

ORIGINAL



Kimberly Caswell
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January 8, 2001

Ms. Blanca S. Bayo, Director
Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

010030-TL

Re: Docket No.
Petition by Verizon Select Services Inc. for limited waiver of Rule 25-4.118,
F.A.C.

Dear Ms. Bayo:

Please find enclosed for filing an original and fifteen copies of Verizon Select Services Inc.'s Petition for Limited Waiver of Rule 25-4.118, F.A.C. Service has been made as indicated on the Certificate of Service. If there are any questions regarding this matter, please contact me at 813-483-2617.

Sincerely,

Kimberly Caswell

KC:tas
Enclosures

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FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Verizon Select)
Services Inc. for limited waiver of)
Rule 25-4.118, F.A.C.)
_____)

Docket No. 010030-TL
Filed: January 8, 2001

**VERIZON SELECT SERVICES INC.'S
PETITION FOR LIMITED WAIVER OF RULE 25-4.118, F.A.C**

Verizon Select Services Inc. (VSSI) asks the Commission to grant it a limited waiver of Rule 25-4.118, Florida Administrative Code, to assure the least amount of disruption to customers upon VSSI's discontinuation of local exchange services. VSSI further asks for expedited treatment of this waiver request.

VSSI is certificated in Florida as a competitive local exchange carrier (CLEC) (certificate number 4819; company code TX071) and an interexchange carrier (IXC) (certificate number 4080, company code TI355). VSSI provides a bundled telecommunications service called OneSource, which includes local dial-tone, vertical calling features, and long distance on one bill for one rate.

VSSI has decided that it will no longer provide local, residential services, such that it must discontinue its OneSource offering. In order to assure a seamless transition for customers upon elimination of OneSource, a waiver of Commission Rule 25-4.118 will be necessary as to VSSI's local exchange customers. VSSI will continue to provide long-distance services, so no waiver will be necessary as to the existing long-distance customers.¹

¹ On November 3, 2000, Verizon Long Distance (VLD) filed a request with the Commission for a waiver of its verification rules to move VSSI's consumer and small business long distance customers to VLD as a part of corporate reorganization attendant to the recent merger of Bell Atlantic and GTE. The Commission approved this waiver request by Order number PSC-00-2491, issued December 26, 2000. One Source customers who select a new long distance plan will receive a notice of this change of

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Rule 25-4.118 states that a customer's provider of local, local toll or toll "shall not be changed without the customer's authorization." The customer may authorize a provider change by calling or writing directly to the incumbent local exchange carrier (ILEC). If another local provider or an IXC submits a change request to the ILEC, it must certify that customer authorization has occurred through either: (a) a letter of agency from the customer, requesting a provider change; (b) a customer-initiated call requesting a provider change; or (c) third party verification that the customer has requested a provider change. (Rule 25-4.118(2)(a)-(c).)

This Rule does not prescribe any means of authorizing a carrier change that is necessitated by the carrier's discontinuation of service. The authorization methods listed in the Rule do not fit VSSI's situation, as neither the customer nor a competing carrier is initiating a provider change. Nevertheless, VSSI has filed this waiver request in an abundance of caution to avoid any perception that it has violated Rule 25-4.118's directive that a customer's provider shall not be changed without his authorization.

OneSource customers will receive repeated notice of VSSI's discontinuation of the bundled offering and will be given the opportunity to select a new carrier with no service charges. The initial customer notification letters are attached. Commission Staff reviewed drafts of these letters and made certain suggestions, all of which VSSI has incorporated into the final drafts. With these modifications, VSSI understands that Staff deems the notification plan to be acceptable.

brand after they have been removed from the OneSource bundle. They will then experience the same change of brand name on their bill that other VSSI long distance customers experience. The plan and rates they have selected will not change, and this transition will be covered by the Commission' previous waiver.

Attachment 1 is the letter for customers within Verizon Florida Inc.'s franchise area. It was sent on December 12, 2000. The letter tells customers they will need to choose a new company to provide their local phone service, and they will also need to select a new long-distance calling plan, either from Verizon or from another long-distance company. Customers are further informed that they have many telecommunications companies to choose from and that they have the option to select any one they like. The letter gives customers step-by-step instructions to either continue receiving local and long-distance services from the Verizon family of companies or to discontinue service with Verizon. Customers are given a date by which they must choose their new services (February 12, 2001). The letter states, in prominent type, that if the customer takes no action by that date, his basic local service will be switched to Verizon Florida Inc.; his vertical features will be removed; and his long-distance will default to VSSI's basic long-distance rates, which are listed in the letter. Finally, VSSI printed a prominent notice on the letter's envelope telling customers their Verizon OneSource phone service is being discontinued.

The out-of-franchise customer letter (Attachments 2 and 3) is very similar to the in-franchise customer letter. The chief difference is that it designates the underlying local exchange carrier, either Sprint or BellSouth, as the suggested carrier for the customer to call. This letter tells the customers that if they fail to select a new carrier by the date listed, their service may be interrupted. It was sent to customers on December 26, 2000 and notified the customers that the service interruption date is February 26, 2001.

Within two weeks of sending the first notification letter, the customers will receive a second, similar letter urging them to select a new local carrier. After sending the notification letters, VSSI will attempt to contact all customers who have made no selection by telephone to make certain that they know OneSource will be discontinued and that they select a new local company and a new long-distance plan.

On February 12, 2001, VSSI intends to discontinue providing local exchange service to the customers who have received 30 days' notice, including the two letters discussed.² VSSI wishes to return such services to the underlying provider of the customer's services, which in each case will be the incumbent local exchange carrier. The carriers to which these customers would be returned are Sprint and BellSouth. VSSI respectfully requests that the Commission direct these carriers to provide local exchange service to these customers, subject to the carriers' credit policies. VSSI will use its best efforts not to return to these carriers customers who are not in good standing. However, VSSI has no way of knowing all of the customers it may have that may not meet the incumbent's requirements. Therefore, VSSI requests that these carriers be directed to accept all of these customers, subject to their right to terminate service after proper notice, if these customers do not meet their standards for provision of service. VSSI has notified Sprint and BellSouth of VSSI's plans for transitioning customers off its system.

² Customers who have wireless, Internet, or paging services along with their local and long-distance service will receive their first letter between December 29, 2000 and January 4, 2001 for operational reasons. These customers, after second notice, will have received 30 days' notice by March 1 to March 5, 2001. On those dates, VSSI intends to discontinue local exchange service for this final group of customers.

VSSI's waiver request meets the criteria set forth in Florida Administrative Code, Chapter 28-104, which governs the Commission's treatment of waiver requests. Specifically, it would violate principles of fairness to refuse the waiver request. As noted, while Rule 25-4.118 forbids change of a customer's carrier without his authorization, its prescriptions do not contemplate the instant situation, where the carrier itself is discontinuing service. It would be unfair to hold Verizon to requirements that plainly do not address its particular situation and with which it cannot reasonably comply.

The requested waiver would also serve the purposes of the statute underlying Rule 25-4.118, which is section 364.03 of the Florida Statutes. Section 364.03 directs the Commission to adopt rules to prevent unauthorized changing of a subscriber's telecommunications service. The statute does not require any particular methods of authorization, but states that the Commission's rules are to "allow for a subscriber's change to be considered valid if verification was performed consistent with the Commission's rules."

Again, the Commission's Rule 25-4.118 does not contemplate the situation at issue in this waiver request. The Rule was designed to address change of a subscriber's existing carrier without his knowledge. In this case, the existing company is discontinuing service so that the customer's carrier must necessarily change. Nevertheless, insofar as the general purpose of the underlying statute is to ensure the customer knows about changes in his service, then VSSI's notification plan fully meets this objective. Customers will be informed through letters and follow-up phone calls that they must choose a new local carrier. For those customers that do not choose to

respond affirmatively to VSSI's carrier change instructions, then the default carriers will step in to provide service. VSSI's plan will thus avoid disruption of any customer's local dial-tone service.

VSSI believes its notification plan is more thorough than the Commission has required in the past for a waiver of Rule 25-4.118. For instance, the Commission recently granted PNG Telecommunications Inc. a waiver of the Rule to allow it to acquire Broadwing Communications Services' long-distance customers after PNG's acquisition by Broadwing. (Petition of PNG Telecomm., Inc. for limited waiver of Rule 25-4.118, F.A.C., Order No. PSC-00-1520-PAA-TI, Aug. 22, 2000.) Unlike VSSI's customer notification letters, PNG's letters did not offer the customer any opportunity to change long-distance providers upon acquisition of Broadwing. And unlike VSSI, PNG made no follow-up telephone calls to verify that customers wished to change to PNG.


In short, VSSI's notification plan is reasonable and in the public interest. Consistent with the intent of section 364.603 of the Florida Statutes, VSSI will ensure that customers are fully informed about the changes in their service and their options upon discontinuation of the OneSource bundle. No customer will experience any interruption of local, dial-tone telephone service.

For all the reasons discussed here, VSSI urges the Commission to grant this Petition. VSSI also respectfully requests expedited treatment of the Petition. VSSI understands the Commission must grant or deny a waiver petition within 90 days after receipt of the petition, the last item of timely requested additional material, or the petitioner's written request to finish processing the petition. (Fla. Stat. sec. 120.542.) In this case, VSSI has already discussed with Staff the details of its customer notification

plan, so there should be no need for additional information requests. In any event, VSSI has committed to keeping Staff informed of the progress of its notification plan.

VSSI wishes to discontinue its OneSource service and complete the associated customer transfers for most customers by February 12 (for in-franchise customers) and 26 (for out-of-franchise customers), 2001, respectively, which are about 45 to 60 days away. Verizon will rapidly implement its customer notification plan, which, as noted, includes information to the customers about a specific disconnection date. However, VSSI cannot execute plans to actually discontinue its OneSource service until it knows whether the Commission has granted the requested waiver. As such, VSSI asks the Commission to act on this waiver request as soon as possible, and not later than February 12, 2001 at most.

Respectfully submitted on January 8, 2001.

By: 
Kimberly Caswell
P. O. Box 110, FLTC0007
Tampa, FL 33601
Telephone: (813) 483-2617

Attorney for Verizon Select Services Inc.

Bundle - IF - FL

Attachment 1
Page 1 of 2

Chris Owens
President – Verizon Select Services Inc.

Verizon Select Services
Inc.
PO Box 31236
Tampa, FL 33631-3236

Sample A. Sample
100 Main St.
Anytown, USA 00000

Verizon OneSource package will no longer be provided in your area. Please make arrangements to change to a new phone service by <<TERMINATION DATE>>.

Dear Sample A. Sample:

We're contacting current customers to make them aware that as of <<TERMINATION DATE>>, Verizon Select Services will no longer be providing your Verizon OneSource *bundled* phone package. This package, which you may have purchased as GTE Unlimited, has allowed you to receive local, long distance and calling features on one bill for one rate. Our decision to discontinue this bundled service offering has no impact on services of other Verizon companies operating in your area.

Because Verizon OneSource will no longer be available, you'll need to choose a new company to provide your local phone service, including calling features like Caller ID or Call Waiting. You'll also need to select a new long distance calling plan, either from Verizon or from another long distance company. *Please note: your local telephone number will not change.*

There are many telecommunications providers in your area to choose from and you have the option to select any one you like. But please be aware that even though we no longer will offer our Verizon OneSource bundled package, you still can continue your relationship with the Verizon family of companies. You can still package various Verizon local plans with great Verizon Select Services long distance rates by contacting the Verizon telephone company servicing your area.

If you would like to continue receiving your local and long distance services from the Verizon family, follow these simple steps:

To receive all services with Verizon:

1. Call toll-free 1-866-896-1600 and let them know you are canceling your Verizon OneSource bundle.
2. Select your call management features or packages.
3. Select long distance service with Verizon.

If you would like to choose another telecommunications company to provide your phone service, follow these simple steps:

Bundle - IF - FL

To discontinue phone service with Verizon:

1. Select a local and long distance phone company of your choice.
2. Contact the local company and switch your local and long distance service from Verizon OneSource.
3. Contact the long distance company and select a calling plan that fits your needs.

In all instances, your new service order will automatically be sent to us and we will cancel your Verizon OneSource bundled service. Verizon Select Services will credit your account on your next bill to cover any tariffed service charges incurred as a result of changing your local service, if applicable. Your initial deposit, if any, will be applied to your final bill and any credits will be refunded by check.

YOU MUST CHOOSE YOUR NEW SERVICES BY <<TERMINATION DATE>> TO ENSURE THERE ARE NO SERVICE INTERRUPTIONS. IF YOU DO NOT TAKE ACTION AND SELECT A NEW PHONE COMPANY BY <<TERMINATION DATE>>, WE HAVE MADE ARRANGEMENTS TO AUTOMATICALLY SWITCH YOUR BASIC LOCAL SERVICE TO THE VERIZON TELEPHONE COMPANY SERVICING YOUR AREA. YOUR CALLING FEATURES, LIKE CALLER ID OR CALL WAITING, WILL BE REMOVED FROM YOUR SERVICE, AND YOUR LONG DISTANCE WILL DEFAULT TO VERIZON BASIC LONG DISTANCE RATES. THAT CAN RANGE ANYWHERE FROM 11¢ TO 24¢ PER MINUTE. IF YOU CALL US, YOU WILL BE ABLE TO CHOOSE LOWER RATE PLANS THAT COULD START AS LOW AS 5¢ PER MINUTE. THEREFORE, IT'S IMPORTANT THAT YOU TAKE ACTION IMMEDIATELY.

If you have any questions about the decision to discontinue your Verizon OneSource bundle, call us at 1-888-324-7908. However, you still will need to call toll-free 1-866-896-1600 to select new service.

We're sorry for any inconvenience this change may cause you. You're an important customer to Verizon and we appreciate your time and patience. We hope that you will allow the Verizon family to continue to serve you.

Sincerely,

Chris Owens
President – Verizon Select Services Inc.

Establishment of new phone service contingent upon the credit policies and procedures of the local phone company selected.

Bundle - OOF - FL - Bell South #1

Chris Owens
President – Verizon Select Services Inc.

Attachment 2

Page 1 of 2

Verizon Select Services Inc.
PO Box 31236
Tampa, FL 33631-3236

Sample A. Sample
100 Main St.
Anytown, USA 00000

The Verizon OneSource package will no longer be provided in your area. Please make arrangements to change to a new service by <<TERMINATION DATE>>.

Dear Sample A. Sample:

We're contacting current customers to make them aware that as of <<TERMINATION DATE>>, Verizon Select Services will no longer be providing your Verizon OneSource *bundled* phone package. This package, which you may have purchased as GTE Unlimited, has allowed you to receive local, long distance and calling features on one bill for one rate. Our decision to discontinue this bundled package offering has no impact on services of other Verizon companies operating in your area.

Because Verizon OneSource will no longer be available, you'll need to choose a new company to provide your local phone service, including calling features like Caller ID or Call Waiting. You'll also need to select a new long distance calling plan, either from Verizon or another long distance company. *Please note: your local telephone number will not change.*

There are many telecommunications providers in your area to choose from and you have the option to select any one you like. One option is to call **BellSouth at 1-800-753-2909** to sign up for local service. In case you incur some tariffed switching charges as a result of having to change local services, Verizon Select Services will credit your account on your next bill to cover them, if applicable. Your initial deposit, if any, will be applied to your final bill and any credits will be refunded by check.

Please be aware that though we will no longer offer our Verizon OneSource bundled phone package in your area, you still can receive long distance service from Verizon. Choose from one of our many Verizon long distance calling plans available in your area by calling 1-800-483-3737.

YOU MUST CHOOSE YOUR NEW SERVICES BY <<TERMINATION DATE>> TO ENSURE THERE ARE NO SERVICE INTERRUPTIONS. IF YOU DO NOT CHOOSE A NEW LOCAL PROVIDER, YOU MAY LOSE YOUR PHONE SERVICE. TO AVOID THE LOSS OF PHONE SERVICE, WE ARE ATTEMPTING TO ARRANGE AN AUTOMATIC TRANSFER OF YOUR BASIC PHONE SERVICE TO ANOTHER LOCAL PHONE SERVICE PROVIDER IN YOUR AREA, BUT CANNOT GUARANTEE IT. EVEN IF WE ARE SUCCESSFUL IN ARRANGING A TRANSFER OF YOUR BASIC PHONE SERVICE, YOU WILL LOSE YOUR CALLING FEATURES, LIKE CALLER ID OR CALL WAITING, AND YOUR LONG DISTANCE WILL DEFAULT TO VERIZON BASIC LONG DISTANCE RATES THAT CAN RANGE ANYWHERE FROM 11¢ TO 24¢ PER MINUTE. IF YOU CALL US, YOU WILL BE ABLE TO CHOOSE LOWER RATE PLANS THAT COULD START AS LOW AS 5¢ PER MINUTE. **THEREFORE, IT'S IMPORTANT THAT YOU TAKE ACTION IMMEDIATELY.**

We're sorry for any inconvenience this change may cause you. You're an important customer to Verizon and we appreciate your time and patience.

If you have any questions about the decision to discontinue your Verizon OneSource bundle, call us at 1-888-324-7908. However, you will still need to call **BellSouth at 1-800-753-2909**, or a local carrier of your choice, to select new service or Verizon at 1-800-483-3737 to select long distance service.

Bundle - OOF - FL - Bell South #1

We hope that you will allow the Verizon family to continue to serve you.

Sincerely,

Chris Owens
President - Verizon Select Services

Establishment of new phone service contingent upon the credit policies and procedures of the local phone company selected.

Bundle - OOF - FL - Sprint #1

Chris Owens
President – Verizon Select Services Inc.

Verizon Select Services Inc.
PO Box 31236
Tampa, FL 33631-3236

Sample A. Sample
100 Main St.
Anytown, USA 00000

The Verizon OneSource package will no longer be provided in your area. Please make arrangements to change to a new service by <<TERMINATION DATE>>.

Dear Sample A. Sample:

We're contacting current customers to make them aware that as of <<TERMINATION DATE>>, Verizon Select Services will no longer be providing your Verizon OneSource *bundled* phone package. This package, which you may have purchased as GTE Unlimited, has allowed you to receive local, long distance and calling features on one bill for one rate. Our decision to discontinue this bundled package offering has no impact on services of other Verizon companies operating in your area.

Because Verizon OneSource will no longer be available, you'll need to choose a new company to provide your local phone service, including calling features like Caller ID or Call Waiting. You'll also need to select a new long distance calling plan, either from Verizon or another long distance company. ***Please note: your local telephone number will not change.***

There are many telecommunications providers in your area to choose from and you have the option to select any one you like. One option is to call **Sprint at 1-800-399-1811** to sign up for local service. In case you incur some tariffed switching charges as a result of having to change local services, Verizon Select Services will credit your account on your next bill to cover them, if applicable. Your initial deposit, if any, will be applied to your final bill and any credits will be refunded by check.

Please be aware that though we will no longer offer our Verizon OneSource bundled phone package in your area, you still can receive long distance service from Verizon. Choose from one of our many Verizon long distance calling plans available in your area by calling 1-800-483-3737.

YOU MUST CHOOSE YOUR NEW SERVICES BY <<TERMINATION DATE>> TO ENSURE THERE ARE NO SERVICE INTERRUPTIONS. IF YOU DO NOT CHOOSE A NEW LOCAL PROVIDER, YOU MAY LOSE YOUR PHONE SERVICE. TO AVOID THE LOSS OF PHONE SERVICE, WE ARE ATTEMPTING TO ARRANGE AN AUTOMATIC TRANSFER OF YOUR BASIC PHONE SERVICE TO ANOTHER LOCAL PHONE SERVICE PROVIDER IN YOUR AREA, BUT CANNOT GUARANTEE IT. EVEN IF WE ARE SUCCESSFUL IN ARRANGING A TRANSFER OF YOUR BASIC PHONE SERVICE, YOU WILL LOSE YOUR CALLING FEATURES, LIKE CALLER ID OR CALL WAITING, AND YOUR LONG DISTANCE WILL DEFAULT TO VERIZON BASIC LONG DISTANCE RATES THAT CAN RANGE ANYWHERE FROM 11¢ TO 24¢ PER MINUTE. IF YOU CALL US, YOU WILL BE ABLE TO CHOOSE LOWER RATE PLANS THAT COULD START AS LOW AS 5¢ PER MINUTE. **THEREFORE, IT'S IMPORTANT THAT YOU TAKE ACTION IMMEDIATELY.**

We're sorry for any inconvenience this change may cause you. You're an important customer to Verizon and we appreciate your time and patience.

If you have any questions about the decision to discontinue your Verizon OneSource bundle, call us at 1-888-324-7908. However, you will still need to call **Sprint at 1-800-399-1811**, or a local carrier of your choice, to select new service or Verizon at 1-800-483-3737 to select long distance service.

Bundle - OOF - FL - Sprint #1

We hope that you will allow the Verizon family to continue to serve you.

Sincerely,

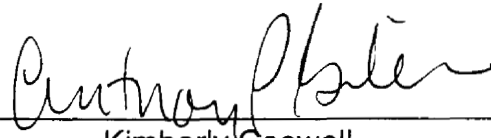
Chris Owens
President - Verizon Select Services

Establishment of new phone service contingent upon the credit policies and procedures of the local phone company selected.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of Verizon Select Services Inc.'s Petition for Limited Waiver of Rule 25-4.118, F.A.C. was sent via overnight delivery on January 5, 2001 to:

Staff Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850



per Kimberly Caswell