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BY HAND DELIVERY

Ms. Blanca Bayó, Director
The Commission Clerk and Administrative Services
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

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Re: October 10, 2003 Letter from Verizon Florida Inc regarding Dockets Nos. 030851-TP & 030852-TP

Dear Ms Bayo:

This is in response to the letter submitted by Verizon Florida ("Vz-FL") on October 10, 2003, in Dockets Nos. 030851-TL and 030852-TL. Vz-FL's letter essentially restates it request, initially made in its September 24, 2003, Response to Order Establishing Procedure that the Commission establish a separate expedited "triggers" track on the truncated schedule proposed in that filing. In addition, in its October 10, 2003 letter submission, Vz-FL now indicates that it will only be filing a "triggers" case in the above-referenced Dockets.

For all the reasons provided in FCCA's Opposition to Verizon Florida's Request for an Expedited "Trigger" Proceeding, filed on October 2, 2003, the Vz-FL proposal for a separate expedited proceeding should not be adopted. Vz-FL's proposal would fundamentally change the nature of these proceedings by short-circuiting the development of a full evidentiary record on which the Commission must base the critically important decisions required by the FCC's Triennial Review Order ("TRO"). At the Commission's October 6, 2003 Status Conference, the parties presenting the Joint FCCA-BellSouth Emergency Motion to Amend the Procedural Schedule indicated that the parties should be granted more time to conduct discovery in order to prepare and present their direct cases in the above referenced Dockets. In addition, Sprint-Florida was in agreement with FCCA that the existence of triggers cannot "be properly evaluated in the time frames suggested by Verizon" and that "a determination of whether the triggers are met will require significant and time consuming discovery". See Sprint's Response to Verizon Florida, Inc.'s Response to Orders Establishing Procedure, ¶ 1.

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AT&T takes no issue with Vz-FL's choice of the type of direct case it wants to present in the above referenced Dockets and, in fact Vz-FL appears to acknowledge that it has the burden of going forward in identifying the CLECs that it contends satisfy the "triggers" necessary to overcome the national finding of CLEC impairment without access to unbundled local switching. However, as pointed out by the FCCA at the October 3, 2003 Commission's Status Conference, Vz-FL's October 10, 2003 letter ignores the fact that the analysis of the "triggers" sufficient to overcome the FCC's national finding of impairment for mass market local switching is not as simple as "counting to three." There is both a qualitative and a quantitative component of the trigger analysis.

Indeed, in its analysis to determine whether the national finding of impairment for mass market local switching should be reversed, the Commission must make a determination as to the relevant geographic market for its analysis. This geographic market definition can only be resolved after a fact-intensive inquiry and analysis of the different factors listed in paragraphs 495-496 of the TRO. This geographic market definition must then be used in both the trigger analysis concerning whether CLECs are either self-providing local switching or providing competitive wholesale switching and for the issues surrounding whether CLECs could potentially deploy local switching to serve mass market customers. (TRO ¶ 495.)

In addition to a determination of the relevant geographic market, the Commission must also make a determination as to the appropriate number of DS0 lines that can be utilized by a residential or business customer in order to qualify as a mass market customer.¹ Like the determination of the relevant geographic market, this DS0 "cross-over" determination will also directly impact both the trigger analysis and potential deployment analysis for mass market local switching. While the FCC provides some very specific characteristics and definitions of the "mass market" and "mass market customers" in the TRO, the DS0 line limit for the mass market is one characteristic of the mass market that has been specifically delegated to the state commissions to prescribe. The FCC leaves it to each state commission to determine the "appropriate cross over point" between a mass market and an enterprise customer. The Commission, however, cannot conduct a "trigger" analysis to determine whether there are CLECs who are serving the mass market with their own local switches without first determining the DS0 cross over point that distinguishes between mass market customers and enterprise customers. For example, if Vz-FL were to proffer in its "expedited triggers" case a CLEC serving customers with an average of eight to twelve analog lines per order as a "self provider" of mass market services for purposes of the trigger analysis and the Commission were to later determine at the end of nine months that a customer served by six lines or above was an "enterprise" customer based on its DS0 cross over analysis, the CLEC identified by Vz-FL would then be found not to qualify as a mass market customer. It is only after the Commission has conducted the necessary analysis required to determine the relevant geographic market and to establish DS0 crossover point to

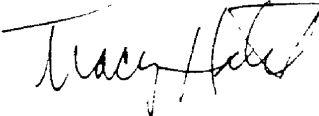
¹ The TRO requires that "a state must determine the appropriate cut-off for multi-line DS0 customers as part of its more granular review..." within the 9 months allotted by the TRO. TRO ¶ 497.

distinguish between mass market and enterprise customers that it can properly conduct its “trigger” analysis.

In this “trigger” analysis, the Commission must also conduct a qualitative analysis to determine whether there is sufficient actual competition in the analog voice market for POTS services which is sufficient to reverse the national finding that CLECs are impaired in serving the mass market without access to unbundled local switching. While there a number of factors that must be examined by the Commission in its qualitative analysis, the Commission must satisfy itself that any CLEC proffered as a trigger candidate by Vz-FL is “actively” and “currently providing” voice POTs services to this customer set and is “likely to continue to do so” in the future. (TRO, ¶¶ 499,500). The decisions that the Commission will be required to make regarding the existence of “triggers” will have profound impacts on choices that ordinary POTs consumers will have in the state of Florida for the foreseeable future. Given this, the Commission must insure in its analysis of the triggers – which effectively reverses the FCC’s national finding of impairment – is rigorous and that the competitive activity it observes is sufficiently vibrant and not merely the legacy or niche activities of CLECs whose predominant interest is in serving high margin residential and business customers with broadband voice and data services. As outlined above, the “triggers” decision is not one to be made in a vacuum, as Vz-FL suggests, but one that must be made based upon a fully developed record and after consideration of a number of key issues.

In conclusion, as demonstrated in the FCCA’s Opposition to Verizon Florida’s Request for an Expedited “Trigger” Proceeding, filed on October 2, 2003, the Vz-FL proposal for a separate expedited proceeding should be rejected. There is much necessary information that must be gathered in order for the parties to be able to prepare and present their direct case on the issue of triggers as well as a host of other issues. If Vz-FL chooses to put up a “triggers-only case, that is their choice but the development and evaluation of a complete robust record cannot be accomplished in the truncated process Vz-FL advocates.

If you have any questions, please do not hesitate to contact me.

Sincerely yours,

Tracy W. Hatch

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Enclosure
cc: Parties of Record