

## **ORIGINAL**

RECEIVED: FPSC

C' FEB 16 AM 10: 13

COMMISSION CLERK

February 13, 2004

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

via Overnight Mail

Re: Docket No. 031132-TP Florida Digital Network, Inc. d/b/a FDN Communications, Petition for Stay of Effective Date of BellSouth Telecommunications, Inc.'s 2004 Key Customer Promotional Tariff Filed December 17, 2003.

Dear Ms. Bayó:

In response to the Commission Staff's Request for Additional Information in the aforementioned docket, please see FDN's answers below.

## **Ouestion:**

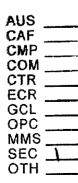
1. Does FDN include an automatic renewal clause in any of its customer contracts? If so, please provide the wording of all such clauses.

FDN has not, and does not have automatic renewal clauses in its customer contracts. FDN acquired certain assets of Mpower Corporation in April 2003. Mpower's standard customer contract did provide for a month-to-month, rather than full term, automatic renewal at the expiration of the original contract term.

## Request for Documents:

- 1. Please provide any and all documents to support the responses to Question 1.
- 2. In the FDN Petition at ¶ 7, FDN asserts that "BellSouth locked up nearly 30% of the market with one promotional program in 9 months." Please provide any and all documents to support this assertion

Referring to the FDN Petition at ¶ 7, there is a typo. It should have said, "nearly 20%", not "nearly 30%."



LOCAL

bdch#ek/Lvfn#bes-date

02121 FEB 16 8

LONG DISTANCE

407.835.0300 Fax 407.835.0309 www.fdn.com

The document(s) supporting that assertion are in the evidentiary record in Docket No. 020119. Specifically, BellSouth's witness testified that BellSouth had 19% of promotion-eligible customers under contract for the January 2002 and June 2002 Key Customer programs in just the first nine months of 2002. This information appears on page 13 of the prefiled rebuttal testimony of BellSouth's witness Sam Massey, filed November 25, 2002. This figure represents contracts for just 9 months of 2002 and just for the 2002 Key Customer programs. It does not address the percentage of customers under contract to BellSouth under the 2001 or 2003 Key Customer programs or other promotions similar to Key Customer, such as Simple Solutions. Certainly the total percentage of promotional eligible, non-basic service customers in the "hot wire centers" who are committed via promotional contracts to BellSouth must be well in excess of 30%.

I would like to note that the first page of the Petition FDN filed in this docket erroneously invokes § 364.059, Florida Statutes. The Commission's power to suspend or stay an anti-competitive act is an inherent power under §364.01 (4), Florida Statutes.

If you have any questions regarding the enclosed, please call me at 407-835-0460.

Sincerely.

Matthew Feil

**FDN Communications** 

General Counsel

CC: Meredith Mays – BellSouth

Michael Barrett - FPSC

athews