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PUBLIC UTILITY COMMISSION

AUG 11 1992

Public Utility Commission
SECRETARY'S BUREAU
Information Control Division

Pennsylvania Public Utility Commission v.
Commonwealth Telephone Company

Assessment of the impact of significant
increase in certain operating expenses on the
common equity return rate.

: Docket No.
: R-00920020

Investigation into increase in charges for
non-published telephone numbers resulting in
increased annual operating revenues of
approximately \$212,196.

: Docket No.
: R-00922313

Prehearing Conference

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Pages 1 through 8

Hearing Room 2
North Office Building
Harrisburg, Pennsylvania

Thursday, August 6, 1992

Met, pursuant to notice, at 2:05 p.m.

BEFORE:

GEORGE M. KASHI, Administrative Law Judge

APPEARANCES:

NORMAN JAMES KENNARD, Esquire
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Harrisburg, Pennsylvania 17101
(For Commonwealth Telephone Company)

DOCKETED
AUG 14 1992

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C O N T E N T S

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(None)

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P R O C E E D I N G S

1
2 ADMINISTRATIVE LAW JUDGE GEORGE KASHI: This is the
3 place set for the prehearing conference in the matters of
4 the Pennsylvania Public Utility Commission versus the
5 Commonwealth Telephone Company which has been docketed at
6 I-00920020 together with that which has been docketed at
7 R-00922313.

8 Prior to proceeding with the matter with Counsel,
9 there are a couple things I would like to note regarding the
10 R docket number. It is our understanding that the filing
11 which was made by the company that was to become effective
12 on July 3rd, 1992, was suspended by this Commission.

13 However, the order was not entered on that until June
14 30, 1992. Prior to the entry of that order and thus prior
15 to it becoming a contested proceeding, there was letter
16 petition filed by the company voluntarily withdrawing
17 supplement number 23 to the tariff.

18 It is our position that it was not a contested
19 proceeding at the time the withdrawal, and therefore does
20 not come under the purview of Section 5.94 but under 1.82.

21 We note in the prehearing memoranda of the staff that
22 it does not object to the voluntary withdrawal by the
23 company of supplement number 23.

24 Mr. McClelland, for the OCA, is there any particular
25 reason you would have for objecting to their withdrawal of

1 that petition?

2 MR. McCLELLAND: No, we don't, Your Honor. We did
3 not oppose that filing, and similarly we would not oppose
4 the withdrawal.

5 JUDGE KASHI: We are going to issue an order merely
6 for the purposes of cleaning up the paperwork inhouse since
7 this kind of jumped ahead by itself, ordering that the
8 secretary terminate and mark closed the docket at R-00922313
9 as having been voluntarily withdrawn.

10 All right, that takes care of that.

11 Turning our attention now to the investigation which
12 we have before us, in the complaint which we have been filed
13 which has been docketed to that particular investigation, I
14 would again note that I have received as of August the 4th
15 the answer of the company and a petition to strike or
16 dismiss -- I believe it is.

17 Is that right, Mr. Kennard?

18 MR. KENNARD: Yes, Your Honor.

19 JUDGE KASHI: -- which I have not yet been able to
20 attend. I would think that the purposes of today's
21 prehearing conference would be for the limited purpose of
22 setting a hearing or schedule it for hearings in the
23 particular manner.

24 So as is our custom and habit, I would say that we go
25 off the record at this point to discuss the scheduling of

1 the hearings.

2 (Discussion off the record.)

3 JUDGE KASHI: We have discussed with the parties the
4 possible scheduling of the matter. And it seems to us that
5 there is a question as to the scope of this proceeding as
6 perceived by the Respondent, Commonwealth Telephone Company.

7 Commonwealth has stated that its argument relating to
8 the scope of these proceedings is set forth in its motion to
9 strike the complaint and dismiss the AT&T complaint. We are
10 satisfied that the company will provide to the Office of
11 Consumer Advocate and the Office of Trial Staff that motion.

12 I would ask that the parties in writing within ten
13 days respond to that motion, at which time we will enter an
14 order and proceed from that particular point.

15 Is there anything else that the parties --

16 Miss Melillo.

17 MS. MELILLO: Yes, Your Honor. There's a couple of
18 points. One is that, will this case be styled a rate
19 proceeding such that the three-day turn around for
20 transcripts applies and also the fifteen-day rule for
21 interrogatories? This we stated in our prehearing memo, but
22 we are willing to go to twenty, but we consider that a
23 modification because we consider this to be a rate
24 proceeding.

25 JUDGE KASHI: All right, we'll answer that question

1 for you also in our order.

2 MS. MELILLO: And the other question is the
3 applicable test year which is something that we'll need to
4 decide upon.

5 JUDGE KASHI: Now, that's bothersome; that one's
6 bothersome.

7 Mr. Keffer.

8 MR. KEFFER: Just counting, ten days is Sunday, so I
9 assume that means Monday, the 17th.

10 JUDGE KASHI: Monday, yes.

11 Mr. McClelland.

12 MR. McCLELLAND: Your Honor, perhaps only to amplify,
13 and I understand you are going to rule, you will decide on
14 the scope of the proceeding. It is our intent to proceed
15 with discovery. We've got one sent out. We plan on sending
16 another one out that will concern accounting issues.

17 Of course, if you rule that the issues we are raising
18 are not relevant to this case, then that would put a stop to
19 that. At the same time, we would like to be able to
20 continue to ask that discovery during this interim period
21 and go by the rules essentially as Miss Melillo has already
22 indicated.

23 MR. KENNARD: Judge, that's really prejudging the
24 issue, and that really is the question; is this a rate
25 proceeding or not?

1 Now, we intend to object to the objections or the
2 interrogatories of the OCA and Trial Staff to the extent
3 they are outside our theory of the case. It would seem
4 prejudicial for the Commonwealth to disclose information
5 which it need not disclose, properly within the scope.

6 So, we would propose to object but it is a matter
7 which will be resolved shortly with answers due on the 17th
8 in Your Honor's ruling. We are not going to be prejudiced
9 by being required to provide information in anticipation of
10 Your Honor's ruling one way or the other.

11 JUDGE KASHI: I agree with Mr. Kennard. We can hold
12 discovery for ten days, or twelve days, whatever it takes
13 for there to be a ruling one way or the other. I don't
14 think we are prejudicing any parties by holding ten more
15 days. We won't proceed with discovery at this point,
16 because it is only going to waste paper. I hate objections.

17 When we get to that phase, I will say to the parties
18 when we are talking about discovery, if you have problems,
19 call me. I found that discovery works itself out much
20 better with the Judge on the telephone than filing
21 objections and motions to compel.

22 MR. KENNARD: So that would mean then the objections
23 are in abeyance as well as the answers, and we'll await Your
24 Honor's ruling.

25 JUDGE KASHI: Sure.

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Anything further Counsel?

(No response.)

JUDGE KASHI: If there's nothing further, we'll stand adjourned to await the answers to the motion.

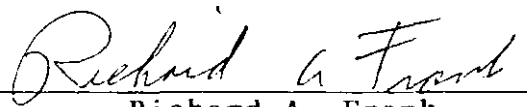
Thank you very much, Counsel. We stand adjourned.

(Whereupon at 2:25 p.m., the hearing was adjourned.)

C E R T I F I C A T E

I hereby certify, as the stenographic reporter, that the foregoing proceedings were reported stenographically by me, and therefore reduced to typewriting by me or under my direction, and that this transcript is a true and accurate record to the best of my ability.

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