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REPLY TO CENTRAL FLORIDA OFFICE

October 27, 2005

HAND DELIVERY

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

RE: Docket No.: 050551-TP; Joint Application for Approval of transfer of control of Sprint-Florida Incorporated <u>Our File No.: 40054.01</u>

Dear Clerk:

Enclosed you will find for filing in the above-referenced docket an original and fifteen (15) copies of the Petition of Communications Workers of America for Formal Administrative Hearing.

Please do not hesitate to give me a call should you have any questions regarding this CMP filing. COM F 3TR ____ Very truly yours, HCR _____ GCL OPC MARTIN S. FRIEDMAN **TC**A For the Firm _MSF/mp SCR Enclosure SGA Ms. Debbie Goldman, Research Economist (w/enclosure) cc: SEC Paul Donnelley, Esquire (w/enclosure) ockord M:\1 ALTAMONTE\CWA (Communications Workers of America)\PSC Clerk 01.ltr.wpd

DOCUMENT NUMBER-DATE

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EDSC-COMMISSION CLER

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Joint Application for approval of transfer of control of Sprint-Florida Incorporated, holder of ILEC Certificate No. 22, and Sprint Payphone Services, Inc., holder of PATS Certificate of No. 3822, from Sprint Nextel Corporation to LTD Holding Company, and for acknowledgment of transfer of control of Sprint Long Distance, Inc., holder of IXC Registration No. TK001, from Sprint Nextel Corporation to LTD Holding Company.

DOCKET NO.: 050551-TP

PETITION OF COMMUNICATIONS WORKERS OF AMERICA FOR A FORMAL ADMINISTRATIVE HEARING

Petitioner, COMMUNICATIONS WORKERS OF AMERICA ("CWA"), by and through

its undersigned attorneys and pursuant to Rule 28-106-201, Florida Administrative Code,

files this Petition for Formal Administrative Hearing with regard to Order No. PSC-05-0985-

PAA-TP issued October 13, 2005 ("PAA Order"), and in support thereof states:

1. CWA is an international labor union with its principal place of business at 501

Third Street, N.W., Washington DC 20001; telephone: (202) 434-1100. CWA also maintains

an office in Florida located at 2180 W. State Road 434, Suite 2100, Longwood, FL 33779;

telephone: (407) 772-0266.

2. The name, address and telephone number of the person authorized to receive

notices and communications on behalf of CWA is:

Martin S. Friedman, Esquire Rose, Sundstrom & Bentley, LLP 2180 W. State Road 434, Suite 2118 Longwood, FL 32779 PHONE: (407) 830-6331 FAX: (407) 830-8522 <u>mfriedman@rsbattorneys.com</u>

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Debbie Goldman Communication Workers of America 501 Third Street, N.W. Washington D. C. 20016 PHONE: (202) 434-1194 FAX: (202) 434-1201 dgoldman@cwa-union.org

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3. CWA's substantial interests are affected as a customer of Sprint-Florida. The proposed spin-off of Sprint-Florida will result in a degradation in the quality of local telecommunication services it currently receives. CWA receives local exchange telecommunications services from Sprint at its offices in Longwood, Florida. In addition, the spin-off will result in loss of jobs by CWA workers in Florida.

4. CWA received notice of the Commissioners' PAA Order on October 19, 2005, when it was downloaded from the Commission's website.

- 5. The following issues of fact in this proceeding are disputed:
 - (1) Whether after the spin-off, Sprint-Florida will be able to provide efficient and reliable communications service.
 - (2) Whether after the spin-off, Sprint-Florida will have the ability to raise capital to invest in networks, employees and systems to continue providing high quality service.
 - (3) Whether the newly created holding company, LTD Holding Company, will possess the financial capability to assist Sprint-Florida to provide quality service to its customers in Florida.
 - (4) Whether sufficient assets not owned, but jointly used by Sprint-Florida, will be transferred to Sprint-Florida.

- (5) Whether the level of debt and equity is such that LTD Holding Company will obtain investment grade debt ratings.
- CWA contends the following facts warrant reversing the Commissioners' PAA
 Order:
 - (1) The spin-off will result in a financially weaker Sprint-Florida with fewer resources to invest in local telephone infrastructure and operations.
 - (2) The quality of service provided by Sprint-Florida to its local exchange customers, including CWA, after the spin-off will suffer.
 - (3) The spin-off will result in LTD Holding Company being saddled with
 \$7.25 billion in debt, which is greatly in excess of the debt attributable
 to Sprint Corp.'s FON Division before the spin-off.
 - (4) The spin-off does not represent an equitable allocation of assets and debts to ensure a viable entity. Sprint Nextel intends to disproportionately allocate debt to its regulated businesses, resulting in a stronger capital structure for Sprint Nextel's non-regulated competitive businesses.

7. Section 364.33, Florida Statutes, and this Commission's various decisions interpreting that law, require reversal of this Commission's PAA Order. WHEREFORE, Petitioner, COMMUNICATION WORKERS OF AMERICA, requests this Commission deny the Joint Application for Approval of the Transfer of Control of Sprint-Florida, Incorporated.

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Respectfully submitted on this $\underline{27}$ day of October, 2005, by:

ROSE, SUNDSTROM & BENTLEY, LLP 2180 W. State Road 434, Suite 2118 Longwood, FL 32779 PHONE: (407) 830-6331 FAX: (407) 830-8522 mfriedman@rsbattorneys.com

BY: Illin Firs Canaller

MARTIN S. FRIEDMAN For the Firm

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished

by U.S. Mail this $\frac{37}{3}$ day of October, 2005, to:

Daniel Waggoner, Esquire Davis Wright Law Firm 2600 Century Square 1501 Fourth Avenue Seattle, WA 98101-1688

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Sprint Long Distance, Inc. KSOPHFO302 6200 Sprint Parkway Overland Park, KS 66251

Mr. F. B. Poag Sprint Payphone Services, Inc. c/o Sprint-Florida, Incorprated Post Office Box 2214 (MC FLTLHO0107) Tallahassee, FL 32316-2214

Ms. Susan Masterton Sprint-Florida, Incorporated Post Office Box 2214 Tallahassee, FL 32316-2214

BY: With First Ferritur

MARTIN S. FRIEDMAN For the Firm

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