

State of Florida



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: September 18, 2003
TO: Division of Competitive Markets and Enforcement (Cater)
FROM: Denise N. Vandiver; Division of Auditing and Safety
RE: Docket No. 030868-TL; Petition by Sprint-Florida, Incorporated to reduce intrastate switched network access rates to interstate parity in revenue-neutral manner pursuant to Section 364.164(1), Florida Statutes.; Audit Control No. 03-247-2-2

Attached is a memo addressing our review of the billing units in the docket referenced above. I am also sending the company a copy. If the company desires to file a response to the audit report, it should send the response to the Division of Commission Clerk and Administrative Services. There are confidential work papers associated with this audit.

Attachment

cc: Division of Auditing and Safety (Hoppe, Harvey, District Offices, File Folder)
Division of Commission Clerk and Administrative Services (2)
Office of General Counsel

Sprint-Florida, Incorporated
Mr. Ben Poag
P.O. Box 2214
Tallahassee, FL 32316-2214

DOCUMENT NUMBER-DATE

09002 SEP 19 8

FPSC-COMMISSION CLERK

State of Florida



Public Service Commission

Date: September 12, 2003

To: Denise Vandiver, Bureau Chief of Auditing
Division of Auditing and Safety, Tallahassee

From: *jet* Thomas E. Stambaugh, Regulatory Analyst IV
Division of Auditing and Safety, Tampa

Subj: Verify Billing Units Reported - Sprint Florida, Inc. (TL727)

Sprint Florida Inc. (Sprint), filed a petition to reduce access rates in Docket 030868-TL. The offset to this petition to reduce access rates would be an increase in residential and business local services and connection charges. The change would occur over two years. The total reduction in intrastate switched access would be \$142,073,493. The offsetting increase in residential and business rates would yield \$142,085,602. The net difference would be an over-recovery of \$12,116, which could be "trued-up" by an adjustment of local service rates to be changed before the transition went into effect.

Summary of Audit Field Work: I was provided Sprint work papers for the billing units and for the current and new basic rates. Based on the depth of desk audit field work performed, the Summary of Revenue-Neutral Rate Changes (JMF-12) is accurate. The only matter which needs attention is the \$12,116 over-recovery previously mentioned.

Confidential Workpapers: Sprint response to document/record requests #1 and #2 were specified confidential by Sprint. These pages in the document/record request log, the same two pages in WP 40-3 and 42-2, and a summary marked WP 42 will be transmitted under confidential cover separate from the other audit work papers.

Conclusion: Accept the Sprint numbers for the purposes of this audit.