



Florida Telephone Services

ORIGINAL

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3/27/00

Mrs. Blanca S. Bayo
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

**Reference Docket No. 991947-TP; Petition for Arbitration by BellSouth
Telecommunications, Inc. v. Florida Telephone Services, LLC. Rebuttal and Testimony**

Dear Ms. Bayo:

Enclosed is an original and 15 copies of Florida Telephone Services, LLC Direct Testimony of Paul B. Joachim and Memorandum In Support For Summary Judgment.

If you have any other questions please feel free to call me at (407) 869-3200.


Paul Joachim
Florida Telephone Services
(407) 869-3200

- AFA _____
- APP _____
- CAF _____
- CMW 12/20
- CTR _____
- EAG _____
- LEG I
- MAS S
- OPC _____
- RRR _____
- SEC I
- WAW _____
- OTH ms Bayo

Done 3/31/00

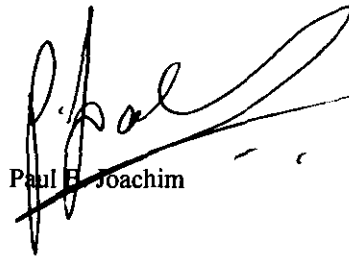
Memorandum
DOCUMENT NUMBER-DATE
03973 MAR 30 8
FPSC-RECORDS/REPORTING

Testimony
DOCUMENT NUMBER-DATE
03972 MAR 30 8
FPSC-RECORDS/REPORTING

FLORIDA PUBLIC SERVICE COMMISSION

**COUNTY OF SEMINOLE
STATE OF FLORIDA**

BEFORE ME, the undersigned authority, duly commissioned and qualified in and for the State and County aforesaid, personally came and appeared Paul B. Joachim who being by me first duly sworn deposed and said that: he is appearing as a witness of behalf of Florida Telephone Services, LLC. before the Florida Public Service Commission in Docket No. 991947-TP, In Re Petition for Arbitration of the Interconnection Agreement between BellSouth Telecommunications, Inc., and Florida Telephone Services, LLC, pursuant to the Telecommunications Act of 1996, 47 U.S.C. 252, and if present before the Commission and duly sworn, his testimony would be set forth in the annexed testimony consisting of6... pages and ...0... Exhibits.


Paul B. Joachim

SWORN TO AND SUBSCRIBED BEFORE ME
THIS 27th DAY OF MARCH, 2000.



Notary Public



1 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

2

3 A. The purpose of my testimony is to address the unresolved issues between
4 BellSouth and Florida Telephone Services, LLC ("FTS"), resulting from the
5 negotiation of a Resale Agreement. I will explain to the Florida Public Service
6 Commission ("Commission") why it would be detrimental to Florida Telephone
7 Services and its customers if BellSouth is to charge for Operations Support
8 Systems ("OSS").

9 Issue: Why there should be no "OSS" charges charged by BellSouth unless it
10 applies to BellSouth's own customer base as well.

11

12 Q. WHY SHOULD FLORIDA TELEPHONE SERVICES PAY FOR
13 BELL SOUTH'S "OSS" CHARGES?

14 A. Florida Telephone Services should not be charged "OSS" fees from
15 BellSouth or any other charges unless they are tariffed and therefore
16 charged by BellSouth themselves towards their own customers. By
17 charging "FTS" "OSS" charges, they are effectively regaining monopoly
18 status and regaining market share by making "FTS" uncompetitive with
19 regards to cost of services.

20

21 Q. CAN "FTS" PURCHASE SIMILAR SERVICES FROM ANOTHER
22 CARRIER IN THE SAME TERRITORY THAT BELL SOUTH
23 SERVES?

1 A "NO". As Florida Telephone Services does not have choice when it comes
2 to servicing customers in the same area that BellSouth serves. BellSouth holds a
3 monopoly status in these regions. FTS has no choice but to do business with
4 BellSouth if it chooses to sell customers in the same territory.

5
6 Q WHAT ACTIVATION AND SERVICE FEES DOES BELL SOUTH
7 CHARGE FTS FOR A BASIC RESIDENTIAL LINE IN FLORIDA?

8
9 A BellSouth charges approximately \$40.00 for the cost of activating one
11 residential line. This charge is a one-time activation fee regardless of whether the
12 activation takes one-hour or ten days.

13
14 Q WHY DO YOU BRING UP THE QUESTION OF THE ACTIVATION
15 FEE?

16
17 A It is to highlight the cost of doing bussiness with BellSouth since we do
18 not have a choice.

19
20 Q WHAT METHOD DOES FTS USE TO SUBMIT ORDERS?

21
22 A FTS is forced to use the methods employed by BellSouth. Most of the
orders are electronically submitted using BellSouth's LENS web-based system.

1 Some orders however have to submitted manually, as BellSouth has no other way
2 of processing them.

3 Q WOULD FTS BE REQUIRED TO PAY MORE OSS CHARGES WHEN
4 ORDERS ARE SENT MANUALLY?

5

6 A Yes, FTS would be required to pay a much high OSS charge when the
7 order is submitted manually. This is because BellSouth does not pay any
8 other mechanism to facilitate these orders. It is also a highly profitable stream of
9 revenue for BellSouth when FTS is forced to submit orders manually.

10

11 Q ARE THESE SIMILAR CHARGES BEING CHARGED TO
12 BELLSOUTH'S OWN CUSTOMERS WHEN ORDERS ARE TAKEN
13 BY BELLSOUTH'S CUSTOMER SERVICE REPRESENTATIVES.

14

15 A NO. These charges are directed towards FTS, which makes it unfair and
16 uncompetitive, and is definitely not in the spirit of the 1996
17 Telecommunications ACT.

18

19 Q WHAT WOULD THESE OSS CHARGES IF IMPLEMENTED DO TO
20 FTS ECONOMICALLY?

21

22 A. For FTS to compete with BellSouth, FTS has to sell services very close to

1 its cost because of the slim discounts given on BellSouth's tariff rates.
2 Any increase in cost, that is not past on to BellSouth's own customer
3 which can be then directly compared to the prices, would be grossly
4 unfair and detrimental as the balance would be tipped in favor of
5 BellSouth. Where BellSouth would be more competitive than FTS can
6 ever hope to be.

7 Q. PLEASE SUMMARIZE YOUR TESTIMONY?

8

9 A. To maintain what little exists of the competitive nature of the
10 telecommunications industry and in the spirit of the historic
11 Telecommunications Act of 1996, FTS hopes that the Commission will find in
12 favor of the argument presented by Florida Telephone Services.

13

14 Q DOES THIS CONCLUDE YOUR TESTIMONY?

15 A Yes.