

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Flow-through of LEC switched access reductions by IXCs, pursuant to Section 364.163(2), Florida Statutes.

DOCKET NO. 030961-TI

In re: Petition by Verizon Florida Inc. to reform intrastate network access and basic local telecommunications rates in accordance with Section 364.164, Florida Statutes.

DOCKET NO. 030867-TL

In re: Petition by Sprint-Florida, Incorporated to reduce intrastate switched network access rates to interstate parity in revenue-neutral manner pursuant to Section 364.164(1), Florida Statutes.

DOCKET NO. 030868-TL

In re: Petition for implementation of Section 364.164, Florida Statutes, by rebalancing rates in a revenue-neutral manner through decreases in intrastate switched access charges with offsetting rate adjustments for basic services, by BellSouth Telecommunications, Inc.

DOCKET NO. 030869-TL
ORDER NO. PSC-03-1269-PCO-TL
ISSUED: November 10, 2003

SECOND ORDER MODIFYING PROCEDURE FOR CONSOLIDATED DOCKETS
TO REFLECT ADDITIONAL DOCKET, ASSOCIATED ISSUES,
AND FILING DATES

The Florida Legislature enacted the Tele-Competition Innovation and Infrastructure Enhancement Act (Tele-Competition Act or Act) which became effective on May 23, 2003. On August 27, 2003, Verizon Florida Inc. (Verizon), Sprint-Florida, Incorporated (Sprint), and BellSouth Telecommunications, Inc. (BellSouth), each filed petitions pursuant to Section 364.164, Florida Statutes.

DOCUMENT NUMBER-DATE

11189 NOV 10 8

FPSC-COMMISSION CLERK

ORDER NO. PSC-03-1269-PCO-TL

DOCKETS NOS. 030961-TI, 030867-TL, 030868-TL, 030869-TL

PAGE 2

Dockets Nos. 030867-TL (Verizon), 030868-TL (Sprint), and 030869-TL (BellSouth) were opened to address these petitions in the time frame provided by Section 364.164, Florida Statutes. On September 4, 2003, the Order Establishing Procedure and Consolidating Dockets for Hearing, Order No. PSC-03-0994-PCO-TL, was issued. At the September 15, 2003, Agenda Conference, the Commission decided to hold public hearings in the above referenced dockets.

On September 3, 2003, OPC filed Motions to Dismiss the Petitions in each of these dockets. On September 10, 2003, Verizon filed its Response to OPC's Motion to Dismiss. Also on September 10, 2003, Sprint and BellSouth filed their Joint Response to OPC's Motion to Dismiss. At the September 30, 2003, the Commission voted to dismiss Verizon, Sprint, and BellSouth's Petitions with leave to amend their Petition within 48 hours to address the Commission's determination regarding the two-year time frame in Section 364.164(1)(c), Florida Statutes. On September 30, October 1, and October 2, 2003, the companies filed their amended petitions. This matter is set for hearing on December 10-12, 2003.

On October 2, 2003, Docket No. 030961-TI was opened for the purpose of providing guidelines for the IXCs in flowing through the LEC switched access reductions to the respective IXC customers, should those access reduction petitions be approved. This matter was brought before this Commission on our November 3, 2003 Agenda Conference. Following extensive discussion, it was determined that the matters which are the subject of Docket No. 030961-TI should be considered concurrently with the petitions in Dockets Nos. 030867-TL, 030868-TL, and 030869-TL. It also became obvious that we were lacking sufficient information at that Agenda Conference upon which to base a decision in any of the Dockets. Accordingly, we found that Docket No. 030961-TI should be consolidated for hearing with Dockets Nos. 030867-TL, 030868-TL, and 030869-TL.

Because of the expedited nature of this proceeding, the modifications to the schedule set forth herein recognize and apply this Commission's decisions made at the November 3, 2003, Agenda Conference in Docket No. 030961-TI.

Except as otherwise modified herein, Order No. PSC-03-0994-PCO-TL, as modified by PSC-03-1118-PCO-TL remains applicable to this consolidated proceeding. A revised tentative issues list for

ORDER NO. PSC-03-1269-PCO-TL
DOCKETS NOS. 030961-TI, 030867-TL, 030868-TL, 030869-TL
PAGE 3

this proceeding is attached to this Order as "Attachment A," reflecting the addition of Issues 6 - 10.

As a result of the brief time remaining before the hearing in this matter, the following dates will be added to the schedule to receive testimony on the additional issues, Issues 6 - 10:

Direct Testimony and Exhibits (Issues 6- 10) - All November 19, 2003

Rebuttal Testimony and Exhibits (Issues 6-10) - All November 26, 2003

Due to the expedited nature of this proceeding, the following shall apply to all discovery beginning on November 19, 2003:

Discovery responses shall be served within 10 calendar days of receipt of the discovery request by either e-mail or fax, as well as by overnight delivery.

In addition, unless authorized by the Prehearing Officer for good cause shown, all discovery shall be completed by December 5, 2003.

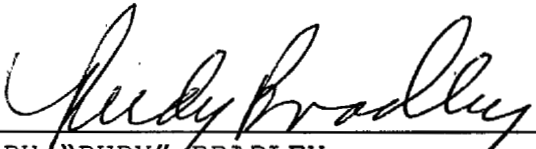
Based upon the foregoing, it is

ORDERED by Commissioner Rudolph "Rudy" Bradley, as Prehearing Officer, that Order No. PSC-03-0994-PCO-TL, as modified by PSC-03-1118-PCO-TL, is further modified as set forth herein. It is further

ORDERED that Order No. PSC-03-0994-PCO-TL, as modified by PSC-03-1118-PCO-TL, is otherwise reaffirmed in all respects.

ORDER NO. ~~PSC-03-1269-PCO-TL~~
DOCKETS NOS. 030961-TI, 030867-TL, 030868-TL, 030869-TL
PAGE 4

By ORDER of Commissioner Rudolph "Rudy" Bradley, as Prehearing Officer, this 10th day of November, 2003.



RUDOLPH "RUDY" BRADLEY
Commissioner and Prehearing Officer

(S E A L)

CLF/BK

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of the Commission Clerk and Administrative Services, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such

ORDER NO. PSC-03-1269-PCO-TL

DOCKETS NOS. 030961-TI, 030867-TL, 030868-TL, 030869-TL

PAGE 5

review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.

Attachment A

TENTATIVE ISSUES LIST

ISSUE 1: Will the ILECs' rebalancing proposals remove the current support for basic local telecommunications services that prevents the creation of a more attractive competitive market for the benefit of residential consumers?

A. What is a reasonable estimate of the level of support provided for basic local telecommunications services?

B. Does the current level of support prevent the creation of a more attractive competitive local exchange market for the benefit of residential consumers?

C. Will the ILECs' rebalancing proposals benefit residential consumers as contemplated by Section 364.164, Florida Statutes? If so, how?

ISSUE 2: Will the effects of the ILECs' rebalancing proposals induce enhanced market entry? If so, how?

ISSUE 3: Will the ILECs' rebalancing proposals reduce intrastate switched network access rates to interstate parity over a period of not less than two years or more than four years?

ISSUE 4: Are the ILECs' rebalancing proposals revenue neutral, as defined in Section 364.164(2), Florida Statutes?

ISSUE 5: Should the ILECs' rebalancing proposals be granted or denied?

ISSUE 6: Which IXCs should be required to file tariffs to flow through BellSouth's, Verizon's, and Sprint-Florida's switched access reductions, if approved, and what should be included in these tariff filings?

ISSUE 7: If the ILEC access rate reductions are approved, should the IXCs be required to flow through the benefits of such reductions, via the tariffs, simultaneously with the approved ILEC access rate reductions?

ORDER NO. PSC-03-1269-PCO-TL

DOCKETS NOS. 030961-TI, 030867-TL, 030868-TL, 030869-TL

PAGE 7

ISSUE 8: For each access rate reduction that an IXC receives, how long should the associated revenue reduction last?

ISSUE 9: How should the IXC flow-through of the benefits from the ILEC access rate reductions be allocated between residential and business customers?

ISSUE 10: Will all residential and business customers experience a reduction in their long distance bills? If not, which residential and business customers will and will not experience a reduction in their long distance bills?

ISSUE 11: Should these Dockets be closed?