

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of limited waiver of Rules 25-4.066(2), 25-4.070(3)(a), 25-4.073(1)(c) and (1)(d), and 25-4.110(2), F.A.C.; and for approval of modification and extension of Service Guarantee Plan (SGP) approved by Order PSC-00-2462-PAA-TL, by Sprint-Florida, Incorporated.

DOCKET NO. 030430-TL
ORDER NO. PSC-03-0733-PAA-TL
ISSUED: June 19, 2003

The following Commissioners participated in the disposition of this matter:

LILA A. JABER, Chairman
J. TERRY DEASON
BRAULIO L. BAEZ
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING MODIFICATION AND EXTENSION OF SPRINT'S SERVICE GUARANTEE PROGRAM AND THE LIMITED WAIVER OF RULES 25-4.066(2), 25-4.070(3)(A), 25-4.073(1)(C) AND (1)(D), AND 25-4.110(6), FLORIDA ADMINISTRATIVE CODE

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

I. BACKGROUND

In Docket No. 991377-FL, Initiation of show cause proceedings against Sprint-Florida, Incorporated for violation of service standards, Sprint-Florida, Incorporated (Sprint) and the Office of

DOCUMENT NUMBER DATE

05464 JUN 19 03

FPSC-COMMISSION CLERK

Public Counsel (OPC) entered into a stipulation and settlement wherein Sprint would implement a Service Guarantee Program (SGP) for a term of two years. By Order No. PSC-00-2462-PAA-TL,¹ issued December 20, 2000, in Docket No. 991377, the Commission approved the SGP. Sprint's SGP was implemented on June 1, 2001 and terminates on May 31, 2003.

On May 7, 2003, Sprint filed a Petition for Extension of Limited Waiver of Rules 25-4.066(2), 25-4.070(3)(a), 25-4.073(1)(c), 25-4.073(1)(d), and 25-4.110(2), Florida Administrative Code. However, our staff noted that Rule 25-4.110(2), Florida Administrative Code, changed numerically to Rule 25-4.110(6), Florida Administrative Code. Our staff notified Sprint and an Amended Petition for Extension of Limited Waiver of Rules 25-4.066(2), 25-4.070(3)(a), 25-4.073(1)(c), 25-4.073(1)(d), and 25-4.110(6), Florida Administrative Code, was filed. Sprint's Amended Petition also contained a request to approve the Agreement to Modify and Extend its SGP.

II. SPRINT'S SERVICE GUARANTEE PLAN

a. Summary of SGP

A summary of Sprint's Amended Petition and Request for approval of the Agreement to Modify and Extend its SGP is outlined below:

- Sprint proposes to extend the SGP for two years or until new service rules are implemented or the SGP is terminated by the Commission or Sprint.
- Sprint proposes the extension of the modified SGP will be subject to the same Commission requirements as specified in the original order. However, Sprint will provide explanations upon request on an individual report basis.

¹Amendatory Order No. PSC-00-2462A-PAA-TL, issued January 12, 2001, in Docket 991377-TL.

- The modified SGP is similar to the SGP the Commission approved for BellSouth by Order No. PSC-02-0197-PAA-TL, issued February 13, 2002, in Docket No. 010097-TL (BellSouth's SGP) .
- Sprint's SGP will continue to automatically provide direct credits to customers whose service is affected by delayed installation or repair.
- The existing Community Service Fund will continue to receive credits when Sprint fails to meet answer time and accessibility standards. The Community Service Fund is used to educate and promote Sprint's Lifeline Service to its customers.
- Sprint seeks a continued waiver of Rules 25-4.066(2), 25-4.070(3)(a), 25-4.073(1)(c) and (1)(d), and 25-4.110(6), Florida Administrative Code.

b. Modifications

As noted above, Sprint requests that its SGP be approved with several modifications. The first modification to its SGP involves Rule 25-4.110(6), Florida Administrative Code, the out-of-service repair credits to Sprint's customers. Rule 25-4.110(6), Florida Administrative Code, provides that:

(6) Each company shall make appropriate adjustments or refunds where the subscriber's service is interrupted by other than the subscriber's negligent or willful act, and remains out of order in excess of 24 hours after the subscriber notifies the company of the interruption. The refund to the subscriber shall be the pro rata part of the month's charge for the period of days and that portion of the service and facilities rendered useless or inoperative; except that the refund shall not be applicable for the time that the company stands ready to repair the service and the subscriber does not provide access to the company for such restoration work. The refund may be accomplished by a credit on the subsequent bill for telephone service.

Sprint's proposed modification involves changing from a percentage of the customer's recurring monthly local service bill to a specified dollar amount for the number of hours or days without service. The proposed credits continue to be automatically applied to those experiencing the service interruption as defined in Table 1, Attachment A, which is attached hereto and incorporated by reference. Sprint's out-of-service credits provide greater monetary relief to customers than that provided by the pro-rata calculation under Rule 25-4.110(6), Florida Administrative Code, The out-of-service credits also penalizes Sprint when Sprint fails to meet repair times as specified in the SGP. Attachment B, which is attached hereto and incorporated by reference, provides a side by side comparison of Sprint's current SGP, Proposed Plan, and BellSouth's approved SGP. The proposed out-of-service modification will bring Sprint's SGP, as modified, on par with BellSouth's SGP.

The second modification involves primary service installations and it is limited to a missed commitment. Specifically, Sprint states in its Agreement to Modify and Extend its SGP at page 3 that "if Sprint offers an installation date of three or more work days and the customer requests service to be installed within three work days from the date of the completed application, the credit will be automatically issued if service is not installed within three work days." In other words, the customer will be credited \$25.00 for not having service installed within three workdays due to a missed commitment, Saturdays, Sundays and holidays are excluded in determining whether or not the commitment was met. The applicable rule is Rule 25-4.066(2), Florida Administrative Code, which provides that:

(2) Where central office and outside plant facilities are readily available at least 90 percent of all requests for primary service in any calendar month shall normally be satisfied in each exchange or service center within an interval of three working days after receipt of application when all tariff requirements relating thereto have been complied with, except those instances where a later installation date is requested by the applicant or where special equipment or services are involved.

Sprint's requested modification, along with the request for continued waiver of the above rule, brings Sprint's SGP in line

with BellSouth's SGP which credits the customer \$25.00 for missed commitments. The comparison of Sprint's existing missed installation provision, its proposed modified provision and BellSouth's SGP can be found in the tables in Attachment B, Installation (Residential & Single Line Business Primary). Under Sprint's modification to its SGP, the consumer receives a monetary benefit if Sprint fails to meet its three-day commitment by Sprint crediting the consumer's account \$25.00 for the missed commitment. In addition, the \$25.00 credit for missed commitments serves as an immediate penalty to Sprint.

The third modification involves the average speed of answer (ASA) time for Sprint's Business and Repair Offices. The applicable rules are Rules 25-4.073(1)(c) and (1)(d), Florida Administrative Code, which provide that:

(c) At least ninety (90%) percent of all calls directed to intercept, directory assistance and repair services and eighty (80%) percent of all calls to business offices shall be answered within thirty (30) seconds after the last digit is dialed.

(d) Notwithstanding (c) above, when a company utilizes a menu driven, automated, interactive answering system (referred to as the system), at least (95%) percent of the calls offered shall be answered within 15 seconds after the last digit is dialed. The initial recorded message present by the system to the customer shall only identify the company and the general options available to the customer. The option of transferring to a live attendant shall be included in the initial message. For subscribers electing the option of transferring to a live assistant, except for business office calls, at least ninety-five (95%) percent of all calls shall be transferred by the system to a live attendant prepared to give immediate assistance within fifty-five (55) seconds after the last digit of the telephone number listed in the directory for the company's service(s) was dialed. Eighty-five (85%) percent of all such calls directed to any business office shall be transferred by the system to a live attendant within fifty-five (55) seconds after the last digit dialed. At any time during the call, the

customer shall be transferred to live assistance if the customer fails to interact with the system for a time period of ten (10) seconds following any prompt. For the purposes of this section, interaction means responding to a customer prompt offered by the system by keying (pressing) a number or character of a Dual-Tone Multiple-Frequency (DTMF) keypad associated with a telephone.

Under Sprint's current SGP, Rules 25-4.073(1)(c) and (1)(d), Florida Administrative Code, have been waived and, the ASA time for the residential and business offices is 35 seconds per month. The modification that Sprint proposes, found in Attachment A, page 4, Table 3, is to increase the ASA minimum standard time to an average ASA time of 40 seconds. We find that raising the ASA standard time from 35 seconds to 40 seconds does not appear to have a detrimental impact on customers, the community service fund, and promotion of Sprint's Lifeline Service.

c. Decision

We find that the modifications to the SGP as outlined in Attachment A make the program significantly easier to understand from a consumer perspective. We note that while it may not provide as much monetary relief to the customer as the previous SGP, it will still benefit those customers that experience delayed installation and repair. In addition, Sprint continues to be immediately penalized for delays and, therefore, Sprint should react to improve its service in order to reduce monetary credits to its customers for such delays. We also note that the proposed ASA minimum time increases to 40 seconds from 35 seconds with increasing penalty amounts for increasing ASA times. We find that raising the ASA standard time from 35 seconds to 40 seconds does not appear to have a detrimental impact on customers, the community service fund, and promotion of Sprint's Lifeline Service. We further find that the penalties are still credited to the Community Service Fund which Sprint uses to promote and inform its customers of Lifeline Service. Therefore, we find it appropriate to approve the modifications and extension of Sprint's Service Guarantee Plan.

III. LIMITED WAIVER

As noted in the Background, on May 7, 2003, Sprint filed a Petition for Extension of Limited Waiver of Rules 25-4.066(2), 25-4.070(3)(a), 25-4.073(1)(c), 25-4.073(1)(d), and 25-4.110(2), Florida Administrative Code. However, our staff noted that Rule 25-4.110(2), Florida Administrative Code, which requires a pro rata refund or adjustment when a subscriber's service is out of order in excess of 24 hours after the subscriber notices the company, changed numerically to Rule 25-4.110(6), Florida Administrative Code. Our staff notified Sprint and an Amended Petition for Extension of Limited Waiver of Rules 25-4.066(2), 25-4.070(3)(a), 25-4.073(1)(c), 25-4.073(1)(d), and 25-4.110(6), Florida Administrative Code, was filed.

a. Sprint's Amended Petition

In support of its Amended Petition, Sprint states that in Docket No. 991377-TL, this Commission approved a stipulation and settlement entered into by Sprint and OPC in Order No. PSC-00-2462-PAA-TL, issued December 20, 2000. Sprint states that the term of the SGP was for a period of two years. Sprint notes that the SGP was implemented on June 1, 2001, and terminates on May 31, 2002, under the terms of the stipulation and settlement. We note that at the same time the SGP was approved, Sprint requested a waiver of Rules 25-4.066(2), 25-4.070(3)(a), 25-4.073(1)(c), 25-4.073(1)(d), and 25-4.110(2), Florida Administrative Code. By Order No. PSC-00-2462-PAA-TL, we granted the waiver request for the period of the SGP. Concurrent with its request for extension of its SGP with certain modifications, Sprint is also asking for an extension of the limited waiver of the above rules with the noted numerical change of Rule 25-4.110(2) to 25-4.110(6), Florida Administrative Code. Sprint requests that the limited waiver be granted for the period that the SGP is in effect. Sprint asks that the SGP be extended for an additional two years or until new service rules are adopted by the Commission and become effective, whichever is later.

Sprint states that Section 120.542, Florida Statutes, requires that, to obtain a waiver, the person requesting a waiver demonstrate that the purposes of the underlying statute will be achieved by other means. Sprint contends that the SGP, as modified, satisfies this requirement. Sprint asserts that its SGP

is substantially similar to the BellSouth SGP previously approved by the Commission in Docket No. 010097-TL. Sprint states that the relevant statutory provisions are: 1) Section 364.01(4), Florida Statutes, relating to the Commission's jurisdiction over telecommunications companies to ensure the continuing availability of basic local exchange telecommunications services to all consumers in the state; and 2) Section 364.025, Florida Statutes, relating to the Commission's obligation to ensure universal service availability and to ensure that carrier of last resort obligations are met.

Sprint asserts that by providing direct credits to customers whose service is affected by delayed installation or repair, the underlying purposes of the statutes are achieved. Sprint contends that universal availability of basic telecommunications services is maintained if basic service subscribers receive a direct and material credit for being without basic service. Further, Sprint contends the credit schedule included in the SGP will also act to discipline Sprint by imposing swift and substantial penalties if the repair of, or access to, service is delayed. Moreover, Sprint states that the SGP meets the quality of service provisions of Chapter 364, Florida Statutes, by giving immediate and direct compensation to customers and providing similarly swift penalties, which provide an incentive for Sprint to meet service quality requirements in a manner that is consistent with the purpose of the existing Commission service rules.

In addition, Sprint contends that its waiver request meets the criteria set forth in Section 120.542, Florida Statutes. Sprint asserts that the application of the above rules to Sprint at the same time direct credits are being made or accrued would constitute unfairness and an economic hardship by imposing duplicate penalties. Sprint states the rule waiver requested is only for the time Sprint's SGP is in effect, and except as provided in Section (D)(4) of the proposed SGP. Section (D)(4) of the SGP states that:

The term of the Service Guarantee Plan is for a minimum period of two years beginning on the implementation date. If new applicable rules or statutory provisions are implemented or made operational during this two year term, the Company will have the option to discontinue the Service Guarantee Plan upon 60 days notice to the Florida

Public Service Commission. Sprint will have the option to extend the Service Guarantee Plan beyond the two year term, subject to Commission approval.

b. Decision

Section 120.542(2), Florida Statutes, states in part:

. . . waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate the principles of fairness. For purposes of this section, "substantial hardship" means a demonstrated economic, technological, legal, or other type of hardship to the person requesting the . . . waiver.

With respect to the waiver, Sprint asserts that the provisions of the SGP will meet the underlying purpose of the statutes by other means. Sprint asserts that by providing direct credits to the customers whose service is affected by delays in installation or repair, the purpose of the underlying statutes is satisfied. Sprint asserts that the direct and material credits to basic service subscribers meets the provisions of the Florida Statutes which authorize us to establish, monitor and enforce service standards such as Section 364.01(4) and Section 364.025, Florida Statutes (carrier of last resort, service availability respectively). Further, Sprint maintains that the credit schedule will act as a discipline to Sprint by imposing swift and substantial penalties if it fails to meet the plan's service standards.

The purpose of the service standard rules is to define standards that are effective and equally applicable to all Florida consumers. Under the SGP, service standards will not be lowered for Sprint. We find that Sprint has demonstrated that it can meet the underlying purpose of Chapter 364, Florida Statutes, by providing immediate and direct compensation to customers and providing swift penalties which shall act as an incentive for

Sprint to meet service quality requirements consistent with existing Commission service quality rules.

Further, Sprint states that while SGP is in effect, the application of Rules 25-4.066(2), 25-4.070(3)(a), 25-4.073(1)(c) and (1)(d), and 25-4.110(6), Florida Administrative Code, would constitute unfairness or economic hardship for Sprint because this would lead to duplicate penalties. We find that Sprint would be subject to an economic hardship if the SGP modification and extension is approved without the limited waiver of Rules 25-4.066(2), 25-4.070(3)(a), 25-4.073(1)(c) and (1)(d), and 25-4.110(6), Florida Administrative Code. Therefore, we find that Sprint would be unfairly subjected to double penalties if the rules and the SGP were in effect at the same time.

A notice of Sprint's Amended Petition for Extension of Limited Waiver of Rules 25-4.066(2), 25-4.070(3)(a), 25-4.073(1)(c), 25-4.073(1)(d), and 25-4.110(6), Florida Administrative Code, was submitted to the Florida Administrative Weekly (FAW) on Tuesday, May 20, 2003, for publication. The notice is scheduled to be published on Friday, May 30, 2003, in the FAW. The fourteen (14) day protest period expires on June 13, 2003. Thus, we find it appropriate that the Amended Petition be granted subject to any protest. If a protest is filed pursuant to the FAW Notice, that person will receive a copy of the Order issued pursuant to the Commission's vote on this recommendation. We also find it appropriate that any objection or protest filed in this docket before the issuance date of this Order should be considered abandoned unless it satisfies the conditions set forth in the notice of a Proposed Agency Action (PAA) and is renewed within the specified protest period. We note that no protest has been filed as of June 13, 2003.

Based on the foregoing, we find it appropriate to grant the limited waiver of Rules 25-4.066(2), 25-4.070(3)(a), 25-4.073(1)(c) and (1)(d), and 25-4.110(6), Florida Administrative Code, for the duration of the SGP contingent upon no protest being filed.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Sprint-Florida, Incorporated's Amended Petition for Limited Waiver of

ORDER NO. PSC-03-0733-PAA-TL
DOCKET NO. 030430-TL
PAGE 11

Rules 25-4.066(2), 25-4.070(3)(a), 25-4.073(1)(c) and (1)(d), and 25-4.110(6), Florida Administrative Code, and approval of the modifications to and extension of its Service Guarantee Plan as described in the body of this Order for two years or until new service rules are adopted by this Commission and become effective, whichever is later, is hereby granted. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 19th Day of June, 2003.

BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

By: Kay Flynn
Kay Flynn, Chief
Bureau of Records and Hearing
Services

(S E A L)

PAC

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 that is available under Section 120.57, 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 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.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on July 10, 2003.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

AGREEMENT TO MODIFY AND EXTEND SPRINT'S SERVICE GUARANTEE PLAN

The Service Guarantee Plan will have four service guarantee categories. Two of the categories, installation and repair out-of-service, provide direct and automatic credits to customers for installation of primary basic service (where facilities are available) and repair of out-of-service conditions. The other two categories are for answer time in the business office and repair queues serving basic service customers. Answer time credits (referred to herein as "Community Service Credits") are applicable to a Community Service Fund that will inform customers about and promote Sprint's Lifeline service.

A. Service Guarantee Credit Schedules

1. Repair Out-of-Service (Service Interruption):

Sprint agrees to make the applicable automatic credits on the bills of each residential and single line business customer based on the Service Guarantee schedule specified in Table 1. An out-of-service condition for purposes of this Service Guarantee credit occurs when a subscriber's service is interrupted, other than by a negligent or willful act of the subscriber, and it remains out of service in excess of 24 hours after being reported to the Company and where the customer is able to continue to take service (e.g., not where the service location has been destroyed by fire, flood, wind, etc.). Sundays and holidays are excluded in calculating service outage duration for purposes of determining applicability of the credits in Table 1.

Sprint will commit to continue providing automatic pro-rata adjustments to customers who experience out-of-service conditions during Sunday or holiday periods where such Sunday or holiday periods are not included in the duration calculation for purposes of the Service Guarantee Credit. Such adjustments shall not be deemed Service Guarantee Credits, shall be provided only for a Sunday or holiday not covered by the Service Guarantee Credit and will be calculated and credited to the customer consistent with Rule 25-4.110(2), Florida Administrative Code.

TABLE 1

<i>Repair – Out of Service</i>	
<i>Duration</i>	<i>Credit</i>
<i>≤ 24 Hours</i>	<i>\$0</i>
<i>> 24 to 48 Hours</i>	<i>\$10</i>
<i>> 2 to 5 days</i>	<i>\$15</i>
<i>> Over 5 Days</i>	<i>\$35</i>

2. Service Installation Intervals:

Sprint agrees to make the applicable automatic credits on the bills of residential and single line business customers for whom Sprint fails to meet an installation commitment for primary local service. Table 2 contains Sprint’s commitment regarding the service installation and associated customer Service Guarantee Credit where central office and outside plant facilities are readily available and where no special equipment or services are involved. Qualification for application of a Service Guarantee Credit begins after customer satisfaction of all application and/or tariff requirements. If Sprint fails to install service on the date Sprint and the customer have agreed upon (commitment date), a Service

Guarantee Credit will be automatically applied to the customer's account in accordance with Table 2. If Sprint offers an installation date of three or more work days and the customer requests service to be installed within three work days from the date of completed application, the credit will be automatically issued if service is not installed within three work days. Saturdays, Sundays and holidays are excluded for determining a commitment met. Sprint will still be subject to FPSC Rule 24-066 (3) & (5), Florida Administrative Code where central office or outside plant facilities are not readily available.

TABLE 2

<i>Primary Service Installation</i>	
<i>Duration</i>	<i>Credit</i>
<i>Commitment Met</i>	<i>\$0</i>
<i>Missed Commitment</i>	<i>\$25</i>

3. Answer Time - Repair and Business Office:

Answer time for residence and business basic service customers will be measured and reported based on the Average Speed of Answer (ASA). Measurement of ASA begins when the call leaves the Integrated Voice Response Unit (IVRU) and ends when a service representative answers the call or the caller abandons the call. Where an IVRU is not used, measurement of ASA begins as soon as the call is received at the automatic call distributor and ends when a service representative answers the call or the caller abandons the call. The Company will forecast expected demand and provide incoming access lines (trunks) to the business office and repair call centers at a P.01 grade of service for the average busy hour busy season. Within 30 seconds after the customer enters the IVRU, the caller will be given

the option to exit the menu and be connected to a service representative. Sprint will credit the Community Service Fund for disposition in the amounts specified in Table 3 and/or Table 4, following based on the achieved monthly ASA and/or Accessibility results.

Payment of any applicable Community Service Credits shall be determined separately for the business office that is designated to serve residential and single-line business basic service customers and separately for repair and separately for ASA and Accessibility. For example, 94% accessibility and 47 seconds ASA for a given queue would produce a community service credit of \$10,000 for the reporting month.

TABLE 3

<i>Answer Time ASA (seconds)</i>	<i>Community Service Credit</i>
<i>≤ 40</i>	<i>\$-0-</i>
<i>> 40 ≤ 50</i>	<i>\$5,000</i>
<i>> 50 ≤ 60</i>	<i>\$10,000</i>
<i>> 60 ≤ 90</i>	<i>\$25,000</i>
<i>> 90</i>	<i>\$50,000</i>

TABLE 4

<i>Accessibility (%)</i>	<i>Community Service Credit</i>
<i>95 to 100</i>	<i>\$-0-</i>
<i>> 90 ≤ 95</i>	<i>\$5,000</i>
<i>> 85 ≤ 90</i>	<i>\$10,000</i>
<i>> 70 ≤ 85</i>	<i>\$25,000</i>
<i>≤ 70</i>	<i>\$50,000</i>

Where the Company maintains a separate call center queue for non-basic business service customers, the criteria and credits are not applicable and answer time reporting is not required by the Service Guarantee Plan.

B. General Terms

1. **Implementation Date:** Sprint will implement this Service Guarantee Plan by June 1, 2003.
2. **Credits:** Credits to customers will be made automatically and will not require the customer to request them.

C. Definitions

1. **Accessibility:** Where an IVRU is not used, Accessibility for a particular queue is defined as the percentage of calls directed by the customer to the particular queue, where the numerator is the total number of calls either answered by a service representative or abandoned by the customer and the denominator is the total number of calls directed by the customer to the particular queue. Where an IVRU is used, Accessibility for a particular queue is defined as the percentage of calls exiting the IVRU and directed by the customer to the particular queue, where the numerator is the total number of calls either answered by a service representative or abandoned by the customer and the denominator is the total number of calls exiting the IVRU and directed by the customer to the particular queue.
2. **Average Speed of Answer (ASA):** The average number of seconds from the time a customer exits the IRVU until the call is abandoned or answered by a service representative.
3. **Service Representative:** A repair or business office live attendant prepared to assist a customer with either a repair or service inquiry or request.
4. **Local Service:** As defined in Section 364.02, Florida Statutes (1999).
5. **Grade of Service:** Percent of calls encountering a busy. A P.01 grade of service requires sufficient incoming access lines or trunks such that 99 percent of calls will not encounter a busy condition in the average busy season busy hour.

6. **Community Service Credits:** Credits applicable for answer time results as specified in Table 3 and/or Table 4.
7. **Community Service Fund:** The fund created by the payment of credits based on answer time results.

D. Other Provisions of the Service Guarantee Plan

1. Force Majeure

In the event of an emergency due to major events (such as, hurricanes, work stoppages, or acts of third parties outside Sprint's control) when it is reasonable to expect that the Company's installation and repair intervals and answer times will be extended as a result of the major event, Sprint may declare a service emergency. In declaring a service emergency, the Company shall define the geographic area, on a minimum of an exchange basis, where the emergency exists, may make indefinite commitments for installation and repair services within the affected areas, shall initiate public service announcements to inform customers, and shall notify the Commission at the time of implementation and termination of the service emergency period. In such cases, the Company shall be relieved of its obligations to provide Service Guarantee Plan credits for installation and repair service and answer time.

Where Sprint is relieved of meeting its obligations under the Service Guarantee Plan, it will revert to making refunds or adjustments for customers affected by a service emergency, pursuant to Rule 25-4.110(2), Florida Administrative Code, for out-of-service conditions defined by Rule 25-4.070(1)(b), Florida Administrative Code.

2. Establishment of a Community Service Fund and Disposition of Community Service Credits

Sprint shall establish a Community Service Fund in the form of a corporate undertaking. If, pursuant to the Service Guarantee Plan, Sprint makes credits to the Community Service Fund, such amounts shall be disposed of, in coordination with the Office of Public Counsel, to inform customers about and promote Sprint's Lifeline service. Community Service Credits shall be accrued monthly and shall be spent during the calendar year following the accrual. For example, any amounts accrued during calendar 2003 shall be spent to inform customers about and promote Sprint's Lifeline service during calendar year 2004. The Parties reserve the right to agree to a different manner to dispose of amounts credited pursuant to the Service Guarantee Plan, subject to the approval of the Florida Public Service Commission.

3. Rule Waiver; Continuing Jurisdiction

Sprint's implementation of the Service Guarantee Plan is contingent upon the Commission granting the limited waiver of the applicability of Rule Nos. 25-4.066 (2), 25-4.070 (3)(a), 25-4.073 (1)(c) (as applicable to repair) and (1)(d), and 25-4.110(2), Florida Administrative Code. During the life of the Service Guarantee Plan, the Company shall not be subject to Florida Public Service Commission Rules 25-4.066 (2), 25-4.070 (3)(a), 25-4.073 (c) and (d) and 25-4.110(2), Florida Administrative Code, except as otherwise specified herein.

The Commission shall have the right to enforce the provisions of this Service Guarantee Plan including, but not limited to, verification that the credits are made consistent with the Service Guarantee Plan. Furthermore, it is not the intent to deprive the Commission of its authority to resolve customer complaints and monitor and ensure that service is adequate and reasonable and resolve customer complaints. Sprint contemplates that the Commission may cancel the Service Guarantee Plan at any time and for any reason.

The Parties contemplate that the Service Guarantee Plan and the automatic credits will provide a safe harbor to Sprint for Commission sanctions that might otherwise be imposed pursuant to Rules 25-4.066 (2), 25-4.070 (3)(a), 25-4.073 (c) and (d) and 25-4.110(2), Florida Administrative Code, for the duration of the Service Guarantee Plan. Further, it is contemplated that the waiver will be effective as to any amendments to the subject rules.

It is recognized that the Commission's monitoring efforts and/or the level of service complaints may warrant Commission inquiry into Sprint's overall level of service. For this reason the Company will, via its quarterly Service Guarantee Plan reports, report its results pursuant to rules waived pursuant to this petition except that explanations for not meeting (the waived) objectives will be provided upon request of the Commission on an individual report basis. Sprint will provide reports quarterly to the Commission and the Office of the Public Counsel within 30 days of the end of the respective quarterly reporting period. The quarterly reports will be presented in a monthly format detailing the amount of credits related to installation, repair-out-of-service, business office answer time and repair answer time.

4. Term of Service Guarantee Plan

The term of the Service Guarantee Plan is for a minimum period of two years beginning on the implementation date. If new applicable rules or statutory provisions are implemented or made operational during this two year term, the Company will have the option to discontinue the Service Guarantee Plan upon 60 days notice to the Florida Public Service Commission. Sprint will have the option to extend the Service Guarantee Plan beyond the two year term, subject to Commission approval

5. MISCELLANEOUS MATTERS

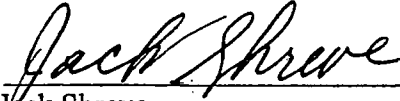
The Florida Public Service Commission's decision will be reflected in a final order.

This Service Guarantee Plan Agreement dated this 28th day of April 2003 may be executed in counterpart originals and a facsimile of an original signature shall be deemed an original.

The Parties evidence their acceptance and agreement with the provisions of this Service Guarantee Plan Agreement by their signatures:

Office of Public Counsel
111 W. Madison Street, Room 812
Tallahassee, Florida 32399-1400

Sprint-Florida, Incorporated
1313 Blair Stone Road
Tallahassee, Florida 32301

By: 
Jack Shreve

By: 
Charles Rehwinkel

SGP PROPOSED – EFFECTIVE JUNE 1, 2003

REPAIR OUT OF SERVICE (RESIDENCE & SINGLE LINE BUSINESS)					
Current Plan (Show Cause)		Proposed Plan (Voluntary)		BellSouth Plan (Show Cause)	
24 hours or less	\$0	24 hours or less	\$0	24 hours or less	\$0
24 to 36 hours	25% of 1 month recurring local service *	24 to 48 hours	\$10*	24 to 48	\$10*
36 to 48 hours	50% of 1 month recurring local service			Over 2 days	\$4.00 per day, plus 3 times daily rate up to \$35.00 maximum
2 to 5 days	100% of 1 month recurring local service	2 to 5 days	\$15		
Over 5 days		Over 5 days	\$35		

*Minimum \$10 SGP is not applicable for Sundays/Holidays. Pro rata credit is applicable for Sundays/Holidays.

INSTALLATION (RESIDENTIAL & SINGLE LINE BUSINESS PRIMARY)					
Current Plan (Show Cause)		Commitment – Based Proposed Plan (Voluntary)		BellSouth Plan (Show Cause)	
3 to 6 days	\$20	Missed Commit	\$25	Missed Commit	\$25.00
6 to 15 days	\$50				
15 to 30 days	\$100				

Saturdays, Sundays and Holidays excluded.

ANSWER TIME ASA					
Current Plan (Show Cause)			Commitment – Based Proposed Plan (Voluntary)		
Community Service Credit			Community Service Credit		
< 35		\$ -0-	< 40		\$ -0-
>35 ≤45		\$5,000	>40 ≤50		\$5,000
>45 ≤60		\$10,000	>50 ≤60		\$10,000
>60 ≤90		\$25,000	>60 ≤90		\$25,000
>90		\$50,000	>90		\$50,000

ACCESSIBILITY – NO CHANGE	
Accessibility (%)	Community Service Credit
95 to 100	\$ -0-
>90 ≤95	\$5,000
>85 ≤90	\$10,000
>70 ≤85	\$25,000
≤70	\$50,000