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October 14, 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

Re: Docket 990649B-TP
Investigation into Pricing of Unbundled Network Elements
(Sprint/Verizon track)

Dear Ms. Bayo:

Please find enclosed for filing an original and 15 copies of Verizon Florida Inc.'s
Opposition to ALEC Coalition's Motion to Strike in the above matter. Service was
made via electronic mail on October 11, 2002 to all parties of record. If there are
any questions regarding this filing, please contact me at 813-483-2617.

Sincerely,

Kimberly Caswell

KC:tas
Enclosures

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into pricing of unbundled)
network elements (Sprint/Verizon track))
_____)

Docket No. 990649B-TP
Filed: October 14, 2002

**OPPOSITION OF VERIZON FLORIDA INC. TO
ALEC COALITION'S MOTION TO STRIKE**

Verizon Florida Inc. (Verizon) opposes the ALEC Coalition's October 11, 2002 Motion to Strike Verizon's letter addressing errors in calculations underlying Staff's September 25, 2002 recommendation in this docket.

Verizon's letter, filed with the Commission's Executive Director and all parties on October 9, 2002, pointed out four specific errors in calculations reflected in the recommendation.

First, Staff's common cost allocator does not reflect Staff's own revisions to Verizon's inputs for depreciation lives, cost of capital, material loading costs, and the administrative fill factor. All of Staff's changes necessarily decrease modeled investment relative to Verizon's cost model run with Verizon's inputs. The Staff's recalculation of the common cost allocator, however, reflects a modeled investment figure 60% *higher* than Verizon's own proposal.

Second, Staff's common cost allocator calculation was not adjusted for the shortfall in recovery that results when ICM-FL's calibration option is turned off. Staff disabled the calibration function in its model run. This action would have affected expenses, but not investment, which remains the same whether the calibration feature is on or off.

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Third, Staff did not carry through its recommended input changes to its calculation of the offset for use of integrated digital loop carrier technology in the UNE platform.


Fourth, there are some minor discrepancies between the lives and salvage values contained in Staff's recommendation and those in Staff's workpapers.

As Verizon pointed out in its letter, it does not agree with any of the Staff's recommended changes to Verizon's inputs or its model run. However, Verizon did not raise any of these policy disagreements in its letter. The letter was, instead, limited to mistakes in calculations, taking the Staff's inputs as a given. The letter was not, as the ALEC Coalition incorrectly calls it, "comments" on the Staff's recommendation.

By raising these mistakes before the Commission vote, Verizon had hoped to avoid the inefficiency of having to correct them by motion after issuance of the order, in the event the Commission accepts Staff's recommendations on particular issues. In addition, Verizon filed and served the letter in accordance with the procedures outlined by Staff counsel.

Verizon's letter addressing mistakes in the recommendation was proper and the ALEC Coalition has offered no legitimate reason to strike it. Verizon thus asks the Commission to deny the ALEC Coalition's Motion.

Respectfully submitted on October 14, 2002.

By: 
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Attorney for Verizon Florida Inc.