

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Investigation into ) DOCKET NO. 930330-TP  
intraLATA presubscription. ) ORDER NO. PSC-94-1105-PHO-TP  
\_\_\_\_\_ ) ISSUED: SEPTEMBER 7, 1994

Pursuant to Notice, a Prehearing Conference was held on August 17, 1994, in Tallahassee, Florida, before Chairman J. Terry Deason, as Prehearing Officer.

APPEARANCES:

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Company of Florida and Central Telephone Company of  
Florida.

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On behalf of AT&T Communications of the Southern States,  
Inc..

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Suite 716, Tallahassee, Florida 32301  
On behalf of Florida Interexchange Carriers Association.

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710, Tallahassee, Florida 32301  
On behalf of Florida Public Telecommunications  
Association.

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Tampa, Florida 33601  
On behalf of GTE Florida Incorporated.

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Johnson Ferry Road, Atlanta, Georgia,  
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DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

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On behalf of Northeast Florida Telephone Company, St. Joseph Telephone & Telegraph Company, Gulf Telephone Company, Florala Telephone Company, Quincy Telephone Company, Southland Telephone Company, and Indiantown Telephone System.

Chanthina R. Bryant, Esquire, 3065 Cumberland Circle, Atlanta, Georgia 30339; and Everett Boyd, Esquire, Ervin, Varn, Jacobs, Odom & Ervin, 305 South Gadsden Street., Tallahassee, Florida 32301  
On behalf of Sprint Communications Company Limited Partnership.

Nancy B. White, Esquire, Robert Beatty, Esquire, and R. Douglas Lackey Esquire, 150 South Monroe Street, Suite 400, Tallahassee Florida 32301  
On behalf of BellSouth Telecommunications Corporation d/b/a Southern Bell Telephone and Telegraph Company.

Charles J. Beck, Esquire, Office of Public Counsel, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400  
On behalf of the Citizens of the State of Florida.

Tracy Hatch, Esquire, Florida Public Service Commission, 101 E. Gaines Street, Tallahassee, Florida 32399-0863  
On behalf of the Commission Staff.

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On behalf of the Commissioners.

#### PREHEARING ORDER

#### I. CASE BACKGROUND

Following the divestiture of American Telephone and Telegraph Company (AT&T) and the advent of toll competition on both federal and state levels, interLATA (local access transport area) presubscription for interexchange carriers (IXCs) has been provided by local exchange companies (LECs). Presently in Florida, as in most states, when an end user dials a 1+ or 0+ call, the LEC

serving end office translates the digits dialed to determine whether the call is intraLATA or interLATA. If the call is intraLATA, it is routed over LEC facilities. If it is interLATA, the primary interexchange carrier (PIC) number is secured from the equal access database field, and the call is routed to that IXC's point of presence (POP) for handling.

This proceeding was initiated on the Commission's own motion to evaluate whether or under what conditions presubscription for intraLATA toll traffic should be allowed. By Order No. PSC-93-1669-FOF-TP we set this matter for hearing.

## II. PROCEDURE FOR HANDLING CONFIDENTIAL INFORMATION

A. Any information provided pursuant to a discovery request for which proprietary confidential business information status is requested shall be treated by the Commission and the parties as confidential. The information shall be exempt from Section 119.07(1), Florida Statutes, pending a formal ruling on such request by the Commission, or upon the return of the information to the person providing the information. If no determination of confidentiality has been made and the information has not been used in the proceeding, it shall be returned expeditiously to the person providing the information. If a determination of confidentiality has been made and the information was not entered into the record of the proceeding, it shall be returned to the person providing the information within the time periods set forth in Section 364.183(2), Florida Statutes.

B. It is the policy of the Florida Public Service Commission that all Commission hearings be open to the public at all times. The Commission also recognizes its obligation pursuant to Section 364.183, Florida Statutes, to protect proprietary confidential business information from disclosure outside the proceeding.

In the event it becomes necessary to use confidential information during the hearing, the following procedures will be observed:

- 1) Any party wishing to use any proprietary confidential business information, as that term is defined in Section 364.183, Florida Statutes, shall notify the Prehearing Officer and all parties of record by the time of the Prehearing Conference, or if not known at that time, no later than seven (7)

days prior to the beginning of the hearing. The notice shall include a procedure to assure that the confidential nature of the information is preserved as required by statute.

- 2) Failure of any party to comply with 1) above shall be grounds to deny the party the opportunity to present evidence which is proprietary confidential business information.
- 3) When confidential information is used in the hearing, parties must have copies for the Commissioners, necessary staff, and the Court Reporter, in envelopes clearly marked with the nature of the contents. Any party wishing to examine the confidential material that is not subject to an order granting confidentiality shall be provided a copy in the same fashion as provided to the Commissioners, subject to execution of any appropriate protective agreement with the owner of the material.
- 4) Counsel and witnesses are cautioned to avoid verbalizing confidential information in such a way that would compromise the confidential information. Therefore, confidential information should be presented by written exhibit when reasonably possible to do so.
- 5) At the conclusion of that portion of the hearing that involves confidential information, all copies of confidential exhibits shall be returned to the proffering party. If a confidential exhibit has been admitted into evidence, the copy provided to the Court Reporter shall be retained in the Commission Clerk's confidential files.

#### Post-hearing procedures

Rule 25-22.056(3), Florida Administrative Code, requires each party to file a post-hearing statement of issues and positions. A summary of each position of no more than 50 words, set off with asterisks, shall be included in that statement. If a party's position has not changed since the issuance of the prehearing order, the post-hearing statement may simply restate the prehearing position; however, if the prehearing position is longer than 50

words, it must be reduced to no more than 50 words. The rule also provides that if a party fails to file a post-hearing statement in conformance with the rule, that party shall have waived all issues and may be dismissed from the proceeding.

A party's proposed findings of fact and conclusions of law, if any, statement of issues and positions, and brief, shall together total no more than 60 pages, and shall be filed at the same time. The prehearing officer may modify the page limit for good cause shown. Please see Rule 25-22.056, Florida Administrative Code, for other requirements pertaining to post-hearing filings.

### III. PREFILED TESTIMONY AND EXHIBITS

Testimony of all witnesses to be sponsored by the parties has been prefiled. All testimony which has been prefiled in this case will be inserted into the record as though read after the witness has taken the stand and affirmed the correctness of the testimony and associated exhibits. All testimony remains subject to appropriate objections. Each witness will have the opportunity to orally summarize his or her testimony at the time he or she takes the stand. Upon insertion of a witness' testimony, exhibits appended thereto may be marked for identification. After all parties and Staff have had the opportunity to object and cross-examine, the exhibit may be moved into the record. All other exhibits may be similarly identified and entered into the record at the appropriate time during the hearing.

Witnesses are reminded that, on cross-examination, responses to questions calling for a simple yes or no answer shall be so answered first, after which the witness may explain his or her answer.

### IV. ORDER OF WITNESSES

<u>Witness</u>	<u>Appearing For</u>	<u>Issues #</u>
<u>Direct</u>		
James M. Mertz	AT&T	1 - 12
Timothy J. Gates	MCI	1 - 13
Michael J. Nelson	SPRINT	1 - 13
Joseph Gillan	FIXCA	1 - 6, & 8 - 13

<u>Witness</u>	<u>Appearing For</u>	<u>Issues #</u>
<u>Direct</u>		
Beverly Y. Menard	GTEFL	1 - 13
Donald M. Perry	GTEFL	11
David B. Denton	SBT	2, 3, 4, 5, 8, 10, 12, and 13.
James L. Johnson	SBT	9
Arthur T. Smith	SBT	11
Daniel M. Baeza	SBT	1, 4, 6, and 7
Peter J. Merkle	United/Centel	1 - 13
Harriet E. Eudy	ALLTEL	1 - 13
John Carroll	NE	All
<u>Rebuttal</u>		
James M. Mertz	AT&T	1, 2, 3, 6, 11, and 12
Joe Gillan	FIXCA	All
Beverly Menard	GTEFL	All
David B. Denton	SBT	2, 3, 4, 5, 8, 10, 12, and 13
Arthur T. Smith	SBT	11
Daniel M. Baeza	SBT	1, 4, 6, and 7
Jerry D. Hendrix	SBT	2 and 11

V. BASIC POSITIONS

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions.

ALLTEL: ALLTEL Florida cannot support the introduction of intraLATA presubscription until the universal service support currently embedded in intraLATA toll rates is identified and provisions are made for recovery through reasonable local service rate adjustments and/or a funding mechanism funded by all intraLATA toll providers. Unless appropriate safeguards are included, the introduction of intraLATA presubscription may harm customers in rural areas, such as the areas served by small LECs like ALLTEL Florida.

AT&T: AT&T's basic position in this proceeding is that intraLATA presubscription is in the public interest and should be implemented in Florida as soon as possible. IntraLATA presubscription is essential to the development of a fully competitive long distance marketplace. Today, customers are free to choose the interLATA 1+ carrier that best suits their needs, but those same customers are denied the opportunity to make such a choice with respect to their intraLATA 1+ calling needs. Lack of customer choice with respect to intraLATA 1+ calling impedes the development of a fully competitive interexchange market and unreasonably deprives customers of the benefits of competition in the intraLATA arena. Consequently, the Commission should order the implementation of intraLATA presubscription as soon as possible.

FIXCA: The time has come for the Commission to complete the transition to a competitive interexchange market place by giving control of 1+ dialing to Florida consumers. The Commission should remove the inability of consumers to choose their own intraLATA carrier so that consumers will derive maximum benefit from the network. In implementing this final transition to consumer sovereignty, there is no reason to believe that local rates will be impacted.

FPTA: FPTA believes that intraLATA presubscription is in the public interest and should be implemented as soon as possible. Without the ability to presubscribe the intraLATA carrier of their choice, independent payphone providers (IPPs) do not have dialing parity with the LECs. Implementation of intraLATA presubscription is an important step in leveling the playing field in the pay telephone arena.



GTEFL: Further intraLATA competition should not be introduced in Florida at this time. GTEFL and Southern Bell are subject to federal consent decrees that legally prevent them from offering interLATA service. If interexchange carriers (IXCs) are permitted to offer presubscribed intraLATA service, they will have an unfair and insurmountable advantage over the local exchange carriers (LECs). LECs cannot provide an end-to-end toll product, as the IXCs will. LECs will thus need to offer disproportionately deep discounts on their intraLATA service in an attempt to counter the IXCs' ability to offer one-stop shopping and discounts on both intra- and interLATA service. Because of the interLATA prohibition, GTEFL will suffer large market share and revenue losses wholly unrelated to its service quality or its skill in the marketplace.

GTEFL does not oppose 1+ intraLATA presubscription, but it must be implemented on a level playing field. Aside from elimination of GTEFL's and Southern Bell's interLATA constraints, LECs must receive pricing, tariffing, and other regulatory flexibility that will allow them to compete fairly. The marketplace will not operate efficiently or yield maximum consumer benefits until all players operate under the same rules.

MCI: IntraLATA presubscription is in the public interest. It will provide customers with the ability to choose their intraLATA carrier, and will bring the benefits of competition to the intraLATA market. IntraLATA presubscription is technically feasible, and should be implemented statewide using the 2-PIC method which maximizes customer choice, by approximately January 1, 1996. Balloting and allocation should not be required in end offices which have already converted to interLATA equal access. The incremental costs of implementing intraLATA presubscription -- but excluding the cost of certain generic upgrades and the addition of any required IXC access facilities -- should be collected from all long distance carriers, including the LECs, based on total interLATA and intraLATA minutes of use, over an eight-year period. The implementation of intraLATA presubscription should have little or no adverse impact on LEC revenues, and as a matter of policy no steps should be taken to attempt to ensure LEC revenue neutrality.



NE: Northeast believes that intraLATA presubscription is not in the public interest, but if implemented, the two-pic method should be adopted, there should be no balloting and costs should be borne by the participating IXCs.

SPRINT: Sprint supports the Commission's initiative in examining its current policy regarding intraLATA presubscription. Sprint believes that 1+ intraLATA competition is inevitable because it benefits consumers and advances the public interest. Sprint supports an orderly transition to a competitive intraLATA presubscription environment.

SBT: At the present time, there are several reasons why intraLATA 1+ presubscription is not in the public interest. For instance, studies show that some customers will make uneconomic choices if 1+ presubscription is available, choosing a carrier whose rates are presently higher than Southern Bell's. While this would normally be a matter of concern only to the individual subscriber, this will lead to both market share and revenue losses that could affect all of Southern Bell's ratepayers.

Further, neither Southern Bell nor GTE can be equal players in the toll market until the MFJ and consent decree restrictions are lifted. Current actions in Congress as well as in the Florida legislature are moving in the direction of regulatory relief for the LECs in this area, but the outcome is not certain. It would therefore seem prudent to await the outcome of those events before proceeding with 1+ intraLATA presubscription.

In addition, the cost and revenue impacts to Southern Bell from intraLATA presubscription should be considered. Administrative cost estimates range from \$2.9 million for a market driven conversion to \$5.6 million for a conversion based on balloting. Network reconfiguration costs range from \$1.3 million to \$2.6 million. The cost of switch software enhancements is estimated at \$3.6 million. Potential net annual revenue losses range from \$24 million to \$79 million. For all of the above reasons, intraLATA 1+ presubscription should not be implemented.

UNITED/CENDEL:

Sprint/United and Sprint/Centel support intraLATA presubscription if provision is made for an orderly transition to a fair competitive environment and customer confusion can be minimized.

OPC: The Commission should first approve intraLATA presubscription using either the 2-pic or modified 2-pic method for the larger local exchange companies (Southern Bell, GTE Florida, and Sprint-United / Sprint-Centel). A more gradual implementation may be appropriate for the smaller local exchange companies.

STAFF: No position.

VI. ISSUES AND POSITIONS

ISSUE 1: Can the LECs technically provide intraLATA presubscription? If not, when will the LECs be capable of implementing intraLATA presubscription?

ALLTEL: ALLTEL has the capability; however, depending on the method adopted, it may be necessary to modify all of the switches currently in place in ALLTEL Florida's territory.

AT&T: It is technically feasible to provide intraLATA presubscription today. Moreover, network equipment manufacturers, such as AT&T Network Systems, are developing additional capabilities that should be available beginning in the fourth quarter of 1994.

FIXCA: Yes, the LECs can technically provide intraLATA presubscription at this time.

FPTA: FPTA believes that for a large number of end offices in Florida, the software upgrades needed by the LECs to provide intraLATA presubscription are available for purchase now. As to the remaining end offices, FPTA believes that development of the necessary upgrades is under way at this very moment. For IPPs, the Commission need only give us permission to start and we can implement intraLATA presubscription almost immediately by utilizing the intelligence resident within our so-called "smart" payphones.

GTEFL: GTEFL cannot provide intraLATA presubscription at this time. GTEFL estimates that this capability will not be available for installation in all of its switch types until sometime in 1996. Additional time would then be needed for installation in the course of normal switch upgrades.

MCI: The software necessary to provide intraLATA 1+/0+ presubscription in most switches will be available by the last quarter of 1994 or the first quarter of 1995. Competitive pressures will force the remaining switch vendors to make such software available quickly once the Commission has ordered intraLATA presubscription. (Gates)

NE: It would take Northeast approximately six months to provide intraLATA presubscription. Northeast would have to order and have Siemens Stromberg Carlson DCO Release 18 installed.

SPRINT: Yes. Nearly all digital switch vendors have announced that intraLATA presubscription software is available or will be available in the near future. Therefore, most LEC central offices should be able to technically provide intraLATA presubscription now or in the near future. For LECs that will require major switch changeouts to provide intraLATA presubscription, Sprint believes a waiver process with Commission oversight should be established.

SBT: No, at this time Southern Bell is technically unable to provide intraLATA presubscription. Software features developed by each switch vendor for their specific switch products must be installed in order to provide the intraLATA 1+ presubscription option. If ordered, the appropriate implementation period would be three to five years. This would allow for the installation of the software in conjunction with other switch projects for the majority of switches and replacement of the remaining switches.

UNITED/CENDEL:

Yes, however, the technical ability to provide intraLATA presubscription is limited at this time to only seventeen of the total seventy-eight host central office locations in Sprint/United's and Sprint/Centel's service areas. Technical capability should be added in the most economical manner, i.e., in conjunction with other

upgrades. If technical capability is added in conjunction with other planned upgrades, the Companies expect it to take until sometime in 1997 to have technical capability in all host central office locations.

OPC: No position at this time.

STAFF: Yes. Based on information furnished to the LECs by the equipment vendors, intraLATA presubscription will be available for all existing switches, except the AT&T No. 2B-ESS, in Florida during the 1995-1997 period. However, Southern Bell is the only LEC that has 2B-ESS switches and asserts in testimony they could meet the 5 year implementation period of 1995-1999 suggested by staff.

ISSUE 2: Is intraLATA presubscription in the public interest? If so, why?

ALLTEL: Not at this time.

AT&T: Yes. IntraLATA presubscription is necessary to the development of effective competition in the intraLATA toll market because it will remove a barrier (i.e., the requirement that customers use 10XXX to access any intraLATA carrier other than the LEC) to customer choice. Development of effective intraLATA competition will benefit customers by bringing about (1) a greater array of service options, (2) intraLATA toll prices which more nearly reflect the underlying cost-of service, (3) rapid introduction of technological innovations in the marketplace, (4) greater operating efficiency on the part of service providers, and (5) greater responsiveness to customer needs and desires.

FIXCA: Yes, intraLATA presubscription is in the public interest. It will allow consumers to choose the intraLATA carrier of their choice and it is reasonable to assume that they will do so only where they will benefit. Consumers will benefit from having this choice from lower prices as well as the ability to choose a carrier who can provide products which most closely meet their needs.

FPTA: Yes, intraLATA presubscription is in the public interest. Based on historic results demonstrating the benefits to end users from interLATA competition, FPTA believes that intraLATA competition will force the LECs to be more

efficient competitors. Again, based on the history of interLATA competition, end users should see lower rates and more new services as the various competitors vie for their business. Overall, end users should expect a higher quality of service to result from increased competition in the intraLATA market.

GTEFL: IntraLATA presubscription is not in the public interest at this time. The LECs continue to be handicapped by legal and regulatory constraints that do not apply to their competitors. The largest LECs, GTEFL and Southern Bell, cannot yet provide interLATA service. Therefore, they will suffer an immediate and critical disadvantage if IXC's are allowed into the intraLATA market. These LECs cannot provide end-to-end toll service--along with discounts on both inter- and intraLATA services--as the IXC's will. GTEFL has found that price is the most important element to customers choosing a toll carrier. The LECs will thus need to offer inordinately deep discounts on their intraLATA service if they are to retain any significant share of the market. In addition, LECs remain subject to pricing and tariffing requirements that do not apply to their competitors. Elimination of these restrictions, along with the interLATA prohibition, must occur before further toll competition is authorized. Otherwise, consumers will never enjoy the benefits of a truly competitive marketplace. To the contrary, the inevitable, large intraLATA toll losses will place upward pressure on basic local rates.

MCI: Yes. IntraLATA presubscription will provide several benefits by (1) providing choice for customers; (2) increasing responsiveness to customer needs and desires; (3) stimulating technological innovation; (4) forcing the efficient provision of services; and (5) driving prices toward economic costs. (Gates)

NE: No, intraLATA presubscription is not in the public interest. End users can now use 10XXX to reach intraLATA numbers.

SPRINT: Yes. 1+ intraLATA presubscription is inevitable because it benefits consumers while advancing the public interest. Explicit in the public interest determination is consumer choice and benefit. In a competitive marketplace, consumers will have the opportunity to exercise their influence in product and service offerings in terms of functionality, quality and value. If 1+

presubscription is authorized, consumers can expect to realize the benefits of freedom of choice, marketplace incentives, increased variety of services and service providers, and administrative ease.

SBT: No, intraLATA presubscription is not in the public interest at this time. This results because, marketing studies show that some customers will make non-economic choices and choose a higher priced interexchange carrier, thus injuring all ratepayers. Further, the ratepayer will ultimately pay for the costs associated with intraLATA 1+ presubscription even if it is not needed or used. In addition, at this time Southern Bell is not allowed to participate in the toll market under the conditions of the MFJ. While this situation may be resolved by pending federal legislation, it is premature to open up 1+ dialing at this time. Finally, legislative activity in Florida may affect this entire area. For these reasons, intraLATA presubscription is not in the public interest at this time.

UNITED/CENDEL:

Yes. IntraLATA presubscription is in the public interest if provision is made for an orderly transition to a fair competitive environment and customer confusion can be minimized. IntraLATA presubscription will stimulate competition which will increase incentives for efficiencies and new services.

OPC: Yes, it is in the public interest.

STAFF: No position.

ISSUE 3: Should any traffic or dialing patterns be reserved for the LEC?

ALLTEL: If intraLATA presubscription is implemented, 0+ and 0-traffic should continue to be reserved to the LECs.

AT&T: Yes. The LECs should continue to handle 0-, 411, 611 (where used for service calls), and 911 calls after the implementation of intraLATA presubscription.

FIXCA: The Commission should open 0+/1+ to the competitive market. There is no need to change other dialing patterns now or conclude they should be reserved.



- FPTA: No. IXCs/OSPs are capable of providing all of the services LEC operators can, plus many enhanced services. As a call comes into the OSP, the automatic number identification (ANI) and address of the phone appear on the operator's screen. If emergency assistance is needed, the operator can pull up the emergency number screen and by pressing one key, connect the caller and the operator to the emergency agency. Rate quote and transfer information is provided to the customer with the same ease. Many of the LEC screens do not provide the level of detailed information provided on IXC/OSP operator screens.
- GTEFL: Yes. All 1+, 0+, and 0- traffic should remain with the LEC. GTEFL believes there is general concurrence that 0- should be reserved to the LECs. With regard to 0+, GTEFL believes the IXCs may have problems billing these calls. Handling 0+ traffic may also place IXCs in the position of illegally handling local calls. GTEFL's position on LEC retention of 1+ traffic is stated in response to Issue 2.
- MCI: The 0-, 411, 611, and 911 dialing patterns should be reserved for the LEC. 0+ intraexchange and 7-digit intraexchange should be reserved for the LEC until competition is introduced for local exchange service. (Gates)
- NE: Extended local calling (\$.25) plans and 0- traffic should be reserved.
- SPRINT: Yes. 0- traffic should be reserved to the LEC because of public safety concerns. LECs are the only carriers that have access to local emergency call routing information for services such as police, fire, ambulance, etc. Sprint does not have access to the emergency call routing information and therefore is unable to quickly route emergency calls. Thus, Sprint believes that it is in the public interest to continue routing 0- calls to the LECs.
- SBT: Yes. If intraLATA presubscription is found to be in the public interest, which Southern Bell disputes, 0- traffic should be reserved for the local exchange companies. The LECs are the only entities that can perform busy line verification, emergency interrupt and other emergency dialing needs of the public.



UNITED/CENDEL:

All "0-" and "0+" local traffic should be retained by the local LECs.

OPC: No position at this time.

STAFF: At this time, the following dialing patterns should be reserved for the LECs: 0-, local 0+, and N11.

ISSUE 4: If intraLATA presubscription is in the public interest, what method of presubscription should be implemented

ALLTEL: The Commission should adopt the two-PIC method.

AT&T: The two-PIC method is the preferred choice since it will provide the greater amount of customer choice and is more sophisticated from a technological standpoint.

FIXCA: The Commission should implement the 2-PIC method of presubscription which allows the customer to chose any carrier to carry its intraLATA traffic.

FPTA: FPTA believes the two-PIC method, which allows the end user to select a presubscribed intraLATA carrier that may be different from its presubscribed interLATA carrier, is the method which should be implemented.

GTEFL: If the Commission decides that intraLATA presubscription is in the public interest, the two-PIC presubscription method should be used to give customers the greatest number of carrier choices.

MCI: The 2-PIC method should be implemented. Under this method, the customer can choose one carrier for interLATA calls and another carrier for intraLATA calls. This method is technically feasible today and provides more customer choice than the 1-PIC or modified 2-PIC methods. (Gates)

NE: The two pic method.

SPRINT: Sprint supports the use of the Modified Two-PIC method of presubscription. Using this method, customers may choose either their existing interLATA carrier or the LEC for

intraLATA traffic. Modified Two-PIC creates less customer confusion while providing a choice to the customer and may be implemented more easily than other alternatives.

SBT: The competitive forces in the marketplace should determine which provider a customer will choose for intraLATA toll service.

UNITED/CENTEL:

The modified two-PIC method.

OPC: The Commission should approve intraLATA presubscription using either the 2-pic or modified 2-pic method.

STAFF: The 2 PIC method should be implemented. This enables customers to select a intraLATA carrier (the LEC or an IXC) that may be different from its interLATA carrier.

ISSUE 5: If intraLATA presubscription is in the public interest, should balloting be required? If balloting is required, should participation be mandatory?

ALLTEL: No. Balloting should not be required for existing customers who have already been balloted in the interLATA presubscription process. Another round of balloting will only create further customer confusion and unnecessary additional costs.

AT&T: No. Balloting should only be used if an exchange has not previously been balloted for interLATA equal access, in which case concurrent interLATA and intraLATA balloting should take place. If balloting does occur, participation by IXCs should not be mandatory.

FIXCA: No, balloting should not be required. The only time that balloting should be required is where interLATA presubscription has not yet been implemented. In those cases, intraLATA choice should simply be added to the ballot.

FPTA: FPTA believes that re-balloting would be expensive and will confuse end users. Instead, FPTA supports market

driven conversions. However, for end offices converting to interLATA and intraLATA equal access at the same time, then end users should be balloted for both PICs at the same time.

GTEFL: If the Commission deems intraLATA presubscription to be in the public interest, balloting should not be required in offices that are already converted to equal access. This option will avoid the expense of balloting and customer confusion. GTEFL believes there is general concurrence that no balloting should be required. If balloting is ordered, participation by all IXCs should not be mandatory.

MCI: Balloting should not be required in offices that have already been converted to interLATA equal access. Instead, participating carriers should rely on their own marketing efforts to attract customers. If balloting is required, participation should not be mandatory. (Gates)

NE: No, balloting should not be required and participation should not be mandatory.

SPRINT: Sprint supports balloting of customers only in exchanges that will convert to interLATA equal access. Sprint does not support balloting in existing interLATA equal access offices. Balloting of existing equal access customers will result in customer confusion and additional costs that will have to be paid by all intraLATA toll competitors.

SBT: No, balloting should not be required for intraLATA 1+ presubscription. Balloting would be expensive and only marginally effective. The marketplace is a more efficient and effective method of determining which carrier a customer chooses to handle his intraLATA toll traffic.

If balloting is required, carriers should not be allowed to decline to provide 1+ service initially, only to enter the market at a later time. To do so would allow such carriers to avoid providing support for the cost of balloting.

UNITED/CENDEL:

No. Customers generally do not understand the difference between interLATA and intraLATA, therefore issuing a ballot for the selection of an intraLATA carrier in an existing interLATA equal access office would cause a great deal of customer confusion and unnecessary expense.

OPC: No balloting should be required.

STAFF: Balloting should not be required. However, central offices converting to interLATA equal access and intraLATA equal access at the same time should be balloted at the same time. In addition, when new customers sign up for service they should be made aware of their options of intraLATA carriers in the same fashion as for interLATA carriers. If balloting is required, participation should not be mandatory.

ISSUE 6: If intraLATA presubscription is in the public interest, over what time period should the LECs be required to implement intraLATA presubscription?

ALLTEL: LECs should be allowed to implement intraLATA presubscription consistent with reasonable plans for switch replacements and generic software upgrades. If balloting is required, additional implementation time will be needed.

AT&T: The Commission should order every LEC to implement intraLATA presubscription in every exchange within six months of its Final Order in this docket. If a LEC cannot implement intraLATA presubscription in every exchange within six months, it should be required to demonstrate to the Commission why it cannot do so. However, no LEC should be permitted to deny customers the benefits of intraLATA presubscription by taking more than one year to implement intraLATA presubscription in every exchange. In order to provide an incentive to the LECs to implement intraLATA presubscription in an expeditious manner, and to offset the disadvantages caused by the use of inferior (i.e., 10XXX) access, IXC's should receive a

55% discount in intraLATA access charges in each LEC office that has not been converted to intraLATA presubscription. This discount should terminate on the date that intraLATA presubscription becomes available in a given office.

FIXCA: IntraLATA presubscription should be implemented as soon as technically possible.

FPTA: FPTA believes the LECs should be required to implement intraLATA presubscription as soon as technically feasible. For IPPs, the Commission need only give us permission to start and we can implement intraLATA presubscription almost immediately by utilizing the intelligence resident within our so-called "smart" payphones.

GTEFL: If the Commission determines that intraLATA presubscription is in the public interest, the Commission should permit LECs sufficient time to make changes to their administrative systems and to install any necessary software in the course of normally scheduled switch upgrades. GTEFL contemplates that conversion of all of its switches could be completed sometime in 1997.

MCI: All end offices currently providing interLATA equal access should be required to provide intraLATA equal access within 12 months of the final order in this docket, or by approximately January 1, 1996. Limited waivers could be granted upon a showing of good cause. (Gates)

NE: The time period should be sufficient to allow for the development and installation of the software in the course of normal upgrades.

SPRINT: Sprint believes that 1+ intraLATA presubscription should be implemented in a manner that allows for an orderly transition to a competitive environment. Given the availability of 1+ intraLATA presubscription software, Sprint supports implementation within a reasonable time frame of a bona fide request. Sprint also supports the use of LEC waivers for those central offices that will not have the technical capability to provide 1+ in the time frame ordered by the Commission.

SBT: Taking into account the considerations of cost, switch vendor software feature availability, and Southern Bell's existing schedule of switch projects, an approximate three to five year schedule would be reasonable and appropriate for implementation.

UNITED/CENDEL:

Not until (1) provisions have been made for an orderly transition to a fair competitive environment, and (2) twelve to eighteen months have been allowed for installation of switching software and support system modifications. Implementation beginning in 1996 and continuing through 1997 would appear to be the most appropriate schedule.

OPC: Sufficient time should be given to change software and make other required changes so that there are no precipitous costs incurred by the local exchange companies. A more gradual approach may be appropriate for the smaller local exchange companies.

STAFF: No position pending further discovery.

ISSUE 7: For each Florida LEC, what are the costs of intraLATA presubscription for network and software?

ALLTEL: ALLTEL estimates that the direct costs associated with network and software upgrades will be \$126,000. This estimate does not include the indirect costs associated with the network and software upgrades.

AT&T: The only relevant costs that should be considered in this docket are the LEC's incremental costs (i.e., LEC costs which would not be required absent the implementation of intraLATA presubscription.) AT&T will better be able to define such costs at the conclusion of the discovery and hearing processes in this docket. AT&T reserves the right to update its position with respect to this issue at that time.

FIXCA: No position at this time.

FPTA: FPTA does not accept the premise that the LECs will incur investment and expenses associated with the provision of intraLATA presubscription. FPTA believes that since access charges are already priced substantially in excess

of cost, no further charges should be recovered from the IXCs. In many cases, the access charges paid by the IXCs will provide more revenue to the LEC than if the LEC completed the call. Therefore, no additional compensation is warranted. The LEC should provide for intraLATA presubscription as a part of its normal network upgrade process. In the event the Commission were to implement a cost recovery mechanism, then any required contribution should be based on market share, with the LECs included to determine relative market share. However, FPTA believes that intraLATA presubscription will enhance competition and result in an overall increase in traffic volumes which will more than cover any costs.

GTEFL: GTEFL estimates it would cost approximately \$18.5 million to equip the switches, ballot all customers, and make system modifications required to implement intraLATA presubscription.

MCI: This information is in the possession of the LECs. Experience in other states suggests that the one-time costs are no greater than \$7 to \$10 per access line. MCI reserves the right to update its position following the completion of discovery. (Gates)

NE: The costs for Northeast would be approximately \$50,000.

SPRINT: Sprint takes no position on this issue at the present time.

SBT: Based on Southern Bell's proposed schedule of implementation and current vendor pricing information, the estimated costs for software modifications would be \$3.6 million. An expedited implementation schedule of two years would increase software costs by \$595,000.00. The estimated costs to reconfigure Southern Bell's facility network to provide for intraLATA presubscription range from \$1.3 million to \$2.6 million, depending upon the loss of market share.

UNITED/CENDEL:

The Companies (Sprint/United and Sprint/Centel) estimate that it will cost \$1.8 million to upgrade switches and \$3.1 million to modify and upgrade supporting systems.

OPC: No position at this time.



STAFF: No position pending further discovery.

ISSUE 8: Should the costs of network and software for intraLATA presubscription be recovered? If so, how?

ALLTEL: Yes. ALLTEL suggests that the National Exchange Carrier Association's (NECA) interstate procedural guidelines be used.

AT&T: LECs will be able to recover the incremental costs that they incur in the implementation of intraLATA presubscription through existing intrastate access charges, which are currently priced significantly above the costs of providing access service. Given the current relationship between the cost of providing intrastate access services and the level of intrastate access charges, no increase in intrastate access charges will be warranted by the implementation of intraLATA presubscription.

FIXCA: The incremental costs should be recovered from all providers of intraLATA toll service on a revenue per presubscribed intraLATA line basis.

FPTA: See response to Issue 7 above.

GTEFL: Yes. The LECs should not be required to absorb the costs of intraLATA equal access conversion, nor should they be forced to participate in a plan that shares these costs between the LECs and the IXCs. If presubscription is implemented now, LECs will incur significant toll losses. It is unfair and imprudent to force them to bear additional costs associated with implementing presubscription capability, which will be of no benefit to the them.

If LECs are required to share the costs of presubscription, these costs should be recovered on a per-minute-of-use basis, amortized over a three-year period, and spread over all competitor-initiated intrastate interLATA and intraLATA equal access minute.

MCI: A special equal access recovery charge should be established to recover the incremental costs of providing intraLATA presubscription over an eight-year recovery period. This charge should be an additive to the local switching rate element on a minute of use basis, should

be uniform statewide, should apply to both LECs and IXCs, should be based on total intraLATA and interLATA minutes, and should be trued-up prior to the end of the recovery period. The charge should recover any software right to use fees for the 2-PIC capability, costs of customer education and balloting (if any), and costs to modify the LEC's internal support systems. The costs of certain generic upgrades and additional IXC access facilities should be excluded from the charge. (Gates)

NE: Yes, network and software costs should be recovered from the participating IXCs.

SPRINT: Yes. All intraLATA competitors should contribute to the recovery of presubscription costs. 1+ intraLATA presubscription competition is in the public interest of all Florida consumers. Therefore, it would be unfair to single out one group of market participants to bear all the costs of technological advances that benefit the public as a whole.

SBT: If intraLATA presubscription is allowed, the network and software costs associated with intraLATA presubscription should be recovered. The most equitable method of recovery would be to allocate those costs among the IXCs based on access lines presubscribed.

UNITED/CENDEL:

The costs should be recovered over a five-year period in an equitable manner from all intraLATA participants, including the LECs and the IXCs. An appropriate basis for allocating cost recovery is the percentage of the total intrastate, intra and interLATA usage by the participants, based on Feature Group B and D minutes of use for the IXCs and equivalent access minutes for LEC intraLATA toll. A uniform surcharge should be established and applied to all intra and interLATA originating End Office Local Switching access minutes for cost recovery.

OPC: No position at this time.

STAFF: No position.

ISSUE 9: For each Florida LEC, what are the costs of balloting for intraLATA presubscription?

ALLTEL: ALLTEL estimates that two rounds of balloting its customers would cost about \$100,000. Of course, this is an estimate and the actual costs will depend on the nature, extent and timing of the balloting required.

AT&T: AT&T takes no position on this issue at this time.

FIXCA: FIXCA does not advocate balloting. See Issue 5.

FPTA: FPTA has no position on this issue at this time.

GTEFL: GTEFL estimates that balloting costs would be about \$2.1 million.

MCI: This information is in the possession of the LECs. MCI reserves the right to update its position following completion of discovery. (Gates)

NE: The costs of balloting in Northeast's exchanges would be approximately \$40,000.

SPRINT: Sprint takes no position on this issue at the present time.

SBT: If intraLATA presubscription is found to be in the public interest, which Southern Bell disputes, Southern Bell's direct administrative costs associated with providing such presubscription range from \$2.9 million to a market driven option to \$5.6 million for a balloting option.

UNITED/CENDEL:

The direct costs associated with the use of an independent balloting firm are estimated to be at least \$1,850,000 for United and \$480,000 for Centel for a total of at least \$2,330,000 for the two companies.

OPC: No position at this time.

STAFF: No position.

ISSUE 10: Should the costs of balloting be recovered? If so, how?

ALLTEL: Yes. The costs should be recovered in the same manner as previously described for the recovery of network and software expenditures.

AT&T: While AT&T does not believe that intraLATA balloting should be required (See AT&T's Position on Issue 5), AT&T submits that, if balloting costs are incurred, such costs should be recovered through existing access charges, which are currently priced significantly above the costs of providing intrastate access services (See AT&T's Position on Issue 8.)

FIXCA: FIXCA does not advocate balloting. See Issue 5.

FPTA: FPTA does not support balloting for intraLATA presubscription.

GTEFL: If balloting is ordered, the costs should be recovered from new entrants, along with all other costs of presubscription. If LECs are forced to share these costs, they should be recovered under the recovery method explained in GTEFL's response to Issue 8.

MCI: MCI does not believe that balloting should be required. If required, the costs should be recovered as part of the equal access recovery charge. (Gates)

NE: Yes, the costs of balloting should be recovered from the participating IXCs.

SPRINT: Yes. If balloting costs are incurred, they should be recovered by all ballot participants based upon intraLATA equal access responses. However, Sprint does not support balloting in existing interLATA equal access offices.

SBT: Yes. If intraLATA presubscription is found to be in the public interest and the balloting option is chosen, both of which Southern Bell disputes, all interexchange carriers who intend to provide intraLATA 1+ toll service should be required to pay their share of the costs.

UNITED/CENDEL:

Yes, if balloting were to be ordered, the costs to ballot and administer that process should be included in the cost recovery plan proposed in response to Issue 8.

OPC: No position at this time.

STAFF: Consistent with staff's position in Issue 5 of no balloting, this Issue becomes moot.

ISSUE 11: What would be the impact of intraLATA presubscription on each LECs revenues?

ALLTEL: ALLTEL has the potential net revenue loss of \$865,000 if 100% of IntraLATA toll and associated operator services are lost to IntraLATA presubscription.

AT&T: Historically, efforts to predict the impact of the introduction of competition on LEC revenues have produced flawed results which were not realized in actual experience. Consequently, it is impossible for any party to this docket to accurately predict if any LEC revenue loss will occur and, if it does, what the magnitude of the loss may be. This is particularly true if balloting is not required, since any transfer from LEC intraLATA toll services to toll services offered by competitors will take place over time as customers switch intraLATA carriers in response to competitors' marketing and advertising efforts. In any event, any potential LEC toll revenue loss will be offset by market growth due to stimulation, access charges paid by competitors (which will also grow due to stimulation), growth in access lines, and new competitive offerings. The only reliable method to determine the effects on LEC revenues is to implement intraLATA presubscription and track the results through actual experience. Based on past history, AT&T submits that the LECs are not likely to experience any revenue loss as a result of intraLATA presubscription.

FIXCA: In general, as consumers shift from the LECs' toll service to other carriers, the LECs' revenue source will shift to access. The LECs' combined revenue will grow to keep pace with residential access lines. The LECs can lose toll market share without experiencing declining revenues.

FPTA: As stated in our response to Issue 7, FPTA believes that over time, the LECs' revenues will actually be enhanced through intraLATA presubscription.

GTEFL: GTEFL estimates a loss in toll revenues of about \$20 million.

MCI: In general, some intraLATA toll revenues will be replaced by intraLATA access charge revenues and billing and collection revenues. As long as the telecommunications market continues to grow, the LECs may lose market share without any decline in traffic volumes or revenues. The LEC revenue loss estimates appear to be overstated, but MCI takes no position on the specific estimates pending completion of discovery. (Gates)

NE: There would be an approximate annual revenue loss to Northeast of \$300,000.

SPRINT: In general, the LECs loss of toll revenue would be limited to the level of access charges since these charges would continue to be received from intraLATA toll carriers. Based on past experience associated with interLATA equal access, it is expected that some stimulation in intraLATA access charges will occur.

SBT: Southern Bell's potential net annual revenue losses range from \$24 million to \$79 million, primarily based on how effectively competitors target the most profitable customers in Southern Bell's market area.

UNITED/CENDEL:

Sprint/United and Sprint/Centel have the potential net (toll revenue loss less access charge revenue) revenue loss of some \$17.8 million if 100% of intraLATA toll and associated operator services are lost to intraLATA presubscription.

OPC: No position at this time.

STAFF: No position.

ISSUE 12: If intraLATA presubscription is implemented, should any revenue loss be recovered? If so, how?

ALLTEL: Yes. ALLTEL Florida cannot support the introduction of intraLATA presubscription until the universal service support currently embedded in intraLATA toll rates is identified and provisions are made for recovery through reasonable local service rate adjustments and/or a funding mechanism funded by all intraLATA toll providers.

Unless appropriate safeguards are included, the introduction of intraLATA presubscription may harm customers in rural areas, such as the areas served by small LECs like ALLTEL Florida.

AT&T: As explained in AT&T's Position on Issue 11, the LECs are not likely to experience any revenue loss as a result of intraLATA presubscription. However, if such losses can be demonstrated through actual experience after the implementation of intraLATA presubscription, the Commission will be in a position to deal with such losses through the regulatory process in future LEC rate proceedings.

FIXCA: Any revenue loss is speculative. Before permitting recovery of such revenues, the LECs should be required to show need. If such a showing is made, recovery through access charges might be appropriate if the Commission decides that is the most appropriate source.

FPTA: See response to Issue 7 above.

GTEFL: Yes. GTEFL would propose that any losses be recovered from local rates. As long as GTEFL remains the carrier of last resort, it cannot continue to bear the erosion of revenues accompanying competitive entry into more and more segments of its traditional lines of business.

MCI: No. The concepts of "revenue replacement" and "revenue neutrality" have no place in a competitive environment. To guarantee the LECs a revenue stream would eliminate several of the incentives associated with competitive entry -- the incentives to attract and keep customers, to control and reduce costs, to innovate and develop new services, and to better understand and respond to customers' needs. (Gates)

NE: Yes. Revenue loss should be recovered from local rates.

SPRINT: Yes. However, Sprint does not believe that revenue recovery should be automatic but instead should be handled on a case by case basis. To the extent necessary, the Commission has at its disposal existing methods of recovery through rate increases up to an authorized rate of return.



SBT: If intraLATA presubscription is found to be in the public interest, which Southern Bell disputes, and is implemented when Southern Bell is unable to fairly compete, then Southern Bell should be able to recover any revenue losses associated with such presubscription by treating these losses as exogenous losses resulting from a governmental action and to recover those losses accordingly.

UNITED/SPRINT:

Yes, it should be recovered by increasing the rates of more inelastic services.

OPC: There should be no automatic rate increases to offset loss of market share. The local exchange companies do not reduce rates each time there is a reduction in their operating expenses, nor do they automatically decrease rates to reflect year-to-year growth in their toll minutes of use. Likewise, there should be no automatic rate increases to offset any loss of market share to competitors.

Even if the local companies lose market share, it is entirely possible that the loss may only slow their growth in intraLATA toll. In addition, slower growth in intraLATA toll should be partially offset by higher growth in access charges.

In any event, the companies remain free to file a rate case if they can demonstrate that they are earning less than a reasonable return on equity.

STAFF: No position.

ISSUE 13: Should this docket be closed?

ALLTEL: No position at this time.

AT&T: No. This docket should remain open to monitor the progress of the LECs in implementing intraLATA presubscription. The Commission should monitor the progress of the LECs to ensure that the benefits of intraLATA presubscription are delivered at a reasonable cost and in a timely manner to the consumers of Florida.

FIXCA: No. The Commission should set an expeditious schedule for institution of intraLATA presubscription and closely monitor the progress being made toward meeting that goal.

FPTA: FPTA has no position on this issue at this time.

GTEFL: This docket should be closed upon adoption of GTEFL's positions on each issue slated for resolution.

MCI: This docket should remain open as the vehicle to supervise any required industry workshops on the mechanics of implementation and to resolve any implementation disputes. (Gates)

NE:

SPRINT: Sprint takes no position on this issue at the present time.

SBT: Yes. This Commission should find intraLATA presubscription to not be in the public interest at this time and close the docket.

UNITED/CENDEL:

No position at this time.

OPC: No position at this time.

STAFF: Not yet.

VII. PREFILED EXHIBIT LIST

<u>Witness</u>	<u>Proffered By</u>	<u>I.D. No.</u>	<u>Description</u>
<u>Direct</u>			
Timothy J. Gates	MCI	_____ TJG-1	Qualifications of Timothy J. Gates
Joseph Gillan	FIXCA	_____ JPG-1	Toll market share consistent with stable contribution

<u>Witness</u>	<u>Proffered By</u>	<u>I.D. No.</u>	<u>Description</u>
Joseph Gillan	FIXCA	JPG-2	Estimated market share consistent with stable contribution per residential access line.
		JPG-3	Comparison of stable-contribution market share to Southern Bell's projection
Donald Perry	GTEFL		Charts which are attached to Mr. Perry's Direct Testimony
David B. Denton	SBT	DBD-1	P e r s o n a l Qualifications
James L. Johnson	SBT	JLJ-1	
Authur T. Smith	SBT	ATS-1	Details of Sample Design and Survey Approach
		ATS-2	Survey Questionnaire
		ATS-3	Example of Options Used in Survey
		ATS-4	Example of Mock Ballot Used in Survey
		ATS-5	Details of Econometric Models
		ATS-6	Estimated Revenue Market Share
		ATS-7	Revenue Impacts Under 1+ Presubscription

<u>Witness</u>	<u>Proffered By</u>	<u>I.D. No.</u>	<u>Description</u>
		_____ ATS-8	Estimated Revenue Market Shares with matching Prices
		_____ ATS-9	Revenue Impacts Under 1+ Presubscription with Matching Prices
		_____ ATS-10	Details of Econometric Models With No Price or LATA Information Given to Survey Respondents
		_____ ATS-11	Estimated Revenue Market Shares With No Price or LATA Information Given to Survey Respondents
		_____ ATS-12	Revenue Impacts Under 1+ Presubscription With No Price LATA Information Given to Survey Respondents
		_____ ATS-13	Index of Marketing Strength
Daniel M. Baeza	SBT	_____ DMB-1	Network Cost Summary
		_____ DMB-2	Facility Schematic
H. E. Eudy	ALLTEL	_____ HEE-1	
Jerry D. Hendrix	SBT	_____ JDH-1	Imputation Crossover Formula
		_____ JDH-2	Toll and Access Rate Comparison

VIII. PROPOSED STIPULATIONS

The parties and Staff have each agreed to the following stipulations:

Issue 4: If intraLATA presubscription is in the public interest, what method of presubscription should be implemented?

Stipulation: If intraLATA presubscription is in the public interest, the full 2 PIC method should be implemented. This enables customers to select an intraLATA carrier (the LEC or an IXC) that may be different from its interLATA carrier.

Issue 5: If intraLATA presubscription is in the public interest, should balloting be required? If balloting is required, should participation be mandatory?

Stipulation: If intraLATA presubscription is in the public interest, balloting should not be required. However, central offices converting to interLATA equal access and intraLATA equal access at the same time should be balloted at the same time. In addition, when new customers sign up for service they should be made aware of their options of intraLATA carriers in the same fashion as for interLATA carriers. If balloting is required, participation should not be mandatory.

Issue 9: For each Florida LEC, what are the costs of balloting for intraLATA presubscription?

Stipulation: Given that the parties stipulate to Issue 5 of no balloting, this Issue becomes moot.

Issue 10: Should the costs of balloting be recovered? If so, how?

Stipulation: Given that the parties stipulate to Issue 5 of no balloting, this Issue becomes moot.

IX. PENDING MOTIONS

There are no pending motions.

X. RULINGS

- 1) AT&T's Motion to Permit Supplemental Rebuttal testimony is denied. The Commission rules do not contemplate the filing of supplemental rebuttal testimony in the normal course of a proceeding. There are no extraordinary circumstances present that would warrant changing our normal procedure.
- 2) FIXCA's motion to permit supplemental rebuttal testimony is denied for the same reasons as AT&T's.

It is therefore,

ORDERED by Chairman J. Terry Deason, as Prehearing Officer, that this Prehearing Order shall govern the conduct of these proceedings as set forth above unless modified by the Commission.

By ORDER of Chairman J. Terry Deason, as Prehearing Officer, this 7th day of September, 1994.

  
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J. TERRY DEASON, Chairman and  
Prehearing Officer

( S E A L )

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: 1) reconsideration within 10 days pursuant to Rule 25-22.038(2), Florida Administrative Code, if issued by a Prehearing Officer; 2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or 3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.