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DIVISION OF COMPETITIVE MARKETS &
ENFORCEMENT
WALTER D'HAESELEER
DIRECTOR
(850) 413-6600

Public Service Commission

June 19, 2002

F. Ben Poag
Director-Regulatory Affairs
Sprint-Florida, Incorporated
Box 2214
Mailstop FLTLHO0107
Tallahassee, FL 32316

Re: Response to May 30, 2002, Letter Concerning Regulatory Assessment Fees

Dear Mr. Poag:

Based on the Supreme Court's order in the Verizon case (Case No. SC01-323) issued on February, 14, 2002, Sprint is not required to pay Regulatory Assessment Fees (RAFs) on the directory advertising revenues that are recorded on the books of an affiliated company.

In order to better determine whether or not Sprint operates under similar conditions as cited by the court in Verizon's appeal, please provide staff a copy of the contract Sprint has with its directory affiliate.

If you have any questions or concerns, please contact Stephanie Cater at (850) 413-6429.

Sincerely,

Walter D'Haeseleer
Director

WDH:sac

cc: Division of Competitive Markets and Enforcement (Salak, Trapp, Bulecza-Banks, Casey, Cater)
Division of Commission Clerk and Administrative Services (Bayó, Belcher)
Office of General Counsel (Brown, Moore, B. Keating)

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Director

Regulatory Affairs
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May 30, 2002

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

Dear Ms. Bayó:

On October 13, 2000, Verizon Florida Inc. filed a petition for a declaratory statement regarding the application of regulatory assessment fees on directory advertising revenues of its affiliate Verizon Directories Corp. In Order No. PSC-01-0097-DS-TL, Docket No. 001556-TL, the Commission found that the subject revenues should be imputed to Verizon and that Verizon should continue to pay regulatory assessment fees on those revenues. The Supreme Court of Florida, No. SC01-323, reversed the Commission's order based on Section 364.051, which exempts price cap ILECs from 364.037.

Sprint submits that it is operating under similar conditions as those cited by the Court in the Verizon appeal and that Sprint will not include directory advertising revenues in its future regulatory assessment fee filings. Please advise if the Commission believes Sprint needs to take any action other than this notification prior to implementing this change in reporting its regulatory assessment fees.

Sincerely

F. Ben Poag
Director - Regulatory Affairs

cc: Lila A. Jaber, Chairman
J. Terry Deason, Commissioner
Braulio L. Baez, Commissioner
Michael A. Palecki, Commissioner
Rudolph "Rudy" Bradley, Commissioner
Harold McLean, General Counsel
~~Mary Bane, Executive Director~~
James Ward, Deputy Executive Director-Administrative

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