

OFFICE OF THE ATTORNEY GENERAL

THE CAPITOL

TALLAHASSEE, FLORIDA 32399-1050

CHARLIE CRIST
Attorney General
State of Florida

FOR IMMEDIATE RELEASE
March 17, 2004

Contact: JoAnn Carrin
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Attorney General Seeks Public Access to Documents in Phone Rate Hike Case

TALLAHASSEE – Attorney General Charlie Crist today filed an amended request for hearing before the Public Service Commission (PSC) which asks that records reviewed by the PSC be made public during the rehearing so that Floridians can evaluate whether the rate increases are revenue neutral, are in the best interest of the residential consumer and benefit the public.

“In a state that prides itself on open government, the public has a right to know how these rate increases were determined,” said Crist. “The current blackout of information needed by consumers is excessive.”

Having successfully persuaded the Florida Supreme Court to direct the PSC to reconsider its rate increase, Crist now asks that the rehearing be fully open to the public.

Examples of information that should not be confidential are the anticipated impact of the rate increases on different age groups and the extent to which reductions in long distance rates will be passed on to residential customers.

In addition, Crist sent letters to the heads of BellSouth, Sprint, Verizon, MCI, and AT&T encouraging them to voluntarily waive the confidentiality of documents submitted to support the rate increases. In his letter to the phone company executives, Crist said the PSC has granted confidentiality to evidence that should not be hidden from the utilities' customers.

The PSC in December approved an unprecedented \$355.5-million increase in local telephone rates, despite Crist's assertion that the action did not comply with the provisions of the Florida Tele-Competition Act of 2003. The increases were stopped in January when the Attorney General filed an appeal with the Florida Supreme Court.

The Florida Supreme Court has directed the Public Service Commission to rule on the Motion to Reconsider no later than May 3.

Copies of the Attorney General's amended request for hearing and letter to the telephone company executives are attached.

#

DOCUMENT NUMBER-DATE

03586 MAR 17 3

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 030867-TL

In re: Petition by Sprint-Florida, Incorporated to Reduce Intrastate Switched Network Access Rates to Interstate Parity in Revenue - Neutral Manner Pursuant to Section 364.164(1), Florida Statutes.

Docket No. 030868 - TL

In re: Petition for Implementation of Section 364.164, Florida Statutes, by Rebalancing Rates in a Revenue - Neutral Manner Through Decreases In Intrastate Switched Access Charges With Offsetting Rate Adjustments for Basic Services, By BellSouth Telecommunications, Inc.

Docket No. 030869-TL

In re: Flow-through of the LEC switched access reductions by IXCs, pursuant to Section 364.163(2), Florida Statutes.

Docket No. 030961-TI

**ATTORNEY GENERAL'S
AMENDED REQUEST FOR ORAL ARGUMENT**

Charles J. Crist, Jr., Attorney General of the State of Florida, pursuant to Rule 25-22.058 of the Florida Administrative Code, files this amended request for oral argument on his Motion for Reconsideration.

The Attorney General respectfully submits that oral argument will aid the Commission in comprehending and evaluating the issues raised in the Attorney General's Motion for Reconsideration. Specifically, the Commission will benefit from the arguments and analysis of each of the parties regarding (1) whether the petitions ensure that basic local telecommunications services are available to all consumers in the state at "reasonable and affordable prices" as required by

Section 364.01(a), Florida Statutes; (2) whether the petition by BellSouth is anti-competitive; and (3) whether the petitions injure, rather than benefit, Florida's residential consumers. Although the parties have provided written submissions outlining their arguments on these issues, the strength of the parties' positions is best tested through interactive oral presentations in which the parties are required to respond to questioning by members of the Commission as well as to the arguments raised by other parties. Additionally, because the crux of the motion for reconsideration is the impact of the Commission's decision upon Florida's citizens, it is appropriate for the Commission to hold a public hearing through which Florida citizens may gain, first-hand, an understanding of the parties' positions and the perspective of the Commission.


Furthermore, in order for the hearing on the motion for reconsideration to be meaningful to the public, the hearing should include public access to the documents and testimony upon which the arguments are based. Although much of the pertinent documentary evidence and testimony has been classified by the Commission as "confidential," there is no basis for applying this designation to information which would not, as the telephone companies assert, give their competitors an unfair advantage if disclosed. For instance, the public is entitled to know what the impact of the rate increase in local rates will be on different age groups, as well as the extent to which reductions in long distance rates will be passed on to residential customers. Likewise, the Florida Legislature must be allowed to ascertain this information in order to determine whether the Commission's decision carries out the legislature's intent in passing Section 364.164, Florida Statutes.

WHEREFORE, the Attorney General respectfully requests that the Commission set oral argument on the Attorney General's Motion for Reconsideration, make available to the public documents and testimony relevant to these arguments that do not disclose proprietary confidential

business information, and grant such further relief as the Commission deems appropriate.

DATED this 17 day of March, 2004.

Respectfully submitted,



CHARLES J. CRIST, JR.
ATTORNEY GENERAL
Florida Bar No. 362190

CHRISTOPHER M. KISE
Solicitor General
Florida Bar No. 0855545

JACK SHREVE
Senior Special Counsel for Consumer Affairs
Florida Bar No. 73622

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CERTIFICATE OF SERVICE
DOCKETS NOS. 030867-TL, 030868-TL, 030689-TL, 030961-TI

I CERTIFY that a true and correct copy hereof has been furnished by United States mail to the following on this 17th day of March, 2004:

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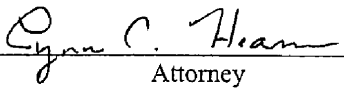
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Attorney



STATE OF FLORIDA

CHARLIE CRIST
ATTORNEY GENERAL

March 17, 2004

Mr. Michael D. Capellas
President and CEO
MCI
22001 Loudoun County Parkway,
Ashburn, Virginia, USA 20147

RE: Docket No. 030867-TL, Docket No. 030868 - TL, Docket No. 030869-TL,
Docket No. 030961-TI

Dear Mr. Capellas:

I am writing today to all the telephone companies involved in this docket asking them to join me in seeking that the rehearing on the rate increase be truly open to the public. Our "sunshine laws" are the strongest tools we have to ensure our government is truly a government of the people. The right to be present at all government meetings and to review all public records is a right guaranteed to our citizens by the Florida Constitution and we should make every effort to protect the integrity of that right.

The Public Service Commission's recent order granting rate increases to the phone companies was the largest increase in Florida history. What made it especially difficult for our citizens -- your customers -- was the fact that they have no idea what information served as the basis for such a decision. The citizens only see a rate increase that many will be unable to afford, and they cannot understand what would have caused you to request, and the PSC to grant, such an overwhelming rate increase. Unfortunately the answers to their questions are cloaked in the secrecy under which this decision was reached.

I ask that you and other telephone companies be responsible corporate citizens and withdraw your requests to maintain the secrecy of the information upon which the PSC's decision was based. I trust that you and the other telephone companies will work with us to ensure that these proceedings are open to the public so Florida consumers and the Legislature will have an opportunity to evaluate the basis for any decision reached on this issue, which is of great importance to all the citizens we serve.

Sincerely,

A handwritten signature in black ink that reads "Charlie Crist".

Charlie Crist



STATE OF FLORIDA

CHARLIE CRIST
ATTORNEY GENERAL

March 17, 2004

Mr. Ivan G. Seidenberg
Chairman and Chief Executive Officer
Verizon Communications Inc.
1095 Avenue of the Americas
New York, New York 10036

RE: Docket No. 030867-TL, Docket No. 030868 - TL, Docket No. 030869-TL,
Docket No. 030961-TI

Dear Mr. Seidenberg:

I am writing today to all the telephone companies involved in this docket asking them to join me in seeking that the rehearing on the rate increase be truly open to the public. Our "sunshine laws" are the strongest tools we have to ensure our government is truly a government of the people. The right to be present at all government meetings and to review all public records is a right guaranteed to our citizens by the Florida Constitution and we should make every effort to protect the integrity of that right.

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Sincerely,

A handwritten signature in black ink that reads "Charlie Crist".

Charlie Crist



STATE OF FLORIDA

CHARLIE CRIST
ATTORNEY GENERAL

March 17, 2004

Mr. Gary D. Forsee, CEO
Sprint Corporation
6160 Sprint Parkway
Overland Park, KS 66251

RE: Docket No. 030867-TL, Docket No. 030868 - TL, Docket No. 030869-TL,
Docket No. 030961-TI

Dear Mr. Forsee:

I am writing today to all the telephone companies involved in this docket asking them to join me in seeking that the rehearing on the rate increase be truly open to the public. Our "sunshine laws" are the strongest tools we have to ensure our government is truly a government of the people. The right to be present at all government meetings and to review all public records is a right guaranteed to our citizens by the Florida Constitution and we should make every effort to protect the integrity of that right.

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Sincerely,

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Charlie Crist



STATE OF FLORIDA

CHARLIE CRIST
ATTORNEY GENERAL

March 17, 2004

Mr. F. Duane Ackerman, CEO
BellSouth
1155 Peachtree Street NE
Atlanta, GA 30309-7629

RE: Docket No. 030867-TL, Docket No. 030868 - TL, Docket No. 030869-TL,
Docket No. 030961-TI

Dear Mr. Ackerman:

I am writing today to all the telephone companies involved in this docket asking them to join me in seeking that the rehearing on the rate increase be truly open to the public. Our "sunshine laws" are the strongest tools we have to ensure our government is truly a government of the people. The right to be present at all government meetings and to review all public records is a right guaranteed to our citizens by the Florida Constitution and we should make every effort to protect the integrity of that right.

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Sincerely,

A handwritten signature in black ink that reads "Charlie Crist".

Charlie Crist



STATE OF FLORIDA

CHARLIE CRIST
ATTORNEY GENERAL

March 17, 2004

Mr. David W. Dorman
Chairman of the Board and CEO
AT & T CORPORATION
32 Avenue Of The Americas
New York, NY 10013-2473

RE: Docket No. 030867-TL, Docket No. 030868 - TL, Docket No. 030869-TL,
Docket No. 030961-TI

Dear Mr. Dorman:

I am writing today to all the telephone companies involved in this docket asking them to join me in seeking that the rehearing on the rate increase be truly open to the public. Our "sunshine laws" are the strongest tools we have to ensure our government is truly a government of the people. The right to be present at all government meetings and to review all public records is a right guaranteed to our citizens by the Florida Constitution and we should make every effort to protect the integrity of that right.

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Charlie Crist