. I feel, after attending some many of these
7 hearings, I feel like we're going steady.

8 There's no end to all of these hearings. I,
9 for one, would like to see this brought to fruition;
10 hopefully, by next spring, as I read your documents, it
11 will be. And in favor of the people of South Florida.

12 What I say is redundant because I've said all
13 of these things at all of the other meetings that I've
14 attended. I'm the vice president of the AARP Chapter
15 in North Dade. And to illustrate the feeling of the
16 public, when I brought back the report to the senior
17 citizens who are largely the members of AARP and told
18 them what Southern Bell was trying to do to them and
19 what the results would be if they were ever to succeed,
20 the response was "Uggggh" -- end quote.

21 I think if Southern Bell were ever to get its
22 way with asking for measured time and all the other little
23 gadgets that they're looking for to increase their income,
24 I think you're going to see the senior citizens population
25 reduced to stealing dog food in order to have food and

1 still have money enough to pay their telephone bills. It
2 is really as serious as all that.

3 I represent the senior citizens. They live
4 on fixed incomes. Prices are running away. Our
5 wonderful people in Congress are looking for cuts in
6 the COLA. Everything is being done on the backs of
7 these senior citizens.

8 You cannot allow Southern Bell, a huge
9 successful monopoly, to be another piggyback on the
10 backs of the senior citizens and bring in measured
11 time. This would make it prohibitive for the senior
12 citizens -- and for all people, not only the senior
13 citizens -- to pay these exorbitant bills as they
14 surely will become exorbitant.

15 And, of course, when we talk about their 14%
16 return, I must reiterate what the other gentleman said:
17 14% return, when I and everybody else gets 2.5% and 3%
18 in the bank, when large corporations are call in bonds
19 to reduce their returns by 1%? Where do they come off
20 looking for a 14% return when they are a monopoly with
21 no opposition in this area?

22 And I would like to question something that
23 you have on your green sheet here, where it says, "The
24 Public Counsel's request for more time to complete
25 discovery on documents only recently released by

1 Southern Bell." Why weren't all these documents given to
2 the Commission when Southern Bell first came looking for
3 increases and for measured time? What were they
4 withholding? And why did they come up with all this
5 information now? Why wasn't this documentation complete
6 at the beginning of their request for increases.

7 There's no limit, in my opinion, to the
8 avarice and greed of this company. And it starts out
9 with little things like the dollar charges for the
10 Touch-Tone, it starts out with the little things for
11 the extra charges for all the new and wonderful
12 innovations they come up with. But it is obvious to me
13 that these new innovations that they come up with are
14 paid for in their research and development from the
15 profits they make from the people. And if they can
16 advance and bring in new innovations which will help
17 the telephone industry and help and be a big help to
18 the consumers, why not give back to the consumers some
19 of these things that they've come up with? We've paid
20 for it. Their research and development doesn't run on
21 thin air, it runs out of the money that we pay to them.
22 Why shouldn't it come back to us?

23 Also their comment, I always have to smile at
24 their magnanimous gestures where they're going to look
25 out for the low income people. I'm sure that the

1 Commission realizes it's nothing more than a smoke
2 screen in order to kill the other people, the other
3 incomes besides the low income.

4 And I'm sure, after all of these hearings,
5 where all the people have reiterated basically the same
6 things over and over again about the meter charges and
7 the exorbitant charges for me to call from Dade into
8 Broward. It runs more for me to call my daughter in
9 Broward than it costs me to call my daughter in
10 Connecticut. There has to be something vitally wrong
11 with the system where the numbers come up like this.

12 And as a small aside to the Public Service
13 Commissioners, I would like to make this
14 recommendation: The hall here that you see before you
15 is not overpopulated with our citizens. And I think
16 it's due to the poor judgment and the locations that
17 you choose for these hearings.

18 When I told my chapter that I was going to
19 attend this meeting in Hialeah, they all said, "Lots of
20 luck." I came out with no jewelry, no money, and with
21 my windows shut. I would think it would behoove the
22 Commissioners in the future to consider the idea of
23 when you have these public hearings, pick one place
24 that is central and well-known to all the people in
25 Dade. Someplace where I read the name and address of

1 the building and the location and I say, "Oh, I know
2 where that is," and I can get to it.

3 Many times I've come to meetings and I've
4 roamed around the area for 45 minutes trying to find
5 it. Please, gentlemen and ladies, if you really want
6 an outpouring of the citizens, give them a chance to
7 come to a place and to a hearing that is familiar to
8 them. Not something that's stuck away in some obscure
9 corner. I'm sure all the people would appreciate that.

10 I thank you so much for your time. (Applause)

11 CHAIRMAN DEASON: Thank you. Questions?

12 COMMISSIONER LAUREDO: I have to react
13 because -- ma'am? I want you to know that last year we
14 held I think about six hearings. This year we're
15 scheduled in eight. It is really not -- I don't
16 appreciate your comment that we don't schedule them in
17 proper places.

18 I think that Hialeah is a very good location.
19 It's in a area where a lot of the citizens of this
20 state, law-abiding, tax-paying citizens live. And you
21 don't need to fear any more in Hialeah than you need to
22 fear in Fort Lauderdale, where we've held a hearing and
23 we're going to have another one. So you can go to that
24 as well, with your jewelry or without your jewelry.
25 But Hialeah is fine with me. (Applause)

1 WITNESS WARREN: Sir, I cast no aspersions on
2 Hialeah. It's the situation that runs all through
3 South Florida with what we have been seeing on
4 television and reading in the newspapers. But I think
5 to have a location that is familiar to everybody and
6 central, one central location, familiar to everybody,
7 would serve the purpose of the Commission much more
8 broadly, I believe.

9 (Witness Warren excused.)

10

11

CHAIRMAN DEASON: Thank you.

12

Let me state that the Commission endeavors,
13 sincerely endeavors, to try to determine and set
14 hearings in locations which are accessible to the
15 majority of the customers.

16

We would like to have more hearings in more
17 locations, but it's simply not possible. We try to take
18 everything into consideration. And one thing that I have
19 learned about holding these public hearings is it's not
20 possible to please everyone all the time and we just try
21 to do the best that we can. But we're certainly agreeable
22 to suggestions, and we certainly will try to incorporate
23 your suggestions in consideration of future hearing sites.

24

I've been informed that Senator Roberto Casas is
25 in the audience this evening. I would like to take this

1 opportunity to recognize him. Senator? (Applause)

2 We appreciate your taking time out of your
3 busy schedule to come and be with us this evening.

4 Thank you.

5 Mr. Beck.

6 MR. BECK: Beatrice Jacobi.

7 BEATRICE JACOBI

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

11 WITNESS JACOBI: Good evening, my name is
12 Beatrice Jacobi, J-A-C-O-B-I. I reside at 1514
13 Consolata Avenue in Coral Gables.

14 I am an AARP volunteer, and also serve on the
15 state legislative committee with the AARP.

16 And I will assure this committee that our 2.5
17 million members in Florida say no to Southern Bell's
18 request to implement measured service.

19 Senior citizens rely heavily on telephone
20 service which features unlimited local dialing. To
21 them, communication by telephone locally is a basic
22 necessity. It is important for their survival.

23 AARP seeks plain old telephone service from a
24 practical, affordable, necessary system, and
25 respectfully urges the PSC and this Committee to

1 recognize its responsibilities to the seniors and all
2 residential customers, and make an universal basic
3 telephone service more affordable and easy to use.

4 I thank you very much. (Applause)

5 CHAIRMAN DEASON: Thank you. Questions? Mr.
6 Beck.

7 (Witness Jacobi excused.)

8

9 MR. BECK: Mark Schwartz.

10 MARK SCHWARTZ

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

14 WITNESS SCHWARTZ: Thank you. Good evening,
15 my name is Mark Schwartz, S-C-H-W-A-R-T-Z. I live at
16 17346 Northwest 66th Place, Miami, Florida 33015.

17 The points I wish to bring up this evening,
18 I'm not sure whether they're Southern Bell-imposed or
19 Public Service Commission-imposed, but I'd just like to
20 speak about my situation.

21 I live a mile and a half south of the Broward
22 County line, and I cannot call one inch to the north of
23 that line in my local area. It's long distance. Yet,
24 I can call all the way to Homestead and Florida City --
25 Florida City is 45 miles away -- and that's part of my

1 local service.

2 I live ten blocks short of Miami Gardens
3 Drive, which is the border of the North Dade local
4 calling area, they call it. And if I lived just ten
5 blocks further north, I could buy a package for about
6 \$7 or \$8 a month and that would let me call all the way
7 into central Broward, but I'm ten blocks short.

8 And when I bought my house five years ago,
9 this wasn't really an issue and I didn't know that many
10 people in Broward. I know no one in Homestead.

11 Now, I know enough about the industry that in
12 a lot of places in the United States local call areas
13 are concentric circles, and you can program these
14 digital switches to bill any which way you want. So I
15 guess the killer is the fact that my closest shopping
16 mall, the Pembroke Lakes mall, is five miles to the
17 north of me across the Broward County line. And every
18 call there to check stock at a store is long distance.
19 It makes no sense at all.

20 But what I really want to know is why Pembroke
21 Pines, they pay a flat fee of like \$7 or \$8 a month and
22 they have all of Dade and all of Broward, and they're just
23 a few miles to the north of me. And if I call a friend in
24 Pembroke Pines it's, "I'll call you back, Mark." Or
25 people who live -- or my next door neighbor has a son and

1 daughter-in-law in Pembroke Pines, and they ring once and
2 hang up and the people in Pembroke Pines call back.

3 We play a lot of silly games, and I really
4 haven't figured them out.

5 When I lived in Kansas City, Southwestern
6 Bell had a calling plan where, if you lived within a
7 certain radius, you could call across that state line.
8 So I really don't understand why these county lines are
9 such fixed boundaries here.

10 I understand that there were a number of
11 people in Weston who petitioned the Broward County
12 Commission and somebody came up with the \$.25 plan so
13 you could cross the boarder.

14 We need something. You know, it's very
15 ironic, tomorrow I'm flying to Berlin, where four years
16 ago it was an international call from East to West
17 Berlin or vice versa. But today, all of greater Berlin
18 is a local calling area, a rather large area.

19 So why do we put up with this? I just don't
20 understand why a few miles to the north of me has to be
21 a rather large long distance charge.

22 Otherwise, I'm pretty satisfied with Southern
23 Bell's service. The people I deal with if I add a
24 feature or something, everybody is courteous. My phone
25 was installed right away. All of that is great. But

1 this is my big bone of contention. I've written
2 letters to the Herald, I've made calls. I don't know,
3 everybody complains about it but it still falls through
4 the cracks.

5 Once and for all, these county lines are not
6 carved in stone. And we live on either side of them
7 and we want to call each other, and we've got to do
8 something about it.

9 CHAIRMAN DEASON: Thank you. (Applause)
10 (Witness Schwartz excused.)

11

12 CHAIRMAN DEASON: Mr. Schwartz, for our
13 purposes and everyone here, I'll let you know that the
14 Commission is certainly aware of that problem. The
15 Commission, earlier this year, voted to implement the
16 \$.25 plan which you made reference to. We felt it was
17 important to go ahead and get some type of toll relief
18 plan in place.

19 Unfortunately, that was a preliminary vote.
20 It was what we referred to as "a proposed agency
21 action." We felt that was the most expeditious way to
22 address the problem. But that proposal was objected to
23 by a number of long distance carriers who wanted that
24 route to remain long distance. And due to the legal
25 requirements of due process, it was necessary for that

1 plan not to be put in place until all the parties could
2 have their due process and could present their
3 arguments to the Commission to the contrary.

4 We still feel that it needs to be handled in
5 an expeditious manner. We've decided the most
6 expeditious way to address that problem is to do it in
7 this very case, which will be going to hearing in
8 January of 1994.

9 I guess my bottom-line point is we're
10 certainly aware of the problem and it will be
11 addressed. I can't tell you what the outcome will be,
12 but the problem is evident and it will be addressed in
13 the upcoming hearings, but I appreciate your comments.

14 COMMISSIONER LAUREDO: Let me just add that
15 you're not alone. South Broward and North Dade are not
16 alone because of the demographics of this state. This
17 is a continuous problem. It's a very major problem.
18 On every agenda item that we have, we have one or two
19 of these cases. As a consequence, and since population
20 keeps shifting and all the requirements, you know, what
21 is an area of common interest is a very elusive terms.
22 But the Public Service Commission Staff is going to
23 undertake, is undertaking a strategic view of the whole
24 state to see how we can, if we could, rather than
25 piecemealing this problem every time somebody petitions

1 here or in Orlando or in the St. Petersburg area, to
2 see if there is, in fact, an overall solution that we
3 can implement with all the parties' agreement.

4 So feel comfortable in your discomfort that
5 this is a problem that is statewide. And it arises out
6 of the very nature of our state and the very nature of
7 the way we're growing in this state. But we are very
8 aware of it and we're dealing with it both on the
9 specifics and in the general sense.

10 CHAIRMAN DEASON: Mr. Beck.

11 MR. BECK: Thank you.

12 Bill Swingord.

13 BILL SWINGORD

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

17 WITNESS SWINGORD: Thank you. My name is
18 Bill Swingord. I'm the immediate past chairman of the
19 Greater Homestead -- it's down there a little ways --
20 Florida City Chamber of Commerce. I also operate a
21 small business from the hurricane zone that covers
22 pretty much all of Dade County. I'm also a member of
23 AARP.

24 I'm in business to make a profit. My
25 accountant keeps telling me that I should do a little

1 bit better. I've paid too much for things and I dare
2 say everybody in this room has, and we've paid too
3 little for some things and we've not given any of the
4 money back.

5 In the past 14 months in the hurricane zone
6 have shown the true value of communications. And I'm
7 here tonight to tell you that while insurance companies
8 have profited for years in this state in the zone, I
9 don't see anybody stopping their rate increases, and
10 after the hurricane they weren't there to be counted
11 on. Southern Bell was, and is.

12 As the Chamber of Commerce, I have to note
13 that the individuals, the executives, the employees of
14 Southern Bell were very supportive in the rebuilding
15 efforts which continue today, 14 months later.

16 One of their employees was on ground zero in
17 the command center in Homestead the day of the
18 hurricane; they were there taking complaints, figuring
19 out what could be done to restore communications. In
20 all of Homestead we had one telephone in City Hall.
21 You'll find a lot of us down there carrying these these
22 days because this was our form of communications (shows
23 phone). And it all came through Southern Bell.

24 Southern Bell took a very active role, a
25 leadership role, in the "we will rebuild effort," which

1 was channeled some \$25, \$26 million from private
2 corporations back into the rebuilding efforts of the
3 community. Somebody needs to say the positive things
4 that Southern Bell and its employees and executives
5 have done, not only for Homestead, but for all of South
6 Dade, and I think all of Dade County.

7 Speaking as a businessman -- I'm in the
8 public relations business, strange as that may have
9 seem -- you can't operate a PR business without a
10 telephone. And the day of the hurricane I frankly
11 thought, "Well, that's all for business, nobody needs
12 public relations or advertising now." And I was amazed
13 as I went around to see the clients, they all had
14 something they needed and it very quickly became
15 apparent that communications was a major problem.

16 We didn't have cable television anymore;
17 those of us in the hurricane zone didn't have
18 electricity; we were relying, quite frankly to some
19 degree, on airplanes flying overhead pulling banners.
20 So let me tell you, communications and the effort that
21 Southern Bell put forward helped us to get where we are
22 today and we're very thankful to have them. We support
23 the rate request. Thank you.

24 CHAIRMAN DEASON: Thank you. Questions? Mr.
25 Beck.

1 (Witness Swingord excused.)

2 - - - - -

3 MR. BECK: John Miles.

4 UNIDENTIFIED SPEAKER: Pass.

5 MR. BECK: Okay. Rachel Lebon.

6 RACHEL LEBON

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

10 WITNESS LEBON: Hello. My name is Rachel A.
11 Lebon; it's spelled L-E-B-O-N. I reside at 11338
12 Southwest 71st Lane, Miami, Florida.

13 And I'm here today to relate my experiences
14 as a guardian ad litem, trying to get my family and
15 children in the guardian ad litem program have phone
16 reconnection and also accessibility to some very
17 rudimentary local phone service.

18 I started becoming interested in this when,
19 during one of my cases, I noticed the mother was
20 placing quarters and trying to reach someone. And it
21 developed that she did not have local phone service, it
22 had been cut off. And it's really something to see
23 this day and age of complicated telecommunications
24 seeing someone at subsistence level trying to -- it's a
25 matter of pride not to even receive financial

1 assistance, federal assistance, and, therefore, not
2 having access to phone service. It's kind of not being
3 put in a very dignified position, number one; and it
4 also puts the children at risk. Because many families
5 within HRS have children who are ill, they may have
6 special needs, and they are without phone service with
7 which to make medical appointments, and so forth, and
8 to communicate between HRS workers and medical
9 services.

10 I spoke to some members of the guardian ad
11 litem program, and I initiated some dialogue with
12 Southern Bell because I really thought that this
13 perhaps would come as a surprise to Southern Bell that
14 there are actually a number of families, and I have a
15 few numbers here for you.

16 In one -- in HRS's protective services, in
17 only one, the Cocaine Baby Unit alone, the numbers I
18 was given, around 1,269 families, 634 were without
19 telephone service. These were figures, specific
20 figures, given to me in August 1992. I since spoke to
21 Jo Warren of the Cocaine Baby Unit and she said that
22 that is within the numbers at the present time. So
23 roughly between 50% and 60% of the families within HRS,
24 with the families that HRS works with, are without
25 phone service.

1 So we did start talking to some members of
2 Southern Bell to see if we couldn't see -- my feeling
3 was that I'm sure Southern Bell is not aware of this.
4 Once people are disconnected, who knows, maybe they
5 were confused; because technically speaking, I believe
6 local service, if you pay for your local service, you
7 cannot be disconnected for failure to pay long distance
8 services. But perhaps they did not understand that, or
9 perhaps they had one particular month that was a little
10 bit rough for them, and they were not able to pay, and
11 some very interesting reasons, perhaps, why they were
12 not able to come up with a payment.

13 So we made some -- it was a very protracted
14 negotiation with Southern Bell, because I must say
15 Southern Bell plays a time game very well. It was
16 always up to us to renegotiate or to make the proposal.
17 And, essentially, we got to the point where we were
18 offering to satisfy some of the outstanding debts of
19 some of the families.

20 We would also, with the children's fund, one
21 of our funds that we use to furnish families with
22 clothing and other needs, we offered to pay for --
23 satisfy some of the outstanding debt and also guarantee
24 for one year a very local fundamental telephone
25 service.

1 We went back and forth, and our final
2 communication with the counterproposal was July 29th,
3 1992. Essentially what we got is that Southern Bell,
4 it costs Southern Bell too much money to present a
5 local, no-frills telephone service.

6 I find that unsatisfactory, and I would
7 imagine that the Commissioners would also.

8 I also -- perhaps this was alluded to
9 beforehand, but I'm very disappointed to see only two
10 members of the Commission here. Is it because this is
11 not important? Is there a reason why we only have two
12 representatives here?

13 CHAIRMAN DEASON: Let me assure you it is
14 extremely important. The other two Commissioners,
15 Commissioner Clark and Commissioner Johnson, are on
16 assignment in a water and wastewater hearing that's
17 being conducted both today and tomorrow in Fort Myers.
18 Our docket is so full that we have to assign various
19 hearings to panels of Commissioners. That is the
20 reason.

21 As I indicated to you earlier, this hearing
22 is being taken down by a court reporter. There is a
23 transcript available. It will become part of the
24 official record and is available to the other
25 Commissioners who will have the opportunity to review

1 that record, and this will become evidence in the
2 proceeding.

3 So they would certainly have liked to have
4 been here; but I, as Chairman, assigned them to hear
5 the water and wastewater case, which is extremely
6 important to the customers of that utility in Fort
7 Myers.

8 We have various utilities which we have
9 jurisdiction over, and sometimes we just have to spread
10 ourselves to make sure that everything gets heard
11 within the statutory time frames in which we have to
12 hear cases. We don't have the luxury just to put off
13 cases indefinitely. That's the reason. Thank you.

14 COMMISSIONER LAUREDO: Let me just add. As I
15 alluded earlier, that in my short tenure in the
16 Commission, we have scheduled more hearings on the
17 Southern Bell; we've already been through seven or
18 eight all over the state. We were scheduled one in
19 Miami with all five Commissioners.

20 You need to know that also the Chairman did
21 not explain that we're one Commissioner short. We're
22 only four Commissioners as of this moment. And we had
23 a scheduled meeting here in Miami the day that "Mr.
24 Andrews" came through. So in this totality, I cannot
25 conceive of a more fair outreach.

1 If you look at the list in your green thing
2 of another eight meetings starting today all over the
3 state, I can't conceive of any Public Service or any
4 public official or any public entity that has done more
5 to reach out to its customers in this particular case
6 than we have. So while we take note of the frustration
7 that we all can't be everywhere at once, it's because
8 of the workload that the Chairman alluded to. And,
9 believe me, this is an extremely important case for all
10 of us.

11 WITNESS LEBON: It's unfortunate because it's
12 one thing to read typed testimony, it's yet another to
13 actually see and hear people make the testimony. It's
14 much more vivid, and so it is disappointing. Perhaps
15 it has to be that way.

16 But I digress, because the most important
17 thing right now is the failure of Southern Bell to
18 offer to customers a very rudimentary phone service.
19 No frills, just local phone service. That it can't
20 cost Southern Bell money because they're in Category
21 12, rate group Category 12. And the cost of manpower,
22 manhours, and the cost of actually furnishing the local
23 service is factored into the amount of local service
24 regulated rate that is now applied to our telephone
25 bill.

1 So one begins to ask the questions of
2 whether, as someone already alluded to, a lot of
3 subsistence families are indirectly subsidizing
4 Southern Bell for, for instance, the research and
5 development in setting up this counterproposal. The
6 reason there are so many hearings is because Southern
7 Bell always has all of these counterproposals; and it
8 appears after reading some of the newspaper articles,
9 that Southern Bell is calling the shots and deciding
10 when we can get hearings and when information can be
11 released.

12 But there are certain costs that should be
13 isolated that are isolated costs of furnishing local
14 telephone service, and that is what those people would
15 be billed for. That's what they would pay for and they
16 would be guaranteed a bill, even if we factored in a
17 cushion so that, indeed, Southern Bell would not be
18 losing money on this.

19 A \$15 bill per month for 12 months would be
20 well within -- at least within reach of our individuals
21 who are on subsistence level. And another constituency
22 that would be affected by this are people on Social
23 Security who live on limited incomes.

24 And it just makes me very angry to hear
25 Southern Bell, a large corporation, say that it cannot

1 afford -- and I was told this -- cannot afford to -- it
2 costs them too much to furnish or they don't make
3 enough money to furnish basic local telephone service
4 independent of long distance.

5 And on the bill it says as a service to AT&T
6 they include long distance charges. I'd like to
7 suggest that as a service to the rudimentary customers
8 -- and especially children who are at risk -- that
9 perhaps let AT&T bill customers for long distance. Let
10 the Utility, which in this case happens to be Southern
11 Bell, the regulated utility, bill for regulated
12 services.

13 Perhaps then, when people don't have
14 confusing telephone bills -- and it is a matter of
15 public record, there has been some confusion -- when
16 people can depend upon a certain amount of money per
17 month, that perhaps they won't be disconnected.
18 There's a nice reconnect fee of \$22, I don't think
19 that's regulated.

20 And I really feel that there is a large
21 number of individuals who are left out of the loop.
22 And in this day and age, it cannot be satisfactory to
23 us to have telephone service unavailable to low income
24 families and families with children at risk.

25 In regards to the new plan, again, the best

1 defense is a good offense sometimes by coming up with
2 a, when there is pending legislation, an investigation
3 regarding some of the improprieties of Southern Bell
4 that are a matter of public record. It's always a good
5 idea to come up with some kind of a plan or some kind
6 of proposal to deflect attention away from other
7 pending investigations. And, of course, then you have
8 to have hearings on that, too, and then you're spread
9 all over the state taking care of hearings.

10 Also, again, having telephone, timed
11 telephone local calls puts the burden on the consumer
12 as if there's going to be a time clock there. It's yet
13 another instance where a large corporation takes
14 advantage of the fact that your average consumer is
15 very busy, very distracted, and may not time their
16 calls as effectively as they would like. And as has
17 been alluded to before, choice soon becomes policy.

18 And so I feel that this is yet another
19 gimmick on the part of Southern Bell to make it appear
20 as though it's doing us favors but in the long run it's
21 really taking care of their 14% or so -- or its \$44
22 million excess profits last year, excess revenues in
23 1992, according to Tim Nickens (phonetic) in the Miami
24 Herald.

25 I think the most important thing -- and I'll

1 end with that -- is that in our negotiations with
2 Southern Bell, along the entire way there's a lot of
3 allusion made to all of the charitable events and the
4 corporate citizenry that Southern Bell does get
5 involved with. And I think that's wonderful. However,
6 I think the best form of corporate citizenry is just
7 providing the basic local service that they are
8 regulated to do so that they render the service to the
9 smallest and humblest of consumers, our nation's
10 children. Thank you.

11 MR. LACHER: Mr. Chairman, if I may --

12 CHAIRMAN DEASON: Mr. Lacher.

13 MR. LACHER: Ms. Lebon, I want to apologize
14 for whoever met with you and I am going to ask someone
15 from my staff to get with you after.

16 One of the things that Office of Public
17 Counsel and Southern Bell and AARP have agreed on --
18 and I believe we have pending -- is a tariff for a
19 Lifeline service specifically designed for the kind of
20 customers that you mentioned. In addition, as to the
21 service connection charge, there is another feature
22 available to help with that arena.

23 WITNESS LEBON: Well, we heard that at the
24 very beginning also, but then when it comes down, also
25 project -- oh, what was it called -- "linkup," Project

1 Linkup was another thing that was alluded to. And then
2 when we start, really start getting down to the
3 nitty-gritty and getting it done, you know, we don't
4 get any --

5 MR. LACHER: Well, unfortunately, as to the
6 issue, just as with the issue in Dade and Broward, we
7 have to go through the hearing process and get approval
8 of that tariff.

9 But I believe that's right, Mr. Beck, we
10 jointly filed a tariff addressing that issue?

11 MR. BECK: Yes.

12 MR. LACHER: And it's just in the pipeline.
13 And as soon as it's approved, we'll be delighted to go
14 forward with it.

15 WITNESS LEBON: But you still can't furnish,
16 can't come up with a plan for just like local service
17 where people get that and they bill; it's just local
18 service?

19 MR. LACHER: That's what this plan is about.
20 That's specifically what this plan is about that's
21 pending.

22 I think it's exactly what you're asking for.
23 And I would like to ask someone from TO or someone to
24 meet with you afterwards and go through the details of
25 the tariff. Because it's something we met with the

1 Office of Public Counsel and with AARP on to come up
2 with a common proposal to do just, I think, exactly
3 what you're asking.

4 WITNESS LEBON: That would be wonderful if
5 that is the case.

6 MR. LACHER: I hope it meets your needs
7 because we spent a lot of time working on it. And I
8 don't know who met with you that told you the other
9 issues, and I just want to apologize for that having
10 occurred. I wasn't aware of these negotiations but I
11 was aware of the effort we have been working with the
12 Public Counsel.

13 WITNESS LEBON: Thank you.

14 CHAIRMAN DEASON: Thank you.

15 (Witness Lebon excused.)

16

- - - - -

17 CHAIRMAN DEASON: Mr. Beck?

18 MR. BECK: John Fleming.

19 UNIDENTIFIED SPEAKER: I'm going to wait.

20 MR. BECK: Okay. Carolyn Ellis.

21

22

23

24

25

CAROLYN ELLIS

1
2 was called as a witness on behalf of the Citizens of
3 the State of Florida and, having been first duly sworn,
4 testified as follow:

5 WITNESS ELLIS: Good evening, gentlemen. My
6 name is Carolyn Ellis. And my husband and I live at
7 1300 West 82nd Street in Hialeah, and we have lived
8 there since 1961.

9 And I resent very much the phrase that
10 Hialeah is dangerous and that the hearing should never
11 have been held here. We could not have gone to any of
12 the other hearings that you held in other locations
13 because it was an impossible situation, and so we're
14 very, very grateful that at least one hearing is here.

15 As for your service, your measured service,
16 we lived in New York; we lived in Queens, New York
17 where they had the measured service, and it was
18 miserable. And if you think that I can believe that
19 the measured service will go -- the calls to Broward
20 and so forth will go down permanently, I don't believe
21 this. It's like a tax. They put it in, on real low,
22 and before you know it, it has ballooned.

23 We are very unhappy with the prospect of
24 measured service; very much against it. We're very
25 unhappy; we dislike it. I despise it, I detest it, and

1 I don't know any other word that is fit to pronounce in
2 an open hall. So I'll leave it at that.

3 But, gentlemen, really, we do dislike the
4 idea of that. And the Broward, little tip of the icing
5 won't do us any good because we don't call Broward. So
6 we're getting nothing out of this except the measured
7 service, which is a raise in prices.

8 And I want to thank you again for having an
9 open meeting and for having it here in the city of
10 Hialeah. And I do hope that more meetings on other
11 areas will be held right here.

12 Thank you very much. (Applause)

13 CHAIRMAN DEASON: Thank you.

14 (Witness Ellis excused.)

15 - - - - -

16 MR. BECK: Jorge Lissabet.

17 JORGE LISSABET

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

21 WITNESS LISSABET: My name is Jorge Lissabet.
22 I live at 942 West 65th Street, Hialeah, Florida.

23 CHAIRMAN DEASON: Sir, could you spell your
24 last name, please?

25 WITNESS LISSABET: L-I-S-S-A-B-E-T.

1 I understand very well that the monopolies
2 like yours and some other companies are here for
3 business, for profit. However, the situation you're
4 out of the picture. With the long recession in this
5 state, to ask us people who live on fixed incomes or
6 people who are losing their jobs to have to pay more
7 money, it's a crime. It's worse than murder.

8 You are telling us in the first option,
9 reduce monthly flat rate. However, if you see the next
10 step, two cents per minute with three calls every day
11 of three minutes, now we already are paying more. And
12 this is the whole story.

13 I called the Commissioners to take a close
14 look in what they are trying to do to all of us people
15 who live here. And the first step that they have to do
16 is just to cull the big fat and reduce the big salary
17 of the executive in order to protect us, the people who
18 support you and the Company. Thank you very much.

19 (Applause)

20 (Witness Lissabet excused.)

21

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22 MR. BECK: Larry Greenfield.

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1 LARRY GREENFIELD

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

5 WITNESS GREENFIELD: Yes. My name is Larry
6 Greenfield. I live at 11143 Northwest 7th Street in
7 Miami. I'm also a member of the AARP.

8 And to make Mrs. Ellis happy, I have no
9 objection to coming up to Hialeah.

10 In a way I feel like an auditor here this
11 evening. People are talking about the implementation
12 of message unit service. And I can't remember when I
13 got mine, it was either a year and a half ago or two
14 and a half years ago, but I have been enjoying message
15 unit service in my community. I'm allowed 30 calls a
16 month -- which to some people isn't very much but to me
17 fits the bill -- and I get a reduction of 40%, which
18 off the \$10.85, basic, I guess it is. So I pay \$6.39
19 basic plus all the other taxes and surcharges and so
20 on.

21 A bill that I had two months ago, which was
22 no toll calls at all, came to a grand total of \$11.89.

23 I'd like to keep it. I do not like the plan
24 that is now saying that the present message unit
25 service in the Miami area, plus Pembroke Pines and

1 Orange Park and wherever else you're listing, is now
2 going to be substituted with this extended calling
3 area. Quite honestly, many people I know in Broward I
4 work with, and if I want to talk to them, I'll talk to
5 them at work.

6 What I don't understand, though, and I would
7 like to have an explanation from Southern Bell, is
8 where you are coming up with some of your figures.

9 As an example, you are talking about the new
10 extended plan, and by saying that it is, first of all,
11 discounted monthly access line rate. They don't say
12 how much the discount is. Right now I'm paying 40%;
13 are you talking 10, 20, 25, 30, what are you talking?
14 Obviously it's not 40.

15 Usage pricing of 2 cents a minute within the
16 existing local calling area and so on. But this part I
17 don't understand, I also see a conflict here: You're
18 talking about a \$3 allowance for the residence
19 customers. And on this one you're talking about a \$7
20 cap. And also on this one, on the green sheet, you're
21 talking about a \$10 cap. So sometime during the
22 evening I'd like to get an explanation.

23 And also, I'd like to know if this 8-cent
24 extended plan to Broward somehow is included in this \$3
25 minimum or \$7 cap, or whatever it is you're talking

1 about.

2 I can also sympathize with the gentleman here
3 who is talking about where you draw the lines on local
4 service and so on.

5 I live in the Westchester exchange area. I
6 can call Homestead; I know nobody in Homestead. And so
7 at least as far as a local calling area, I'm pretty
8 content with what I have. If I want to call Broward,
9 then I will just pay the toll call.

10 I can understand where the gentleman is
11 coming from if he's around Miami Lakes and that area.
12 That the way Dade is set up, you have three, shall we
13 call them, zones: Miami, which takes the whole center
14 and a great deal of territory; Homestead and Perrine,
15 and then North Dade. If you were looking at a Chicago,
16 or Boston, or Detroit, or some other metropolitan area,
17 you're going to see a great deal of a breakdown, much
18 larger breakdown.

19 So you would see Westchester exchanges as
20 being one area; you would see Hialeah as one area; you
21 would see downtown Miami, Miami Beach, wherever it is.
22 So that within the areas that you're talking about, you
23 would probably have a good, you could tell me, a good
24 20 calling areas within the county.

25 It is now, if you were to break it down so

1 that, for instance, the Miami Lakes area could call two
2 zones out, that would include their North Dade and
3 South Broward; similarly, North Miami Beach the same
4 way. Because I can see where people now that you're
5 talking about in the North Miami areas where you are
6 just south of that boundary and you're so close to
7 South Broward, yes, it is an expense for them to be
8 calling the South Broward exchanges.

9 And I feel that somehow if you could divide
10 up your Miami, or let's say Dade County, exchanges to
11 an area similar to what you see in Boston or Chicago,
12 or whatever, you see something more realistic. And
13 even here, I am touting my message units even if you
14 charge me two message units to call Homestead or three
15 message units to call Fort Lauderdale, two for South
16 Dade. I don't care.

17 What I'm objecting to is truly having what I
18 have right now taken away from me and that I
19 automatically have to upgrade to something that quite
20 honestly I have no need for.

21 The woman in the red, I see she's not here
22 any longer, but she was talking the basic no-frills
23 service. Well, you already have it. And granted, most
24 people could not live with the 30 units a month.

25 I think what you're proposing is -- at least

1 the way I figured it out -- I'm getting it would be an
2 equivalency of two-and-a-half hours. You can correct
3 me in how the new program is, because this is not clear
4 how you have presented the new program.

5 MR. LACHER: The language is very complex,
6 and we have someone in the back of the room that would
7 be delighted to help you.

8 WITNESS GREENFIELD: All right. Thank you.

9 CHAIRMAN DEASON: Thank you, sir.

10 (Witness Greenfield excused.)

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12 MR. BECK: Mrs. Viola Mason.

13 VIOLA MASON

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

17 WITNESS MASON: Good evening. My name is
18 Viola Mason. My husband and I live at 2490 Northwest
19 152 Terrace, Opa-locka, Florida. We have been living
20 there since 1955 and had the opportunity of enjoying
21 your services.

22 We have appreciated the services that we have
23 received. We received this letter several weeks, I
24 guess a month or so ago, and I read it.

25 First, I can say I represent the senior

1 citizen section and the younger section, people with
2 children, my grandchildren section, as teenagers.

3 First, I'll speak as this letter. I didn't
4 quite understand it all. I thought, to my knowledge,
5 so I called one of your representatives of Southern
6 Bell here in Miami. And she hadn't received hers; she
7 didn't understand it; she didn't know anything about it.

8 And recently I called five of my friends and
9 only one received the letter. So it has not been
10 circulated to the whole vicinity of Miami and Metro
11 Dade County. And I'm speaking as only the senior
12 citizen as just measured calls.

13 It's an option. I do not like it; I don't
14 want it; and I hope I won't have the opportunity to
15 have it. I would much rather me having a flat rate
16 like I'm having; and I can plan how much a month my
17 telephone bill will be. Because I live on a fixed
18 income, it's not going to go any higher, and the
19 telephone bill has to be paid, and I'm a person who
20 likes to pay my bills on time.

21 And I have a mother; she is senior, senior.
22 She is 87. She is blind, live alone. I have to have
23 direct contact with her constantly and have to be
24 responsible for her telephone bill also. And it's a
25 mere fact that we both need our telephone monthly and

1 daily, and no interruption of services. Because if I
2 can't reach her, I immediately go over and check on
3 her, because she has health problems, as well.

4 And as for my -- as I said, I'm going to
5 speak for my grandchildren. My grandchildren is in the
6 teenage section of their life. And you know, as well
7 as I know, if any of you all have children, you can't
8 be home with them all the time. You cannot watch them
9 on the telephone because you're going to have to work
10 and they're going to have to be home some of the time.
11 And the telephone bill will be outrageous and we will
12 not be able to keep these telephones.

13 I hope your PSC will listen and will think of
14 the people in general. Because we can pay a flat rate
15 knowing how much your telephone bill is going to be, we
16 will plan for that set amount of money. But all this
17 other things, as far as calling Fort Lauderdale, a
18 40-mile radius, if we make a long distance call, we
19 will expect to pay it. If we can't afford a long
20 distance telephone, we won't make the telephone call.

21 So, you see, this is what we are fighting
22 for. No measured minutes on long or on regular basic
23 calls. And I thank you very much. (Applause)

24 CHAIRMAN DEASON: Thank you, ma'am.

25 (Witness Mason excused.)

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MR. BECK: Michael Zorovich.

MICHAEL ZOROVICH

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

WITNESS ZOROVICH: My name is Michael Zorovich. I live at 405 Northeast 99th Street in Miami Shores.

I'm here partly to say that I am in support of the ELS, if that's an appropriate abbreviation, proposal to allow a flat rate fee for extended service in a 40-mile area. I think it would benefit myself and my business as an independent sales person, along with my family and my neighbors in calling into the north end of not Dade County but into the Broward County and I think the Palm Beach area.

Furthermore, I would like to take this opportunity to say that I think that in many cases the Southern Bell, as a company, has been unduly persecuted in the press by various state officials in rate gouging or I think the last couple of years, a couple of years back, a year or two ago, state's Attorney General's office was after the phone company here for selling services as part of a contest, maintenance and so on

1 and so forth.

2 And I did remember that the end result was
3 that people were given an option to withdraw or ask for
4 refunds. Refunds were mandated, I think, by the
5 state's Attorney General, but people were given the
6 option to withdraw from the maintenance plans and the
7 other service plans that were being offered. And I
8 think about one-eighth to one-quarter of a percent of
9 the people actually did want to get out of the
10 maintenance plans that they had, which led me to
11 believe that most of those charges I think were trumped
12 up.

13 And, unfortunately, the phone company gets
14 front-page headlines when the charges are brought and
15 the back page when they finally come up with the end
16 results of how many people are really dissatisfied with
17 the phone company.

18 I know, going back to the hurricane and
19 various other times where we've had disasters in this
20 area or even localized disasters where we've lost
21 power, the phone system has always worked. It has kept
22 me going in business and kept our family in contact
23 with people in times of need.

24 I have not yet run into anyone in the phone
25 company -- from line personnel supervisors, telephone

1 sales people, those people that handle complaints on
2 the phone -- that have ever been rude, discourteous or
3 not friendly to me. They have taken every small
4 inconvenience that I may have brought to them
5 reluctantly and have treated it with a great deal of
6 urgency.

7 Again, part of my reason for coming up here
8 is to say that I think that the phone company does an
9 excellent job. We are fortunate to have a company such
10 as Southern Bell that has the monopoly, if you will, of
11 the utility for handling phone service here. Having
12 lived seven years in the Irving, Texas, area outside of
13 Dallas, I have experienced what the competition has to
14 offer, and I would rather be back in the 1950s to
15 rotary dial than to go through that experience again.

16 Furthermore, I am also, I guess, if there's
17 one area where I think service suffers is in the area
18 of pay phones. I realize that may not be part of the
19 docket here, but the pay phone system in the southern
20 part of Florida, when I believe it was deregulated and
21 given out to other individual companies, that service
22 seems to suffer substantially when it's not pay phones
23 that are monitored, operated or serviced by Southern
24 Bell as a company and/or their personnel.

25 That's all I really have to say.

1 CHAIRMAN DEASON: Thank you. Any questions?

2 (Witness Zorovich excused.)

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4 MR. BECK: Bunny Patchen.

5 BUNNY PATCHEN

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

9 WITNESS PATCHEN: Good evening. I'm Bunny
10 Patchen. I reside on Miami Beach at 2068 North Bay
11 Road. I'm president of the Citizens Action Committee
12 there, and I'm also authorized to speak for the
13 Mid-Beach Community Association.

14 The paperwork that I've received tonight
15 along with the sheet, the white sheet, seems to be
16 somewhat confusing. And I would like to, as a matter
17 of record, please clarify this for me.

18 I am under the understanding that the present
19 rate, flat rate we have now, will still be in
20 existence, but yet I see it nowhere in this green
21 sheet.

22 CHAIRMAN DEASON: My understanding is that --

23 WITNESS PATCHEN: The current --

24 CHAIRMAN DEASON: I'm sorry, did you want an
25 answer to your question?

1 WITNESS PATCHEN: Yes, sir.

2 CHAIRMAN DEASON: It's my understanding that
3 there will continue to be a flat rate option. And I
4 think you're right, that the rate for that is not in
5 the green sheet and it probably should be, and for that
6 we apologize but we did not intend this to be
7 misleading.

8 WITNESS PATCHEN: Because it's necessary to
9 know how much that flat rate will be, if it's going to
10 be exactly the same, if it's going to be higher. The
11 first option and the metered service -- like the people
12 who have lived in New York, I grew up in Chicago and as
13 a teenager had metered service. I have teenagers; I
14 don't want metered service. Thirty calls in a month
15 like this man says basically allows you one phone call
16 per day. That won't work with a family of five. I
17 call my husband more than that at work.

18 MR. LACHER: Under our proposal it would stay
19 exactly as it is. That's the proposal we've made, is
20 it would be no change in that rate.

21 WITNESS PATCHEN: Okay. Because as far as my
22 groups are concerned, they want to keep it as is,
23 basically. The other options are options, but to
24 change from what it presently is to something else is
25 not anything we would agree with. Thank you.

1 CHAIRMAN DEASON: Thank you.

2 COMMISSIONER LAUREDO: Mr. Chairman, I have
3 to say that I echo the lady's comments. I hope that in
4 the next hearings, in the literature and perhaps the
5 Company's -- because it's really not our job; it's the
6 Company's job to present their case a little better.
7 We just can't seem -- it's such a complex presentation
8 that some of the basics are lost in the explanation of
9 the difficult parts. (Applause)

10 And I think we can probably do better writing
11 more plain English and maybe in the introduction for
12 the next hearing. I share that. And a lot of people
13 told me the same thing when they read -- they called me
14 when they read the insert. In an effort to be so
15 thorough, they just miss some of the basic stuff and
16 people are basically lost about what is going on. And
17 even the very concept of "optional" needs to be more
18 articulated in more plain English as to how exactly it
19 affects you. I agree with you 100% and thank you for
20 bringing that up.

21 (Witness Patchen excused.)

22

23 CHAIRMAN DEASON: Mr. Beck.

24 MR. BECK: Benita Argos.

25

1 BENITA ARGOS

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

5 WITNESS ARGOS: Ladies and gentlemen, good
6 evening. My name is Benita Argos, and I live at 1345
7 West Avenue on Miami Beach.

8 And listening to some of -- and first of all,
9 I'm a member of AARP, I'm president of the Miami Beach
10 Homeowners Association, I'm a board member of the Miami
11 Beach Taxpayers Association, and the Civic League, and
12 I'm also a member of CAC, which is the Community Action
13 Committee. I'm a member of the Miami Beach Code
14 Enforcement Board. I'm a special master on code
15 enforcement for Dade County. I'm a small stockholder
16 in Southern Bell, as well as AT&T.

17 And one thing I do want to ask before I
18 really say what I came to say, but my mother, who is 82
19 years old, does not have long distance service because
20 she makes no long distance calls. She wants to make a
21 call, she comes to my house. Just wants it for the
22 doctor, local service, emergency purposes; and yet
23 there is a charge on that bill for a long distance
24 hookup which she doesn't have. And that's one of the
25 things I'd like to see taken off bills. I think it's

1 wrong and there's no reason for it.

2 It's either -- the charge is either 3.50 or
3 2.50 a month. There are two charges on the bill and I
4 don't have it in front of me.

5 Let me say this: I am what you call a civic
6 activist. I get the job done. We put people into
7 office; and when they don't do what we want, we throw
8 them out. And that's a message. Because when I read
9 this, this circular that came in September's phone
10 bill, I hit the ceiling.

11 I came here last time -- and I remember Mr.
12 Lauredo's name there -- and I spoke against measured
13 service, call per minute. It is inflationary to
14 businesses, and I don't see why the Chambers of
15 Commerce are up here saying it's such a good plan
16 because this whole plan stinks, and there's better ways
17 of doing this and much fairer to everybody.

18 Just to put it succinctly, we do not want to
19 see cents-per-minute on a call creep in here. I said
20 this the last time and it's gotten even worse in this
21 proposal. What creeps in stays, and it doesn't become
22 an option anymore. In one of your things it says,
23 "Resident premium expanded local service option
24 includes," and it says, "For an additional \$20 a month,
25 customers receive unlimited calling to both basic and

1 expanded local calling areas."

2 That's pretty good. Another \$20. By the
3 time you're look at the phone bill, you're looking at
4 \$60, \$70, by the time you get done with all the options
5 and all the things you get charged for and that you can
6 have.

7 Yes, it's a way for Southern Bell to make
8 money, and it's also the way of the new upcoming
9 telephone communications that we will be seeing in the
10 future with the new companies that are joining forces,
11 with cable and television and you know what I'm talking
12 about.

13 But cents-per-minute, I also was born in New
14 York and lived there; and while that creeped in, too,
15 although I don't think the people realized what was
16 happening, I think this has a very chilling effect on
17 business. The people here are not used to that, and I
18 would like to see that whole option killed. Period.

19 It's nice to know if you're going to get a
20 telephone bill what the basic rate is and then it's up
21 to you to add flat rate options as to whatever you want
22 to buy and can afford.

23 I think it's very, very important in this --
24 this option, which says, "However, the optional
25 expanded local service plan as proposed would replace

1 the existing measured service plans in the area listed
2 below." And it lists a lot of places in Florida, and
3 one of them is Miami Metro, so that means right here.

4 But I want to know -- I know if I call
5 Hallandale, if I call Fort Lauderdale, if I call
6 Hollywood, I'm going to pay extra for that call,
7 because it's out of my call district. Well, I don't
8 really know why, but that's the way it was set up.

9 I think that district should be expanded and
10 you should be able to call those areas. Because
11 between Miami and Fort Lauderdale it's really a hub,
12 and it's an area that more or less is glued together by
13 business, commerce and a lot of other things. But what
14 really riled me up -- and, gentlemen, just don't get me
15 riled up -- but what riled me up was that
16 cents-per-minute. And I think people like to know
17 exactly what it is that they're going to pay for basic
18 service, and then let them pick their options of
19 whatever they want with whatever kind of plans, but not
20 cents-per-minute.

21 Again, it just riles people and it make them
22 very, very unhappy, and I don't know how else to put it
23 to you, but I think we should get rid of this. And I
24 think a whole different plan, if Southern Bell needs a
25 new rate structure or something else, that makes sense

1 to people and that they can read. This was very, very
2 confusing. You do not even know what you're talking
3 about in here, unless maybe you're a regulator or
4 you're from Southern Bell, and I would say the higher
5 echelon people.

6 Thank you very much. (Applause)

7 CHAIRMAN DEASON: Thank you.

8 (Witness Argos excused.)

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10 MR. BECK: George Schulte.

11 GEORGE SCHULTE

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

15 WITNESS SCHULTE: George Schulte, 1235 Coral
16 Way, Coral Gables, Dade County resident.

17 This will require more than a leap of logic
18 to realize that I have not yet heard what the core,
19 main, central thrust of what this dance, this tap
20 dance, is all about.

21 The public mainly will not be confused or
22 dazzled nor impressed by the less than 50 cents per
23 month reduction that's offered on this cafeteria
24 pick-and-choose. That's no change in the performance;
25 there's no change in the technique. There's really no

1 change in the outcomes when a noncompetitive monopoly,
2 having no competition, comes in regularly, misses a few
3 times on purpose, stumbles, fourth or fifth time they
4 get what they want. That's just the way the act goes
5 on. That's the way the circus maximus always happens.

6 It doesn't happen that way in the private
7 sector on a corporation facing competition. A New York
8 Stock Exchange listed corporation would be beating its
9 chest like a gorilla holding news conferences if they
10 were able to come up with a net 3% earnings after
11 taxes. Winn Dixie, doing \$13 billion in Florida, their
12 retained earnings are not even equal to the taxes that
13 they have to pay being a private corporation.

14 Now, I don't know what you have granted so
15 far as a rate of return to Southern Bell or to any of
16 the utility companies that come in front of you, but I
17 recall from in the past when I was more involved that
18 it was in the order, starting at 9%. I saw it float up
19 to 10%, then to 11%. I don't know what it is today.
20 You tell us.

21 Yeah, we need to know. We need to know in
22 spades. Big time we need to know.

23 When private industry is going at warp speed
24 downsizing, CEOs taking salary reductions,
25 administrators cutting their own salary by up to as

1 much as 20% and 30%, we understand that just the
2 reverse happens with a monopoly regulated industry with
3 zero competition.

4 Who says that a utility -- and in this case
5 it might be this very utility -- which has contributed
6 CIAC, contribution in aid of construction, the
7 easement, the poles, the wires, that maybe have been
8 depreciated down to goose egg, down to zero, entitled
9 to a 9%, 10%, 11% rate of return on a pyramid of assets
10 that have been fully depreciated and in many cases
11 given to the utility company free. And I'm applying
12 that to this specific hearing tonight, which is
13 Southern Bell.

14 Yes, they parade out the reductions, but I
15 want to know what the increases are. There is an
16 existing curve. I promise you, I could probably get it
17 from Southern Bell within 7 or 14 working days. There
18 is a curve that tells exactly how many minutes of local
19 line usage there is and what would be the rate of
20 return if that line usage is billed out at 2 cents per
21 minute, and I think that's what I saw here in your
22 information sheet tonight.

23 Don't be surprised if it's in the hundreds of
24 millions of dollars. I won't be, because that's
25 probably what it is. But you should know; and if you

1 don't know, you've got to know and I will find out.
2 It's just that simple. There's nothing complicated
3 about it.

4 People are not fooled by the ballet that
5 constantly goes on in front of the PSC, nor are the
6 politicians who appoint members to the PSC. They are
7 not fooled, either. But as I say, there's generally a
8 pretty good handshake that happens about once out of
9 every five or 10 times, and that's all the game is
10 about. Because they are in it for the long run.

11 The citizens got their information sheet, I
12 guess, in a phone bill. I probably got one, too, and
13 threw it away because it's of no interest to me,
14 because I know what the dance is. The ballet is always
15 constantly dagger- or grenade-throwing by companies
16 with monopolies at the consumer.

17 Now, if you're going to be consumer-friendly
18 and the governor is going to be consumer-friendly, then
19 this is just going to be one of those cases where
20 Southern Bell in their regular docket just has to lose
21 one. The election is coming next year. You tell me
22 that Southern Bell is stricken with poverty with a 9 --
23 what's the rate of return? I would like you to answer
24 after I finish my presentation.

25 I made a few notes here that I did want to

1 hear about. Yes, I wanted to know what the rate of
2 return is on the depreciated assets, how much have been
3 depreciated, written down. The public has a right to
4 know. It would serve you well if you all knew, had the
5 figures right on the tip of your tongue. There's
6 nothing wrong with that.

7 But you can become user-friendly.

8 The glacier-like onslaught of government
9 regulated monopolistic enterprises doesn't have to be
10 anticonsumer. It can be user-friendly. They can
11 restrain themselves if you have the will to say that
12 you will.

13 You're not going to put them out of business.
14 There's no way you're going to put them out of
15 business. This type of proceeding here that calls you
16 down here and called us down here tonight, that's
17 nothing but busy work. Southern Bell wants to make
18 sure that their lobbyists have some busy work, a little
19 sandpile to do year-round. They don't want them to
20 lose their sight, you know, don't lose that fork in the
21 road; make sure they always make the right turn when
22 they come to the fork in the road. So this is just
23 simply nothing more than the normal charade.

24 If this board, Commission, comes up with a
25 curve showing the actual number of local minutes per

1 year multiplied by two cents, or whatever it was, eight
2 cents, and show me that they are after making the --
3 what do I see here, \$20 revenue decrease and a \$14
4 million revenue decrease? See, they tell you about the
5 decreases in revenue. Where is the one about the
6 increase in revenue?

7 It's big ticket. It's Promethean: Multiply
8 it out, pencil and pad or a little slip stick, that
9 will do it for you.

10 They've got 4.5 million, I think, line
11 customers, as I recall. They offer what, \$26 million
12 in reduction? That is less than 50 cents per month.
13 Not impressed. Sorry. Not when I look downstream over
14 the top of the glacier, off the radar scope and see
15 warp speed increases of hundred of millions of dollars
16 if any of these plans go through.

17 There's nothing new about these plans. They
18 just shuffle the words around a little bit. Like I
19 said, it's a cafeteria, hoping somebody will bite. And
20 one day they will get it through. It happened in New
21 York, it happened in Chicago. They have been trying
22 this for 25 years to my memory, just here in Dade
23 County; and that's where a significant percentage of
24 the line hookups are, here in Dade County.

25 To me, while private sector is downsizing and

1 cutting expenses, reducing the price of a pair of
2 shoes, reducing the price on slacks, the shirts,
3 reducing the price on electric fans, hand tools, as
4 much as 50% reductions in some of these things.

5 Because why? The economy of scale.

6 Who has better economy of scale than a
7 building with nobody in it and millions of hookups and
8 nobody even needs to man it? Who has a better economy
9 of scale? I wouldn't be surprised if customers today
10 aren't truly being overcharged for cost/benefit by an
11 amount of maybe as much as 50% per month. In other
12 words, on a \$15 bill they may be being overcharged
13 \$7.50 per month.

14 These are realities. Nothing magic. No
15 surprises. But it's just simply putting everything out
16 on the table. Common sense. You don't even have to
17 call it wisdom.

18 I can bring a mom-and-pop grocery store
19 manager or owner down here and tell you that it
20 wouldn't take them 24 hours to ask the right questions
21 and demand the right answers.

22 Nothing harmful about it. It would be
23 ennobling of the Public Service Commission, and those
24 who appointed the members to the PSC, if this were
25 done.

1 Nobody is going to lose their job up at
2 headquarters in Tallahassee. They'll all still be
3 there. They may not be getting as much work to do, but
4 they don't have to. Nobody is asking that they turn
5 out yards and yards of reports. It's not complicated;
6 and anything other than denying, throwing this
7 cafeteria plan into the circular file, is not worthy of
8 any applause from the voters of this state.

9 This is what is needed. Because there has
10 become an incestuous relationship between monopolies,
11 utilities specifically, Southern Bell specifically,
12 among many, 30 or 40 other utility companies, I guess,
13 that you regulate just in the phone business here in
14 the state of Florida. It's too labyrinthine, it's too
15 Byzantine. It needs to have a better gloss and spin
16 put on it.

17 The public deserves it. The public wants it.
18 If you don't do it, things are only going to get worse.

19 Southern Bell's not going to pack up and
20 leave; and if they did, it wouldn't be long before
21 there would be somebody else coming down. As a matter
22 of fact, I think there are a few things kicking around
23 right now that might surprise some of you about
24 replacing utilities of the size of say four and five
25 million line hookups. It's not all that difficult any

1 more.

2 You notice the \$35 billion merger that
3 happened yesterday? Not that tough. You get the right
4 people talking six or eight hours a day and breaking
5 for a long lunch it can happen.

6 What should not happen is any action by this
7 Commission that would increase the flow of private
8 sector dollars into a government -- quasi-government
9 type unit, such as Southern Bell, to the detriment of
10 the state, to the detriment of the cities, to the
11 detriment of those least able to pay, those living at
12 and below the poverty level.

13 How many do we have of those in Dade County?
14 Did Southern Bell tell you? I'll tell you. We have
15 one out of five. That's how many. The ratio of people
16 over age 65 on small fixed incomes, if any at all,
17 again, 20%. Florida, and Dade County in particular, is
18 the oldest graying, by definition, county in the United
19 States. And this is where most of the line hookups
20 are, here within Dade and Broward County. I'm talking
21 about southern Florida. These are things that Southern
22 Bell is not going to tell you.

23 If I'm picking on your social conscious a
24 little bit, I intend to. I pick my own social
25 conscience, and I don't want to be standing here and

1 saying that I'm the only one who has a social
2 conscience. If I have to alert you that you've got
3 one, too, maybe you need more information. If Southern
4 Bell can't give you the information, myself and my
5 crew, we can do it.

6 You do have a path laid out for you. And I
7 used to pass out buttons in schools here, Chuck Zink
8 and I, 20, 25 years ago, at the onset of the drug
9 problem. A little button like this said, "Just Say
10 No." Nobody's going to take your seat away from you.
11 Southern Bell doesn't have that power yet.

12 You want some good ink, some good press? It
13 doesn't take much but just a little honest courage.
14 And it doesn't even take courage for goodness sakes.

15 These people came here tonight, including
16 myself, we didn't come here because we like it or
17 because we want to. We came here because,
18 fundamentally, basically, we knew that it would be
19 abandoning ship if we didn't come.

20 We know that what's being attempted is bad.
21 It doesn't smell good, ever.

22 Southern Bell, look at their balance sheet.
23 And after I sit down, I'd like one of you to tell me
24 what is the current rate of return that you or your
25 prior predecessors have allowed them, and has it

1 increased or has it decreased, or is it the same? And
2 are their revenues up or are their revenues down? Are
3 they hooking up more lines or are they suffering a net
4 decline per year in the number of hookups? That's all
5 you need to know. That's all we want to know. There's
6 nothing wrong with that.

7 This is just serving up here tonight a menu,
8 what I call the blue plate specials. I went in there
9 and underlined the ones where they say they're taking a
10 decrease in revenue. There may be one in here that
11 says about an increase in revenue, but I didn't see it.
12 But, gangbusters, it's there, heavy duty.

13 I don't expect to hear a discussion among you
14 all here tonight. I know that the formal trial won't
15 come until probably next January or February, and I
16 won't be there for it. I feel what I'm saying here
17 tonight, and the others are saying here tonight, has to
18 be weighed on the scales of justice. What you do when
19 you go into that format next January or February of
20 deciding "yes" or "no," remember what these people are
21 saying here tonight. I may have gotten here a few
22 minutes late, I haven't anyone say, "Hey, this is
23 great, let's do it."

24 Now, Southern Bell is here, I've seen them.
25 And they are citizens, too. They can come up here and

1 tell us we're wrong, and I invite them to do just that.

2 Thank you. (Applause)

3 CHAIRMAN DEASON: Thank you. I will take
4 this opportunity to address a few of your questions.
5 You took the time to ask them, so I think you deserve a
6 response.

7 I want to assure you, first of all, that the
8 Commission does not allow a return on contributed
9 assets. The Commission does not allow a return on
10 depreciated assets.

11 You suggested we look at the balance sheet.
12 I have done that. You should be pleased to know that
13 the rate base which has been filed in this case is less
14 than that which was filed in the previous case. And
15 due to a number of reasons, but probably the primary
16 one is the fact there has been depreciation booked
17 between then and now, that the rate base is even lower
18 than it was back in the previous case.

19 The return is only allowed on net book value,
20 which is after depreciation.

21 You mentioned rate of return. The rate of
22 return that the Company presently has was set some time
23 back. And I can be corrected, I believe that it was
24 set at 13.2% was the return on equity. That is return
25 on equity. The overall rate of return is somewhat

1 lower because cost of debt, which is mixed in with
2 equity, is a lower cost of capital than equity; but the
3 return on equity I believe is 13.2.

4 I believe that Southern Bell believes the
5 return on equity should be 14%. I also believe that
6 the Public Counsel believes it should be significantly
7 lower than that.

8 And you mentioned the hearings which will be
9 held in Tallahassee in January and February. The
10 profit level of return on equity will be one of the
11 issues which will be litigated extensively; we will
12 hear from experts in the field; and the return on
13 equity could go up, could go down, could stay the same.
14 We don't know until we hear the evidence.

15 I hope that addresses your questions.

16 Mr. Beck.

17 MR. BECK: Thank you.

18 (Witness Schulte excused.)

19 - - - - -

20 MR. BECK: Marina Garcia Wood.

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1 MARINA GARCIA WOOD

2 was called as a witness on behalf of the Citizens of
3 the State of Florida and, after being first duly sworn,
4 testified as follows:

5 WITNESS WOOD: Good evening. My name is
6 Marina Garcia wood. I live at 711 North 14th Avenue in
7 Hollywood, Florida.

8 I have lived in Hollywood, Florida for the
9 last four years. Prior to that time I lived in Miami
10 for, I would say; 20 years. And since I've lived in
11 Hollywood, in order for my family to call our family
12 here in Dade County, we either have to pay the flat
13 rate fee or it would be long distance services. And
14 for myself and my husband, we can afford to pay the
15 flat rate fee. For my parents, who are retired, it is
16 expensive for them to pay \$11, \$12 a month for long
17 distance flat rate.

18 In addition, I think it's outrageous that
19 someone in South Broward has to pay a long distance
20 call to call Cocónut Creek, Coral Springs or Pompano
21 Beach, which is all within Broward County. For those
22 reasons I ask -- I oppose the plan. I ask that the
23 Commission reject the plan.

24 Additionally, I object that we have to pay \$1
25 for having Touch-Tone services. I think that is

1 outrageous when most of the phones that are being sold
2 today in America are Touch-Tone services. The rotary
3 phones are antiquated, are not being used, and I think
4 it's outrageous that we have to pay \$1 for having a
5 Touch-Tone service.

6 Additionally, I think that the citizens of
7 Broward County deserve the same benefits as the
8 citizens of Dade County. And I think if you can call
9 from North Dade to Homestead and it's not long
10 distance, the citizens of Broward deserve to call from
11 South Broward to North Dade without having to pay a
12 long distance service.

13 For those reasons, as I've stated, I request
14 and oppose the local measured service, and I thank you.

15 CHAIRMAN DEASON: Thank you. (Applause)

16 (Witness Wood excused.)

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MR. BECK: Betty Wilkinson.

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1 BETTY WILKINSON

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

5 WITNESS WILKINSON Good evening. I'm Betty
6 Wilkinson. I live here in Hialeah, 539 West 40th
7 Place. My husband and I have lived here since 1956.

8 We still have the rotary dial phone that we
9 got in 1957, and we're enjoying good service. And I
10 would like to let you explain to me the difference
11 between the limited measured service that you proposed
12 several years ago compared to what you are offering
13 now.

14 CHAIRMAN DEASON: I wish I could explain
15 that. I'm trying to understand that myself.

16 I'm not proposing it, the Company is
17 proposing that. And I think they probably have a
18 representative here who can explain that in greater
19 detail.

20 We're reviewing it all now, and it's going to
21 be covered in greater detail in the hearing. But how
22 it differs from a previous proposal, I can't sit here
23 and tell you right now all of the intricate changes
24 between the previous proposal and what's currently
25 being proposed at this time.

1 WITNESS WILKINSON: Well, I am sorry. I was
2 under the mistaken impression you were the Public
3 Service Commission and this was your output, this, and
4 you're familiar with your paperwork.

5 COMMISSIONER LAUREDO: This is one of the
6 things that I said earlier, how we miss fundamentals in
7 our communications.

8 We are not proposing anything. The Public
9 Service Commission sits as judges. They have proposed
10 what you have. It is their proposal, it's what they
11 would like to do. We -- the Public Counsel is arguing,
12 on behalf of the Citizens of the State of Florida and
13 the consumers, another point of view. Our job is to
14 try to maintain our objectivity, measure the evidence,
15 be objective and decide what is best for all: The
16 companies, so they can stay healthy and provide you a
17 phone service, and you, so that you pay the least
18 possible rate. So when you say "they proposed," it is
19 they who proposed; and maybe they can answer it now on
20 the record, your question.

21 WITNESS WILKINSON: Well, surely they can.

22 COMMISSIONER LAUREDO: Or they have a lot of
23 other representatives who can give you, but I -- it's
24 important for some of us citizens out in the real world
25 outside of Tallahassee to understand our role.

1 The Public Service Commission is not
2 proposing anything and we are obliged by the way we
3 were made up by the legislature to basically sit as
4 impartial judges between two competing interests. We
5 do not represent the public. Office of Public Counsel
6 represents the consumers. We're trying to weight those
7 two and try to come up with long-term good for all.

8 Our decisions are sometimes unpopular and
9 sometimes are popular, but you need to understand the
10 basics.

11 So, we're not proposing anything in this
12 case. We're going to be adjudicating it on the merits
13 and on the evidence come January and February of next
14 year. And this is just -- part of that is to hear
15 directly from you. That's why we come out of
16 Tallahassee, so you don't have to travel up there, and
17 hear the regular folks tell us how they feel about the
18 plan that they propose, not that we propose.

19 WITNESS WILKINSON: Well, I'll go on record
20 as saying that I am against this expanded local service
21 as I was the limited measured service. Whatever the
22 difference is, I'm not familiar with it because I don't
23 understand this.

24 COMMISSIONER LAUREDO: I don't blame you.

25 WITNESS WILKINSON: And I don't understand

1 this. But I do like to understand my bills when they
2 come in. When I go to Winn Dixie, I have a good idea
3 what I'm spending. When I go to the gas pump, it's
4 right out there in plain view in numbers and I can read
5 numbers. And I would like to know the same about my
6 telephone bill.

7 We have all of our family in distant places
8 in the state of Florida and different counties, and I
9 don't like this uncertainty. No one can even explain
10 it to me? That is -- I cannot understand.

11 CHAIRMAN DEASON: Ma'am, let me clarify. You
12 asked the difference between this plan that's on the
13 table right now and a previous plan.

14 WITNESS WILKINSON: Right.

15 CHAIRMAN DEASON: And I told you I could not
16 tell you all of the intricacies, the details of what
17 the differences are. If you have a question about what
18 is on this green sheet, I think either I or someone
19 from our Staff or someone from the Company can answer
20 your question.

21 So if you want to ask a question, ask it and
22 we'll answer it.

23 WITNESS WILKINSON: Okay. All right. You
24 have outlined many of the reductions that have been
25 proposed on Page 2, and 29.6 million, 2.8 million, 1.4

1 million, 3. -- 4.3 million, and 10 million, very
2 impressive.

3 The next paragraph proposes some revisions
4 that could result in increases for individual
5 customers. How vague can you get? You were so
6 specific in all of these reductions, and you have one
7 little paragraph about the increases.

8 Now, that's why we're here. I assure you,
9 that's why most of us are here, to find out what this
10 uncertainty is that's going to come a certain time of
11 the month.

12 Do you understand what I'm --

13 CHAIRMAN DEASON: I understand your question.
14 And the reason that language is in there is that the
15 tariffs in this case that are filed, I'm not sure, but
16 they are probably several inches thick. And it covers
17 every range of service which the Company provides. And
18 what they are saying is that there may be some rate
19 effects for some customers in some specialized
20 situations which could result in increases in those
21 situations.

22 That's to put people on notice that that
23 possibility exists. But it's my understanding that the
24 proposal for basic local service is for that to remain
25 the same as it is now. The problem comes in when we

1 have to describe the optional plan which is being
2 proposed, which has an usage-sensitive rate element,
3 which is also being combined with a proposal to expand
4 the local calling area.

5 That's where the complications come in.

6 But as far as basic local service which you
7 have now -- and I assume that you're just a basic
8 residential subscriber and you have a rotary dial phone
9 -- I know of no significant rate changes in this
10 proposal which would affect your rate.

11 Now, I can be corrected in my understanding.
12 As I told you, this is the very first hearing we have
13 had in this case. And there are going to be seven
14 more. And in addition to that, we're going to have
15 about six weeks of hearings in Tallahassee where all of
16 the details are gone into in great, sometimes
17 excruciating, detail.

18 But if I need to be corrected by Mr. Lacher
19 or by a member of our Staff, I certainly want to be
20 corrected right now.

21 MR. LACHER: Mr. Chairman, we'd be happy to
22 have someone sit down -- I'm sorry if I missed your
23 name -- Ms. Wilkinson, look at your specific bill and
24 go over the specific rate proposals with you. But I
25 know of none that would cause your rates to go up.

1 WITNESS WILKINSON: Well, that's why I'm
2 here. We're on a retired fixed income and we like to
3 know. We don't like surprises.

4 MR. LACHER: Yes, ma'am.

5 CHAIRMAN DEASON: And let me state -- let me
6 reiterate what Commissioner Lauredo said. These are
7 proposals; and the Public Counsel's office is going to
8 be arguing that these -- what rate reductions are in
9 here probably should be even greater. So what the
10 final outcome is going to be, no one knows at this
11 point.

12 And I can understand the fact that you're
13 uncomfortable to an extent because we don't know what
14 the outcome is going to be. The only assurance or
15 comfort I can give you is that at this point there is
16 not a proposal to raise basic local service.

17 Now, Public Counsel probably will argue that
18 it should be less. In fact, in his opening comments,
19 he suggested that we should remove the \$1 charge for
20 Touch-Tone; but if you have a rotary phone, that would
21 not affect you, but it would affect those customers who
22 do subscribe to Touch-Tone service.

23 So there are a number of intricacies which
24 affect some customers one way and some customers
25 another way. We're going to look at those in great

1 detail, I want to sure you.

2 WITNESS WILKINSON: Well, I want to go on
3 record and I would like to relate to you that I'm very
4 much against this, as I was a few years ago about the
5 limited measured service. I think it's the same animal
6 with different spots, and I don't like this can of
7 worms that you're presenting here in this because it
8 can go against the telephone user. I see that, plain
9 and simple. And I'm here to tell you that I am very
10 much against any increase whatever.

11 Thank you.

12 CHAIRMAN DEASON: Thank you ma'am.

13 (Witness Wilkinson excused.)

14

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15 MR. BECK: Mr. Chairman, I don't have anybody
16 else who signed up ahead of time.

17 CHAIRMAN DEASON: Thank you, Mr. Beck. Is
18 there anyone in the audience who has not signed up with
19 Mr. Beck who wishes to testify at this time? Let the
20 record reflect -- I'm sorry, there is a lady.

21 Ma'am, if someone could escort you to the
22 podium where the microphone is, then we could hear your
23 comments.

24 COMMISSIONER LAUREDO: Is somebody from
25 Southern Bell going to meet with her? Because she had

1 a lot of questions.

2 MR. LACHER: Yes.

3 COMMISSIONER LAUREDO: Okay.

4 CHAIRMAN DEASON: Ma'am, if you could give us
5 your name and address and then give us your statement?

6 MARY FINNEY

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

10 WITNESS FINNEY: My name is Mary Finney, and
11 I've lived in Hialeah ever since 1960. I live at 748
12 East 53rd Street.

13 The thing of it is when this goes through, or
14 if it does, which I hope it does not, I appreciate
15 Southern Bell, but this is just another tactic of just
16 getting their way. And I don't care, but they wring us
17 out of a little more and a little more each time. You
18 pay a dollar here and a dollar there, but this is just
19 a new tactic of getting their way.

20 It costed all of us a little bit through when
21 we had the weather; and it might have costed them but
22 it costed us, too, through our insurance and everything
23 else. And I'm telling you, they made out as well as we
24 did.

25 It costed us, and it will cost you; if you go

1 through this and you let them get this, it's going to
2 cost you more and more. So you'd better hope that it
3 don't go through.

4 CHAIRMAN DEASON: Thank you, ma'am. Is there
5 anyone else in the audience at this time who would like
6 to be heard?

7 Let the record reflect that there are no
8 further individuals who wish to be heard.

9 I want to take this opportunity to thank all
10 of you who took time out of your schedules to come and
11 to share your comments with us. As I said earlier, we
12 do our best to try to schedule these hearings in the
13 most convenient locations as possible throughout the
14 state. We will continue to try to do that. We
15 appreciate your comments, and at this time this hearing
16 is adjourned. Thank you.

17 (Whereupon, the hearing concluded at 8:05
18 p.m.)

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

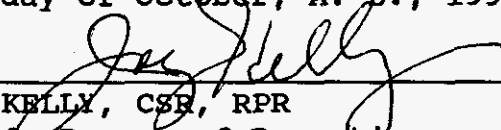
CERTIFICATE OF REPORTER

4 I, JOY KELLY, CSR, RPR, Bureau Chief, Bureau
5 of Reporting,

6 DO HEREBY CERTIFY that the service hearing in
7 this cause, Docket No. 920260-TL, was heard by the
8 Florida Public Service Commission at the time and place
9 herein stated; it is further


10 CERTIFIED that I stenographically reported
11 the said proceedings; that the same has been
12 transcribed under my direct supervision, and that this
13 transcript, consisting of 93 pages, inclusive,
14 constitutes a true transcription of my notes of said
15 proceedings.

16 DATED this 27th day of October, A. D., 1993.

17 
18 _____
19 JOY KELLY, CSR, RPR
20 Chief, Bureau of Reporting
21 (904) 488-5981

22 STATE OF FLORIDA)
23 :
24 COUNTY OF LEON)

25 The foregoing certificate was acknowledged
before me this 27th day of October, 1993, by JOY KELLY,
who is personally known to me.

26 
27 _____
28 PATRICIA A. CHURCH
29 Notary Public - State of Florida
30 Commission No. CC-90785
31 Notary Public, State of Florida
32 My Commission Expires April 20, 1995
33 Bonded Thru Troy Fain - Insurance Inc.

PUBLISHED DAILY

MIAMI, FLORIDA

STATE OF FLORIDA
COUNTY OF DADE

Before the undersigned authority personally appeared:

Eli Mertens

who on oath says that he is

Account Representative

of The Miami Herald, a daily newspaper published at Miami in Dade County, Florida; that the attached copy of advertisement was published in said newspaper in the issues of:

October 4, 1993, page 10A

Affiant further says that the said Miami Herald is a newspaper published at Miami, in the said Dade County, Florida and that the said newspaper has heretofore been continuously published in said Dade County, Florida, each day and has been entered as second class mail matter at the post office in Miami, in said Dade County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement.



Sworn to and subscribed before me

this 9th day of October A.D. 19 93.

My commission expires:



OFFICIAL NOTARY SEAL
COMMISSION NO. CC262994
MY COMMISSION EXPIRES FEB. 4, 1994

920260
Composite
#1 - SB
MIAMI Sew Hrg

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 920260-1 EXHIBIT NO. 1
COMPANY/ _____
WITNESS: _____
DATE: _____

Nueva encíclica critica moral liberal

Ciudad del Vaticano —(Reuter)— En su próxima encíclica, que el Vaticano dijo divulgará el martes, y que es en esencia un ataque frontal contra la liberal moral contemporánea y al abuso de las libertades personales, el Papa Juan Pablo II ratifica la prohibición de la Iglesia Católica contra el control artificial de la natalidad, al que describe como "intrínsecamente malo".

La encíclica, pasajes de la cual han trascendido a los órganos de prensa, trata de encarar el desafío abierto a la autoridad papal sobre ésta y otras cuestiones morales, un reto que ha planteado uno de los problemas más apremiantes en la historia de la Iglesia Católica.

El Vaticano publicará la décima encíclica del Papa, *Veritatis Splendor* (El esplendor de la verdad) el martes.

La encíclica de 179 páginas, cuya redacción tomó seis años, también confirma las prohibiciones contra las relaciones homosexuales, las relaciones sexuales premaritales y el aborto y ordena a los fieles, teólogos y obispos liberales que no pongan en tela de juicio las enseñanzas de la Iglesia sobre cuestiones morales.

Una encíclica es la forma más elevada de pronunciamiento papal. Se supone que los 950 millones de católicos del mundo deben acatarla.

Fuentes de la Iglesia y del Vaticano dicen que lamentan que los órganos periodísticos vayan a concentrarse en los aspectos que tienen que ver con la moral sexual.

"Esta encíclica no es sólo acerca del sexo", dijo una fuente, que la describió como "una obra maestra" y quizá el documento

más importante en los 15 años de pontificado del Santo Padre.

La conciencia humana, afirma el Pontífice, no tiene el derecho absoluto de adoptar decisiones

categorías sobre lo que es moralmente correcto y lo que no lo es. La autonomía de la raza humana tiene que estar subordinada a las leyes de Dios tal como son enseñadas por la Iglesia.

AVISO LEGAL

NOTIFICACION DE AUDIENCIA PUBLICA

La Comisión de Servicios Públicos de la Florida ha programado una audiencia pública en el Expediente No. 920260-TL. El propósito de este expediente es revisar las operaciones de Southern Bell bajo su plan de participación de incentivos y considerar la proposición de Southern Bell sobre la expansión de dicho plan. También se considerarán los cambios de tarifa propuestos por la Compañía, incluyendo el Plan Opcional de Servicios Locales Expandidos; las reducciones en los cargos de acceso al sistema intra-LATA y las tarifas aplicables a ciertas funciones de llamadas especiales; una reestructuración de los cargos en las órdenes de servicio, y una reducción de ciertas tarifas de las líneas comerciales.

Para conveniencia del público, la Comisión de Servicios Públicos de la Florida también ha programado la siguiente audiencia de servicio:

Jueves 14 de octubre, 1993—8:00 PM
Milander Auditorium
Ciudad de Hialeah
4800 Palm Avenue
Hialeah, Florida

En dicha oportunidad, a la hora señalada, los miembros del público pueden comparecer para testificar con relación a su interés en esta materia. Todas las personas que deseen ofrecer su testimonio en la audiencia deberán llevar, de ser posible, las facturas u otros documentos relacionados con sus servicios telefónicos. A los clientes se les ruega que sean puntuales. Si no hay clientes presentes, la audiencia será aplazada. El Abogado Público, representante de los ciudadanos en este asunto ante la Comisión, estará disponible, por lo menos 30 minutos antes de cada audiencia, para encontrarse con los miembros del público que deseen testificar. Antes de esa oportunidad, cualquier pregunta deberá dirigirse a "The Office of Public Counsel," c/o Florida House of Representatives, The Capitol, Tallahassee, Florida 32399-1300.

**DOS
Tiendas**

OfficeMax®

GRAN

PUBLISHED DAILY

MIAMI, FLORIDA

STATE OF FLORIDA
COUNTY OF DADE

Before the undersigned authority personally appeared:

Eli Mertens

who on oath says that he is

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Sworn to and subscribed before me

this 9th day of October A.D. 19 93.

My commission expires:



NOTARIAL NOTARY SEAL
COMMISSION NO. 00028994
MY COMMISSION EXPIRES FEB. 4, 1997

Nueva encíclica critica moral liberal

Ciudad del Vaticano —(Reuter)— En su próxima encíclica, que el Vaticano dijo divulgará el martes, y que es en esencia un ataque frontal contra la liberal moral contemporánea y al abuso de las libertades personales, el Papa Juan Pablo II ratifica la prohibición de la Iglesia Católica contra el control artificial de la natalidad, al que describe como "intrínsecamente malo".

La encíclica, pasajes de la cual han trascendido a los órganos de prensa, trata de encarar el desafío abierto a la autoridad papal sobre esta y otras cuestiones morales, un reto que ha planteado uno de los problemas más apremiantes en la historia de la Iglesia Católica.

El Vaticano publicará la décima encíclica del Papa, *Veritatis Splendor* (El esplendor de la verdad) el martes.

La encíclica de 179 páginas, cuya redacción tomó seis años, también confirma las prohibiciones contra las relaciones homosexuales, las relaciones sexuales premaritales y el aborto y ordena a los fieles, teólogos y obispos liberales que no pongan en tela de juicio las enseñanzas de la Iglesia sobre cuestiones morales.

Una encíclica es la forma más elevada de pronunciamiento papal. Se supone que los 950 millones de católicos del mundo deben acatarla.

Fuentes de la Iglesia y del Vaticano dicen que lamentan que los órganos periodísticos vayan a concentrarse en los aspectos que tienen que ver con la moral sexual.

"Esta encíclica no es sólo acerca del sexo", dijo una fuente, que la describió como "una obra maestra" y quizá el documento

más importante en los 15 años de pontificado del Santo Padre.

La conciencia humana, afirma el Pontífice, no tiene el derecho absoluto de adoptar decisiones

categorías sobre lo que es moralmente correcto y lo que no lo es. La autonomía de la razón humana tiene que estar subordinada a las leyes de Dios tal como son enseñadas por la Iglesia.

AVISO LEGAL

NOTIFICACION DE AUDIENCIA PUBLICA

La Comisión de Servicios Públicos de la Florida ha programado una audiencia pública en el Expediente No. 920260-TL. El propósito de este expediente es revisar las operaciones de Southern Bell bajo su plan de participación de incentivos y considerar la proposición de Southern Bell sobre la expansión de dicho plan. También se considerarán los cambios de tarifa propuestos por la Compañía, incluyendo el Plan Opcional de Servicios Locales Expandidos; las reducciones en los cargos de acceso al sistema intra-LATA y las tarifas aplicables a ciertas funciones de llamadas especiales; una reestructuración de los cargos en las órdenes de servicio, y una reducción de ciertas tarifas de las líneas comerciales.

Para conveniencia del público, la Comisión de Servicios Públicos de la Florida también ha programado la siguiente audiencia de servicio:

Jueves 14 de octubre, 1993—8:00 PM
Milander Auditorium
Ciudad de Hialeah
4800 Palm Avenue
Hialeah, Florida

En dicha oportunidad, a la hora señalada, los miembros del público pueden comparecer para testificar con relación a su interés en esta materia. Todas las personas que deseen ofrecer su testimonio en la audiencia deberán llevar, de ser posible, las facturas u otros documentos relacionados con sus servicios telefónicos. A los clientes se les ruega que sean puntuales. Si no hay clientes presentes, la audiencia será aplazada. El Abogado Público, representante de los ciudadanos en este asunto ante la Comisión, estará disponible, por lo menos 30 minutos antes de cada audiencia, para encontrarse con los miembros del público que deseen testificar. Antes de esa oportunidad, cualquier pregunta deberá dirigirse a "The Office of Public Counsel," c/o Florida House of Representatives, The Capitol, Tallahassee, Florida 32399-1300.

DOS
Tiendas

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GRAN

STATE OF FLORIDA


COUNTY OF DADE:

Personally appeared before me the undersigned, Miguel A. Suárez, to me well-known, who being duly sworn deposes and says that he is the Advertising Director of Diario Las Américas, newspaper of general circulation, published daily except Monday, In Miami, Dade County, Florida. Affiant further says that the above named newspaper has continuously published daily except Mondays in Dade County, Florida for more than one year immediately preceding first publication of said Legal Notice or advertisement and was during all such time and now is entered as second class mail matter in the United States Post Office in Miami, Dade County, Florida and that the Legal Notice or Advertisement, all copy of which is hereto attached, was published in.

DIARIO LAS AMERICAS

INV.# 222903
P.O.#32720003
ORDERED: Tucker Wayne Luckie & Co.

on the following days:
10-5-93

Signed 

Sworn to and subscribed before me this 11 day of October 1993, in Miami, Dade County, Florida

Tearsheet Attached

Amount \$ 336.00 less 5% contract discount


Notary Public CARINA Y. SANFELI

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. APR. 29, 1995
BONDED THRU GENERAL INS. CO.

en Colorado hace 9.000

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expectativas "prometedoras" futuro.

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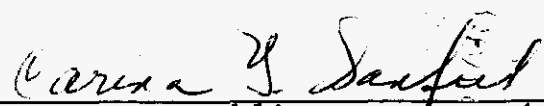
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PUBLISHED DAILY

MIAMI, FLORIDA

STATE OF FLORIDA
COUNTY OF DADE

Before the undersigned authority personally appeared:

Eli Mertens

who on oath says that he is

Account Representative

of The Miami Herald, a daily newspaper published at Miami in Dade County, Florida; that the attached copy of advertisement was published in said newspaper in the issues of:

October 4, 1993, page 8B

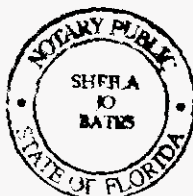
Affiant further says that the said Miami Herald is a newspaper published at Miami, in the said Dade County, Florida and that the said newspaper has heretofore been continuously published in said Dade County, Florida, each day and has been entered as second class mail matter at the post office in Miami, in said Dade County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement.



Sworn to and subscribed before me

this 8th day of October A.D. 19 93.

My commission expires:



OFFICIAL NOTARY SEAL
COMMISSION NO CC262904
MY COMMISSION EXP FEB. 1, 1997

they're kind of hanging by a wire."

The work also includes replacing the flashing yellow lights that mark school zones. It will stretch through next year and cost between \$9 million and \$10 million.

The federal government, state Department of Transportation and the Federal Emergency Management Agency are picking up the tab.

Gas tax revisited

Don't forget: Metro commissioners take another look Tuesday at the controversial six-cent-per-gallon increase in the gas tax.

The tax, which is expected to generate \$46.6 million a year, would be used for county roads and mass transit. Dade's cities also would get just under a fourth of the money to use on street improvements there.

Since Metro commissioners passed the tax, angry Dade residents have begun collecting signatures against it. Several commissioners have since reversed and said they will vote to repeal it.

But if the tax is repealed, that could delay some road construction work and transit projects, county administrators say. Metro also is talking about raising Metrobus and Metrorail fares to make up the extra money.

Want to tell your Metro commissioners what you think? Individual office numbers are in the blue pages of your phone book. The main commission switchboard is 375-5124.

Studying your car's safety

The 1994 cars are rolling on to dealers' lots, and they're safer than ever, according to an insurance industry study.

About 90 percent of all new models are equipped with air bags; 63 percent also offer air bags for front-seat passengers, the Insurance Institute for Highway Safety found.

That's a big jump from last year, when only about 60 percent of new cars had driver's-side air bags, said institute president Brian O'Neill. Only 10 percent had passenger-side air bags.

Federal laws require driver and passenger-side air bags in all new

MOST MODELS

LEGAL NOTICE NOTICE OF PUBLIC HEARING

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

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

Thursday, October 14, 1993—6:00 PM
Milander Auditorium
City of Hialeah
4800 Palm Avenue
Hialeah, Florida

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

JAY SUGARMAN AUCTIONEERS

ADVANCE NOTICE
ABSOLUTE AUCTION
BUILDING SOLD, WE'RE SELLING EQUIPMENT

SANITARY FISH INC.

1771 WEST AVE., MIAMI BEACH
TOMORROW, TUESDAY, OCT. 5th, 10:00 A.M.

- Several Walk-in Coolers — Freezers
- Fish Cases
- Forklifts
- (10) S/S Tables
- (6) S/S Sinks
- Many Sizes
- Vac-Pac Units

- Scales — Saws
- Equipment
- Several Trucks
- Steamers
- Lobster Tank
- Phone Sys.
- Pallet Racks
- Fryers

- Material Handling
- Computers
- Office Equip.
- Cash Registers
- Floor and Hanging Scales
- Band Saws
- Grinders

**MUCH
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MORE!!!**

RETIRED — CLOSING OUR DOORS

ABSOLUTE AUCTION

FAMILY DENTAL CENTERS OF FLORIDA
MOVED TO: 150 N.W. 176 STREET, N. MIAMI BEACH, FL

WEDNESDAY OCTOBER 13th 10:00 A.M.

PUBLISHED DAILY

MIAMI, FLORIDA

STATE OF FLORIDA
COUNTY OF DADE

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My commission expires:



OFFICIAL NOTARY SEAL
COMMISSION NO. CC262994
MY COMMISSION EXP. FEB. 1, 1997

DOT begins replacing storm-battered signals

COMMUTING, FROM 1B

zation that's supposed to be there is really there anymore," he said. "And in some cases, they're kind of hanging by a wire."

The work also includes replacing the flashing yellow lights that mark school zones. It will stretch through next year and cost between \$9 million and \$10 million.

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That's a big jump from last

Have a gripe, suggestion or comment? Write to "Commuting," c/o The Miami Herald, 16855 NE Second Ave., North Miami Beach, Fla. 33162, or call the Commuting

Hotline on TeleHerald, 373-4636, and dial the access code found on page 2A. Then punch in 8723 and leave your message, your name and day and evening telephone numbers.

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**MUCH
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