Kimberly Caswell Vice President and General Counsel, Southeast Legal Department

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FLTC0007 201 North Franklin Street (33602) Post Office Box 110 Tampa, Florida 33601-0110

Phone 813 483-2606 Fax 813 204-8870 kimberly.caswell@verizon.com

March 5, 2001

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

DOCUMENT NUMBER-DATE

02972 MAR-75

FPSC-RECORDS/REPORTING

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Re: Docket No. 990362-TI Initiation of Show Cause Proceeding Against GTE Communications Corporation for Apparent Violation of Rule 25-4.118, F.A.C., Local, Local Toll, or Toll Provider Selection

Dear Ms. Bayo:

Please find enclosed for filing an original and 15 copies of Verizon Select Services, Inc.'s Prehearing Statement in the above matter. Also enclosed is a diskette with a copy of the Prehearing Statement in MS Word 97 format. Service has been made as indicated on the Certificate of Service. If there are any questions regarding this matter, please contact me at 813-483-2617.

Sincerely,

imberly Caswell

KC:tas Enclosures

APP CAF CMP COM CTR EGR 020 Dat SEC SER OTH

RECEIVED & FILED

PSG-BUREAU OF RECORDS

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Initiation of Show Cause Proceeding Against GTE Communications Corporation for Violation of Rule 25-4.118, F.A.C., Local, Local Toll, or Toll Provider Selection Docket No. 990362-TI Filed: March 5, 2001

VERIZON SELECT SERVICES, INC.'S PREHEARING STATEMENT

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Verizon Select Services, Inc. (VSSI) files its Prehearing Statement in accordance with Order number PSC-00-1835-PCO-TI in this docket (and the parties' subsequent agreement revising certain procedural dates) and Commission Rule 25-22.038.

A. Witnesses

VSSI's witnesses in this proceeding and the issues to which they will testify are as follows:

Christopher D. Owens: Issues 1 and 2.

Joseph P. Caliro: Issues 1 and 2 (focussing on operational controls).

B. Exhibits

VSSI will introduce the following exhibits:

- 1. Ex. CDO-1 (Snyder policies), attached to witness Owens' Rebuttal Testimony.
- 2. Exs. JPC-1 (Snyder systems changes) and JPC-2 (meeting agenda excerpts), attached to witness Caliro's Rebuttal Testimony.

VSSI reserves the right to introduce additional exhibits at the hearing or other appropriate points.

DOCUMENT NUMBER-DATE 02972 MAR-75 EPSC-RECORDS/REPORTING

C. VSSI's Basic Position

VSSI did not willfully violate Rule 25-4.118, which prohibits unauthorized carrier changes, and there is no basis for imposing fines or other penalties upon VSSI. There is no evidence that VSSI in any way encouraged, facilitated, ratified, or otherwise approved of slamming. Substantially all of the complaints at issue arose from the actions of Snyder Communications, Inc. (Snyder) one of VSSI's independent contractors. There is no evidence of any system-wide problem; this is the first time the Commission has investigated VSSI for slamming complaints; VSSI itself informed the Commission of the Snyder situation and its plan for remedy; VSSI cooperated fully with the Staff in its investigations of the complaints at issue; and VSSI expeditiously resolved these complaints, giving customers in most cases full credit for VSSI charges.

This docket investigating unauthorized carrier changes is no different from any other that has come before the Commission and settled without incident except perhaps that the mitigating circumstances are more compelling. The Commission's July 26, 2000 order approving VSSI's proposed settlement in this case was fully consistent with other settlement offers the Commission has accepted for apparent slamming violations. VSSI thus urges the Commission to dismiss the Office of Public Counsel's Protest of the July Order, thus permitting that Order to become final.

D., E., F., G. VSSI's Specific Positions

VSSI believes the issues identified for resolution in this case are mixed questions of fact, law, and policy.

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<u>Issue 1</u>: During the time period of December 15, 1997 through September 20, 1999, did GTE Communications Corporation (n/k/a Verizon Select Services, Inc.) willfully violate Rule 25-4.118, Florida Administrative Code, which prohibits unauthorized carrier changes?

VSSI's Position: No. To assess any penalties in this case, the Commission must examine each of the complaints at issue to determine whether VSSI deliberately and intentionally changed individuals' long-distance carriers without authorization. There is no evidence of this kind of willful conduct. To the contrary, VSSI uniformly took appropriate steps to remedy the effects of claimed unauthorized changes, and to curb apparent problems with unauthorized changes when such problems were detected.

<u>Issue 2:</u> If so, how many willful violations were there, and what is the appropriate action, penalty, and/or fine amount to be imposed by the Commission for any such violations?

VSSI's Position: As explained above, there were no willful violations, so no

fines or other penalties are justified.

H. Stipulated Issues

VSSI is unaware of any stipulations at this time.

I. Pending Matters

The Commission has not yet ruled on VSSI's Answer to the Office of

Public Counsel's Protest of the Commission's Order approving VSSI's settlement

proposal in this case. That Answer asked the Commission to deny the Protest.

J. Procedural Requirements

To the best of its knowledge, VSSI can comply with all requirements set forth in the procedural order in this case.

Respectfully submitted on March 5, 2001.

Bile nan By:

Kimberly Caswell P. O. Box 110, FLTC0007 Tampa, Florida 33601-0110 Telephone No. (813) 483-2617

Attorney for Verizon Select Services. Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of Verizon Select Services, Inc.'s Prehearing

Statement in Docket No. 990362-TI were sent via overnight delivery on March 2, 2001 to:

Lee Fordham Division of Legal Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Charles J. Beck, Deputy Public Counsel Office of Public Counsel 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400

Br Kimberly Caswell