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December 17, 2004

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

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Re: Docket No. 040604-TL

Dear Ms. Bayó:

Enclosed for filing on behalf of Sprint-Florida, Incorporated are the original and 15 copies of Sprint's Rebuttal Testimony of Sandra A. Khazraee and the original and 15 copies of Sprint's Prehearing Statement, also filed in Word on a 3.5 floppy disk.

Copies are being served on the parties in this docket pursuant to the attached certificate of service.

Please acknowledge receipt of this filing by stamping and initialing a copy of this letter and returning same to my assistant. If you have any questions, please do not hesitate to call me at 850/599-1560.

Sincerely,

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P.H. Statement
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**CERTIFICATE OF SERVICE
DOCKET NO. 040604-TL**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served by U.S. and electronic mail on this 17th day of December, 2004 to the following:

Florida Cable Telecommunications
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Florida Public Service Commission
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BellSouth Telecommunications, Inc.
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Susan S. Masterton

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **DOCKET NO. 040604-TL**

3 **REBUTTAL TESTIMONY**

4 **OF**

5 **SANDRA A. KHAZRAEE**

6

7 **Q. Please state your name.**

8 **A. My name is Sandra A. Khazraee.**

9

10 **Q. Have you previously filed testimony in this proceeding?**

11 **A. Yes, I filed Direct Testimony on November 17, 2004 and an addendum to my**
12 **Direct Testimony on November 24, 2004 .**

13

14 **Q. What is the purpose of this testimony?**

15 **A. This testimony is being filed to respond to points raised in the November 17, 2004**
16 **Direct Testimony of Mr. John Mann filed on behalf of the Florida Public Service**
17 **Commission.**

18

19 **Q. On page 4 of his Direct Testimony, Mr. Mann states that the FCC's analysis**
20 **in Appendix K of FCC 04-87 projects that 938,473 additional Florida**
21 **households would qualify under the 135% criterion, resulting in a total**
22 **number of Lifeline eligible households of approximately two million. Do you**

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1 **agree that this would likely be the net increase in additional eligible Florida**
2 **households by adding the 135% criterion?**

3 **A.** No. The FCC's numbers in Appendix K assume no income based criteria is in
4 place in Florida. However, there is already an income based eligibility criteria in
5 place for the three largest ILECs in Florida. Therefore, the increased number of
6 eligible households in Florida would be the differential between the number of
7 households qualified under the current 125% criteria as compared to the number
8 of households qualified under the proposed 135% criteria. This would obviously
9 reduce the number of potential additional households from the FCC projection.

10

11 **Q.** **On pages 4 and 5 of his Direct Testimony, Mr. Mann makes the assertion**
12 **that if Florida does not adopt the 135% criterion for all ETCs, it could result**
13 **in compounding Florida's status as a net contributor into the Federal USF**
14 **Low Income Support Mechanism and keep some consumers that would**
15 **otherwise be eligible out of the program. Do you agree with this?**

16 **A.** Not necessarily. First, Sprint is not convinced that the Commission has the
17 authority to require wireless ETCs to adopt specific eligibility criteria. Aside from
18 that issue, no studies or analysis have been provided which prove that Florida's
19 failure to adopt the 135% criterion for all ETCs will compound Florida's status as
20 a net contributor. Additionally, as stated in the response to the previous question,
21 the FCC's data assumed no income based criteria in place in Florida which is not
22 the case.

23

1 **Q. Mr. Mann states in his Direct Testimony on page 5 that he believes one of the**
2 **major reasons more eligible consumers have not signed up for the Lifeline**
3 **and Link-Up assistance programs is the time-consuming certification**
4 **process. Do you agree with this conjecture?**

5 **A.** No. There has not been any evidence cited that indicates the enrollment process
6 for Lifeline and Link-Up is time-consuming or a barrier to participation. Nor has
7 there been any evidence cited to indicate the enrollment process as it exists today
8 has a material impact on subscription levels. Sprint's enrollment process is
9 straight-forward and relatively easy. Customers establish their eligibility for
10 Lifeline by providing the appropriate documentation to an offline business office
11 group which specifically processes Lifeline orders. This group generally
12 processes Lifeline orders within three days of receipt of the Lifeline eligibility
13 proof. There are several ways that customers can establish their eligibility for
14 Lifeline. They can contact the business office and have Sprint mail them a
15 Lifeline application to be completed and returned via mail or fax to Sprint's
16 offline representative group. If the customer is a client of DCF, the customer can
17 mail or fax to Sprint the eligibility letter provided by DCF or the applicant can
18 have DCF email the eligibility letter to Sprint's offline business office group. If
19 the customer is qualifying under the income criteria, then the customer provides
20 the proof of income to the OPC and the OPC emails the applicant's information to
21 Sprint's offline business office group.

22

1 **Q. On Page 6 of Mr. Mann’s Direct Testimony, he claims that “ETCs often**
2 **perform additional analyses and have additional requirements to determine**
3 **whether the consumer will be given Lifeline credits. Do you agree with this?**

4 **A.** No, Sprint does not as a rule perform additional analyses nor does Sprint have
5 additional requirements to determine whether the customer will be given Lifeline
6 credits. If valid proof is provided for the Lifeline discount and the telephone
7 number is provided with that proof, no research is conducted to locate an account.
8 If the telephone number is not provided with the valid proof and a representative
9 needs to search for the account, other accounts (active, final or uncollectible) are
10 sometimes found and addressed appropriately.

11
12 **Q. Lines 17 and 18 of Page 6 of Mr. Mann’s Direct Testimony, he says that**
13 **“Some ETCs evaluate whether the consumer has an outstanding balance on a**
14 **previous or current account.” Does Sprint do this?**

15 **A.** No, Sprint does not evaluate a Lifeline application to determine whether the
16 customer has an outstanding balance on a previous or current account. If however,
17 the service representative becomes aware during the process of entering the order
18 that the customer has an outstanding balance on a previous or current account, the
19 service representative will follow Sprint’s guidelines in working with the
20 customer to the same extent that the representative would if the customer were a
21 non-Lifeline customer. As part of those current guidelines, the customer would
22 be given the opportunity to make payment arrangements to pay that portion of any
23 outstanding balance that was applicable to basic local service.

1 **Q. Mr. Mann's Direct Testimony, beginning on Page 6 and continuing on to**
2 **Page 7 states that "ETCs often research to determine whether a consumer is**
3 **currently receiving Lifeline benefits to ensure that a consumer receives**
4 **Lifeline credits on one telephone line per residence, at the consumer's**
5 **principal place of residence. This process appears to be quite lengthy and**
6 **time-consuming for both the ETC and the consumer." Is this Sprint's**
7 **practice?**

8 **A.** No, it is not. If the customer has multiple lines billed on the same account, the
9 representative will make sure the Lifeline discount is only provided on one of the
10 lines. This process only takes a few seconds. The representative does not search
11 for other accounts that might be in this customer's name but billed separately.

12
13 **Q. Do you agree with Mr. Mann's conclusion that a self-certification process for**
14 **Lifeline is needed in order to increase subscribership?**

15 **A.** No, I do not. As the responses to the previous questions have indicated, Sprint's
16 Lifeline application process is neither lengthy nor burdensome.

17
18 **Q. On Page 9 of his Direct Testimony, Mr. Mann states that a bifurcated**
19 **Lifeline program exists today in the State of Ohio. What is the current status**
20 **of Cincinnati Bell Telephone's (CBT's) bifurcated offering in Ohio?**

21 **A.** On October 13, 2004 the Public Utilities Commission of Ohio denied CBT's
22 application for waiver of Rule 4901:1-4-05(B), Ohio Administrative Code, that
23 would have enabled CBT to continue its alternative Lifeline plan, called the

1 Federal Plan. The Ohio Commission ordered CBT to revise its tariff by October
2 25, 2004, eliminating the Federal Plan, and reducing CBT's Lifeline offering to
3 one program only.

4
5 **Q. Do you believe, as Mr. Mann asserts, that self-certification as described by**
6 **Mr. Mann in his Direct Testimony will significantly reduce the "extensive**
7 **administrative actions and costs for the determination of eligibility,**
8 **certification of eligibility, determination of qualification by the ETCs**
9 **and . . . enrollment in the program"?**

10 **A.** No. Sprint's current Lifeline processes for determination of eligibility,
11 certification and enrollment are not "extensive" or burdensome for customers.
12 Additionally, Sprint has made the process as streamlined as possible to prevent
13 having to handle the customer's account multiple times in order to provide the
14 Lifeline discount. In contrast, the proposal put forth by staff in the direct
15 testimony would actually increase Sprint's administrative burdens and costs.
16 Under the proposal, Sprint would be required to immediately issue a service order
17 to enroll a self-certifier in the \$8.20 plan and put an application in the mail to that
18 customer. It appears it would then be Sprint's responsibility to follow up in 60
19 days to see if the application has been completed and returned. If the application
20 has not been returned, then Sprint would have to contact the customer and might
21 possibly have to create another service order to remove the Lifeline credit. This
22 same customer might also request another Lifeline application from Sprint in
23 order to apply for the full \$13.45 Lifeline credit. This would require additional

1 administrative processing and follow up. Finally, just the existence of two
2 different Lifeline programs (the \$8.20 plan and the \$13.45 plan) would cause
3 Sprint to incur additional administrative costs in customer notification and in
4 representative training.

5

6 **Q. Does that conclude your testimony?**

7 **A.** Yes it does.

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