

1 BEFORE THE PUBLIC SERVICE COMMISSION

2 STATE OF MISSOURI

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4 TRANSCRIPT OF PROCEEDINGS

5 Public Hearing Held in Jefferson City, Missouri,

6 via videoconferencing in

7 Marshall, Missouri

8
9 October 5, 2005

10 Jefferson City, Missouri

11 Volume 3

12 _____
13 In the Matter of the Request of)
14 Southwestern Bell Telephone, L.P.,)
 d/b/a SBC Missouri, for Competitive) Case No.
15 Classification Pursuant to Section) TO-2006-0102
 392.245.6, RSMo (2005) - 60-Day)
16 Petition

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18 _____
19 MORRIS L. WOODRUFF, Presiding
 SENIOR REGULATORY LAW JUDGE.
20 LINWARD "LIN" APPLING,
 COMMISSIONERS.
21 _____

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

2 JUDGE WOODRUFF: Let's go on the record.

3 Welcome everyone to the local public hearing in Case No.
4 TO-2006-0102. And my name is Morris Woodruff and I'm one of
5 the regulatory law judges here at the Commission. And the
6 Commission has asked me to conduct the hearing today for them.

7 With me today is Commissioner Lin Appling, one
8 of the five Commissioners. And the purpose of today's hearing
9 is just to give you all a chance to provide testimony about
10 the issue the Commission is facing here, which is the question
11 of whether Southwestern Bell should be allowed competitive
12 classification for their services in the Marshall area. And I
13 believe there's a number of exchanges in that area that are
14 going to be affected by this.

15 I'm going to start out by asking the parties --
16 the attorneys who are here for the parties, and I believe
17 they're all here in Jefferson City, to enter their appearance.
18 And we'll begin with Staff.

19 MR. DOTTHEIM: Good evening, your Honor.
20 William Haas appearing on behalf of the Staff of the
21 Commission.

22 JUDGE WOODRUFF: And for Public Counsel.

23 MR. DANDINO: Michael Dandino, Office of the
24 Public Counsel, representing the Office of Public Counsel and
25 the public.

1 JUDGE WOODRUFF: Thank you. And for SBC?

2 MR. JUDD: Your Honor, I'm not an attorney, but
3 I'd be glad to introduce myself.

4 JUDGE WOODRUFF: Please do.

5 MR. JUDD: My name is Tim Judd (ph.) from SBC
6 Missouri.

7 JUDGE WOODRUFF: Thank you. Is there anyone
8 from SBC there in Marshall?

9 MR. GILLETTE: Yes. It's Ron Gillette from SBC
10 Missouri.

11 JUDGE WOODRUFF: All right. Thank you.

12 All right. Well, let's go ahead and start
13 with -- I'm going to give Commissioner Appling a chance to
14 make an opening statement, if he'd like to.

15 COMMISSIONER APPLING: Judge, I don't really
16 have an opening statement, but I just want to indicate to
17 everyone in Marshall that we are pleased that you come out
18 tonight and hopefully we can shed some light on this for you
19 tonight and we truly appreciate you being there. Thank you
20 very much.

21 JUDGE WOODRUFF: Thank you.

22 Mr. Johnson, I understand we have some people
23 there in Marshall who would like to testify; is that right?

24 UNIDENTIFIED SPEAKER: Yes, your Honor. We
25 have two gentlemen here who wish to testify.

1 JUDGE WOODRUFF: Who's first on the list?

2 UNIDENTIFIED SPEAKER: The first on the list is
3 Mr. Roy Hunter, who's from Marshall, Missouri.

4 JUDGE WOODRUFF: All right. Is that Mr. Hunter
5 there in -- all right. Thank you, sir. Would you please
6 raise your right hand? I'm going to swear you in as a
7 witness.

8 (Witness sworn.)

9 JUDGE WOODRUFF: All right. Thank you. What
10 would you like to tell us?

11 MR. HUNTER: Well, as -- as we went through the
12 meeting, I gathered more information. I guess my -- my
13 thoughts and what I'd like to share with the Commission is
14 that I'm not a big proponent of regulation. And I think when
15 you regulate a particular industry, regardless of what it is,
16 sometimes it has a tendency to stifle competition.

17 Although I'm -- as everyone else, I'm concerned
18 about any increase in cost to our residential customers and
19 our business customers, which is key to me, but I would like
20 to see the opportunity to have competition in an open market
21 and -- and maybe, just maybe, we'll develop enough competition
22 to reduce our costs of telephone service in this area and as
23 well as future services that we're going to be using as
24 technology advances our community.

25 JUDGE WOODRUFF: Is there anything else you'd

1 like to add?

2 MR. HUNTER: That will be all.

3 JUDGE WOODRUFF: All right. I have a couple
4 questions for you. First of all, are you a customer of SBC
5 now?

6 MR. HUNTER: Yes, I am.

7 JUDGE WOODRUFF: Okay.

8 MR. HUNTER: Residential and I believe my work
9 phone is also SBC, I would assume.

10 JUDGE WOODRUFF: Okay. Do you know which
11 exchange you live in?

12 MR. HUNTER: 886 -- yeah, 660-886 is Marshall.
13 The only exchange we have in Marshall. Well, and 831 now.

14 JUDGE WOODRUFF: Okay. And we're curious,
15 because we had kind of short notice on these hearings. I'm
16 going to ask everyone how they found out about the hearing.

17 MR. HUNTER: I found out about it from Ron
18 Gillette, SBC Missouri.

19 JUDGE WOODRUFF: Okay. Thank you.

20 Commissioner Appling, do you have any questions
21 for Mr. Hunter?

22 COMMISSIONER APPLING: Mr. Hunter, from
23 Marshall do you feel that you have adequate competition there
24 now?

25 MR. HUNTER: You know, I am not sure that we

1 do. And, truthfully, I have -- I'm like everybody else. I
2 went to the phonebook and I looked up all of our competition.
3 And I've been associated with, over the years, two of the
4 companies that were listed there. A lot of them I didn't even
5 know about.

6 And that concerns me that maybe they don't have
7 the opportunity to be competitive here. I'm not sure how that
8 works, but --

9 COMMISSIONER APPLING: Right. Do you have
10 cable in Marshall?

11 MR. HUNTER: Yes, sir.

12 COMMISSIONER APPLING: Who is the company that
13 provide -- who is your provider there for cable?

14 MR. HUNTER: Time Warner.

15 COMMISSIONER APPLING: Time Warner. How many
16 wireless companies service Marshall?

17 MR. HUNTER: Wireless would be like telephones?

18 COMMISSIONER APPLING: Yes, sir.

19 MR. HUNTER: Let's see. We have Cingular,
20 Sprint -- do we have Sprint here? Sprint and Mid-Missouri. I
21 know I have Mid-Missouri. US Cellular, I think T-Mobile.
22 Yeah.

23 COMMISSIONER APPLING: Okay.

24 MR. HUNTER: I've got some help here.

25 COMMISSIONER APPLING: Sounds like you have a

1 pretty decent competition, at least as there are other people
2 that are offering services in Marshall. Thank you very much,
3 sir, and I thank you for coming out tonight. Okay?

4 MR. HUNTER: Thank you. You're welcome and we
5 appreciate the opportunity.

6 COMMISSIONER APPLING: Thank you, sir.

7 JUDGE WOODRUFF: Thank you. Do any of the
8 attorneys have any questions for Mr. Hunter?

9 MR. DANDINO: Yes, your Honor.

10 JUDGE WOODRUFF: Mr. Dandino.

11 MR. DANDINO: This is Mike Dandino with the
12 Office of Public Counsel. Mr. Hunter, I want to thank you for
13 coming out and for testifying. I have just a few questions
14 for you.

15 Are you a wireless telephone subscriber?

16 MR. HUNTER: Yes.

17 MR. DANDINO: And what do you use -- basically
18 use your wireless phone for? For long distance or local
19 calls?

20 MR. HUNTER: I have two. My wife has one and I
21 have one. Mine is mostly long distance and hers, I would say,
22 is 90 percent local.

23 MR. DANDINO: Could you give -- or do you -- I
24 don't know if you would even feel comfortable estimating, but
25 do most of the people or do a large percentage of the people

1 in the Marshall area, Marshall exchange have SBC as their
2 local telephone company?

3 MR. HUNTER: I would think so, but I would have
4 no way of knowing that, sir.

5 MR. DANDINO: Okay. I thought maybe you might
6 have some insight on that. Okay.

7 MR. HUNTER: I couldn't tell you.

8 MR. DANDINO: Do you know if Time Warner offers
9 a telephone service with their cable package?

10 MR. HUNTER: Not to my knowledge. Not in our
11 community.

12 MR. DANDINO: Okay. That's all I have, sir.
13 Thanks so much for testifying.

14 JUDGE WOODRUFF: Thank you, Mr. Dandino.

15 Mr. Haas, do you have any questions for staff?

16 MR. HAAS: No, thank you.

17 JUDGE WOODRUFF: All right. And Mr. Johnson,
18 if you'd tell us the next witness.

19 UNIDENTIFIED SPEAKER: Okay. Our last witness
20 is a Norvelle Brown. He's also from Marshall.

21 MR. BROWN: Good evening, ladies and gentlemen.
22 Again, like the rest of them, I want to thank you for offering
23 us this chance to voice our opinion or concerns. I'm a
24 resident. I've lived here in Marshall since 1963. I do have
25 Southwestern Bell in my home, both long distance carrier and

1 the dial tone.

2 My concern is if you allow the change in
3 classification, I'm concerned about big brother not watching
4 SBC. I think the PSC has done a fantastic job over the years
5 controlling excessive rates in both the telephone companies
6 and in the natural gas business.

7 Several years ago the government decided to
8 deregulate natural gas, and you can see what that has done for
9 us. There was some deregulation, as I understand it, in the
10 petroleum business and you can see what's that done to us in
11 the last few years and especially this particular year.

12 I think competition -- good competition is
13 great in any type of business and I feel that SBC will be able
14 to survive regardless of the number of companies that come in
15 and try to take some of their business.

16 I do understand that the wireless phone system
17 has changed dramatically. I think SBC in this particular area
18 is losing about 4 percent lines a year because of the
19 wireless. I have a cell phone myself and I use it quite a
20 bit, but I'm very, very happy with the service that SBC has
21 provided to me in the 43 years that we've been in Marshall.
22 And I'm just -- I'd like to see big brother or the PSC
23 continue to have control over the rate structures of the
24 telecommunications industry. And that's all I have to say.

25 JUDGE WOODRUFF: Mr. Brown, for the benefit of

1 our court reporter, could you spell your name?

2 MR. BROWN: N-o-r-v-e-l-l-e.

3 JUDGE WOODRUFF: And then Brown is just Brown?

4 MR. BROWN: Brown, no e, B-r-o-w-n, yes.

5 JUDGE WOODRUFF: All right. Thank you. And
6 same question I asked the other gentleman. How did you learn
7 about this hearing?

8 MR. BROWN: There was a small article two times
9 in the local daily paper, almost hidden.

10 JUDGE WOODRUFF: Okay. Well, thank you, sir.

11 Commissioner Appling, do you have any questions
12 for this gentleman?

13 COMMISSIONER APPLING: Mr. Brown, thank you for
14 coming in. How you doing this evening?

15 MR. BROWN: I'm fine, sir.

16 COMMISSIONER APPLING: Good. So what you're
17 telling me is that you're not in favor of us giving SBC
18 competitive classification?

19 MR. BROWN: That is correct. That's correct.

20 COMMISSIONER APPLING: All right. Are you
21 getting good service in Marshall at the present time?

22 MR. BROWN: Yes, sir, I am. I cannot complain
23 a bit about SBC and the service they have given me.

24 COMMISSIONER APPLING: All right. Thank you
25 very much, sir, for coming in. Thank you for your testimony.

1 MR. BROWN: You're welcome sir.

2 JUDGE WOODRUFF: Thank you.

3 Do any of the attorneys want to ask any
4 questions of Mr. Brown? Mr. Dandino?

5 MR. DANDINO: I don't have any questions for
6 Mr. Brown, but I want to thank you for coming out and
7 appreciate your testimony. Thank you.

8 MR. BROWNLEE: Thank you, sir.

9 JUDGE WOODRUFF: Mr. Haas?

10 MR. HAAS: Judge, you had the previous witness
11 sworn. Did you want to take this witness's statement under
12 oath, also?

13 JUDGE WOODRUFF: I do. And I thank you for --
14 I appreciate you telling me that, Mr. Haas. Mr. Haas was
15 trying to signal me before and I wasn't able to understand
16 what he was trying to tell me. Yes, I would like to swear
17 you, sir, as a witness.

18 (Witness sworn.)

19 JUDGE WOODRUFF: Thank you, sir. And as the
20 record will reflect, you've already given some testimony. And
21 I assume you'd repeat the same testimony now that you're under
22 oath?

23 MR. BROWN: That is correct.

24 JUDGE WOODRUFF: And thank you, Mr. Haas, for
25 bringing that to my attention. Sometimes these things slip

1 away from us. Do you have any other questions?

2 MR. HAAS: No questions, sir.

3 JUDGE WOODRUFF: Mr. Johnson, was there anybody
4 else there that wished to testify?

5 UNIDENTIFIED SPEAKER: That's all we have, your
6 Honor.

7 JUDGE WOODRUFF: All right. Thank you very
8 much then.

9 And, Commissioner Appling, any final comments?

10 COMMISSIONER APPLING: I just want to tell the
11 two individuals that testified, Mr. Brown and -- I really do
12 appreciate you coming out. You don't know how important it is
13 for us to hear from people across the state about exactly what
14 they feel.

15 Your testimony -- we do hear it and we will
16 take it into consideration as we march down the road to make a
17 decision on SBC here. Appreciate you. Thank you very much
18 for coming out tonight and you all have a good time up there
19 in Marshall. Okay? Thank you.

20 JUDGE WOODRUFF: Thank you all very much and
21 with that, this local public hearing is adjourned. Thank you.

22 WHEREUPON, the public hearing was adjourned.

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