

MEMORANDUM

February 18, 1998

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*10:00*  
FPSC - Records/Reporting

TO: DIVISION OF RECORDS AND REPORTING  
FROM: DIVISION OF LEGAL SERVICES (COX) *WPC MCB*  
RE: DOCKET NO. 970526-TP - GENERIC CONSIDERATION OF INCUMBENT LOCAL EXCHANGE (ILEC) BUSINESS OFFICE PRACTICES AND TARIFF PROVISIONS IN THE IMPLEMENTATION OF INTRALATA PRESUBSCRIPTION.

*18-0299-PHO-TP*

Attached is a PREPARING ORDER, with attachments, to be issued in the above referenced docket. (Number of pages in order - 25)

WPC/anr  
Attachment  
cc: Division of Communications  
I: 970526po.wpc

PLEASE ISSUE TODAY - ORDER NO. PSC-98-0209-PHO-TP

**MUST GO TODAY**

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*Attachment Not On-line*

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Generic consideration of incumbent local exchange (ILEC) business office practices and tariff provisions in the implementation of intraLATA presubscription.

DOCKET NO. 970526-TP  
ORDER NO. PSC-98-0299-PHO-TP  
ISSUED: FEBRUARY 18, 1998

Prehearing Order

Pursuant to Notice, a Prehearing Conference was held on February 9, 1998, in Tallahassee, Florida, before Commissioner J. Terry Deason, as Prehearing Officer.

APPEARANCES:

Marsha Rule, Esquire, 101 North Monroe Street, Tallahassee, Florida 32301.  
On behalf of AT&T Communications of the Southern States, Inc.

Mark K. Logan, Esquire, Bryant, Miller & Olive, 201 South Monroe Street, Suite 500, Tallahassee, Florida 32301.  
On behalf of AT&T Communications of the Southern States, Inc.

Kimberly Caswell, Esquire and Anthony P. Gillman, Esquire, Post Office Box 110, FLTC0007, Tampa, Florida 33601.  
On behalf of GTE Florida Incorporated.

Thomas K. Bond, Esquire, 780 Johnson Ferry Road, Suite 700, Atlanta, Georgia 30342.  
On behalf of MCI Telecommunications Corp.

Richard D. Melson, Esquire, Hopping, Green, Sams & Smith, 123 South Calhoun Street, Tallahassee, Florida 32314.  
On behalf of MCI Telecommunications Corp.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

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J. Jeffrey Wahlen, Esquire, Post Office Box 391,  
Tallahassee, Florida 32302.  
On behalf of Northeast Florida Telephone Company, ALLTEL,  
Florida, Inc., Vista-United Telecommunications.

Charles J. Rehwinkel, Esquire, Post Office Box 2214,  
MCFLTLHO0107, Tallahassee, Florida 32301.  
On behalf of Sprint-Florida, Incorporated.

William P. Cox, Esquire, Florida Public Service  
Commission, 2540 Shumard Oak Boulevard, Tallahassee,  
Florida, 32399-0850.  
On behalf of the Commission Staff.

### PREHEARING ORDER

#### I. CASE BACKGROUND

On May 5, 1997, the Commission opened Docket No. 970526-TP to investigate the incumbent local exchange company (ILEC) business office practices and tariff provisions in the implementation of intraLATA presubscription. On June 13, 1997, the Commission issued Proposed Agency Action (PAA) Order No. PSC-97-0709-FOF-TP, placing specific restrictions on ILECS' business office practices and tariff provisions involving intraLATA presubscription. On July 7, 1997, GTE Florida Incorporated (GTEFL) and Sprint-Florida, Incorporated (Sprint-Florida or Sprint) filed protests of the PAA Order. Subsequently, the matter was set for hearing on February 23, 1998. Pursuant to the parties' proposed stipulation signed at the Prehearing Conference on February 9, 1998, the hearing will only address the issue of whether the Commission should require GTEFL and the small ILECs to provide two-for-one Primary Interexchange Carrier (PIC) change charge to existing customers. (See Attachment A)

#### 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 a 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 Division of Records and Reporting 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>ISSUE NO.</u>
<u>DIRECT</u>		
William Munsell	GTEFL	ALL
Tom Hyde	MCI	ALL
Sandra Khazraee*	SPRINT	ISSUE 3A ONLY
<u>REBUTTAL</u>		
Mike Guedel	AT&T	ALL

\* See proposed Stipulation 2.

**V. BASIC POSITIONS**

**AT&T:**

The Florida ILECs should be required to observe the same competitively neutral practices in implementing intraLATA presubscription as those found appropriate for BellSouth in Docket Nos. 930330-TP and 960658-TP. Additionally, the Commission should require these ILECs to adhere to the same methodologies for handling preferred interexchange carrier (PIC) change requests, and similar rates, as those imposed on BellSouth.

**GTEFL:**

This proceeding is unnecessary and unwarranted. There have been no complaints about the intraLATA marketing practices of GTEFL or any other carrier in this proceeding. The proposed measures are

rooted instead in the resolution of a complaint proceeding against BellSouth and the evidence gathered in that case. There is no need for these remedial measures in this case because there is nothing to remedy. GTEFL fully complies with all of the conditions this Commission imposed in its 1995 Order implementing 1+ intraLATA presubscription (Order no. PSC-95-0203-FOF-TP) and its intraLATA business and marketing practices are the same as its federally-mandated interLATA practices. Thus, there should be no question about the propriety of GTEFL's intraLATA practices. No new regulation in this area is necessary or desirable.

**MCI:**

MCI believes that it is necessary for the Commission to insure that the local monopoly advantage cannot be used to unfairly disadvantage potential competitors in the intraLATA market. In addition, due to the overlap in work processes and activities, there is a significant costs savings when both the interLATA and intraLATA carriers are changed at the same time to the same carrier. The Commission should approve a rate additive for 2 for 1 PIC of no more than 30%.

**NEPTC:**

The Commission should approve the proposed stipulation.

**ALLTEL:**

The Commission should adopt the proposed stipulation.

**VISTA-UNITED:**

The Commission should adopt the proposed stipulation.

**SPRINT:**

Sprint's Basic Position is that the intraLATA marketplace is sufficiently developed such that the FPSC should not have to intervene to regulate marketing practices. However, to the extent that the Commission seeks to impose the same terms and conditions on all LECs as have been imposed on BellSouth, Sprint does not contest the general purpose of this docket. Sprint urges that the Commission adopt whatever negotiated resolution of this docket is presented by the parties. Furthermore, Sprint's marketing practices relating to intraLATA toll are in accord with the purposes of the BellSouth decision and are not anti-competitive.

**STAFF:**

None pending completion of hearing. 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.

**VI. ISSUES AND POSITIONS**

**ISSUE 1:** Should the Commission prohibit GTEFL, Sprint, and the small ILECs (ILECs) from utilizing terminology that suggests ownership of the intraLATA toll calling area when referring to the intraLATA service areas in directories and bill inserts?

*(All parties have stipulated this issue, but some have chosen to include their original positions in the event the Commission does not approve the stipulation.)*

**POSITION:**

**AT&T:** Yes.

**GTEFL:** See proposed stipulation.

**MCI:** Yes.

**NEPTC:** See proposed stipulation.

**ALLTEL:** See proposed stipulation.

**VISTA-UNITED:** See proposed stipulation.

**SPRINT:** Sprint-Florida is in compliance with the Commission's decision in the BellSouth Order. Sprint-Florida believes that this issue will be resolved through stipulation.

**STAFF:** Staff has no position at this time.



**ISSUE 2:** Should the Commission require GTEFL, Sprint-Florida, and the small ILECs (ILECs) to place a new customer who is undecided regarding a choice of intraLATA carriers in a no-PIC status until a choice is made?

*(All parties have stipulated this issue, but some have chosen to include their original positions in the event the Commission does not approve the stipulation.)*

**POSITION:**

**AT&T:** Yes.

**GTEFL:** See proposed stipulation.

**MCI:** Yes.

**NEPTC:** See proposed stipulation.

**ALLTEL:** See proposed stipulation.

**VISTA-UNITED:** See proposed stipulation.

**SPRINT:** Sprint-Florida is in compliance with the Commission's decision in the BellSouth Order. Sprint-Florida believes that this issue will be resolved through stipulation.

**STAFF:** Staff has no position at this time.

**ISSUE 3:** Should the Commission require GTEFL, Sprint-Florida, and the small ILECs (ILECs) to put in place competitively-neutral customer contract protocols?

- a. ILECs' ability to market their services to existing customers changing their intraLATA carriers.

*(All parties, except Sprint, have stipulated this issue, but some have chosen to include their original positions in the event the Commission does not approve the stipulation.)*

**POSITION:**

**AT&T:** Yes.

**GTEFL:** See proposed stipulation.

**MCI:** Yes.

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**NEETC:** See proposed stipulation.

**ALLTEL:** See proposed stipulation.

**VISTA-UNITED:** See proposed stipulation

**SPRINT:** Sprint-Florida is in compliance with the Commission's decision in the BellSouth Order. Sprint-Florida's use of the phrase "in addition to us" does not violate the letter or spirit of the BellSouth order, nor does it provide an undue advantage to Sprint-Florida. Instead the phrase is a fair statement of fact that the local exchange company is one of the carriers for intraLATA long distance and is sufficiently neutral and does not "market" Sprint-Florida's services in any way. This issue will be briefed.

**STAFF:** Staff has no position at this time.

- b. ILEC processing all PIC change orders of its customers.

*(All parties have stipulated this issue, but some have chosen to include their original positions in the event the Commission does not approve the stipulation.)*

**POSITION:**

**AT&T:** Yes.

**GTEFL:** See proposed stipulation.

**MCI:** Yes.

**NEETC:** See proposed stipulation.

**ALLTEL:** See proposed stipulation.

**VISTA-UNITED:** See proposed stipulation.

**SPRINT:** Sprint-Florida is in compliance with the Commission's decision in the BellSouth Order. Sprint-Florida believes that this issue will be resolved through stipulation.

**STAFF:** Staff has no position at this time.

- c. ILECs' ability to market their services to existing customers changing their intraLATA carriers? If so, for what period of time should any such requirements be imposed?

(All parties have stipulated this issue, but some have chosen to include their original positions in the event the Commission does not approve the stipulation.)

**POSITION:**

**AT&T:** For one year.

**GTEFL:** See proposed stipulation.

**MCI:** Yes, for 18 months.

**NEFTC:** See proposed stipulation.

**ALLTEL:** See proposed stipulation.

**VISTA-UNITED:** See proposed stipulation.

**SPRINT:** Sprint-Florida is in compliance with the Commission's decision in the BellSouth Order. Sprint-Florida believes that this issue will be resolved through stipulation.

**STAFF:** Staff has no position at this time.

- d. ILECs' ability to market their intraLATA services to existing customers when they call for reasons other than selecting intraLATA carriers? If so, for what period of time should any such requirements be imposed?

**POSITION:**

**AT&T:** For one year.

**GTEFL:** There is tentative agreement or partial settlement of this issue with regard to GTEFL. Specifically, GTEFL asserts that none of its existing practices are anticompetitive or otherwise inappropriate. However, to more efficiently resolve this issue without the need for discovery or other factual investigation, GTEFL further asserts that in some instances, GTEFL does market intraLATA service to existing customers when they call for reasons other than selecting intraLATA carriers. The parties have left for briefing the policy and legal issue of whether the Commission should impose upon GTEFL the same marketing restriction imposed upon BellSouth in its complaint case. As to this remaining issue, GTEFL again asserts that no restrictions are needed for any length of time, since GTEFL's marketing activities are not anticompetitive. If the Commission, however, decides to impose restrictions like it did in the BellSouth case, these restrictions

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should end when the analogous restrictions on BellSouth are eliminated.

**MCI**: Yes, for 18 months.

**NEPTC**: See proposed stipulation.

**ALLTEL**: See proposed stipulation.

**VISTA-UNITED**: See proposed stipulation.

**SPRINT**: Sprint-Florida is in compliance with the Commission's decision in the BellSouth Order. Sprint-Florida believes that this issue will be resolved through stipulation.

**STAFF**: Staff has no position at this time.

**ISSUE 4**: Should the Commission require GTEFL, Sprint-Florida, and the small ILECs (ILECs) to provide One Free PIC to existing customers?

*(All parties have stipulated this issue, but some have chosen to include their original positions in the event the Commission does not approve the stipulation.)*

**POSITION**:

**AT&T**: Yes.

**GTEFL**: See proposed stipulation.

**MCI**: Yes.

**NEPTC**: See proposed stipulation.

**ALLTEL**: See proposed stipulation.

**VISTA-UNITED**: See proposed stipulation.

**SPRINT**: Sprint-Florida is in compliance with the Commission's decision in the BellSouth Order. Sprint-Florida believes that this issue will be resolved through stipulation.

**STAFF**: Staff has no position at this time.

**ISSUE 5**: Should the Commission require GTEFL, Sprint-Florida, and the small ILECs (ILECs) to provide Two-For-One PIC to existing customers?

(to be addressed at the hearing)

**POSITION:**

**AT&T:** Yes.

**GTEFL:** The two-for-one PIC measure was fashioned for Southern Bell based upon the company's conduct, its costs, and its processes and systems. A two-for-one PIC requirement should not apply to GTEFL. The facts of GTEFL's situation justify two full PIC change charges -- one each for intra- and interLATA changes.

**MCI:** Yes. Due to the overlap in work processes and activities, there is a significant costs savings when both the interLATA and intraLATA carriers are changed at the same time to the same carrier. The Commission should approve a rate additive of 2 for 1 PIC of no more than 30%.

**NEPTC:** See proposed stipulation.

**ALLTEL:** See proposed stipulation.

**VISTA-UNITED:** See proposed stipulation.

**SPRINT:** Sprint-Florida is in compliance with the Commission's decision in the BellSouth Order. Sprint-Florida believes that this issue will be resolved through stipulation.

**STAFF:** Staff has no position at this time.

**VII. EXHIBIT LIST**

<b>WITNESS</b>	<b>PROFFERED BY</b>	<b>I.D. NUMBER</b>	<b>DESCRIPTION</b>
William Munsell	GTEFL	WM-1	IPIC Cost Study with Description and Justification
William Munsell	GTEFL	WM-2	Percentages of Direct and CARE PIC changes

Parties and Staff reserve the right to identify additional exhibits for the purpose of cross-examination.

VIII. PROPOSED STIPULATIONS

STIPULATION 1:

The parties have agreed to a proposed stipulation for the Commission's approval. (See Attachment A) This stipulation resolves for all parties issues 1, 2, 3b, 3c, and 4.

Issue 3a is resolved for all parties except Sprint. The parties have agreed to brief the issue of whether Sprint's inclusion of the statement "in addition to us" prior to reading the list of carriers in its script complies with this restriction on the ILECs' ability to market their services to existing customers changing their intraLATA carriers.

Issue 3d is resolved for all parties except GTEFL. The parties have agreed to brief the policy and legal issues associated with whether the Commission should restrict the ILECs' (GTEFL's) ability to market their intraLATA services to existing customers when they call for reasons other than soliciting intraLATA carriers.

The parties have not resolved issue 5, except with regard to Sprint, and it will be addressed at the hearing with regard to the other parties. Issue 5 is whether the Commission should require GTEFL, Sprint, and the small ILECs to provide two-for-one PICs to existing customers.

STIPULATION 2:

The parties agree to stipulate that the direct testimony filed by Sprint witness Sandra Khazraee be inserted in the record as though read and to waive the opportunity for cross-examination at the February 23, 1998, hearing.

IX. RULINGS

- A. The Prehearing Officer hereby grants Staff's Motion for Extension of Time to file Staff's Prehearing Statement on February 4, 1998.
- B. The Prehearing Officer hereby grants Sprint's Motion to Accept Late-Filed Prehearing Statement on February 4, 1998.

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STIPULATION 2:

The parties agree to stipulate that the direct testimony filed by Sprint witness Sandra Khazraee be inserted in the record as though read and to waive the opportunity for cross-examination at the February 23, 1998, hearing.

IX. RULINGS

- A. The Prehearing Officer hereby grants Staff's Motion for Extension of Time to file Staff's Prehearing Statement on February 4, 1998.
- B. The Prehearing Officer hereby grants Sprint's Motion to Accept Late-Filed Prehearing Statement on February 4, 1998.

It is therefore,

ORDERED by Commissioner 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 Commissioner J. Terry Deason, as Prehearing Officer, this 18th day of February, 1998.

  
\_\_\_\_\_  
J. Terry Deason, Commissioner  
and Prehearing Officer

( S E A L )

WPC

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.



**Docket No. 970526-TP**

### **STIPULATION AGREEMENT**

The undersigned parties to Florida Public Service Commission Docket No. 970526-TP, in an effort to resolve several of the issues scheduled for consideration at hearing in this docket do hereby agree to the following:

1. The undersigned parties have agreed to submit the stipulated language below to the Commission with respect to each of the issues under consideration. The parties do so with the understanding that this stipulation is made only with respect to the resolution of this docket and that the stipulations are based on certain representations by the ILECs. If these representations are materially inaccurate, this stipulation shall not prohibit any party from filing a complaint or other administrative action in the future with respect to any of the activities below against any other party based upon alleged anticompetitive marketing practices or other violation of Chapter 364, Florida Statutes. This stipulation and agreement is made for the purpose of settling the issues discussed below and shall not be construed as an admission that any ILEC practices mentioned herein have been or may be anticompetitive or otherwise are violative of any order, rule or statute.

2. Subject to the conditions set forth in paragraph 1, the parties submit the following language to the Commission as partial resolution of this docket:

**Issue Number 1: Should the Commission prohibit GTEFL, Sprint-LEC, and the small ILECs from utilizing terminology that suggest ownership of the intra-LATA or calling area when referring to the intraLATA service areas in directories and bill inserts?**

**Resolution: The ILECs assert, and the other parties agree not to contest in this proceeding, that the ILECs do not use any terminology which would imply ownership of a**

particular intraLATA toll calling area. As long as the ILECs do not imply ownership of the toll calling area, the choice of toll terminology is a marketing decision of each individual company.

Accordingly, there is no need for Commission action with respect to this issue at this time.

**Issue Number 2: Should the Commission require GTEFL, Sprint-LEC, and the small ILECs to place a new customer who is undecided regarding a choice of intraLATA carrier in a no-PIC status until such a choice is made?**

**Resolution:** The ILECs assert and the other parties agree not to contest in this proceeding, that the ILECs already have the no-PIC option in place. Thus, if a customer does not elect an intraLATA carrier, his 1+ toll will be blocked until he chooses a presubscribed carrier.

Accordingly, there is no need for Commission action at this time.

**Issue Number 3: Should the Commission require GTEFL, Sprint-LEC, and the small ILECS to put in place competitively-neutral customer contact protocols for:**

**a: Communicating information to new customers regarding intraLATA choices:**

**Resolution:** The ILECs assert and the other parties agree not to contest in this proceeding, that their interLATA and intraLATA procedures for communicating information about toll choices are consistent and in compliance with PSC Order No. PSC-95-0203-FOF-TP, which states that "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". The procedures are the same in that the ILECs asks each customer if he has a choice of carrier. If the customer does not, then the ILEC will read a random list of carriers. Accordingly there is no need for Commission action as this time. However, the parties agree to brief the issue of whether Sprint's inclusion of the statement "in addition to us" prior to reading the list complies with this requirement.

**b. ILEC processing of all PIC change orders of its customers?**

**Resolution:** The ILECs assert and the other parties agree not to contest in this proceeding, that the ILECs already process all PIC change orders (interLATA and intraLATA) when requested by their local customers. Accordingly, there is no need for Commission action with respect to this issue at this time.

**c. [Staff Issue 4a.] ILECs' ability to market their service to existing customers changing their intraLATA carriers? If so, for what period of time should any such requirements be imposed?**

**Resolution:** With respect to GTEFL and Sprint-Florida the ILECs assert and the other parties agree not to contest in this proceeding, that the ILECs are in compliance with the measure adopted for BellSouth in with PSC Order No. PSC-95-0203-FOF-TP. That measure specifies that if a customer calls an ILEC to change his presubscribed intraLATA carrier from that ILEC to another carrier, the ILEC cannot, on that same call, try to dissuade the customer from changing from the ILEC to the other carrier. GTEFL and Sprint-Florida agree to continue to comply with this policy until at least August 15, 1998. After that time, these ILECs will be able to market their services in the same manner as do their competitors. Accordingly there is no need for Commission action on this issue at this time. If, however, this restriction is eliminated as to BellSouth before June, 1998, GTEFL and Sprint-Florida may also seek elimination of the same restrictions before August 15, 1998. The other parties reserve the right to contest such early elimination.

With respect to the small ILECs, the ILECs assert and the other parties agree not to contest in this proceeding, that the level of activity associated with marketing of intraLATA services is such that Commission action is not required at this time.

**d. [Staff's issue 4b] ILECs' ability to market their intraLATA services to existing customers when they call for reasons other than selecting intraLATA carriers? If so, for what period of time should any such requirements be imposed?**

**Resolution: With respect to GTEFL, the company asserts that none of its practices are anticompetitive or otherwise inappropriate. However, to more efficiently resolve the issue without the need for discovery or other factual investigation, GTEFL asserts that, in some instances, GTEFL does market intraLATA services to existing customers when they call for reasons other than selecting intraLATA carriers. The other parties assert that the commission should impose upon GTEFL the same marketing restrictions imposed upon BellSouth in Order No. PSC-96-1569-FOF-TL, and for the same length of time. The parties have agreed to brief the policy and legal issues associated with this practice and whether the Commission should impose any restriction on the same, up to and including the length of time such restrictions were imposed on BellSouth.**

**With respect to Sprint-Florida, asserts and the other parties agree not to contest in this proceeding, that Sprint-Florida does not currently market intraLATA services when customers call on matters other than selecting an intraLATA carrier consistent with the previous order in this docket concerning BellSouth. The parties stipulate that Sprint-Florida will continue to observe this practice until at least August 15, 1998. After that time, Sprint-Florida will be able to market their services in the same manner as does its competitors. Accordingly there is no need for Commission action on this issue at this time. If, however, this restriction is eliminated as to BellSouth before June, 1998, Sprint-Florida may also seek elimination of the same restrictions before August 15, 1998. The other parties reserve the right to contest such early elimination.**

With respect to the small ILECs , the ILECs assert and the other parties agree not to contest in this proceeding, that the level of activity associated with the small ILEC intraLATA is such that Commission action is not required at this time.

**Issue 4 [Staff Issue 5]: Should the Commission require the ILECS to provide one free PIC to existing customers?**

**Resolution:** With respect to GTEFL, GTEFL asserts and the other parties agree not to contest in this proceeding, that it has already provided the option for one free PIC, as reflected in its tariffs. As the company's conversion to intraLATA presubscription was completed in February of 1997 there is no need for further Commission action on this issue with respect to GTEFL.

With respect to Sprint-Florida, Sprint-Florida asserts and the other parties agree not to contest in this proceeding, that it provided the option for one free PIC for customers served by offices converted after the Commission ordered intraLATA presubscription. In lieu of offering one free PIC to all other customers, the company will agree to continue to offer the two-for-one PIC with no additive to existing customers choosing the same provider at the same time until at least December 31, 1998.

With regard to those exchanges already converted on the date this settlement is executed, the small ILECs agree to provide for one free PIC per customer line for 90 days from the date of execution of this settlement or from the date of conversion, whichever time period expires first. With regard to those exchanges not yet converted, the small ILECs agree to provide for one free PIC per customer line for 90 days from the date of conversion. Accordingly there is no need for Commission action with respect to the small ILECs on this issue.

**Issue Number 5: Should the Commission require GTEFL, Sprint-LEC and the small ILECs to provide two-for-one PIC to existing customers?**

**Resolution:** With respect to Sprint-Florida, Sprint-Florida will agree to offer the two-for-one PIC with no additive until December 31, 1998, as specified in Issue 4. After that time, Sprint-Florida reserves the right to charge its tariffed rate for the second PIC when selected at the same time as the first, which tariff currently complies with the 30% additive imposed on BellSouth.

There is no resolution of this issue as to other ILECs. If staff agrees, the parties stipulate that they will waive live testimony at hearing, stipulate that the direct and rebuttal testimony already filed in this docket will be inserted into the record of the proceeding as though read, and that they will brief the issue based upon such testimony.

3. This agreement shall not become effective unless and until all parties to the docket execute the same and the document is filed and received by the Commission as part of the Docket Number 970526-TP. In the event the agreement is not signed by all parties or not accepted by the Commission then it shall have not be binding on any party with respect to any of the matters contained herein.

Dated this \_\_\_\_ day of February, 1998.

**Sprint-Florida, Inc.**

By:   
Charles Rehwinkel

**AT&T Communications of the Southern States**

By:   
Marsha Rule

**MCI Telecommunications Inc.**

By: \_\_\_\_\_

*Tom Bond*  
Tom Bond

**GTE Florida Inc.**

By: \_\_\_\_\_

Kim Carwell

**ALLTEL Florida Inc.**

By: \_\_\_\_\_

Jeffrey Wahlen

**Vista-United Telecommunications**

By: \_\_\_\_\_

Jeffrey Wahlen

**Northeast Florida Telephone Company**

By: \_\_\_\_\_

Jeffrey Wahlen

**TDS Telecom - Quincy Telephone Company**

By: \_\_\_\_\_

Tom McCabe

**GTCOM**

By: \_\_\_\_\_

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DOCKET NO. 970526-TP  
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ATTACHMENT A

**MCX Telecommunications Inc.**

By: \_\_\_\_\_  
Tom Bond

**GTE Florida Inc.**

By: \_\_\_\_\_  
Kim Caldwell

**ALLTEL Florida Inc.**

By: \_\_\_\_\_  
Jeffrey Wahlen

**Vista-United Telecommunications**

By: \_\_\_\_\_  
Jeffrey Wahlen

**Northeast Florida Telephone Company**

By: \_\_\_\_\_  
Jeffrey Wahlen

**TDS Telecom - Quincy Telephone Company**

By: \_\_\_\_\_  
Tom McCabe

**GTCam**

By: \_\_\_\_\_  
Linda Beckman

Northeast Florida Telephone Company 7



**MCI Telecommunications Inc.**

By: \_\_\_\_\_  
Tom Bond

**GTE Florida Inc.**

By: \_\_\_\_\_  
Kim Caswell

**ALLTEL Florida Inc.**

By: \_\_\_\_\_  
Jeffrey Whalen

**Vista-United Telecommunications**

By: \_\_\_\_\_  
Jeffrey Whalen

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By: \_\_\_\_\_  
Jeffrey Whalen

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**GTCOM**

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Linda Bordelon

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By: \_\_\_\_\_  
Tom McCabe

**GTCcom**

By: \_\_\_\_\_  
*John A. Vausla*