

ORIGINAL



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September 25, 2003

Ms. Blanca S. Bayo, Director  
Division of the Commission Clerk  
and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

RECEIVED FPSC  
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Re: Docket No. 030867-TL  
Petition of Verizon Florida Inc. to Reform Its Intrastate Network Access and Basic  
Local Telecommunications Rates in Accordance with Florida Statutes, Section  
364.164

Dear Ms. Bayo:

Please find enclosed for filing an original and 15 copies of Verizon Florida Inc.'s  
Response to Citizens' Second Motion to Compel Interrogatory Responses in the above  
matter. Service has been made as indicated on the Certificate of Service. If there are  
any questions regarding this filing, please contact me at 813-483-1256.

Sincerely,

Richard Chapkis

RC:tas  
Enclosures

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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that copies of Verizon Florida Inc.'s Response to Citizens' Second Motion to Compel Interrogatory Responses in Docket No. 030867-TL were sent via electronic mail and hand-delivery(\*) or overnight delivery(\*\*) on September 25, 2003 to:

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Richard Chapkis

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition of Verizon Florida Inc. to Reform )  
Its Intrastate Network Access and Basic Local )  
Telecommunications Rates in Accordance with )  
Florida Statutes, Section 364.164 )  
\_\_\_\_\_ )

Docket No. 030867-TL  
Filed: September 25, 2003

**VERIZON FLORIDA INC.'S RESPONSE TO CITIZENS'  
SECOND MOTION TO COMPEL INTERROGATORY RESPONSES**

Verizon Florida Inc. (Verizon) respectfully submits this Response to Florida Citizens' (Citizens) Second Motion to Compel Interrogatory Responses (Motion to Compel).

**I. INTRODUCTION**

This case involves the specific issues to be considered by the Commission under Section 364.164(1), Florida Statutes.<sup>1</sup> The Citizens have served overbroad and burdensome interrogatories seeking responses that are: (1) beyond the scope of the issues to be considered by the Commission; and (2) outside the discovery limitations established by the Legislature. Verizon would prefer not to have to raise a series of objections, but Citizens' interrogatories fail to recognize the limited subject matter of this proceeding and the discovery limitations the statute enacted for its conduct. Notwithstanding the oppressive nature of the Citizens' interrogatories, Verizon has responded to each interrogatory that bears on an issue that is appropriately considered in this proceeding. Accordingly, the Citizens' Motion to Compel should be denied in its entirety.

<sup>1</sup> Hereinafter, all statutory references are to the Florida Statutes.

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**II. VERIZON'S OBJECTIONS TO CITIZENS' INTERROGATORIES ARE PROPER AND SHOULD BE SUSTAINED.**

As an initial matter, the Citizens take issue with Verizon's use of general objections. Nothing contained within Order No. PSC-03-0994-POC-TL precludes the use of general objections, and in light of the expedited discovery timeframes in this proceeding, Verizon's use of general objections – in which it lists standard discovery objections and reserves its rights – is entirely appropriate. See, e.g., Order No. PSC-03-0223-PCO-TP and Order No. PSC-02-1613-PCO-GU (prior proceedings in which parties availed themselves of general objections without any FPSC preclusion or prohibition concerning such use).

In this instance, Verizon has not refused to respond to a single interrogatory based on its general objections. Verizon has interposed specific objections to those interrogatories that seek information beyond the scope of discovery in this proceeding, and Verizon has only exercised its right not to respond where it has interposed specific objections.

In order to present a self-contained document, Verizon first states verbatim the interrogatory, Verizon's objection and Public Counsel's argument supporting why Verizon should be compelled to respond. As discussed below, Verizon's specific objections are well founded and should be sustained.

**Interrogatory No. 24:**

Provide the company's (and/or the related long distance affiliate) intrastate pricing units/volumes separately for MTS, and all "other optional calling plans" (all "other optional calling plans" should be provided separately if available, or on a combined basis), and provide this information for both residential and business customers. The above information should be provided for day, evening, and night/weekend categories. The

information should be provided for both the test period, and the year prior to the test period.

**Specific Objection to Interrogatory No. 24:**

In addition to its General Objections, which are incorporated herein by reference, Verizon objects to this interrogatory on the grounds that it seeks information relating to Verizon's long distance affiliate, which is not a party to this case, and is therefore overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules. Moreover, Verizon objects to this interrogatory, as it relates to Verizon Florida Inc., on three grounds. First, it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this proceeding. Verizon Florida Inc. does not pay access charges, and thus will not receive an access rate reduction to be flowed through to residential and business customers under Florida Statutes, Section 364.163 (2). Second, this interrogatory seeks information precluded from discovery by the limitations imposed by Florida Statutes, Section 364.164(3). Specifically, it seeks information about end-user long distance services, but such services are not the subject of Verizon's Petition. To the extent end-user long distance service prices will be impacted by granting Verizon's Petition, the resulting long distance prices are required to be flowed through pursuant to Section 364.163(2), Florida Statutes. Therefore, for purposes of reaching a decision on Verizon's Petition, the Commission must assume that the flow-through of access rate reductions will take place as required by law. Third, this interrogatory seeks information regarding "pricing unit" information beyond the most recent 12-month period, which is beyond the scope of inquiry permitted by Section 364.164(3), Florida Statutes.

**Citizens' Motion to Compel a Response to Interrogatory No. 24:**

Please also refer to Citizens' response to Verizon Objection to Production of Document Request No. 37, found in Citizens Second Motion to Compel Production from Verizon, filed September 18, 2003.

This docket is about the access charges that Verizon collects from interexchange carriers, based on the volume of traffic Verizon transports for each of the interexchange carriers operating in Florida. Citizens understand that Verizon does not collect access charges from its own long distance subsidiary. However, Citizens' seek information in this request regarding the amount of interexchange long distance traffic the company handles for its long distance subsidiary in Florida. This interrogatory seeks to identify the amount of long distance traffic that Verizon handles for its own subsidiary, even though its subsidiary is not subject to access charges, as stated by Verizon in its objection to this request. If the Commission is to understand fully the benefits that may or may not accrue to Florida's residential basic local exchange customers, it needs to know what impacts Verizon's proposals in this docket will have on all Florida long distance carriers in terms of the volume of traffic, applicable rates and the rates that will apply following the changes proposed by the Company in this docket. Furthermore, Verizon witness Gordon states that "economic activity in Florida will increase in Florida as a result of the companies' plans because rebalancing generates substantial consumer benefits" and he states that, "consumers will likely increase their purchases of those services whose price has come down." (Page 4, lines 17-19) Sections III and IV of witness Gordon's testimony describes the customer benefits from the rebalancing proposal of the company, and on page 32 of his testimony he states that Florida consumers will use more toll services as a result of the

reduction in intrastate toll prices. This discovery request directly addresses the issue of intrastate toll price reductions that Florida consumers may or may not, experience. Citizens object to Verizon's contention that the statute limits discovery to the most recent 12 months. If the Commission were to actually accept the Company's contention in this regard, then it would apply equally to testimony and substantial parts of witness Gordon's testimony would be stricken from the record. Citizens' discovery request relates to the testimony of its witnesses and it is neither vague nor relevant. Finally, the Company's reliance on section 364.164(3), Florida Statutes, is misplaced. Citizens assert that the discovery limitation addressed in that section pertains only to the rate adjustment filings identified in section 364.164(2), and further addressed in section 364.164(3) and section 364.164(7), Florida Statutes.

**Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 24:**

Citizens argues that it is entitled to discover the amount of interexchange long distance traffic that Verizon handles for its long distance affiliate so that it may address "the issue of intrastate toll price reductions that Florida consumers may or may not experience." This argument is untenable for several reasons.

First, it cannot be reasonably argued that long distance companies will not pass through the access reductions to their customers. Section 364.163(2) expressly requires a long distance company to "decrease its intrastate long distance revenues by the amount necessary to return the benefits of such reduction to both its residential and business customers."



Second, the manner in which long distance companies pass through access reductions is outside the scope of the four issues to be considered by the Commission under Section 364.164(1).

Third, even if the Commission were to determine that whether and how long distance companies will pass through the access reductions is within the scope of the proceeding, the information requested would not help the Commission to understand this issue.

Fourth, Citizens is prohibited from seeking the amount of interexchange long distance traffic that Verizon handles for its long distance affiliate by the discovery limitations imposed by Section 364.164(3). That section plainly states that “[a]ny discovery or information requests under this section shall be limited to a verification of historical pricing units . . .”<sup>2</sup> Even if the Commission broadly construes this subsection to mean that discovery is limited to issues addressed in Verizon’s Petition, as opposed the verification of historical pricing units (which it should not), Verizon should not be required to respond to this interrogatory because its Petition does not focus on the amount of interexchange long distance traffic that Verizon handles for its long distance affiliate. Citizens’ attempt to argue that the Subsection 354.164(3) discovery limitations only apply to certain subsections is misplaced. According to the plain language of the statute, the discovery limitation applies to discovery requests under all of the section, not just certain subsections.

Sixth, this interrogatory seeks information regarding "pricing unit" information beyond the most recent 12-month period, which is beyond the scope of inquiry permitted by Section 364.164(3), Florida Statutes. The Citizens claim that this limitation is

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<sup>2</sup> Emphasis added.

inapplicable because Dr. Gordon's testimony refers to events that took place more than one year ago. Citizens' claim is wrong because Dr. Gordon's testimony does not use such information to address pricing units.

**Interrogatory No. 25:**

Provide the company's (and/or the related long distance affiliate) average revenues per minute separately for MTS, and all "other optional calling plans" (all "other optional calling plans" should be provided separately if available, or on a combined basis), and provide this information for both residential and business customers. The information should be provided for both the test period, and each of the two years prior to the test period.

**Specific Objection to Interrogatory No. 25:**

In addition to its General Objections, which are incorporated herein by reference, Verizon objects to this interrogatory on the grounds that it seeks information relating to Verizon's long distance affiliate, which is not a party to this case, and is therefore overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules. Moreover, Verizon objects to this interrogatory, as it relates to Verizon Florida Inc., on three grounds. First, it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this proceeding. Verizon Florida Inc. does not pay access charges, and thus will not receive an access rate reduction to be flowed through to residential and business customers under Florida Statutes, Section 364.163 (2). Second, this interrogatory seeks information precluded from discovery by the limitations imposed by Florida Statutes, Section 364.164(3). Specifically, it seeks information about end-user long distance services, but such services are not the subject of

Verizon's Petition. To the extent end-user long distance service prices will be impacted by granting Verizon's Petition, the resulting long distance prices are required to be flowed through pursuant to Section 364.163(2), Florida Statutes. Therefore, for purposes of reaching a decision on Verizon's Petition, the Commission must assume that the flow-through of access rate reductions will take place as required by law. Third, this interrogatory seeks information regarding "pricing unit" information beyond the most recent 12-month period, which is beyond the scope of inquiry permitted by Section 364.164(3), Florida Statutes.

**Citizens' Motion to Compel a Response to Interrogatory No. 25:**

See Citizens' Response to Verizon Objection to Interrogatory Request No. 24, above.

**Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 25**

See Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 24, above.

**Interrogatory No. 26:**

Provide the average intrastate toll/long distance usage charges (billed/invoiced amount) separately for customers of residential MTS, all other combined residential "optional calling plans", business MTS, and all other combined business "optional calling plans". Provide this information for the test period and the prior twelve months. Explain if this includes any PICC charges.

**Specific Objection to Interrogatory No. 26:**

In addition to its General Objections, which are incorporated herein by reference, Verizon objects to this interrogatory on the grounds that it seeks information relating to

Verizon's long distance affiliate, which is not a party to this case, and is therefore overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules. Moreover, Verizon objects to this interrogatory, as it relates to Verizon Florida Inc., on three grounds. First, it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this proceeding. Verizon Florida Inc. does not pay access charges, and thus will not receive an access rate reduction to be flowed through to residential and business customers under Florida Statutes, Section 364.163 (2). Second, this interrogatory seeks information precluded from discovery by the limitations imposed by Florida Statutes, Section 364.164(3). Specifically, it seeks information about end-user long distance services, but such services are not the subject of Verizon's Petition. To the extent end-user long distance service prices will be impacted by granting Verizon's Petition, the resulting long distance prices are required to be flowed through pursuant to Section 364.163(2), Florida Statutes. Therefore, for purposes of reaching a decision on Verizon's Petition, the Commission must assume that the flow-through of access rate reductions will take place as required by law. Third, this interrogatory seeks information regarding "pricing unit" information beyond the most recent 12-month period, which is beyond the scope of inquiry permitted by Section 364.164(3), Florida Statutes.

**Citizens' Motion to Compel a Response to Interrogatory No. 26:**

See Citizens' Response to Verizon Objection to Interrogatory Request No. 24, above.

**Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 26:**

See Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 24, above.

**Interrogatory No. 27:**

Assume that the company's proposal is adopted. Provide all information to show that the decrease in residential long distance rates (from the flow-through impact) will equal or exceed the increase in residential local rates. Provide all supporting calculations, assumptions, and explanations, and provide information in electronic format. Explain how this can be determined if the time period that long distance rate reductions will be in place is not known or determinable.

**Specific Objection to Interrogatory No. 27:**

In addition to its General Objections, which are incorporated herein by reference, Verizon objects to this interrogatory on the grounds that it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this proceeding. Verizon Florida Inc. does not pay access charges, and thus will not receive an access rate reduction to be flowed through to residential and business customers under Florida Statutes, Section 364.163 (2). In addition, this interrogatory seeks information precluded from discovery by the limitations imposed by Florida Statutes, Section 364.164(3). Specifically, it seeks information about end-user long distance services, but such services are not the subject of Verizon's Petition. To the extent end-user long distance service prices will be impacted by granting Verizon's Petition, the resulting long distance prices are required to be flowed through pursuant to Section 364.163(2), Florida Statutes. Therefore, for purposes of reaching a decision on Verizon's Petition, the

Commission must assume that the flow-through of access rate reductions will take place as required by law.

**Citizens' Motion to Compel a Response to Interrogatory No. 27:**

See Citizens' Response to Verizon Objection to Interrogatory Request No. 24. Verizon has stated in its objection that it does not collect for access to the local exchange network from its long distance affiliate. The Citizens simply want to clarify whether or not the Verizon long distance customers will benefit from the proposals of the company.

**Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 27:**

See Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 24, above.

**Interrogatory No. 28:**

Assuming that the company's proposal is adopted without changes (and that the company, and/or its long distance affiliate would flow-through the rate reductions) provide the company's best estimate of the flow-through impact on reduced long distance rates for the company (and/or its long distance affiliate), and reduced long distance rates generally for all of the Florida long distance market for all other carriers. In addition, assuming that the proposals for the other two LECs are adopted without change, provide the company's best estimate of how the combined flow-through impact of all LECs affects the long distance rates generally for all of the Florida long distance market for all other carriers. This information can be expressed as the best estimate impact of the reduction in average long distance revenues per minute, or some other basis for long distance rates. Provide all supporting calculations and explanations.

**Specific Objection to Interrogatory No. 28:**

In addition to its General Objections, which are incorporated herein by reference, Verizon objects to this interrogatory on the grounds that it seeks information relating to Verizon's long distance affiliate, which is not a party to this case, and is therefore overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules. Moreover, Verizon objects to this interrogatory, as it relates to Verizon Florida Inc., on two grounds. First, it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this proceeding. Verizon Florida Inc. does not pay access charges, and thus will not receive an access rate reduction to be flowed through to residential and business customers under Florida Statutes, Section 364.163 (2). Second, this interrogatory seeks information precluded from discovery by the limitations imposed by Florida Statutes, Section 364.164(3). Specifically, it seeks information about end-user long distance services and the potential effects of the rate rebalancing plans filed by the other incumbents, but these issues are not the subject of Verizon's Petition. Moreover, to the extent end-user long distance service prices will be impacted by granting Verizon's Petition, the resulting long distance prices are required to be flowed through pursuant to Section 364.163(2), Florida Statutes. Therefore, for purposes of reaching a decision on Verizon's Petition, the Commission must assume that the flow-through of access rate reductions will take place as required by law.

**Citizens' Motion to Compel a Response to Interrogatory No. 28:**

See Citizens' Response to Verizon Objection to Interrogatory Request No. 24.

**Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 28:**

See Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 24, above.

**Interrogatory No. 29:**

Address the following regarding potential long distance rate reductions for the company (and/or its long distance affiliate):

(a) Explain if the company (and/or its long distance affiliate) will flow-through access reductions to long distance rates, and provide its best estimates of rates it will offer for each long distance service assuming its rebalancing proposal is adopted. Explain why the company will not reduce rates if this is the case.

(b) Explain the time period the company will maintain its reduced long distance rates, before it subsequently increases long distance rates and explain the rationale for this approach.

(c) Explain if the company will lower its "intrastate" long distance rates to match (or go below) the rates of all similar lower priced "interstate" long distance rates. Provide and list of these long distance services, and explain why the company will or will not reduce its intrastate rates to match (or go below) interstate rates.

**Specific Objection to Interrogatory No. 29:**

In addition to its General Objections, which are incorporated herein by reference, Verizon objects to this interrogatory (and its subparts) on the grounds that it seeks information relating to Verizon's long distance affiliate, which is not a party to this case, and is therefore overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules. Moreover, Verizon objects to this interrogatory, as it relates to Verizon



Florida Inc., on two grounds. First, it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this proceeding. Verizon Florida Inc. does not pay access charges, and thus will not receive an access rate reduction to be flowed through to residential and business customers under Florida Statutes, Section 364.163 (2). Second, this interrogatory seeks information precluded from discovery by the limitations imposed by Florida Statutes, Section 364.164(3). Specifically, it seeks information about end-user long distance services, but such services are not the subject of Verizon's Petition. Moreover, to the extent end-user long distance service prices will be impacted by granting Verizon's Petition, the resulting long distance prices are required to be flowed through pursuant to Section 364.163(2), Florida Statutes. Therefore, for purposes of reaching a decision on Verizon's Petition, the Commission must assume that the flow-through of access rate reductions will take place as required by law.

**Citizens' Motion to Compel a Response to Interrogatory No. 29:**

See Citizens' Response to Verizon Objection to Interrogatory Request No. 24. Verizon has stated in its objection that it does not collect for access to the local exchange network from its long distance affiliate. The Citizens seek simply to clarify whether or not the Verizon long distance customers will benefit from the proposals of the company, as Verizon purports they will.

**Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 29:**

See Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 24, above.

**Interrogatory No. 30:**

Assume that the LEC (and/or its long distance affiliate) and other long distance carriers will flow-through long distance rate reductions to customers. Explain what actions the Florida Commission should take if the LEC and/or other long distance carriers subsequently increase their long distance rates (to negate all or some impact of the access flow-through) within a 6-month period, 1 year period, or some other period. Explain why local rates should be permanently increased if long distance rates will not be permanently decreased, or at least decreased for some substantial time period.

**Specific Objection to Interrogatory No. 30:**

In addition to its General Objections, which are incorporated herein by reference, Verizon objects to this interrogatory on the grounds that it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this proceeding. Verizon Florida Inc. does not pay access charges, and thus will not receive an access rate reduction to be flowed through to residential and business customers under Florida Statutes, Section 364.163 (2). In addition, this interrogatory seeks information precluded from discovery by the limitations imposed by Florida Statutes, Section 364.164(3). Specifically, it seeks information about end-user long distance services, but such services are not the subject of Verizon's Petition. To the extent end-user long distance service prices will be impacted by granting Verizon's Petition, the resulting long distance prices are required to be flowed through pursuant to Section 364.163(2), Florida Statutes. Therefore, for purposes of reaching a decision on Verizon's Petition, the Commission must assume that the flow-through of access rate reductions will take place as required by law.

**Citizens' Motion to Compel a Response to Interrogatory No. 30:**

See Citizens' Response to Verizon Objection to Interrogatory Request No. 24.

**Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 30:**

See Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 24, above.

**Interrogatory No. 32:**

Explain all proof that access reductions will be flowed through equitably to both residential and business customers of the LEC (and/or its long distance affiliate) and other carriers, or indicate if carriers could choose to flow-through the entire impact of the access reduction to business long distance customers (and not residential long distance customers). Provide all information to support the company's statements or opinion.

**Specific Objection to Interrogatory No. 32:**

In addition to its General Objections, which are incorporated herein by reference, Verizon objects to this interrogatory on the grounds that it seeks information relating to Verizon's long distance affiliate, which is not a party to this case, and is therefore overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules. Moreover, Verizon objects to this interrogatory, as it relates to Verizon Florida Inc., on two grounds. First, it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this proceeding. Verizon Florida Inc. does not pay access charges, and thus will not receive an access rate reduction to be flowed through to residential and business customers under Florida Statutes, Section 364.163 (2). Second, this interrogatory seeks information precluded from discovery by the limitations imposed by Florida Statutes, Section 364.164(3). Specifically, it seeks

information about end-user long distance services, but such services are not the subject of Verizon's Petition. Moreover, to the extent end-user long distance service prices will be impacted by granting Verizon's Petition, the resulting long distance prices are required to be flowed through pursuant to Section 364.163(2), Florida Statutes. Therefore, for purposes of reaching a decision on Verizon's Petition, the Commission must assume that the flow-through of access rate reductions will take place as required by law.

**Citizens' Motion to Compel a Response to Interrogatory No. 32:**

Verizon's testimony is replete with claims of the numerous benefits customers will receive as a result of the proposals of the company, including witness Danner's discussion of the customer benefits resulting from lower toll charges (page 11, line 9 through page 12, line 4), and witness Gordon's statements describing the benefits from reduced intrastate toll prices (page 12, line 8 through page 33, line 14). The Citizens seek to know and have a right to seek this discovery that is highly relevant to the testimony submitted in this case. The request is neither overly broad nor is it oppressive for the Company to provide. Finally, the Company's reliance on section 364.164(3), Florida Statutes, is misplaced. Citizens assert that the discovery limitation addressed in that section pertains only to the rate adjustment filings identified in section 364.164(2), and further addressed in section 364.164(3) and section 364.164(7), Florida Statutes.

**Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 32:**

Verizon's initial specific objection to this interrogatory should be sustained for the reasons set forth therein. Subject to the foregoing, Verizon responds that Section 364.163(2) expressly requires a long distance company to "decrease its intrastate long

distance revenues by the amount necessary to return the benefits of such reduction to both its residential and business customers.”

**Interrogatory No. 33:**

Provide all known, quantifiable and explicit “net” benefits (“net” benefits infers showing both “positive” and “negative” impacts and showing that the positive impacts exceed the negative impacts) that will accrue to the average residential customer as a result of the access reduction and rebalance to local rates, assuming the company’s proposal is adopted. Also, provide the known duration (time period) of each benefit. Benefits may include (but not be limited to) net reductions in rates paid by customers, and any other benefits determined by the company.

**Specific Objection to Interrogatory No. 33:**

In addition to its General Objections, which are incorporated herein by reference, Verizon objects to this interrogatory on the grounds that it seeks information regarding issues that are beyond the scope of the issues to be considered by the Commission in this proceeding. The first prong of Section 364.164(1) is the only prong that refers to residential customers. It limits inquiry to whether granting the petition “will remove current support for basic local telecommunications services that prevents the creation of a more attractive competitive local exchange market for the benefit of residential customers.”

**Citizens’ Motion to Compel a Response to Interrogatory No. 33:**

Verizon’s objection to this specific request appears to be an attempt to go backward in time. The FPSC has already determined that the Citizens have a right to seek discovery regarding the testimony of company witnesses. It would be burdensome and repetitive to cite all of the company testimony that has been submitted by its witnesses who have

lauded the multiple benefits to residential customers resulting from approval of the Verizon proposals. This request relates specifically to the claims of the Company's witnesses emphasized throughout their own testimony. See earlier responses to Citizens' motions to compel production of and answers to their first sets of PODs and Interrogatories, respectively, as well as Citizens' motion to compel production of their second set of PODs, as well as the Citizens' responses to the above-stated objections, in this motion to compel, by Verizon based upon a lack of relevance.

**Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 33:**

Verizon's initial specific objection to this interrogatory should be sustained for the reasons set forth therein. Section 364.164(1) establishes the issues that the Commission may consider in deciding whether to grant Verizon's Petition. Even if the Commission broadly construes Subsections 364.164 (3) to mean that discovery is limited to issues addressed in Verizon's Petition (which it should not), discovery on issues beyond the scope of Section 364.164(1) are irrelevant. The Commission did not discuss or make any determination regarding whether parties may seek discovery of issues beyond the scope of Section 364.164(1). Section 364.164(3) establishes an additional, independent limitation on discovery. The Commission discussed the scope of the limitation in Section 364.164(3) at the Agenda Conference on September 16, 2003, but did not make a determination regarding the scope of this limitation. Subject to the foregoing, Verizon has included in its Petition and supporting testimony the relevant consumer benefits that will flow from rate rebalancing.

**Interrogatory No. 35:**

For those states which have reduced access and rebalanced local rates in the past few years such as indicated in Mr. Gordon's testimony (i.e., California, Illinois, Ohio, Massachusetts, Maine and any others), provide a list of services introduced or available in these states that are not available in other states that have not rebalanced local rates (to supposedly eliminate support).

**Specific Objection to Interrogatory No. 35:**

In addition to its General Objections, which are incorporated herein by reference, Verizon objects to this request on the grounds that it seeks information that is in the public record and thus is equally available to Citizens.

**Citizens' Motion to Compel a Response to Interrogatory No. 35:**

The burden of proof in this case rests with Verizon to prove that its proposals are in compliance with Florida Statutes and beneficial to residential customers. The specific information in this request relates directly to the conclusions that Verizon's experts have presented in their testimony. The Citizens have a right to test the validity of the conclusions of the Verizon witnesses with data that is readily available to the Company and its witnesses. The Citizens should not be required to go to other states to obtain data that Verizon or its witnesses must have in their possession in order to validate their own testimony.

**Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 35:**

Citizens contends that Verizon, not Citizens, should be compelled to develop the information that Citizens wants to oppose Verizon's Petition because Verizon "must" have this information in its possession. This contention is wrong. Verizon does not have the

requested information in its possession, and it is therefore appropriate for Citizens to pursue this information on its own.

**Interrogatory No. 36:**

Provide an explanation of all increases in residential long distance rates for each service for the period January 2000 to the most recent date. For each service, provide the prior rate (and the date), the increased rate, (and date of increase) and an explanation of the reason for the increase in long distance rates.

**Specific Objection to Interrogatory No. 36:**

In addition to its General Objections, which are incorporated herein by reference, Verizon objects to this interrogatory on the grounds that it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this proceeding. Verizon Florida Inc. does not pay access charges, and thus will not receive an access rate reduction to be flowed through to residential and business customers under Florida Statutes, Section 364.163 (2). In addition, this interrogatory seeks information precluded from discovery by the limitations imposed by Florida Statutes, Section 364.164(3). Specifically, it seeks information about end-user long distance services, but such services are not the subject of Verizon's Petition. To the extent end-user long distance service prices will be impacted by granting Verizon's Petition, the resulting long distance prices are required to be flowed through pursuant to Section 364.163(2), Florida Statutes. Therefore, for purposes of reaching a decision on Verizon's Petition, the Commission must assume that the flow-through of access rate reductions will take place as required by law.



**Citizens' Motion to Compel a Response to Interrogatory No. 36:**

See Citizens' Response to Verizon Objection to Interrogatory Request No. 24.

**Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 36:**

See Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 24, above.

**Interrogatory No. 37:**

Address the following regarding long distance rates:

(a) For the company (and/or its long distance affiliate) operations in Florida, provide a comparison and brief description of all current residential long distance calling plans and a comparison of the rates available on an "intrastate" basis and an "interstate" basis. Identify those similar "intrastate" and interstate" long distance plans, and explain the reason for any difference in rates.

(b) Explain if this situation of having different intrastate and interstate rates for similar calling plans is unique to the company's Florida operations, or if it is unique to states which have not rebalanced local rates and provide documentation to support this (such as comparing rates in other states of the company operations, including states which have and have not rebalanced local rates).

(c) For the company (and/or its long distance affiliate) operations in Florida, provide the name and a brief description of all current residential long distance calling plans that are available on an "interstate" basis, but not an "intrastate" basis. Explain why this situation exists and provide documentation to support this.

(d) Explain if this situation of having certain "interstate" long distance calling plans (but not similar "intrastate" plans) is unique to the company's Florida operations, or if it is

unique to states which have not rebalanced local rates and provide documentation to support this (such as comparing rates in other states of the company operations, including states which have and have not rebalanced local rates).

(e) For items (a) to (d) above, address these issues as it relates to those states which have rebalanced local rates in the past few years per the testimony of Dr. Gordon (i.e., California, Illinois, Ohio, Massachusetts, Maine and others).

**Specific Objection to Interrogatory No. 37(e):**

In addition to its General Objections, which are incorporated herein by reference, Verizon objects to this interrogatory (and its subparts) on the grounds that it seeks information that is in the public record and thus is equally available to Citizens. In addition, Verizon objects to this interrogatory on the grounds that it seeks information relating to Verizon's long distance affiliate, which is not a party to this case, and is therefore overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules. Moreover, Verizon objects to this interrogatory, as it relates to Verizon Florida Inc., on two grounds. First, it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this proceeding. Verizon Florida Inc. does not pay access charges, and thus will not receive an access rate reduction to be flowed through to residential and business customers under Florida Statutes, Section 364.163 (2). Second, this interrogatory seeks information precluded from discovery by the limitations imposed by Florida Statutes, Section 364.164(3). Specifically, it seeks information about end-user long distance services, but such services are not the subject of Verizon's Petition. Moreover, to the extent end-user long distance service prices will be impacted by granting Verizon's Petition, the resulting long distance prices are required to

be flowed through pursuant to Section 364.163(2), Florida Statutes. Therefore, for purposes of reaching a decision on Verizon's Petition, the Commission must assume that the flow-through of access rate reductions will take place as required by law.

**Citizens' Motion to Compel a Response to Interrogatory No. 37:**

See Citizens' Response to Verizon Objection to Interrogatory Request No. 24. Verizon has stated in its objection that it does not collect for access to the local exchange network from its long distance affiliate. The Citizens simply want to clarify whether or not the Verizon long distance customers will benefit from the proposals of the company. As indicated in Citizens' request, this information relates directly to the testimony of witness Gordon.

**Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 37:**

See Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 24, above.

**Interrogatory No. 38:**

Dr. Gordon's testimony addresses a list of states that have rebalanced rates in recent years (i.e., California, Illinois, Ohio, Massachusetts, Maine and others). For these states, provide the following:

(a) Provide the amount of the reduction in long distance rates (or average reduction in rates) on a statewide basis by carriers, or provide examples of rate reductions for MTS and calling plans implemented by RBOCs and major IXCs in these states.

(b) Explain if these long distance rate reductions for MTS and other calling plans are still in place for the RBOCs and major IXCs in these states.

(c) If the original long distance rate reductions for MTS and other calling plans are not still in place, explain the length of time that these reductions were in place before they were subsequently increased and provide all explanations for reasons for these increases in rates if known.

**Specific Objection to Interrogatory No. 38:**

In addition to its General Objections, which are incorporated herein by reference, Verizon objects to this interrogatory (and its subparts) on the grounds that it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this proceeding. Verizon Florida Inc. does not pay access charges, and thus will not receive an access rate reduction to be flowed through to residential and business customers under Florida Statutes, Section 364.163 (2). In addition, this interrogatory seeks information precluded from discovery by the limitations imposed by Florida Statutes, Section 364.164(3). Specifically, it seeks information about end-user long distance services, but such services are not the subject of Verizon's Petition. To the extent end-user long distance service prices will be impacted by granting Verizon's Petition, the resulting long distance prices are required to be flowed through pursuant to Section 364.163(2), Florida Statutes. Therefore, for purposes of reaching a decision on Verizon's Petition, the Commission must assume that the flow-through of access rate reductions will take place as required by law.

**Citizens' Motion to Compel a Response to Interrogatory No. 38:**

See Citizens' Response to Verizon Objection to Interrogatory Request No. 24. In addition, Verizon's objection totally misses the point contained in Citizens' request. Witness Gordon has cited numerous states that have imposed rebalancing plans

consistent with the recommendations made by the Verizon witnesses in this case. He cites those states to support Verizon's proposals. The Citizens are simply asking Verizon to produce evidence from those states that have been cited by their witness that will confirm the validity of the Company's witnesses' proposals in terms of customer benefits.


**Verizon's Response to Citizens' Motion to Compel a Response to Interrogatory No. 38:**

Verizon's initial specific objection to this interrogatory should be sustained for the reasons set forth therein. Subject to the foregoing, Verizon responds that it does not have the requested information in its possession, and it is therefore appropriate for Citizens to pursue this information on its own.

**III. CONCLUSION**

For the foregoing reasons, the Commission should deny Citizens' Second Motion to Compel in its entirety.

Respectfully submitted on September 25, 2003.

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