Eric Fryson

From:

Boshoven, Barbara [bboshoven@ussignalcom.com]

Sent:

Tuesday, March 13, 2012 4:07 PM

To:

Filings@psc.state.fl.us

Subject:

US Signal Response - Industry Survey for legislative review of agency rules in effect on or before

November 16, 2010, Docket No. 110303-OT

Attachments: Survey, Docket 110202-OT 031312.pdf

To Whom It May Concern:

Please find US Signal Company L.L.C.'s cover letter and 3 page response to your survey questions for: Industry Survey for legislative review of agency rules in effect on or before November 16, 2010, Docket No. 110303-OT.

Best regards, Barbara

Barbara Boshoven

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March 13, 2012

Judy Harlow c/o Ann Cole Commission Clerk Florida Public Service Commission Office of Commission Clerk 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

RE: Industry survey for legislative review of agency rules in effect on or before November 16, 2010, Docket No. 110303-OT

Dear Ms. Harlow:

Following this letter, please find US Signal Company, L.L.C.'s response to the questions relating to Rule 25-4.0161. Please contact me directly with any questions.

Best regards,

Barbara Boshoven

Vice President of Corporate Affairs

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US SIGNAL COMPANY, L.L.C.

Survey for legislative review of agency rules in effect on or before November 16, 2010 Docket No. 110303-0T Rule 25-4.0161, Florida Administrative Code (F.A.C.)

1. What are the estimated transactional costs resulting from the Company's compliance of Rule 25-4.0161, F.A.C., for the five year period beginning July 1, 2011?

The estimated cost is approximately \$500. US Signal just gained CLEC authority in December of 2011, so a new database had to be built and tested necessitating a higher first year cost. US Signal doesn't expect as much cost going forward if the rule remains as written.

a. What are your actual transactional costs resulting from your Company's compliance with Rule 25-4.0161, F.A.C., for the period July 1,2011 through December 31, 2011?

Same answer as #1.

2. What is your estimate of the likely impact, stated in terms of costs and/or benefits, on small businesses (as defined by Section 288.703, F.S.) located in the Company's service territory, resulting from the compliance of Rule 25-4.0161, F.A.C., for the five year period beginning July 1, 2011?

As a new competitor US Signal estimates the impact was minimal on its cost structure and therefore has no impact on its customers presently. Benefits of the rule are that US Signal is allowed to compete for small business, enterprise and wholesale customers in a fair market.

3. What is your estimate of the likely impact, stated in terms of costs and/or benefits, on small counties and small cities (as defined in Section 120.52, F.S.) located in the Company's service territory, resulting from the compliance of 25-4.0161, F.A.C., for the five year period beginning July 1, 2011?

Same answer as #2.

4. What is your estimate of the likely impact, stated in terms of costs and/or benefits, on entities located in the Company's service territory other than those specifically identified in Questions 2 and 3, resulting from the compliance of 25-4.0161, F.A.C., for the five year period beginning July 1,2011?

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5. What expected impact do you believe Rule 25-4.0161, F.A.C., will have on economic growth, private sector job creation or employment, and private sector investment for the five year period July 1, 2011 in the Company's service territory?

A competitive marketplace will lead to better service, rates and overall satisfaction for those subscribers of telecommunications services. Technology implemented in various capacities and run over telecommunications networks can lead to significant efficiencies resulting in cost savings or creativity leading to improved business processes. Those savings can be realized and applied as new capital to fund market expansion or new product lines. US Signal likes to think of itself, and its competitors, as enablers of technology – or in industry terms, a telecommunications service provider.

6. What expected impact do you believe Rule 25-4.0161, F.A.C., will have on business competitiveness, including the ability of persons doing business in the Company's service territory to compete with persons doing business in states other than Florida or other domestic markets, productivity, and innovation, for the five year period July 1, 2011?

US Signal's rate it pays to other PSC's is competitive with the Rule 25-4.0161, F.A.C. in Florida. Other factors should also contribute to competitiveness – rates for wholesale access, taxes, fees and market rates for transport/broadband all combine for a fair evaluation of competitiveness between other states.

7. What are the benefits to your Company associated with Rule 25-4.0161, F.A.C.?

As a service provider in a very competitive industry, US Signal relies on a competitive marketplace - specifically, a marketplace that is free of barriers or practices that inhibit competition or make it difficult for customers to utilize its services.

8. Since the December 4, 2011 rule change has your Company revised customer rates in order to comply with Rule 25-4.0161, F.A.C.? If so, please explain any rate changes that were made.

No. All of US Signal's pricing is considered on an individual case basis. As a new market entry no adjustments have been required.

9. If the Company did revise customer rates after the rule change, what were the specific costs associated with processing and implementing these rate changes?

No rate changes have occurred.

10. Does the Company anticipate having to revise customer rates in the future in order to comply with Rule 25-4.0161, F.A.C.? If so, please explain any anticipated rate changes for the five year period beginning July 1, 2011.

Same answer as #9.

11. If the company anticipates revising customer rates in order to comply with Rule 254.0161, F.A.C., what costs does the company expect to incur to process and implement the rate changes for the five year period beginning July 1, 2011?

No changes are anticipated.