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May 23, 2002

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

UENED-1-1-50

Re: Docket No. 011077-TP Generic investigation into whether competitive practices of incumbent and alternative local exchange carriers comply with Section 364.01(4)(g), F.S.

Dear Ms. Bayo:

Please find enclosed the original and 15 copies of the Comments of Verizon Florida Inc. for filing in the above matter. 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,

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Kimberly Caswel

KC:tas Enclosures

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Generic investigation into whether) competitive practices of incumbent and) alternative local exchange carriers) comply with Section 364.01(4)(g), F.S.) Docket No. 011077-TP Filed: May 23, 2002

COMMENTS OF VERIZON FLORIDA INC.

Verizon Florida Inc. ("Verizon") hereby submits its comments on local service provider freezes ("local PC freezes").

INTRODUCTION

On May 2, 2002, Staff held an undocketed workshop on the ILEC processes of removing local PC freezes when an ALEC migrates its end user from one serving arrangement to another. This same issue was discussed in a meeting on the same day in this docketed proceeding. In neither of these sessions did any carrier identify the ILECs' PC freeze lift processes as a competitive problem. Nevertheless, Staff asked the parties in this proceeding to address two topics: first, the processes involved in placing and lifting local PC freezes, and second, how the Commission should proceed with respect to this particular issue. These comments address both topics.

PROCESSES FOR PLACING AND LIFTING A LOCAL PC FREEZE

A local PC freeze precludes changing the local service provider on an end user's line without his express permission. Commission rules require carriers to offer local PC freezes (Rule 25-4.110(16)), but Verizon does not actively promote them. Some ALECs may advise their customers to request local PC freezes, or may even place such freezes without the customer's explicit authorization, but Verizon does not know

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whether these practices are current or widespread. Verizon understands, however, that the Commission has received complaints from end users that local PC freezes have been placed on their accounts without their knowledge.

In an attempt to respond to this concern, Staff has proposed a rule in the other, undocketed proceeding. It states that "[c]ompanies shall not place a PC Freeze on any ' customer's service unless the PC Freeze is requested by the customer." This rule responds to the same concern Staff has raised here, so no further action in this proceeding appears to be necessary. To the extent that certain carriers continue to place unauthorized freezes, then the Commission can impose appropriate penalties on these carriers through complaint or show cause proceedings.

At the May 2 meeting, Staff also raised a concern that some ILECs' conversion processes may inhibit competition because they require two steps for conversion of a "frozen" account—first, lifting the freeze, then second, converting the service (from resale to UNE-P, for example). Staff's concern is not grounded in any objective evidence. In fact, on May 2 when Staff asked the specific question of whether the PC freeze process raised a competitive problem, no carrier said it did. Verizon believes the Commission's PC freezes have satisfied the Commission's objective of reducing slamming, precisely because they cannot be easily removed.

If the Staff continues to believe that the ILECs' processes themselves present anticompetitive concerns, the first step, before proposing any process changes, should be to establish how widespread this purported problem is and how many customers are affected adversely.

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While Verizon opposes any *mandate* that would require ILECs to modify their conversion process, they may, of course, voluntarily do so. In this regard, Verizon already has a one-step process for converting a customer with a freeze from resale to the UNE-P. That is, if an ALEC wishes to migrate a customer with a PC freeze from one type of service to another, the ALEC need only submit one local service request ("LSR") to make the service change and lift and re-apply the PC freeze. This process can be viewed on Verizon's CLEC Guidelines Web page (http://128.11.40.241/clec_guide/ordering_order_form_completion.htm.).

CONCLUSION

There is no evidence that Verizon's process for lifting Local PC Freezes presents a problem for either other carriers or for customers. These freezes are working as the Commission intended, and there have been no complaints about Verizon's processes, which today allow a one-step conversion of account with associated local PC freezes. If there are any public policy issues concerning freezes upon transfer or modification of a service, then the Commission's inquiry should focus on the circumstances surrounding placement of freezes, with the objective of ensuring that freezes are placed only when authorized by the end user.

Respectfully submitted on May 23, 2002.

By:

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Attorney for Verizon Florida Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of the Comments of Verizon Florida Inc. in Docket No. 011077-TP were sent via U.S. mail on May 23, 2002 to the parties on the attached list.

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