



1 **IN ATTENDANCE:**

2 **DIANA CALDWELL, FPSC Division of Appeals.**

3 **CHARLIE BECK, Office of Public Counsel.**

4 **RICK MOSES, FPSC, Division of Communications.**

5 **TERRY REID, FPSC, Consumer Affairs**

6 **DICK DURBIN, FPSC, Consumer Affairs**

7 **CARMEN PENA, FPSC, Consumer Affairs**

8 **BLANCA RAYO, FPSC, Records and Reporting**

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## I N D E X

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**P R O C E E D I N G S**

(Hearing convened at 6:45 p.m.)

**CHAIRMAN JOHNSON:** Ladies and gentlemen, I'm going to go ahead and convene the workshop tonight.

Counsel, could you please read the notice?

**MS. CALDWELL:** Pursuant to the notices under Section 120.54 Florida Statutes, the Florida Public Service Commission will hold a rule development workshop at this time and place to consider amendments to rules relating to customer preference for their local, local toll and toll provider.

**CHAIRMAN JOHNSON:** We'll take appearances.

**MS. CALDWELL:** Diana Caldwell, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399.

**MR. BECK:** My name is Charlie Beck. I'm with the Office of Public Counsel at the Claude Pepper Building in Tallahassee.

**CHAIRMAN JOHNSON:** I'm Julia Johnson. I'm the Chairperson for the Florida Public Service Commission and joining me later will be Commissioner Joe Garcia.

Welcome here tonight. One of the things I did want to discuss with you was basically the purpose of this hearing, what are we trying to achieve, where

1 are we in the process? I'm going to have one of my  
2 Staff members, Mr. Moses, go through the rule that we  
3 have, and if you need further information, there is a  
4 special report, a blue sheet that was available out  
5 front, that goes into detail about the hearing, our  
6 purpose. It provides a schedule. It also provides a  
7 1-800 number for the Commission so that if you have  
8 any questions after this hearing you can call our  
9 1-800 number.

10 I did want to make you aware that the  
11 hearing here tonight is being transmitted over the  
12 Internet, so that all of the testimony that is being  
13 provided will be broadcast throughout the state of  
14 Florida for those of you who are participating via a  
15 their computers at their homes. And all of the other  
16 hearings that we will be conducting will also be  
17 available for you to listen and participate in through  
18 the Internet process.

19 We've also provided on our Web Page, using  
20 the same site, a complaint form that you can use if  
21 you'd like to file a complaint via the Internet.

22 Now, there are several ways, again, to  
23 contact the Commission: through our 1-800 number,  
24 calling us directly or through the Internet process.

25 One of the things that we're trying to do as

1 a Commission is to make this process as open and as  
2 informative as we can for you. Understanding that  
3 there are a lot of benefits to competition, oftentimes  
4 competition leads to confusion. Our role in this  
5 process is to eliminate the confusion and to provide  
6 as much consumer protection as we can.

7           One of the biggest consumer complaints that  
8 we hear -- one of the biggest issues that we hear  
9 complaints about at the Commission is the slamming  
10 issue. In 1990 we had about 30 slamming complaints.  
11 Last year we had over 3,000 complaints.

12           Now, we have a rule currently that we've  
13 used to try to prevent slamming and to protect the  
14 customers, but we believe that we need to do more.  
15 Certainly, Public Counsel and the Attorney General's  
16 office, they have been very involved in this process  
17 and they will be providing us with input as to how we  
18 can strengthen our rules. Under our current rules we  
19 have imposed fines and penalties. And we also have a  
20 process whereby if you have been slammed under our  
21 current rules, we require the company, if they have  
22 overcharged you, to rerate your bill so you won't be  
23 charged any more than you would have been charged  
24 under your authorized provider.

25           We also have several consumer bulletins and

1 information available for you out front and that  
2 addresses numerous issues.

3           One oftentimes we hear from customers that  
4 they don't like the telemarketing, period. They don't  
5 want to -- after they come home for work and they're  
6 sitting down to dinner, they don't even want to hear  
7 from the telemarketers. We've provided a form that's  
8 actually a part of the Department of Agriculture,  
9 their no solicitation program. That's a program that  
10 if you don't want to receive those calls you can sign  
11 up. There's an initial sign-up fee of \$10 with the  
12 Department of Agriculture and, I think, an ongoing fee  
13 of \$5 to prevent those companies from calling you.

14           You'll also hear how our new rules will be  
15 designed and are being proposed to provide you with  
16 even greater protection.

17           One of the things that we'll have to do  
18 because your testimony will be used in the part of the  
19 official record is actually swear you in before those  
20 of you who testify actually testify. We do that so  
21 that the Commissioners can rely upon your testimony as  
22 a basis for our decision when we have our final  
23 technical hearing and then when we actually vote on  
24 the proposed rule. So at the appropriate time, I'll  
25 ask those that would like to testify to stand and at

1 that time I'll swear you in.

2 For those who don't want to file by the  
3 Internet or don't want to participate in the process  
4 by testifying today, there's also an additional form  
5 for written comments that if you'd like to fill that  
6 out tonight or later throughout the week and send that  
7 to the Commission, that's also available for you.

8 At this time I think it would be appropriate  
9 if Mr. Moses would review our current proposed rule.  
10 And again it is a proposed rule. We'll hold a formal  
11 hearing and hear from all of the parties, take in your  
12 testimony, receive input from Public Counsel and the  
13 AG's office, but this is the rule that Staff has  
14 proposed in order to provide you with greater  
15 protection. If you have any questions on the rule,  
16 please feel free to ask those at the appropriate time.  
17 Mr. Moses.

18 MR. MOSES: Thank you. The proposed rules  
19 will do the following: They will apply to all  
20 companies providing local service, local toll service,  
21 which is also sometimes called intraLATA, and it will  
22 also apply to your long distance companies.

23 It will require additional information to be  
24 printed on the bill that you have not seen in the  
25 past. That information will include the name of the



1 company, the type of service that is being provided,  
2 and a customer service 800 number for each of those  
3 providers.

4           It will require the consumer's  
5 authorization, and it will limit the ways in which a  
6 preferred company may be changed. The only way that a  
7 change may be made is if the company has a signed  
8 letter of authorization that contains sufficient  
9 information to verify that the consumer is authorizing  
10 the change, or that the company has received a  
11 consumer-initiated call and has obtained the  
12 customer's consent to be recorded and has recorded  
13 the consent and recorded the telephone number from  
14 which the consumer is calling for the number to be  
15 changed.

16           Or an independent, unaffiliated firm has  
17 verified that the consumer's request, which is also o  
18 be recorded, or that the company has received a  
19 consumer's change request and responds by mailing an  
20 information packet, such as a postcard, which will  
21 explain the changes, verifies the information and  
22 requires a signed statement acknowledging the change.  
23 A company may not combine the letter of authorization  
24 with any other type of inducement. This will  
25 eliminate the AT&T checks that you sign the back of

1 and get your service changed. It will also eliminate  
2 the sweepstakes entries that many of you may have seen  
3 at flea markets and various other places.

4           When the company is soliciting to change  
5 your service by writing or by telephone, the  
6 inducement may not be misleading or deceptive.

7           If a person is slammed, charges for the  
8 change and all charges billed on behalf of the  
9 unauthorized provider for the first 90 days of service  
10 will be credited to the consumer. Upon notification  
11 by the consumer, the consumer must be switched back to  
12 his or her original provider or the provider of his or  
13 her choice.

14           And that's the summary of the rules.

15           **CHAIRMAN JOHNSON:** Thank you. Let me take  
16 this time to introduce the Staff members that are here  
17 to assist you.

18           Of course, Mr. Moses just provided you with  
19 a recitation or a summary of our proposed rule.  
20 Mr. Dick Durbin is available. Ms. Carmen Pena.  
21 Mr. Terry Reid was the gentlemen that greeted most of  
22 you as you entered the room. Blanca Bayo, she has  
23 been very active, and she's monitoring the Internet  
24 system to make sure that that's working properly.

25           Joy Kelly is our court reporter. She will

1 be recording all of your comments so that we can have  
2 that available, not just for myself but for all of the  
3 other Commissioners who will be participating in the  
4 process.

5 So, again, you can direct any questions that  
6 you might have to our Staff members. There are also  
7 other members of the Public Counsel available here to  
8 address any of your questions or concerns.

9 And with that, I'd like to welcome, again,  
10 each and every one of you. And for those that would  
11 like to testify, if you could please stand and raise  
12 your right hand.

13 (Witnesses collectively sworn.)

14 **CHAIRMAN JOHNSON:** Thank you. You may be  
15 seated.

16 **MR. BECK:** Chairman Johnson, the first  
17 witness signing up is Rachel Ibarra.

18 - - - - -

19 **RACHEL IBARRA**

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

22 **DIRECT STATEMENT**

23 **WITNESS IBARRA:** My name is Rachel Ibarra.

24 **CHAIRMAN JOHNSON:** Ma'am, I apologize, I  
25 forgot to mention for the benefit of all of those that

1 will testify, if you could start off by stating your  
2 name and your address for the record. And, ma'am, if  
3 you could spell your last name.

4 **WITNESS IBARRA:** I would prefer that my  
5 address not be sent over the Internet.

6 **CHAIRMAN JOHNSON:** Certainly. We'll do  
7 that. We'll have written documentation with your  
8 address.

9 **WITNESS IBARRA:** Okay. I don't want to open  
10 this up to anymore.

11 **CHAIRMAN JOHNSON:** You don't want to get  
12 slammed as a result of this hearing. Don't give us  
13 your phone number either, then.

14 **WITNESS IBARRA:** No. Ibarra, I-B-A-R-R-A.  
15 My address is 1150 Island Road, Riviera Beach, Singer  
16 Island 33404.

17 I have been slammed, but not in the exact  
18 sense of the word. Apparently, myself or my husband  
19 filled out some sort of a raffle, such as you have  
20 outside, and I guess that's what did it. But when I  
21 contacted AAT, All American Telephone, to provide me  
22 with the documentation that had somebody's  
23 authorization, somebody's signature, mine or my  
24 husband's, I asked them to fax it or mail it, and they  
25 never did. Each time I've called, Hold Billing

1 Services, which is the billing service for AAT  
2 Multimedia and US Long Distance, which apparently are  
3 connected somehow, I have been locked in a hold loop  
4 for a maximum of 30 minutes; a minimum of ten. Each  
5 time I was never able to speak to a representative.

6 Finally I got smart and I called them at 8  
7 o'clock in the morning thinking somebody is in that  
8 office, somebody is going to answer the phone. I'm  
9 going to get a real live breathing human being here  
10 and I did. I got a man named Jack Antess (ph), who  
11 says he is the manager for AAT; refused to provide me  
12 with any address for this company. All he would  
13 provide me with was a P. O. box. I asked for the  
14 owner's name. He would not provide that either. I  
15 requested again that he fax to me or mail to me the  
16 hard copy that had a signature on it. And he never  
17 did. He was not cooperative. He was not friendly.  
18 He was not nice.

19 For six months I have been billed by a  
20 company that I never authorized to carry my long  
21 distance service. I was under contract with MCI. I  
22 was very happy with MCI. And the rates that I was  
23 charged by ATT was about five or six times the rate  
24 that I was being charged with MCI.

25 BellSouth was somewhat cooperative in

1 crediting my account each month, charging back the  
2 Hold Billing Service fees to AAT. However, each month  
3 these charges stacked up. Each month I have to call  
4 the phone company and ask them how much I owe them,  
5 just BellSouth. I'm into probably five or \$600 with  
6 AAT at this point.

7           Then I was told by BellSouth that I had the  
8 option of putting a PIC block on my phone. Now, if  
9 somebody had told me I was entitled to have that in  
10 the first place I wouldn't be in this mess now. I  
11 wouldn't be having this six months' worth of  
12 harassment from a phone company.

13           So I put the PIC block on, and lo and  
14 behold, it didn't take. I got the same bill the next  
15 month, or I got a bill from AAT the next month. And I  
16 told them, "Hey, I put this block on here. What's  
17 going on?" They renewed the block. How can you renew  
18 something that's already been placed there in the  
19 first place?

20           Somebody wasn't paying attention at  
21 BellSouth. So I asked BellSouth to not bill me for  
22 Hold Billing Services, and they said they just could  
23 not do that. That this company said that they were my  
24 long distance carrier, and it didn't matter what I, as  
25 the consumer, had to say except they were willing to

1 credit my account. So every month -- six months they  
2 are crediting my account, crediting my account, but  
3 it's not being done in a very efficient manner because  
4 still now in October I'm still being billed by Hold  
5 Billing Services for \$2.89 a month just for a service  
6 charge. They are not charging me for phone calls  
7 anymore, but they are charging me a service charge.  
8 Charging me for a service charge for a company that I  
9 never authorized to carry my service in the first  
10 place.

11           Nobody ever answers the phone at Hold  
12 Billing Services. Their customer service is almost  
13 nonexistent. So I got pretty upset, and I contacted  
14 the Public Service Commission. I got a letter back.  
15 From Elaine -- Ellen Pendl, indicating to me that AAT  
16 is only issued a credit of \$33.87 to my account. Now,  
17 I'm five or six hundred dollars into this already.  
18 Now, I have no intention of paying these people until  
19 they can cooperate with me and show me where the  
20 authorization is. Six months later they haven't done  
21 that.

22           It indicates in this letter -- and I'll read  
23 this to you. It says, "Based on the review of the  
24 information provided to the Florida Public Service  
25 Commission, it appears that the company did not obtain

1 the necessary information to make a switch in your  
2 telephone service. AAT has issued a credit of \$33.87  
3 to your account." Well, where's the other 550?

4 So here I am frustrated and upset and  
5 depending on you people to help me, along with the  
6 3,000 other people who have been slammed this year.  
7 So I would appreciate your help. Thank you very much.

8 CHAIRMAN JOHNSON: Thank you. Ma'am, if you  
9 could, there may be questions for you.

10 WITNESS IBARRA: Okay.

11 CHAIRMAN JOHNSON: Actually I have a couple.

12 WITNESS IBARRA: I have six months' worth of  
13 phone bills I could show you.

14 CHAIRMAN JOHNSON: That would be helpful, if  
15 we had those phone bills. Did you already meet with  
16 Staff?

17 WITNESS IBARRA: I met with them.

18 CHAIRMAN JOHNSON: Great. One of the  
19 issues -- I'm sure that the company probably provided  
20 the Staff with information to demonstrate that that  
21 \$33 was all the credit you were due so that will be  
22 helpful for us to have those bills to make a  
23 determination as to the appropriate amount of the  
24 refund.

25 But you raised some other issues. The PIC



1 change, you said that you had the PIC change placed on  
2 your service, but it didn't work?

3 **WITNESS IBARRA:** It didn't work.

4 **CHAIRMAN JOHNSON:** Now, had you switched  
5 back to MCI and then this AAT switched you again. How  
6 did you fine out that the PIC change didn't work?

7 **WITNESS IBARRA:** Because I called after I  
8 got a bill. And I'll have to look at it, which month  
9 it was, but I noticed that after I called BellSouth in  
10 May, or -- yeah, they said that I was changed May 2nd.  
11 I was billed again a month later. And I called  
12 BellSouth and I asked, "Why am I being billed the  
13 second time?" "Well, you didn't place a PIC block on  
14 your phone." I said, "I most certainly did." So I  
15 got the name of the woman at BellSouth and she renewed  
16 the PIC block. So if you're renewing it it means it  
17 wasn't done in the first place.

18 **CHAIRMAN JOHNSON:** Okay. We have some  
19 representatives from BellSouth here, too, tonight.  
20 Perhaps they'll be able to help us figure out why that  
21 PIC freeze did not work, and make sure that we get  
22 that problem rectified because that is at least one  
23 way in which the customer should be able to protect  
24 themselves.

25 And up raised another good point, that

1 consumers perhaps need to be better informed or need  
2 to be informed about the availability of the PIC  
3 freeze in the first instance.

4           **WITNESS IBARRA:** If I had never been slammed  
5 I never would have known about a PIC freeze.

6           **CHAIRMAN JOHNSON:** That's one of the issues,  
7 that we, at the Commission, will try to work with the  
8 companies and with the Public Counsel and the AG's  
9 office to find out how we can assist in making sure  
10 that the customers do have the adequate information  
11 that they need to make the decision of whether or not  
12 they want to utilize those kind of programs. But it  
13 will -- we will need to do more informational outreach  
14 and maybe place certain requirements on the companies  
15 to make sure that the customer is aware of that choice  
16 up-front.

17           **WITNESS IBARRA:** One of the other things  
18 that I might suggest is BellSouth bills me for this  
19 company. I asked BellSouth not to do that. I said if  
20 this company needs to bill me, they can send it in a  
21 separate envelope on separate paper. Well, AAT, the  
22 bill I get every month is on the BellSouth paper.  
23 It's the same color. And if you're not smart enough  
24 to figure it out, that this is a different company,  
25 you would think that it was BellSouth. And I did for

1 a little while. But I'll show you, I've got all of  
2 the bills with me. It's the same color as the  
3 BellSouth bill. And the only difference is it's says  
4 "Hold" on the headline of the page.

5           **COMMISSIONER GARCIA:** Maybe I can -- sorry I  
6 was late.

7           Maybe we can ask Staff to also look into  
8 that as one of the possibilities; that customers  
9 should have the right to choose not to be billed for  
10 anything except their local service under local  
11 carrier billing. And if that's an option that  
12 customers have, it doesn't matter if you're PIC-frozen  
13 or your freeze is unfrozen and thawed. It doesn't  
14 really matter. What matters is if the customer says,  
15 "All I want is my local service on my local bill, then  
16 they should have that right." Clearly, the customer  
17 is deriving very little benefit except the  
18 consolidation of a bill by allowing their LEC to do  
19 it. But, clearly, local service is important enough  
20 that they should have the right to, perhaps, do that.

21           **WITNESS IBARRA:** MCI bills me completely and  
22 separately which is how I want it. I don't want the  
23 two bills mixed.

24           **MR. MOSES:** The local exchange companies  
25 have billing agreements with all of these companies

1 and that's the reason that you're getting billed by  
2 BellSouth.

3           But one thing I was wanting to explain to  
4 you on this \$36 refund you're looking at, under the  
5 current rules they are allowed to rerate the calls to  
6 what your cost would have been with your previous  
7 carrier. I'm not sure if that's the proper number or  
8 anything and definitely the people here can help you  
9 to figure that out. But it might be that they rerated  
10 the calls and that was the difference. I'm just  
11 offering that as a possibility. And the other thing  
12 is the proposed rules will eliminate that. You would  
13 have been refunded the entire amount. That's one  
14 thing that we did look at.

15           **WITNESS IBARRA:** Well, I think that -- the  
16 inconvenience of all of this, I really don't feel like  
17 paying AAT, to be honest with you.

18           **MR. NOSES:** And that's why we changed the  
19 rules.

20           **WITNESS IBARRA:** I feel like I have been  
21 totally defrauded. I feel that as a consumer I have  
22 absolutely no protection. BellSouth is the one that's  
23 going to take the heat from me. They already have.  
24 Because it's -- it's my opinion that if they are going  
25 to bill me in their envelope, on their stationery or

1 stationery that looks very close to theirs, that they  
2 are then taking the responsibility for this company's  
3 actions. Now, I understand that's probably not the  
4 case. However, if you're sending me somebody else's  
5 bill, you're the only one who is going to be able to  
6 change it. I couldn't change it. BellSouth had to  
7 change it. There was nothing that I could do. I  
8 wasn't asked in the first place. AAT went right to  
9 BellSouth, and BellSouth said, "Okay. We'll change  
10 her." Never bothered to call me.

11 **COMMISSIONER GARCIA:** Did BellSouth confirm  
12 to you that you had a PIC freeze?

13 **WITNESS IBARRA:** The second time. After it  
14 was renewed.

15 **COMMISSIONER GARCIA:** Okay. But they didn't  
16 have it in their records that you had a PIC freeze.

17 **WITNESS IBARRA:** Not the first time.

18 **COMMISSIONER GARCIA:** Got you.

19 **CHAIRMAN JOHNSON:** You also mentioned that  
20 there was a \$2.89 per month service charge that's  
21 still appearing on your bills.

22 **WITNESS IBARRA:** Six months later I'm still  
23 being charged \$2.89 service fee. For what, I don't  
24 know. They were never my company in the first place.  
25 They've never provided any service that I can come up

1 with. It's October. This started May 2nd. Every  
2 month I have to call BellSouth and ask them how much  
3 do I owe you? Because I don't know because they are  
4 billing me -- they are billing me for Hold, and they  
5 are billing me their own bill and it's altogether in  
6 the total. Well, I need to have it broken apart,  
7 because I'm not paying AAT. So I'm having to call  
8 BellSouth every month saying, "How much do I owe you?  
9 How much is my credit this time? How many charges are  
10 under investigation now?" And they do credit my  
11 account, and they do indicate there are charges under  
12 investigation. But let's face it, it says right here  
13 that this company had no right to do this in the first  
14 place. So don't tell me something is under  
15 investigation; just credit me for everything.  
16 Separate my relationship with this company that was  
17 never authorized in the first place. I don't want  
18 anything to do with them. And I'm sorry, BellSouth,  
19 but you guys are the ones going to take the heat  
20 because it's coming in the mail with your name on it.

21 MR. BECK: I see there are a lot of people  
22 have had the same problem you had with the local  
23 company billing people after they have been slammed.  
24 And that is one of the proposals we are going to make  
25 to the Commission, that upon a complaint, all local

1 billing, or billing by the local company, terminates  
2 with respect to that.

3 Now, the Commission also has the authority  
4 to fine a company for slamming, even right now.

5 WITNESS IBARRA: Please do. Please do.

6 MR. BECK: They can fine a company up to  
7 \$25,000 for a slam. If you're interested in having a  
8 complaint filed, if you'll go see Mr. Poucher,  
9 Earl Poucher there, he'll see what he can do about  
10 filing something.

11 WITNESS IBARRA: This isn't a complaint?

12 MR. BECK: Well, it may not --

13 WITNESS IBARRA: This is not a response to a  
14 complaint?

15 MR. BECK: It may not result in a fine being  
16 imposed. That has to go to the Commission itself.

17 WITNESS IBARRA: Okay.

18 MR. BECK: So if you're interested, see  
19 Mr. Poucher, and we'll see about filing a complaint to  
20 do that.

21 WITNESS IBARRA: Thank you.

22 CHAIRMAN JOHNSON: Thank you very much.

23 MR. BECK: Harriet Bedell.

24 - - - - -

25

**HARRIET BEDELL**

1  
2 appeared as a witness and, swearing to tell the truth,  
3 testified as follows:

**DIRECT STATEMENT**

4  
5 **WITNESS BEDELL:** Good evening. My name is  
6 Harriet Bedell, B-E-D-E-L-L, and I also don't want my  
7 address and telephone number on the Internet. Should  
8 I give it to you anyway?

9 **CHAIRMAN JOHNSON:** Well, we have the yellow  
10 sheet.

11 **WITNESS BEDELL:** Okay. Fine.

12 I have been slammed by the company, AT&T.  
13 September 19th, I received a letter from my long  
14 distance carrier, which is Excel, telling me they  
15 regret that they have received notification from my  
16 local telephone company, BellSouth, that I do not want  
17 them anymore, and they are cancelling my order.

18 When I called Excel. They told me to please  
19 contact my local carrier. They have gotten a  
20 notification from AT&T. I called BellSouth, and they  
21 told me, lo and behold, they were also cancelled. And  
22 AT&T is now my local carrier and my long distance  
23 carrier.

24 **COMMISSIONER GARCIA:** When you say "local  
25 carrier," AT&T's billing you for your local service?



1           **WITNESS BEDELL:** Yes, right.

2           **COMMISSIONER GARCIA:** So you're getting no  
3 bill from BellSouth.

4           **WITNESS BEDELL:** Well, I am -- they fixed  
5 it, but they were also terminated. I was not  
6 getting -- no, they were not going to be my local  
7 carrier.

8           **COMMISSIONER GARCIA:** Local carrier, you  
9 mean local carrier for short distance.

10          **WITNESS BEDELL:** Yes, for the short course,  
11 yes, sir.

12          Now, when I said to BellSouth, "You have  
13 been my local carrier for 15 years, don't you think  
14 you should have called me to say what happened after  
15 15 years that we're no longer to service you?" Well,  
16 AT&T said we are now your local carrier and that's  
17 that.

18          **COMMISSIONER GARCIA:** That's probably to  
19 some degree the Commission's fault, because we've  
20 passed a rule that doesn't allow in specific Southern  
21 Bell to try to prevent you from leaving them in terms  
22 of local long distance service. They are not allow to  
23 market you when you've cancelled, so that may be to  
24 some degree.

25          **WITNESS BEDELL:** I then called AT&T and

1 spoke to someone in charge who said they don't know  
2 how it happened, yes, they are my carrier. It will  
3 take them three to four weeks to investigate. I said  
4 that's not acceptable to me. I then contacted the FCC  
5 in Washington, and I contacted the consumer -- the  
6 Florida Public Service Commission, and wrote to them  
7 and gave them the story and, lo and behold, a few days  
8 ago I received notification from AT&T that they have  
9 my authorized paper, which is not my husband's  
10 signature. So now we have fraud involved.

11 **COMMISSIONER GARCIA:** Have they corrected  
12 the matter with you, AT&T?

13 **WITNESS BEDELL:** AT&T, when they saw this,  
14 this fraudulent paper, have now said they will pay all  
15 my bills, I'm not to pay anything. They will take  
16 care of everything.

17 **COMMISSIONER GARCIA:** Sure you pay your  
18 local service, not your --

19 **WITNESS BEDELL:** Well, BellSouth, I now have  
20 BellSouth back again.

21 **COMMISSIONER GARCIA:** Okay.

22 **WITNESS BEDELL:** I couldn't get my --

23 **COMMISSIONER GARCIA:** I want to make sure  
24 we're getting this right just so that I'm not confused  
25 because, lo and behold, this may be the advent of

1 consumer competition. You're not getting your local  
2 service but you're talking about your local -- short  
3 long distance.

4 WITNESS BEDELL: BellSouth is my carrier  
5 again.

6 COMMISSIONER GARCIA: Right. During the  
7 time that AT&T was your carrier -- and there's no AT&T  
8 representative here, right?

9 (No response)

10 Anyway, when they were your carrier, when  
11 you had this problem, they weren't -- you were still  
12 getting bills from BellSouth.

13 WITNESS BEDELL: I haven't gotten any bills  
14 since September, so I don't know what they are doing.  
15 but I have not received anything from them. This  
16 executive from AT&T has been in touch with me, and he  
17 is now telling me not to worry, "We're going to pay  
18 all your bills. We still don't know how this  
19 happened, but this is where we stand."

20 COMMISSIONER GARCIA: And they agreed to  
21 switch you back, correct?

22 WITNESS BEDELL: I have been -- my long  
23 distance has switched me back and BellSouth has taken  
24 me back. And I still want AT&T to pay for what they  
25 are doing. And I don't understand how this could have

1 happened.

2 MR. BECK: This letter of authorization they  
3 sent you, does it have your husband's name and address  
4 and phone number.

5 WITNESS BEDELL: Yes, I have copies for you.

6 MS. CALDWELL: I was going to ask if we  
7 could have a copy.

8 MR. BECK: But the signature itself is not  
9 your husband's.

10 WITNESS BEDELL: No, it is not my husband's  
11 signature. His name, address; no, not his --

12 MR. BECK: And they haven't told you how  
13 that --

14 WITNESS BEDELL: They don't know. And I  
15 quote, "We don't know how this could have happened."  
16 But it is from AT&T.

17 COMMISSIONER GARCIA: Let me ask you a quick  
18 question. Were you satisfied with the treatment that  
19 you received from our Staff at the PSC?

20 WITNESS BEDELL: Yes, they took down all the  
21 information. The only thing was is they said they  
22 would contact me, and I haven't heard from them since  
23 September.

24 COMMISSIONER GARCIA: Do you remember who  
25 the person you spoke to was?

1           **WITNESS BEDELL:** I don't believe --

2           **COMMISSIONER GARCIA:** That's all right. We  
3 can find it out through the name, and I'd like to  
4 know. And, Carmen, could you make sure that the  
5 Commissioners find out --

6           **WITNESS BEDELL:** Is there a John Plescow?

7           **COMMISSIONER GARCIA:** Yeah.

8           **WITNESS BEDELL:** That's who I spoke to.

9           **COMMISSIONER GARCIA:** Okay. Could we make  
10 sure, Carmen, that she gets a resolution on her case,  
11 because -- I guess she's received a resolution  
12 directly AT&T, but to close out the file let's get it  
13 also.

14           **CHAIRMAN JOHNSON:** Ma'an, in the response  
15 that you received from AT&T, did they -- had you  
16 contacted AT&T directly?

17           **WITNESS BEDELL:** Yes. Oh, yes.

18           **CHAIRMAN JOHNSON:** So their response was in  
19 direct --

20           **WITNESS BEDELL:** Along with this copy, they  
21 sent me a letter that it is with -- this one I just  
22 received a few days ago. "This letter is in response  
23 to your recent complaint that your telephone service  
24 was change to AT&T service without your permission.  
25 We apologize for any inconvenience you may have

1 experienced. We have investigated your concern and  
2 determined the following: The order which changed  
3 your service to AT&T was generated as a result of our  
4 receipt of the enclosed AT&T service agreement form.  
5 After the form was completed, it was forwarded to our  
6 processing center," blah, blah, blah.

7 **CHAIRMAN JOHNSON:** So you called them back  
8 to let them know --

9 **WITNESS BEDELL:** That same day the executive  
10 AT&T, also probably received this, called me to ask me  
11 if this signature was my husband's. And I said, "No,  
12 it definitely was not my husband's signature." And  
13 that's when he said he was going to have to  
14 investigate further. And that's where we stand as of  
15 now. Still don't know how it happened, but it has  
16 happened.

17 **CHAIRMAN JOHNSON:** Any other questions?

18 **MR. MOSES:** I was just going to clarify  
19 Commissioner Garcia's previous question. It appears  
20 from the letter of authorization her intra- and  
21 interLATA service was changed, not her local dial tone  
22 service.

23 **CHAIRMAN JOHNSON:** Any other questions?

24 **WITNESS BEDELL:** BellSouth said they were  
25 terminated.

1           **MR. MOSES:** Yes, ma'am, for the intraLATA or  
2 your local toll service. I think where the confusion  
3 was was the word "local" is used in so many different  
4 ways. Your dial tone still came from BellSouth.

5           **WITNESS BEDELL:** I know I had a dial tone.

6           **MR. MOSES:** Well, your dial tone is  
7 considered your local service and then the rest of it  
8 is your inter- and intraLATA.

9           **COMMISSIONER GARCIA:** I think it's something  
10 that this Commission is going to have to look at.  
11 When we first introduced competition into the  
12 intraLATA market, we created certain restrictions that  
13 BellSouth was not allowed to react to a change.

14           **WITNESS BEDELL:** They couldn't contact --

15           **COMMISSIONER GARCIA:** They controlled 100%  
16 of the market and our hope was to develop competition,  
17 was to sort of allow a little bit of freedom in that  
18 area, but it may have been that we passed the point  
19 where that is necessary now that there is competition  
20 in that area. And this Commission may have to relook  
21 at that because certainly, it is an area where  
22 BellSouth is allowed to compete -- but it may be an  
23 area where we may want to lift some of the  
24 restrictions so they can compete, they can try to keep  
25 their customers and thereby inform their customers

1 about what is happening, at least with that type of  
2 service.

3           **WITNESS BEDELL:** By the way, BellSouth did  
4 put a restriction on my phone.

5           **CHAIRMAN JOHNSON:** The PIC freeze?

6           **WITNESS BEDELL:** Well, they called it a  
7 restriction. You have to have -- anybody will have to  
8 have our written authorization before anything -- this  
9 would ever happen again.

10           **COMMISSIONER GARCIA:** If we are to reach any  
11 consensus in terms of the short term, I think we're  
12 going to see if we can get the Commission to sort of  
13 put out some public service announcements, and,  
14 hopefully, with some help from the companies, how to  
15 word them. But to at least let people know we're in  
16 the process, because the process of writing this rule  
17 is going to take somewhere around -- we're not going  
18 to be finished until February, and I'm sure it can be  
19 appealed and then there will be some companies that  
20 won't be happy. So just to protect the customers in  
21 terms of short term we, at the Commission, may be  
22 doing some public service announcements to let people  
23 know that they can do that. Because, clearly, that's  
24 at least some form of protection, that and the rules  
25 that we already have in place.





1 I'd like to see a copy of it because I had not given  
2 anybody authorization. They said they would research  
3 it and get back to me, which they did. And this man  
4 Edwin said he's sorry, but he can't locate a hard copy  
5 of written permission. He said then it must have been  
6 an error, and that they just sort of got the number  
7 from a pool; that sometimes numbers are thrown into a  
8 pool and they retrieve numbers.

9           So, anyway, between July 1st and July 23rd,  
10 we --

11           **COMMISSIONER GARCIA:** What was the name of  
12 the company, I'm sorry?

13           **WITNESS COOPER:** Telco Communications. I  
14 have an address for them. I'll have to get it to you  
15 later.

16           **COMMISSIONER GARCIA:** That's all right.  
17 That's all right. You can given it to our Staff. I  
18 just wanted to get the name.

19           **WITNESS COOPER:** I don't have to tell you  
20 how many hours of phone time I invested between those  
21 23 days, between Telco first saying, yes, they had the  
22 number and then denying that they had the number; and  
23 AT&T saying they didn't know how it happened, and it  
24 wasn't their fault and it went on and on and on.

25           I was handed back and forth, like a wet rag.

1 They don't care what they do with you. Your time is  
2 invaluable to them. They don't care; it's only their  
3 time.

4 Finally, I was told I had to give written  
5 permission to get my back to AT&T. And I was speaking  
6 to a Ms. Henry over at AT&T. And she faxed me a form,  
7 and I faxed it back to her on July 10th, the same day  
8 she sent it to me it went back. She said in three  
9 days I'll have my number back. Four days later I  
10 still didn't have my number back, so I called again.  
11 And you go through a whole process, because you never  
12 get to hear from Ms. Henry again.

13 So we started the whole thing over. Nobody  
14 had my fax. They asked me to send the fax again,  
15 which I did. And three more days went by and still  
16 nothing. Finally, close to the 20th, I guess,  
17 Mr. Don Presitt (ph) from AT&T came into the picture,  
18 and he set everything right. He got my number back.

19 CHAIRMAN JOHNSON: I'm sorry, what was that  
20 date again?

21 WITNESS COOPER: I got the number back on  
22 July 23rd. But that number is a critical number. I  
23 mean, I'm a small business and my 800 number is, you  
24 know, like a lifeline in that business. It's hard for  
25 me to operate without it.

1                   **COMMISSIONER GARCIA:** May I ask what kind of  
2 business this is?

3                   **WITNESS COOPER:** It's a small electronic  
4 replacement because, but we deal with people all over  
5 the state, so the number is important. When they  
6 called into me, it was through my direct line, but  
7 those customers prefer to use the 800 number, of  
8 course.

9                   **COMMISSIONER GARCIA:** I see. I'm trying to  
10 think, and maybe Staff can answer this, but the  
11 changing of an 800 number would probably not be a long  
12 distance change as much as a service.

13                   **MR. MOSES:** Well, not necessarily, because  
14 they are done by what they call responsible  
15 organizations which have a pool, like she suggested,  
16 and they pull numbers from those pools. They have  
17 vanity numbers. It's a little bit different  
18 situation, but it would still -- it's a PIC change.

19                   **COMMISSIONER GARCIA:** Okay.

20                   **WITNESS COOPER:** But they never changed my  
21 number. They put my number out of service.

22                   **MR. MOSES:** Exactly. It went back into the  
23 pool.

24                   **WITNESS COOPER:** Right. Right. Anyway, I  
25 did get in touch with a Ms. Shirley Stokes with the

1 Public Service Commission in Tallahassee, and she  
2 researched it. I got a letter and it said -- this is  
3 dated September 22nd from a Richard Stark, customer  
4 satisfaction representative. I checked with Telco's  
5 800 department. Their information indicates that my  
6 number is currently at AT&T as of July 24th, 1997, and  
7 there's no record of this number ever being under  
8 Telco's service. Do you love it?

9 COMMISSIONER GARCIA: Okay. And you never  
10 received a bill from them, either?

11 WITNESS COOPER: Whatever bills there were,  
12 Don Presitt wiped away. He said he would take care of  
13 it from AT&T. So I said, "I'm not paying for  
14 anything" --

15 COMMISSIONER GARCIA: Was AT&T billing  
16 within your local service provider or that was a  
17 separate billing?

18 WITNESS COOPER: My 800 line, just for my  
19 800 line. I have other lines.

20 COMMISSIONER GARCIA: Being billed by AT&T?

21 WITNESS COOPER: Right. Right. But he said  
22 he would put a lock on the number. It would never  
23 happen again. And he was very good.

24 The problem is when things like this happen,  
25 you're at the mercy of the phone companies. I don't

1 think the sanctions or the fines are set in place or  
2 are being made high enough for them to recognize what  
3 it is that we have here, what we're dealing with.

4 I think that a very severe penalty should be  
5 set in place. And I never heard -- I know I heard  
6 mentioned \$25,000, but I've never heard of anything  
7 being set in place.

8 **COMMISSIONER GARCIA:** You can certainly feel  
9 comfortable that any outstanding case -- I think that  
10 the meetings that we have had with the customers in  
11 the situation that's out there, certainly with the  
12 prodding of the AG's office and the Public Counsel's  
13 office, we're going to make sure that we start going  
14 to the full extent of what our rule allows us in terms  
15 of finding these companies. Because I think it's a  
16 sad state that very few of the companies are even  
17 coming to these Public Counsel hearings.

18 **WITNESS COOPER:** Right.

19 **COMMISSIONER GARCIA:** They're making  
20 thousands and thousands of dollars off the ratepayers  
21 of Florida, their clients, basically, the people we're  
22 supposed to protect. And with the exception of  
23 Southern Bell, at least in the case of the hearings  
24 I've attended, and I believe MCI has a representative  
25 here, there's been very few representatives of the

1 | companies coming to these things. And I think we need  
2 | to get their attention so they realize they have to be  
3 | part of this process in solving this.

4 |           Let me ask you something: When is it that  
5 | you first contacted the PSC with your problem?

6 |           **WITNESS COOPER:** I first found out about the  
7 | problem a few days into July, and so it was shortly  
8 | after that. It might have been about the 4th of July.

9 |           **COMMISSIONER GARCIA:** And the first response  
10 | you received in writing from anyone at the PSC was the  
11 | letter you received sometime in September?

12 |           **WITNESS COOPER:** Yes, but I had spoken to  
13 | this lady long before September, and she said she was  
14 | going to research it, this Ms. Shirley Stokes.

15 |           **COMMISSIONER GARCIA:** Okay. But you  
16 | received no resolution to that problem from Stokes.

17 |           **WITNESS COOPER:** No.

18 |           **COMMISSIONER GARCIA:** And no call from  
19 | Ms. Stokes.

20 |           **WITNESS COOPER:** No. Just this one letter.  
21 | I have a copy of the letter here for you.

22 |           **COMMISSIONER GARCIA:** Okay. I'd like to ask  
23 | Staff to bring that file when we get back to  
24 | Tallahassee next week. I'd like to see Ms. Cooper's  
25 | file on this complaint and why exactly it is that we

1 weren't able to resolve her problem a little bit  
2 quicker.

3           We're usually pretty good about that. And I  
4 think in Florida we're very proud of our Consumer  
5 Affairs staff, because I think we have got a high  
6 resolution problem-solving record than probably any  
7 other commission in the country. And that is strange  
8 that we didn't get back to you with a solved problem  
9 within a day or two, which is usually the turnaround  
10 time on lot of these cases. We'll check on that, too.

11           **WITNESS COOPER:** Well, you know, I don't  
12 think anything happened due to the Tallahassee group.  
13 I think it was Mr. Don Presitt from AT&T who handled  
14 the matter, and that's why it was resolved. Thank  
15 you.

16           **CHAIRMAN JOHNSON:** Ms. Cooper, let me ask  
17 you a question. You stated that you were without that  
18 1-800 number for how many weeks?

19           **WITNESS COOPER:** 23 days. From July 1st, to  
20 July 23rd.

21           **CHAIRMAN JOHNSON:** And the explanation that  
22 the company gave was that it was a technical problem  
23 or --

24           **WITNESS COOPER:** No.

25           **CHAIRMAN JOHNSON:** -- how did they



1 explain --

2           **WITNESS COOPER:** No. Telco said that they  
3 got my number with authorization. I asked to see the  
4 authorization, and then they said they didn't have it  
5 and that it must have been an error.

6           **CHAIRMAN JOHNSON:** And then AT&T said that  
7 you always had the number? Or I was a little  
8 confused.

9           **WITNESS COOPER:** No. AT&T said they didn't  
10 know how that could have happened. This went on for  
11 about 10 or 15 days. They didn't know how it  
12 happened. At the end AT&T said it was their fault.

13           **CHAIRMAN JOHNSON:** AT&T said it was AT&T's  
14 fault?

15           **WITNESS COOPER:** Yes. At the end of all of  
16 this, AT&T took the responsibility.

17           **CHAIRMAN JOHNSON:** I see.

18           **WITNESS COOPER:** But it took them 23 days to  
19 unravel it.

20           **CHAIRMAN JOHNSON:** Okay. Thank you. And  
21 Mr. Durbin is there waiting to assist you.

22           **MR. BECK:** Julia King.

23

24

25

1                   **JULIA A. KING**

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

4                   **DIRECT STATEMENT**

5                   **WITNESS KING:** My name is Julia A. King.  
6   I'm a resident of the West Palm Beach, Florida. I'm in  
7   the phone book, so it doesn't make any difference if I  
8   give my address. And that is 1548 6th Street, West  
9   Palm Beach, Florida.

10                  I have been slammed, but my problem seem  
11   very minute sitting here listening to the speakers  
12   that were before me. I was slammed by Integrated  
13   Teleservices. My home phone. I didn't even know my  
14   service was changed until I tried to make a long  
15   distance telephone call and could not.

16                  **COMMISSIONER GARCIA:** How is it that the  
17   service was changed in the sense that --

18                  **WITNESS KING:** I had to dial some extra  
19   numbers that I was not aware that I had to dial these  
20   extra numbers. Normally when I make a long distance  
21   telephone call, I dial 1, the area code and the  
22   number.

23                  **COMMISSIONER GARCIA:** Right.

24                  **WITNESS KING:** But then there were some  
25   other numbers --

1                   **COMMISSIONER GARCIA:** What was your company  
2 before that?

3                   **WITNESS KING:** AT&T.

4                   **COMMISSIONER GARCIA:** Got you.

5                   **WITNESS KING:** And by the way, it took me  
6 two or three tries to get the PIC block for my phone  
7 with Southern Bell. It does take two or three tries,  
8 but I now have it.

9                   I want to thank the Commission for coming to  
10 West Palm Beach to provide the citizens of this city  
11 the opportunity to stand before you. When I received  
12 your letter in the mail, I said, "Oh, wow, they are  
13 not just sitting up there in Tallahassee not paying  
14 attention to us chickens down here." So thank you  
15 very much for coming and providing us with this  
16 opportunity. It is needed.

17                   We are living in an area of a great number  
18 of elderly people who pay their bills. A lot of them  
19 pay bills without even really reading them. When the  
20 bill comes to their home they immediately pay. I know  
21 my parents are like that.

22                   I had a bad habit of not reading my utility  
23 bills. And then when I received this big envelope  
24 like this, I said, "What in the world is this?" So I  
25 will started going through my phone bills. I was

1 slanned, but I janned them. I owe them \$80-some,  
2 which I will not pay.

3 COMMISSIONER GARCIA: Have you opened a case  
4 with the Commission?

5 WITNESS KING: Yes, I did. I called  
6 Tallahassee about a complaint. I received a letter  
7 back, I think, from Mrs. Pruitt. She was very helpful  
8 and I appreciate it. But I think -- is it possible  
9 that we could all jam them by not paying? I'm not  
10 going to pay this bill.

11 COMMISSIONER GARCIA: You may not have to  
12 pay most of that bill if it's --

13 WITNESS KING: I'm not paying any of it,  
14 sir.

15 COMMISSIONER GARCIA: Okay.

16 WITNESS KING: Mr. Garcia, I'm not paying  
17 one penny.

18 COMMISSIONER GARCIA: You may find that the  
19 company may not charge you. But what I don't want you  
20 to do is to put yourself in jeopardy. Now, you said  
21 you filed a case with the Commission and they are  
22 working on it. When did you do that?

23 WITNESS KING: Oh, my.

24 COMMISSIONER GARCIA: Ballpark.

25 WITNESS KING: Probably the latter part of

1 '96.

2           **COMMISSIONER GARCIA:** Okay. Southern Bell  
3 is still carrying that bill on your local service or  
4 you're being billed by Integrated Teleservices?

5           **WITNESS KING:** I was being billed  
6 separately, and I did save them and put them in a  
7 little box.

8           **COMMISSIONER GARCIA:** Okay. Could we find  
9 out about Ms. King's file and whether that file has  
10 been closed or it's still open?

11           **WITNESS KING:** I think I'm closed.

12           **COMMISSIONER GARCIA:** But she still owes  
13 money, so let's find out and check on that just so  
14 that -- because if they -- have they continued to bill  
15 you on a monthly basis?

16           **WITNESS KING:** I think they stopped that  
17 last month. I even received, you know --

18           **COMMISSIONER GARCIA:** Let's have our Staff  
19 directly call them just to find out what's going on,  
20 because the last thing you want -- some of these guys  
21 are aggressive enough that they -- you know, they try  
22 to affect your credit and things of that nature.

23           **WITNESS KING:** You know what, they've  
24 already tried that, and I ignored that, too.

25           **COMMISSIONER GARCIA:** Well, the problem is

1 your banker may not ignore it in some future date,  
2 so --

3           **WITNESS KING:** I have enough mortgages. And  
4 stuff like this little old eight-some-dollars doesn't  
5 matter. I have A+ credit. I'm not thinking about  
6 these folks.

7           **CHAIRMAN JOHNSON:** Looks like they met their  
8 match.

9           **WITNESS KING:** They sure have. I received a  
10 "Dun" from some attorney's office, and I just filed  
11 that, too.

12           **CHAIRMAN JOHNSON:** Okay.

13           **WITNESS KING:** But I did want to thank you  
14 all --

15           **COMMISSIONER GARCIA:** You received something  
16 from Dun & Bradstreet, is that it?

17           **WITNESS KING:** Yes.

18           **COMMISSIONER GARCIA:** This company seems to  
19 be using that particular service.

20           **WITNESS KING:** I filed their letter, too.

21           **COMMISSIONER GARCIA:** All right. Ms. King,  
22 we're going to get back to you anyway. We're going to  
23 reopen that file just to make sure, and talk to the  
24 company. I think we're having some serious problems  
25 with that company as you noticed on the sheet that you

1 have, that they are one of the biggest violators in  
2 our state.

3 WITNESS KING: Why don't we just closed the  
4 Florida door, kick them out of the state?

5 CHAIRMAN JOHNSON: And that is another  
6 option that we have.

7 WITNESS KING: Fine them \$1 million.

8 COMMISSIONER GARCIA: If they don't take  
9 care of our problem, I'm sure that will be one of the  
10 things.

11 WITNESS KING: Thank you. I really  
12 appreciate this opportunity. Thank you very much.

13 CHAIRMAN JOHNSON: Thank you, Ms. King.  
14 Ms. Pena is here to assist you, although you don't  
15 need much assistance. (Laughter) Thank you very  
16 much.

17 Any other witnesses?

18 MR. BECK: That's the last person who signed  
19 up ahead of time.

20 CHAIRMAN JOHNSON: Is there anyone in the  
21 audience that would like to testify that did not sign  
22 up to testify? Seeing none -- Commissioner Garcia.

23 COMMISSIONER GARCIA: I just want to  
24 apologize to all of the citizens who are no longer  
25 here, but perhaps those the citizens that are





1 official record, and we can rely upon your comments,  
2 your concerns as a basis for our final decision.

3 So with that, if you could raise your right  
4 hand.

5 - - - - -

6 **EDWARD D. KALBFLEISCH**

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

9 **DIRECT STATEMENT**

10 **CHAIRMAN JOHNSON:** We appreciate you coming  
11 up here from Miami. And don't feel bad, you weren't  
12 the only one late.

13 **WITNESS KALBFLEISCH:** Thank you for waiting.  
14 And for those that did wait, I thought it was  
15 important enough to come up and tell my side of the  
16 story.

17 It's been happening since 19 --

18 **CHAIRMAN JOHNSON:** If you would state your  
19 name for the record, please?

20 **WITNESS KALBFLEISCH:** Edward Kalbfleisch.

21 **CHAIRMAN JOHNSON:** And your address?

22 **WITNESS KALBFLEISCH:** 14729 Southwest 104  
23 Terrace, and that's Miami 33196?

24 **CHAIRMAN JOHNSON:** Thank you.

25 **MR. BECK:** Could you spell that last name

1 for me?

2 **WITNESS KALBFLEISCH:** Sure.

3 K-A-L-B-F-L-E-I-S-C-H. Thirteen letters.

4 **CHAIRMAN JOHNSON:** Sir, I think I just  
5 turned this on, but I did need to announce that the  
6 hearing is being transmitted through the Internet so  
7 that individuals that want to participate and listen  
8 to that process, that service is available. So I do  
9 want you to know. And if you'd like to, for our other  
10 hearings, listen in through that process, it will be  
11 available throughout the hearings that we'll be having  
12 around the state.

13 **WITNESS KALBFLEISCH:** All right. Fine.  
14 That's part of what I do for a living. I'm a system  
15 analyst for Burger King. Can I start?

16 **CHAIRMAN JOHNSON:** Yes, sir.

17 **WITNESS KALBFLEISCH:** Back in 1996, I moved  
18 from a former residence to the current residence I'm  
19 in now. This was in Miami. In fact, it was no more  
20 than a block away. I gave BellSouth the information  
21 that I was moving, there was no problems that I knew  
22 of.

23 We called them and said, you know, once we  
24 got our service, they said fine. No problems. We  
25 were paying our bills as normal. We have two

1 children. My wife. We live a pretty normal hectic  
2 live in Miami. And so we get bills, we pay them.  
3 Some we look at in detail; others we wait maybe a  
4 month or two before we look at them.

5 Well, down around March -- and I have all of  
6 the information here, by the way, if anybody is  
7 interested in looking at it. About March my wife  
8 decided to look at the detail. Now, we have been on  
9 MCI since 1983 in San Antonio, Texas. And I have  
10 carried that through Puerto Rico and up into Miami.  
11 In March we realized we were with AT&T at a higher  
12 rate. And this is how my wife decided to look into it  
13 because the rate was fairly significantly larger than  
14 normal.

15 And we called MCI. We figured it was a  
16 problem with the move. They said not a problem,  
17 they'd take care that. They said it wasn't even their  
18 problem. They said we'd have to talk to BellSouth,  
19 and which we did. They said they would take care of  
20 it, and they would also take care of the rate  
21 difference, when, in fact, they didn't. The following  
22 month we got an additional charge, AT&T again.

23 By this time, going on March, April we start  
24 receiving bills from MCI (sic) as if we were not with  
25 MCI any longer. At no time did we ask to be taken off

1 of the MCI service.

2 By April, May we were with AT&T; never asked  
3 to be put with AT&T at all, at a much higher rate.  
4 Again, I called several times, BellSouth. They said  
5 they'd take care of it. MCI, AT&T. At one time an  
6 MCI representative -- and I don't have her name, but I  
7 did ask again, kind of pleaded with her, please take  
8 care of this. And she said, well, she would do this:  
9 She would give me \$100 and she'll take care of it. I  
10 said, "Look, I'm not looking for money. All I'm  
11 looking for is a simple take care of the service and  
12 let me go about my way." So she said she'll do that.  
13 She'd get back to me. She did get back to me, this  
14 lady, and she said it would be taken care of and it  
15 was all a done deal.

16 From about June through August, we were  
17 again with MCI. Around September, October we get the  
18 amount with AT&T and this other company called LCD.  
19 LCD. I believe it's LCD, something like that. I have  
20 it here. By this time we're pretty upset, and I call  
21 the Public Commission.

22 I spoke -- I spoke to an Arlene Roth, and I  
23 have her -- I'm sorry, Arlene Roth was from BellSouth.  
24 This was Kate. Kate Smith. And she gave me a case  
25 number, and again I have the number, and she would

1 take care of it.

2 This was not taken -- she tried. She really  
3 tried. But whatever it was, she couldn't do. The  
4 information I gave her very quickly was --

5 COMMISSIONER GARCIA: Mr. Kalbfleisch,  
6 pronounce your last name for me.

7 WITNESS KALBFLEISCH: Sure Kalbfleisch.

8 COMMISSIONER GARCIA: Kalbfleisch. Our  
9 staffer told you she couldn't resolve the problem? Is  
10 that what you got from her?

11 WITNESS KALBFLEISCH: Kate Smith informed me  
12 in December -- excuse me, actually before December.  
13 She told me in and around October that the case would  
14 be solved no later than December. I called her again  
15 in December because a lot of things happened between  
16 then and December -- and I had a hard time getting  
17 ahold of her. Finally, she called me. She said she  
18 thought she had taken care of it, because by this time  
19 in November I was talking to a BellSouth  
20 representative called Arlene Roth. And she supposedly  
21 was going to take care of it, which I have a letter  
22 here that she wrote indicating that we were not to be  
23 changed, and the letter clearly says it, unless we  
24 were in writing to BellSouth that we wanted to be  
25 changed.

1           The following month we were changed. The  
2 very following month. I called her back. She was a  
3 little hard to get ahold of. Finally, I did. She  
4 said she was working on it. Both her and -- that is  
5 Arlene Roth and Kate Smith, finally both of them  
6 said -- actually, Ms. Roth said she couldn't do any  
7 more. Kate Smith said she tried, but she was going to  
8 hand me over to somebody else. And that's as far as  
9 why both of them got with it. She did, Ms. Roth,  
10 wrote the letter, but it never changed anything.

11           **COMMISSIONER GARCIA:** I know Staff is  
12 working with you, but give me that number just so I  
13 have it on -- the case number with the PSC.

14           **WITNESS KALBFLEISCH:** Case number is  
15 148253-I.

16           **COMMISSIONER GARCIA:** 1482 --

17           **WITNESS KALBFLEISCH:** 53-I.

18           Now. Throughout this time period -- now, in  
19 September it really turns ugly because we start  
20 getting hit with this company called LTDL or ICLD, I  
21 believe it is. And we find out that somebody, I  
22 believe -- I'm not sure if it was Kate Smith or --  
23 well, I think it was Kate Smith who said she had found  
24 out that apparently it was some sort of an association  
25 with MCI. I'm not sure it would be a subsidiary, but

1 apparently from what Kate Smith -- she led me to  
2 believe that they were a company of both -- of the  
3 same holding.

4           October, November I get continually -- I'm  
5 with this company LCDL -- let me just get this a  
6 minute.

7           **COMMISSIONER GARCIA:** And this is not by  
8 your choice. You've already asked to be back with  
9 MCI.

10           **WITNESS KALBFLEISCH:** I had asked everybody  
11 in various ways, everyone.

12           **COMMISSIONER GARCIA:** How is MCI in terms of  
13 when you called MCI and told them, "I have been  
14 changed," you never contacted MCI. You were talking  
15 with these companies to put you back with MCI?

16           **WITNESS KALBFLEISCH:** When I would call MCI,  
17 they would tell me that they really had very little to  
18 do with it because it is not MCI who does the  
19 switching. Again, the same thing with BellSouth --  
20 I'm sorry, with AT&T, that it was BellSouth who did  
21 the switching. They gave me a number to call to find  
22 out what -- what service I was on. I would call from  
23 time to time and that's how I knew, but also through  
24 the billing I knew I was in a -- with a different  
25 service. But throughout this time I continually asked

1 everyone.

2 COMMISSIONER GARCIA: To put you back.

3 WITNESS KALBFLEISCH: To put me back, one,  
4 and to put me back with the rates that I was with  
5 since, you know, '83.

6 COMMISSIONER GARCIA: '83.

7 WITNESS KALBFLEISCH: Friends and Family.  
8 We have my --

9 COMMISSIONER GARCIA: Rates should have been  
10 even much better. We had a customer yesterday, if I'm  
11 not mistaken, who was talking about this, that he had  
12 been a customer since '83, and so because of that  
13 status he had rates that others were not because he, I  
14 don't know -- founding gold.

15 WITNESS KALBFLEISCH: Exactly. And because  
16 of those we were very happy with those rates, and we  
17 really insisted on getting back to those rates. After  
18 a while we were just happy to get back to MCI  
19 without -- because we want some compensation because  
20 we have been paying these bills, not knowing --  
21 especially up in April, April and May where we finally  
22 find out, we have been paying all along AT&T not  
23 knowing. Of course, one would ask why didn't we look  
24 at the bill? But we did. Finally, when we did it was  
25 obvious that we were paying a higher rate. Never



1 asked to go on with AT&T.

2           **COMMISSIONER GARCIA:** Obviously, we, at the  
3 Commission, must have made a mistake, because you  
4 should have had your calls rerated. That apparently  
5 was not done by Ms. Smith.

6           **WITNESS KALBFLEISCH:** Well, it got even  
7 stickier than that.

8           **COMMISSIONER GARCIA:** Okay.

9           **WITNESS KALBFLEISCH:** Finally, around  
10 January, without MCI -- we're not with AT&T, we're  
11 with this LCLD company which MCI says, well, why don't  
12 we stay with them? I insist that I do not want to  
13 stay with LCLD. They are charging us. I have never  
14 asked them for any service whatsoever.

15           In fact, Kate Smith asked me, "Why don't you  
16 call them and tell them that you want to drop  
17 service?" I said, "I am not calling. I never asked  
18 them for any service. There's no reason for me to  
19 call them to drop service," so I never did. They  
20 continued to charge me, MCI continued to charge me for  
21 past bills, and all along I said I need a lawyer.

22           So I have a lawyer, Dr. Morrison, and she  
23 looked into it. And she has gotten to some point  
24 where they say that AT&T is willing to pay for some  
25 part of that cost, but it's not in total. And the

1 only thing I ask at this point is to pay that off, pay  
2 my lawyer, which is like 250, and I'll be done with  
3 it. I don't want any part of this.

4           **CHAIRMAN JOHNSON:** So where are you in the  
5 resolution of that case? Are they considering --

6           **WITNESS KALBFLEISCH:** Right now they had  
7 sent me a proposal to eradicate the bill, and I  
8 declined it because they didn't want to pay my lawyer  
9 at the time.

10           The other part of it is this is -- around  
11 July and August, my wife, her sister recently moved  
12 here with an autistic epileptic child of about three  
13 years old. She depends on us entirely for her  
14 movement. Well, BellSouth dropped our services twice,  
15 and it scares us to no end, because when that happens,  
16 when that little girl goes into these epileptic fits,  
17 it's not something that's planned; snap, it happens.  
18 We have been there and take her.

19           **CHAIRMAN JOHNSON:** Why did they drop your  
20 service?

21           **WITNESS KALBFLEISCH:** Apparently, they said  
22 MCI had asked them for us to be dropped because we had  
23 not paid them.

24           **CHAIRMAN JOHNSON:** But were they aware that  
25 you had the complaint, the dispute, ongoing dispute?

1           **WITNESS KALBFLEISCH:** The ones who asked, I  
2 don't know if they were aware, but MCI certainly is  
3 aware. Now, you know, who's accountable at MCI or  
4 AT&T or any one of these companies, I don't know. But  
5 there certainly has to be someone there in their  
6 organization had to be aware.

7           **COMMISSIONER GARCIA:** How about we make this  
8 guarantee to you, Mr. Kalbfleisch. We're going to get  
9 the information. I think one of our staffers has  
10 already told us that he had your information, and  
11 we'll get back to you sometime Monday afternoon. If  
12 you could -- we'll let the Southern Bell personnel  
13 that's here know about your case, also, right now.  
14 But, obviously, it looks like -- let me ask Staff from  
15 Consumer Affairs, do we even have a Kate Smith, I  
16 don't know.

17           **MS. CALDWELL:** Yes.

18           **COMMISSIONER GARCIA:** We do? I'm trying to  
19 remember who it is.

20           **MS. PENA:** We're checking on you right now.

21           **COMMISSIONER GARCIA:** We'll check on it, and  
22 we will get back to you no later than Monday afternoon  
23 on exactly what we know from this case, because you  
24 shouldn't have had all these problems if you contacted  
25 us that early.

1           **CHAIRMAN JOHNSON:** Your service, is it  
2 operable now?

3           **WITNESS KALBFLEISCH:** I do not have any long  
4 distance service other than 10321, which I use  
5 occasionally. I have parents in New York who are very  
6 old. I have my wife's parents in Puerto Rico who are  
7 also very old. We're a family here, but we have  
8 family around the country.

9           **CHAIRMAN JOHNSON:** Now what's the reason,  
10 why can't you get back to your original MCI?

11           **WITNESS KALBFLEISCH:** They want us to --  
12 AT&T is willing to pay a certain portion of what is  
13 owed, and what's owed is something like 280-something  
14 at this point. I mean, it's whittled down. But  
15 there's been no explanation as to what detail --  
16 because I've got the detail, and I would like to sit  
17 down with some representative of one of these  
18 companies and ask them, "Look, this is what I have.  
19 Tell me what you have." We net out. I mean, I don't  
20 want any more than what's coming to me. I don't think  
21 I should pay for my lawyer, although she's been  
22 fantastic, for her services. I think they should have  
23 to, at least, pay for that.

24           **CHAIRMAN JOHNSON:** Okay. We do have -- we  
25 at least have some BellSouth members here that can

1 meet with you. And, of course, our Staff will try to  
2 help assist in the process, too.

3 Mr. Reid, do you have something to add to  
4 this?

5 MR. REID: Yes. We went ahead and got some  
6 of the background information on Mr. Kalbfleisch in  
7 preparation for this, because we called him earlier  
8 this week to notify him about the hearing.

9 CHAIRMAN JOHNSON: So will we be in a  
10 position to respond this evening, your suggesting?

11 MR. REID: We're definitely going to be able  
12 to tell him where we are so far, and what we will be  
13 doing with this case in the near future.

14 CHAIRMAN JOHNSON: Okay.

15 COMMISSIONER GARCIA: Let's make sure we --  
16 in the near future, let's make sure that we get back  
17 to him before the business day Monday is out, because  
18 that will give us enough time to contact the  
19 companies. Since we've got his story, we should be  
20 able to get everything right now. And what we get  
21 from him we can certainly have faxed to us, so we can  
22 try to get on this first thing. If he'd let us know  
23 -- you said in December you let one of our staffers  
24 know, last year. We should have been able to have  
25 helped you a long time ago.

1           **WITNESS KALBFLEISCH:** October, I believe it  
2 was. I'm not sure, October or September.

3           **COMMISSIONER GARCIA:** You're making us look  
4 even worse. That's fine. That's fine. We've got to  
5 correct the problem.

6           **WITNESS KALBFLEISCH:** I'm sorry.

7           **CHAIRMAN JOHNSON:** We appreciate you driving  
8 all the way up from Miami to testify. Is there  
9 anything else you'd like to add?

10           **WITNESS KALBFLEISCH:** Other than I hope  
11 someone can be made accountable at these companies for  
12 what's going on, because I know other people have had  
13 this problem. And on their end it's just starting.  
14 We're in the middle of this, hopefully, towards the  
15 end.

16           **CHAIRMAN JOHNSON:** And one of the things  
17 that we're looking at, with the assistance of Public  
18 Counsel -- I know they're looking at more severe  
19 sanctions and other means to protect the customers.  
20 And the AG's office are also looking into whether or  
21 not there should be criminal sanctions imposed for  
22 some of the fraudulent changes. So we are trying to  
23 find better ways to protect the customers and make  
24 sure that the customers are made whole.

25           **WITNESS KALBFLEISCH:** Usually most people I

1 dealt with in all of their organizations were very  
2 friendly, very cooperative but they had no  
3 accountability. They had no -- apparently --

4           **COMMISSIONER GARCIA:** You're not the first  
5 that has told us that. You know, once they have you  
6 as a customer, they really didn't care. And then once  
7 another company lost you, they were sort of in a bind  
8 to get you back. But I guess it takes all of them  
9 cooperating. And if they are not cooperating the way  
10 you need them to, then they have done something wrong.  
11 And in this case I think we, the Commission, may have  
12 done something wrong by not helping out sooner since  
13 you were talking to us in October. I mean -- I say  
14 this again, you're the exception. I mean, I find that  
15 99% of the people who call the PSC about a problem get  
16 a resolution. And I am very proud of our Public  
17 Affairs responsiveness. They have do a fantastic job.  
18 But when -- obviously, you slipped through the cracks,  
19 and that's our fault and we should try to make it  
20 right.

21           **WITNESS KALBFLEISCH:** I think you are right.  
22 Thank you.

23           **CHAIRMAN JOHNSON:** Thank you. \_

24           Any other witnesses that would like to  
25 testify tonight?





1 STATE OF FLORIDA)  
2 COUNTY OF LEON )

CERTIFICATE OF REPORTER

3 I, JOY KELLY, CSR, RPR, Chief, Bureau of  
4 Reporting Official Commission Reporter,

5 DO HEREBY CERTIFY that the Rule Development  
6 Workshop in Docket No. 970882-TI was heard by the  
7 Florida Public Service Commission at the time and  
8 place herein stated; it is further

9 CERTIFIED that I stenographically reported  
10 the said proceedings; that the same has been  
11 transcribed under my direct supervision; and that this  
12 transcript, consisting of 64 pages, constitutes a true  
13 transcription of my notes of said proceedings.

14 DATED this 30th day of October, 1997.

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