

ORIGINAL



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October 2, 2003

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

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COMMISSION
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Re: Docket No. 030867-TL
Amended Petition of Verizon Florida Inc. to Reform Its Intrastate Network Access
and Basic Local Telecommunications Rates in Accordance with Florida Statutes,
Section 364.164

Dear Ms. Bayo:

Please find enclosed for filing an original and 15 copies of Verizon Florida Inc.'s
Request for Confidential Classification and Motion for Protective Order in connection
with the Amended Direct Testimony of Orville D. Fulp and Amended Exhibits ODF-1,
ODF-2 and ODF-3 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 813-483-1256.

Sincerely,

Richard A. Chapkis

Richard A. Chapkis

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09526 OCT-28

COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Verizon Florida Inc. to Reform)
Its Intrastate Network Access and Basic Local)
Telecommunications Rates in Accordance with)
Florida Statutes, Section 364.164)
_____)

Docket No. 030867-TL
Filed: October 2, 2003

**VERIZON FLORIDA INC.'S REQUEST FOR CONFIDENTIAL
CLASSIFICATION AND MOTION FOR PROTECTIVE ORDER**

Under Commission Rule 25-22.006, Verizon Florida Inc. (Verizon) seeks confidential classification and a protective order for certain information contained in the Amended Direct Testimony of Orville D. Fulp and Amended Exhibits ODF-1, ODF-2, and ODF-3 filed in this matter.

All of the information for which Verizon seeks confidential treatment falls within Florida Statutes section 364.183(3)(e), which defines the term, "proprietary confidential business information," to include "information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of information." If competitors were able to acquire this detailed and sensitive information regarding Verizon, they could more easily develop entry and marketing strategies to ensure success in competing with Verizon. This would afford them an unfair advantage while severely jeopardizing Verizon's competitive position. In a competitive business, any knowledge obtained about a competitor can be used to the detriment of the entity to which it pertains, often in ways that cannot be fully anticipated. This unfair advantage skews the operation of the market, to the ultimate detriment of the telecommunications consumer.

While a ruling on this request is pending, Verizon understands that the information at issue is exempt from Florida Statutes section 119.07(1) and Staff

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FPSC-COMMISSION CLERK

will accord it the stringent protection from disclosure required by Rule 25-22.006(3)(d).

One highlighted copy of the confidential information is attached to the original of this Request as Exhibit A. Two redacted copies are attached as Exhibit B. A detailed justification of the confidentiality of the information at issue is attached as Exhibit C.

Respectfully submitted on October 2, 2003.

By: Richard A. Chapkis
Richard Chapkis
P. O. Box 110, FLTC0717
Tampa, FL 33602
(813) 483-1256

Attorney for Verizon Florida Inc.

REDACTED

1 included in the interstate access ARPM.

2

3 Moreover, including the PICC in Verizon's interstate access rate is
4 consistent with the Act. As stated above, the Act defines the term
5 "intrastate switched network access rate" to include common line charges,
6 but does not define the term "interstate switched network access rate."²³

7 The PICC is a federal common line charge.²⁴ Because the Act includes
8 common line charges in Verizon's intrastate access rate, the analogous
9 PICC federal common line charge must be included in Verizon's
10 calculation of the interstate ARPM for a consistent comparison.

11

12 **Q. YOU STATED PREVIOUSLY THAT VERIZON WOULD HAVE TO**
13 **REDUCE ITS INTRASTATE ACCESS REVENUES BY**
14 **APPROXIMATELY \$76.2 MILLION TO REDUCE ITS INTRASTATE**
15 **ACCESS RATE TO PARITY. PLEASE EXPLAIN HOW YOU**
16 **CALCULATED THIS AMOUNT.**

17 A. As explained above, I calculated intrastate and interstate ARPMs of
18 \$.0485441 and \$.0117043, respectively, using rates in effect on January 1,
19 2003 and units for the 12 months ending July 31, 2003. I then subtracted
20 the interstate ARPM from the intrastate ARPM, and multiplied the
21 difference (\$.0368398) by the intrastate demand (** **
22 MOUs). This produced a required access revenue reduction of

²³ Section 364.164(6).

²⁴ See Footnote 22.

1 **CURRENT ESTIMATED SUPPORT**

2 **RESIDENCE**

3	Annualized	Present	Present Rate	Ordered	Estimated
4 <u>Service Description</u>	<u>Units</u>	<u>Rate</u>	<u>w/EUCL</u>	<u>UNE-P*</u>	<u>Support</u>
5 Basic Local Exchange Service					
6 Flat Rate – 1 Party Service/Business					
7 Rate Group 1		\$10.12	\$16.62	\$35.75	-53.51%
8 Rate Group 2		\$10.95	\$17.45	–	–
9 Rate Group 3		\$11.33	17.83	\$31.27	-42.98%
10 Rate Group 4		\$11.70	\$18.20	\$28.72	-36.63%
11 Rate Group 5		\$12.10	\$18.60	\$23.90	-22.18%

12

13 **CURRENT ESTIMATED SUPPORT**

14 **BUSINESS**

15

16	Annualized	Present	Present	Ordered	Estimated
17 <u>Service Description</u>	<u>Units</u>	<u>Rate</u>	<u>Rate w/EUCL</u>	<u>UNE-P*</u>	<u>Support</u>
18 Basic Local Exchange Service					
19 Flat Rate – 1 Party Service/Business					
20 Rate Group 1		\$24.47	\$30.97	\$35.75	-13.37%
21 Rate Group 2		\$26.82	\$33.32	–	–
22 Rate Group 3		\$28.05	\$34.55	\$31.27	10.49%
23 Rate Group 4		\$28.85	\$35.35	\$28.72	23.08%
24 Rate Group 5		\$30.35	\$36.85	\$23.90	54.18%

25

26 **Q. HOW DID YOU DETERMINE WHAT ELEMENTS TO INCLUDE IN THE**
 27 **COMPOSITE RATE, AND WHAT ASSUMPTIONS DID YOU MAKE**
 28 **REGARDING SWITCHING AND TRANSPORT USAGE?**

29 **A. I used the network elements that are typically used to provide basic local**

REDACTED

1 residential and business telephone service. These elements are the loop,
2 port, switching and transport. The loop and port elements are priced on a
3 flat rate basis, and switching and transport are priced on a minute-of-use
4 basis. I determined, based on typical usage patterns, that 2,376 switching
5 minutes and 618 transport minutes are typically used to provision basic
6 local service in Florida.

7

8 **Q. WHAT ARE THE RESULTS OF YOUR COMPOSITE UNE ANALYSIS**
9 **AND WHAT CONCLUSIONS DO YOU REACH?**

10 A. Basic local residential rates are subsidized and receive substantial
11 support. In all five basic residential rate groups, the current rates are
12 below the ordered UNE rates. The estimated shortfall ranges from
13 in Rate Group 1 to in Rate Group 5. The two-year
14 rebalancing effort will make significant progress in eliminating support in
15 residential rates, but a level of subsidy will remain in all exchanges even
16 after residential rates are rebalanced.³⁶

17

18 With regard to business rates, there is currently a subsidy being provided
19 to rates in Rate Group 1 (the least dense rate group) only. Rates
20 (including the SLC) in Rate Groups 2 through 5 exceed their comparable
21 composite UNE rates.³⁷ Even using the conservative composite UNE
22 rates, this analysis confirms that basic local residential rates receive

³⁶ See Exhibit ODF-3.

³⁷ See Exhibit ODF-3.

VERIZON Communications				
Florida				
Calculation of the Interstate ATS ARPM				
			1/1/2003	1/1/2003
	Rate	Aug '02 - Jul '03	Interstate	Interstate
Element	Application	Interstate Demand	Rates	Revenues
Switching				
End Office Switching - Bundled				
Premium	Per MOU		\$ 0.0032869	
Information Surcharge				
	Per MOU		\$0	
End Office Trunk Port				
Dedicated Voiceband	Per Month		\$ 25.00	
Dedicated DS1	Per Month		\$ 9.65	
Shared	Per MOU		\$ 0.0002324	
Transport				
Tandem Switching				
Tandem Switched Facility Per MOU/Mile				
Zone 1			\$ 0.0000627	
Zone 2			\$ 0.0000752	
Zone 3			\$ 0.0000875	
Tandem Switched Termination Per MOU/Term				
Zone 1			\$ 0.0001731	
Zone 2			\$ 0.0002077	
Zone 3			\$ 0.0002250	
Tandem Switching Rate Per MOU				
Zone 1			\$ 0.0017800	
Zone 2			\$ 0.0022253	
Zone 3			\$ 0.0024106	
Shared Multiplexing Per MOU				
Zone 1			\$ 0.0000459	
Zone 2			\$ 0.0000459	
Zone 3			\$ 0.0000459	
Dedicated Tandem Trunk Port				
Voiceband	Per Month		\$ 15.28	
DS1	Per Month		\$ 5.97	
Interconnection Charge Per MOU \$0				
Direct Trunk Transport:				
Voicegrade Per Mile/Month				
Zone 1			\$4.30	
Zone 2			\$4.30	
Zone 3			\$4.30	
DS1 Facility Per Mile/Month				
Zone 1			\$7.10	
Zone 2			\$8.03	
Zone 3			\$8.70	
DS1 Termination Per Month				
Zone 1			\$21.30	
Zone 2			\$24.09	
Zone 3			\$26.10	
DS3 Facility Per Mile/Month				
Zone 1			\$34.52	
Zone 2			\$36.50	
Zone 3			\$44.00	
DS3 Termination Per Month				
Zone 1			\$346.88	
Zone 2			\$370.00	
Zone 3			\$444.25	

VERIZON Communications				
Florida				
Calculation of the Interstate ATS ARPM				
			1/1/2003	1/1/2003
	Rate	Aug '02 - Jul '03	Interstate	Interstate
Element	Application	Interstate Demand	Rates	Revenues
Entrance Facility:				
Two Wire	Per Month			
Zone 1			\$31.40	
Zone 2			\$31.40	
Zone 3			\$31.40	
Four Wire	Per Month			
Zone 1			\$48.99	
Zone 2			\$48.99	
Zone 3			\$48.99	
DS1	Each DS1, Per Month			
Zone 1 - per system			\$165.00	
Zone 2 - per system			\$250.00	
Zone 3 - per system			\$250.00	
DS3 Electrical	Each DS3, Per Month			
Zone 1			\$1,000.00	
Zone 2			\$1,055.12	
Zone 3			\$1,055.12	
DS1 to Voice Multiplexing	Each, Per Month			
Zone 1			\$250.00	
Zone 2			\$250.00	
Zone 3			\$250.00	
DS3 to DS1 Multiplexing	Each, Per Month			
Zone 1			\$346.88	
Zone 2			\$370.00	
Zone 3			\$444.25	
			Total ATS Revenue	
			ATS ARPM	

**VERIZON Communications
 Florida**

Calculation of PICC Equivalent ARPM and Total Composite ARPM

Element	Rate Application	Aug '02 - Jul '03 Intrastate Demand	1/1/2003	1/1/2003
			Interstate Rates	Interstate Revenues
Presubscribed Interexchange Carrier Charge				
Multiline Business	Per Line, Per Month		\$3.20	
ISDN - PRI	Per Line, Per Month		\$16.00	
Centrex *	Per Line, Per Month		\$0.36	
1 Line			\$3.20	
2 Line			\$1.60	
3 Line			\$1.07	
4 Line			\$0.80	
5 Line			\$0.64	
6 Line			\$0.53	
7 Line			\$0.46	
8 Line			\$0.40	
9 + Lines			\$0.36	
		Total PICC Revenue		
		Intrastate Demand		
		PICC Equivalent ARPM		

* During the study period Centrex was billed a composite rate of \$0.36 per line.

Interstate ATS ARPM				
PICC Equivalent ARPM				
Composite ARPM				

**VERIZON Communications
 Florida**

Intrastate Rate Reductions to Reach Interstate Composite

Element	Rate Application	Aug '02 - Jul '03 Intrastate Demand	Current	Proposed	Current	Proposed	Difference
			Intrastate Rates	Intrastate Rates	Intrastate Revenue	Intrastate Revenue	
Information Surcharge	Per MOU		\$0.0072000	\$0			
Transport *							
Tandem Switching							
Tandem Switched Facility	Per MOU/Mile		\$0.0000135	\$0.0000135			
Tandem Switched Termination	Per MOU/Term		\$0.0001344	\$0.0001344			
Tandem Switching Rate	Per MOU		\$0.0007500	\$0.0007500			
Voicegrade	Per Mile/Month		\$5.08	\$5.08			
DS1 Facility	Per Mile/Month		\$5.00	\$5.00			
DS1 Termination	Per Month		\$30.00	\$30.00			
DS3 Facility	Per Mile/Month		\$70.00	\$70.00			
DS3 Termination	Per Month		\$500.00	\$500.00			
Entrance Facility:							
Two Wire	Per Month		\$33.08	\$33.08			
Four Wire	Per Month		\$52.93	\$52.93			
DS1 - First system	Each DS1, Per Month		\$260.00	\$260.00			
DS1 - Additional systems	Each DS1, Per Month		\$130.00	\$130.00			
DS3 Electrical	Each DS3, Per Month		\$1,400.00	\$1,400.00			
DS1 to Voice Multiplexing	Each, Per Month		\$250.00	\$250.00			
DS3 to DS1 Multiplexing	Each, Per Month		\$581.63	\$581.63			
Carrier Common Line							
Originating Carrier Common Line Access	Per MOU		\$0.0159409	\$0			
Terminating Carrier Common Line Access	Per MOU		\$0.0246950	\$0.0031065			
Total Revenue							
Total ARPM							
* Intrastate Transport in FL has 3 pricing zones. In the instances where the rates for zones within a rate element were different, the lowest price was applied.							

VERIZON Communications							
Florida							
Intrastate Switched Access Rate Reductions Year 1							
Element	Rate Application	Aug '02 - Jul '03 Intrastate Demand	Current Intrastate Rates	Proposed Year 1 Rates	Current Intrastate Revenue	Proposed Year 1 Revenue	Difference
Switching							
End Office Switching - Bundled							
Premium	Per MOU		\$0.0089000	\$0.0089000			
Information Surcharge	Per MOU		\$0.0072000	\$0			
Transport *							
Tandem Switching							
Tandem Switched Facility	Per MOU/Mile		\$0.0000135	\$0.0000135			
Tandem Switched Termination	Per MOU/Term		\$0.0001344	\$0.0001344			
Tandem Switching Rate	Per MOU		\$0.0007500	\$0.0007500			
Interconnection Charge	Per MOU		\$0.0102494	\$0.0058073			
Direct Trunk Transport:							
Voicegrade	Per Mile/Month		\$5.08	\$5.08			
DS1 Facility	Per Mile/Month		\$5.00	\$5.00			
DS1 Termination	Per Month		\$30.00	\$30.00			
DS3 Facility	Per Mile/Month		\$70.00	\$70.00			
DS3 Termination	Per Month		\$500.00	\$500.00			
Entrance Facility:							
Two Wire	Per Month		\$33.08	\$33.08			
Four Wire	Per Month		\$52.93	\$52.93			
DS1 - First system	Each DS1, Per Month		\$260.00	\$260.00			
DS1 - Additional systems	Each DS1, Per Month		\$130.00	\$130.00			
DS3 Electrical	Each DS3, Per Month		\$1,400.00	\$1,400.00			
DS1 to Voice Multiplexing	Each, Per Month		\$250.00	\$250.00			
DS3 to DS1 Multiplexing	Each, Per Month		\$581.63	\$581.63			
Carrier Common Line							
Originating Carrier Common Line Access	Per MOU		\$0.0159409	\$0.0159409			
Terminating Carrier Common Line Access	Per MOU		\$0.0246950	\$0.0246950			
Total Revenue							
Total ARPM							
* Intrastate Transport in FL has 3 pricing zones. In the instances where the rates for zones within a rate element were different, the lowest price was applied.							

VERIZON Communications							
Florida							
Intrastate Switched Access Rate Reductions Year 2							
Element	Rate Application	Aug '02 - Jul '03 Intrastate Demand	Year 1	Proposed	Year 1	Proposed	Difference
			Intrastate Rates	Year 2 Rates	Intrastate Revenue	Year 2 Revenue	
Switching							
End Office Switching - Bundled							
Premium	Per MOU		\$0.0089000	\$0.0089000			
Information Surcharge	Per MOU		\$0	\$0			
Transport *							
Tandem Switching							
Tandem Switched Facility	Per MOU/Mile		\$0.0000135	\$0.0000135			
Tandem Switched Termination	Per MOU/Term		\$0.0001344	\$0.0001344			
Tandem Switching Rate	Per MOU		\$0.0007500	\$0.0007500			
Interconnection Charge	Per MOU		\$0.0058073	\$0			
Direct Trunk Transport:							
Voicegrade	Per Mile/Month		\$5.08	\$5.08			
DS1 Facility	Per Mile/Month		\$5.00	\$5.00			
DS1 Termination	Per Month		\$30.00	\$30.00			
DS3 Facility	Per Mile/Month		\$70.00	\$70.00			
DS3 Termination	Per Month		\$500.00	\$500.00			
Entrance Facility:							
Two Wire	Per Month		\$33.08	\$33.08			
Four Wire	Per Month		\$52.93	\$52.93			
DS1 - First system	Each DS1, Per Month		\$260.00	\$260.00			
DS1 - Additional systems	Each DS1, Per Month		\$130.00	\$130.00			
DS3 Electrical	Each DS3, Per Month		\$1,400.00	\$1,400.00			
DS1 to Voice Multiplexing	Each, Per Month		\$250.00	\$250.00			
DS3 to DS1 Multiplexing	Each, Per Month		\$581.63	\$581.63			
Carrier Common Line							
Originating Carrier Common Line Access	Per MOU		\$0.0159409	\$0			
Terminating Carrier Common Line Access	Per MOU		\$0.0248950	\$0.0228649			
Total Revenue							
Total ARPM							
* Intrastate Transport in FL has 3 pricing zones. In the instances where the rates for zones within a rate element were different, the lowest price was applied.							

VERIZON Communications							
Florida							
Intrastate Switched Access Rate Reductions Year 3							
Element	Rate Application	Aug '02 - Jul '03 Intrastate Demand	Year 2 Intrastate Rates	Proposed Year 3 Rates	Year 2 Intrastate Revenue	Proposed Year 3 Revenue	Difference
Switching							
End Office Switching - Bundled							
Premium	Per MOU		\$0.0089000	\$0.0089000			
Information Surcharge	Per MOU		\$0	\$0			
Transport *							
Tandem Switching							
Tandem Switched Facility	Per MOU/Mile		\$0.0000135	\$0.0000135			
Tandem Switched Termination	Per MOU/Term		\$0.0001344	\$0.0001344			
Tandem Switching Rate	Per MOU		\$0.0007500	\$0.0007500			
Interconnection Charge	Per MOU		\$0	\$0			
Direct Trunk Transport:							
Voicegrade	Per Mile/Month		\$5.08	\$5.08			
DS1 Facility	Per Mile/Month		\$5.00	\$5.00			
DS1 Termination	Per Month		\$30.00	\$30.00			
DS3 Facility	Per Mile/Month		\$70.00	\$70.00			
DS3 Termination	Per Month		\$500.00	\$500.00			
Entrance Facility:							
Two Wire	Per Month		\$33.08	\$33.08			
Four Wire	Per Month		\$52.93	\$52.93			
DS1 - First system	Each DS1, Per Month		\$260.00	\$260.00			
DS1 - Additional systems	Each DS1, Per Month		\$130.00	\$130.00			
DS3 Electrical	Each DS3, Per Month		\$1,400.00	\$1,400.00			
DS1 to Voice Multiplexing	Each, Per Month		\$250.00	\$250.00			
DS3 to DS1 Multiplexing	Each, Per Month		\$581.63	\$581.63			
Carrier Common Line							
Originating Carrier Common Line Access	Per MOU		\$0	\$0			
Terminating Carrier Common Line Access	Per MOU		\$0.0228649	\$0.0031065			
Total Revenue							
Total ARPM							
* Intrastate Transport in FL has 3 pricing zones. In the instances where the rates for zones within a rate element were different, the lowest price was applied.							

**FLORIDA RATE REBALANCING
 SUMMARY**

BUSINESS BASIC EXCHANGE RATES

<u>Basic Flat Rate 1-party</u>	<u>Present Rate</u>	<u>Proposed Rate Yr-1</u>	<u>Proposed Rate Yr-2</u>	<u>Proposed Rate Yr-3</u>
Rate Group 1	\$24.47	\$26.98	\$29.49	\$32.00
Rate Group 2	\$26.82	\$28.54	\$30.26	\$32.00
Rate Group 3	\$28.05	\$29.37	\$30.69	\$32.00
Rate Group 4	\$28.85	\$29.90	\$30.95	\$32.00
Rate Group 5	\$30.35	\$30.35	\$31.60	\$32.00
Service Charges (NRC)				
Network Access	\$33.90	\$33.90	\$33.90	\$34.00
Established charges				

RESIDENTIAL BASIC EXCHANGE RATES

<u>Basic Flat Rate 1-party</u>	<u>Present Rate</u>	<u>Proposed Rate Yr-1</u>	<u>Proposed Rate Yr-2</u>	<u>Proposed Rate Yr-3</u>
Rate Group 1	\$10.12	\$11.70	\$13.28	\$14.85
Rate Group 2	\$10.95	\$12.53	\$14.11	\$15.68
Rate Group 3	\$11.33	\$12.91	\$14.49	\$16.06
Rate Group 4	\$11.70	\$13.28	\$14.86	\$16.43
Rate Group 5	\$12.10	\$13.68	\$15.26	\$16.83
Service Charges (NRC)				
Network Access	\$20.00	\$21.00	\$23.00	\$25.00
Establishment Charge				
Central Office Connection	\$35.00	\$36.00	\$38.00	\$40.00

**FLORIDA RATE REBALANCING
 BUSINESS BASIC EXCHANGE ACCESS
 Summary of 1, 2 and 3 year Impacts**

1-Oct-03

FLORIDA RATE REBALANCING		Year 1	
Summary			
		Total Switched Access Reduction	\$ 76,231,567
	Present	Proposed	
	<u>Revenue</u>	<u>Revenue - Year 1</u>	<u>Increase - Year 1</u>
Residential			
Business			
Total			\$ -
		Total Basic Res and Bus Recovered - over (under)	\$ (76,231,567)

FLORIDA RATE REBALANCING		Year 2	
Summary			
		Total Switched Access Reduction	\$ 76,231,567
	Present	Proposed	Cummulative
	<u>Revenue</u>	<u>Revenue - Year 2</u>	<u>Revenue Years 1 & 2</u>
Residential			\$0
Business			\$0
Total			\$ -
		Total Basic Res and Bus Recovered - over (under)	\$ (76,231,567)

FLORIDA RATE REBALANCING		Year 3	
Summary			
		Total Switched Access Reduction	\$ 76,231,567
	Present	Proposed	Cummulative
	<u>Revenue</u>	<u>Revenue - Year 3</u>	<u>Revenue Years 1, 2, & 3</u>
Residential			\$0
Business			\$0
Total			\$ -
		Total Basic Res and Bus Recovered - over (under)	\$ (76,231,567)

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**FLORIDA RATE REBALANCING
 BUSINESS BASIC EXCHANGE ACCESS**

1-Oct-03

Year 1 - Impact

Row	Service Description	Billing Type	Annualized Units	Present Rate	Proposed Rate-Year1	Inc. (Dec.)	Annual Present Revenue	Annual Proposed Revenue - Year 1	Annual Revenue Change - Year 1
1									
2	Basic Local Exchange Service								
3	Flat Rate - 1 Party Service/Business								
4	Rate Group 1	MRC		\$ 24.47	\$ 26.98	\$2.51			
5	Rate Group 1 - RESALE	MRC		\$ 21.28	\$ 23.46	\$2.18			
6									
7	Rate Group 2	MRC		\$ 26.82	\$ 28.54	\$1.72			
8	Rate Group 2 - RESALE	MRC		\$ 23.32	\$ 24.82	\$1.50			
9									
10	Rate Group 3	MRC		\$ 28.05	\$ 29.37	\$1.32			
11	Rate Group 3 - RESALE	MRC		\$ 24.39	\$ 25.54	\$1.15			
12									
13	Rate Group 4	MRC		\$ 28.85	\$ 29.90	\$1.05			
14	Rate Group 4 - RESALE	MRC		\$ 25.09	\$ 26.00	\$0.91			
15									
16	Rate Group 5	MRC		\$ 30.35	\$ 30.35	\$0.00			
17	Rate Group 5 - RESALE	MRC		\$ 26.39	\$ 26.39	\$0.00			
18									
19	Total Business Rategroups								
20									
21									
22	ECS Usage for Routes Established Before 7/1/95								
23	Business 1-Party Extended Calling Service								
24	- Call Connection	Usage		\$ 0.04	\$ 0.04	\$0.00			
25	Detail Billing								
26	- Charge Per Page of Billing Detail	Usage		\$ 0.11	\$ 0.11	\$0.00			
27									
28	Total ECS Usage								
29									
30									
31	Service Charges for Basic Business								
32	Network Access Establishment Charge	NRC		\$ 33.90	\$ 33.90	\$0.00			
33	Network Access Establishment Charge - RESALE	NRC		\$ 29.48	\$ 29.48	\$0.00			
34									
35	Total Service Charges								
36									
37	Total Basic Business Service								

FLORIDA RATE REBALANCING		Year 1	
Summary			
		Total Switched Access Reduction	\$ 76,231,567
Residential Business	Present Revenue	Proposed Revenue - Year 1	Increase - Year 1
	Total		\$ -
		Total Basis Res and Bus Recovered - over (under)	\$ (76,231,567)

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**FLORIDA RATE REBALANCING
 BUSINESS BASIC EXCHANGE ACCESS**

1-Oct-03

Year 2 - Impact

Row	Service Description	Billing Type	Annualized Units	Present Rate	Proposed Rate-Year 2	Inc. (Dec.)	Annual Present Revenue	Annual Proposed Revenue - Year 2	Annual Revenue Change - Year 2
1									
2	Basic Local Exchange Service								
3	Flat Rate - 1 Party Service/Business								
4	Rate Group 1	MRC		\$ 26.98	\$ 29.49	\$2.51			
5	Rate Group 1 - RESALE	MRC		\$ 23.46	\$ 25.64	\$2.18			
6									
7	Rate Group 2	MRC		\$ 28.54	\$ 30.26	\$1.72			
8	Rate Group 2 - RESALE	MRC		\$ 24.82	\$ 26.31	\$1.50			
9									
10	Rate Group 3	MRC		\$ 29.37	\$ 30.69	\$1.32			
11	Rate Group 3 - RESALE	MRC		\$ 25.54	\$ 26.69	\$1.15			
12									
13	Rate Group 4	MRC		\$ 29.90	\$ 30.95	\$1.05			
14	Rate Group 4 - RESALE	MRC		\$ 26.00	\$ 26.91	\$0.91			
15									
16	Rate Group 5	MRC		\$ 30.35	\$ 31.60	\$1.25			
17	Rate Group 5 - RESALE	MRC		\$ 26.39	\$ 27.48	\$1.09			
18									
19	Total Business Rategroups								
20									
21									
22	CS Usage for Routes Established Before 7/1/95								
23	Business 1-Party Extended Calling Service								
24	- Call Connection	Usage		\$ 0.04	\$ 0.04	\$0.00			
25	Detail Billing								
26	- Charge Per Page of Billing Detail	Usage		\$ 0.11	\$ 0.11	\$0.00			
27									
28	Total ECS Usage								
29									
30									
31	Service Charges for Basic Business								
32	Network Access Establishment Charge	NRC		\$ 33.90	\$ 33.90	\$0.00			
33	Network Access Establishment Charge - RESALE	NRC		\$ 29.48	\$ 29.48	\$0.00			
34									
35	Total Service Charges								
36									
37	Total Basic Business Service								

FLORIDA RATE REBALANCING Year 2 Summary				
	Present Revenue	Proposed Revenue - Year 2	Increase - Year 2	Cummulative Revenue Years 1 & 2
Total Switched Access Reduction			\$ 76,231,567	
Residential Business				\$0
Total			\$	\$0
Total Basis Res and Bus Recovered - over (under)			\$	(76,231,567)

REDACTED

**FLORIDA RATE REBALANCING
 BUSINESS BASIC EXCHANGE ACCESS**

1-Oct-03

Year 3 - Impact

Row	Service Description	Billing Type	Annualized Units	Present Rate	Proposed Rate-Year 3	Inc. (Dec.)	Annual Present Revenue	Annual Proposed Revenue - Year 3	Annual Revenue Change - Year 3
1									
2	Basic Local Exchange Service								
3	Flat Rate - 1 Party Service/Business								
4	Rate Group 1	MRC		\$ 29.49	\$ 32.00	\$2.51			
5	Rate Group 1 - RESALE	MRC		\$ 25.64	\$ 27.83	\$2.18			
6									
7	Rate Group 2	MRC		\$ 30.26	\$ 32.00	\$1.74			
8	Rate Group 2 - RESALE	MRC		\$ 26.31	\$ 27.83	\$1.51			
9									
10	Rate Group 3	MRC		\$ 30.69	\$ 32.00	\$1.31			
11	Rate Group 3 - RESALE	MRC		\$ 26.69	\$ 27.83	\$1.14			
12									
13	Rate Group 4	MRC		\$ 30.95	\$ 32.00	\$1.05			
14	Rate Group 4 - RESALE	MRC		\$ 26.91	\$ 27.83	\$0.91			
15									
16	Rate Group 5	MRC		\$ 31.60	\$ 32.00	\$0.40			
17	Rate Group 5 - RESALE	MRC		\$ 27.48	\$ 27.83	\$0.35			
18									
19	Total Business Rategroups								
20									
21									
22	CS Usage for Routes Established Before 7/1/95								
23	Business 1-Party Extended Calling Service								
24	- Call Connection	Usage		\$ 0.04	\$ 0.04	\$0.00			
25	Detail Billing								
26	- Charge Per Page of Billing Detail	Usage		\$ 0.11	\$ 0.14	\$0.03			
27									
28	Total ECS Usage								
29									
30									
31	Service Charges for Basic Business								
32	Network Access Establishment Charge	NRC		\$ 33.90	\$ 34.00	\$0.10			
33	Network Access Establishment Charge - RESALE	NRC		\$ 29.48	\$ 29.57	\$0.09			
34									
35	Total Service Charges								
36									
37	Total Basic Business Service								

FLORIDA RATE REBALANCING Year 3 Summary				
			Total Switched Access Reduction	\$ 76,231,567
	Present Revenue	Proposed Revenue - Year 3	Increase - Year 3	Cummulative Revenue Years 1, 2 & 3
Residential Business				\$0
Total				\$0
			Total Basis Res and Bus Recovered - over (under)	\$ (76,231,567)

REDACTED

**FLORIDA RATE REBALANCING
 RESIDENCE BASIC EXCHANGE ACCESS**

1-Oct-03

Row	Service Description	Billing Type	Year 1 Impact			Annual Present Revenue	Annual Proposed Revenue - Year 1	Annual Revenue Change - Year 1
			Annualized Units	Present Rate	Proposed Rate-Year 1			
1	Basic Local Exchange Service							
2	Flat Rate - 1 Party Service/Residence							
3	Rate Group 1	MRC		\$10 12	\$11 70	\$1 58		
4	Rate Group 1 - 50% Emp Concession	MRC		\$5 06	\$5 85	\$0 79		
5	Rate Group 1 - RESALE	MRC		\$8 80	\$10 17	\$1 37		
6								
7	Rate Group 2	MRC		\$10 95	\$12 53	\$1 58		
8	Rate Group 2 - 50% Emp Concession	MRC		\$5 48	\$6 27	\$0 79		
9	Rate Group 2 - RESALE	MRC		\$9 52	\$10 90	\$1 37		
10								
11	Rate Group 3	MRC		\$11 33	\$12 91	\$1 58		
12	Rate Group 3 - 50% Emp Concession	MRC		\$5 67	\$6 46	\$0 79		
13	Rate Group 3 - RESALE	MRC		\$9 85	\$11 23	\$1 37		
14								
15	Rate Group 4	MRC		\$11 70	\$13 28	\$1 58		
16	Rate Group 4 - 50% Emp Concession	MRC		\$5 85	\$6 64	\$0 79		
17	Rate Group 4 - RESALE	MRC		\$10 17	\$11 55	\$1 37		
18								
19	Rate Group 5	MRC		\$12 10	\$13 68	\$1 58		
20	Rate Group 5 - 50% Emp Concession	MRC		\$6 05	\$6 84	\$0 79		
21	Rate Group 5 - RESALE	MRC		\$10 52	\$11 90	\$1 37		
22								
23	Total Residential Rategroups							
24								
25	Vacation Service - Residence							
26	Vacation Service/Residence	MRC		\$5 77	\$5 77	\$0 00		
27								
28	Total Basic Residential Vacation Service							
29								
30	ECS Usage for Routes Established Before 7/1/95							
31	Residence 1-Party Extended Calling Service							
32	- Call Connection	Usage		\$0 25	\$0 25	\$0 00		
33								
34	Total ECS Usage							
35								
36	Service Charges for Basic Residence							
37	Network Access Establishment Charge	NRC		\$ 20 00	\$ 21 00	\$1 00		
38	Network Access Establishment Charge - RESALE	NRC		\$ 17 39	\$ 18 26	\$0 87		
39	Central Office Line Connection	NRC		\$ 35 00	\$ 36 00	\$1 00		
40	Central Office Line Connection - RESALE	NRC		\$ 30 44	\$ 31 31	\$0 87		
41								
42	Total Service Charges							
43								
44	Total Basic Residential Service							

FLORIDA RATE REBALANCING		Year 1	
Summary			
		Total Switched Access Reduction	\$ 76,231,567
	Present	Proposed	
	Revenue	Revenue - Year 1	Increase - Year 1
Residential			
Business			
Total			\$ -
Total Basis Res and Bus Recovered - over (under)			\$ (76,231,567)

REDACTED

**FLORIDA RATE REBALANCING
 RESIDENCE BASIC EXCHANGE ACCESS**

1-Oct-03

Row	Service Description	Billing Type	Year 2 Impact			Annual Present Revenue	Annual Proposed Revenue - Year 2	Annual Revenue Change - Year 2
			Annualized Units	Present Rate	Proposed Rate - Year 2			
1	Basic Local Exchange Service							
2	Flat Rate - 1 Party Service/Residence							
3	Rate Group 1	MRC		\$11.70	\$13.28	\$1.58		
4	Rate Group 1 - 50% Emp Concession	MRC		\$5.85	\$6.64	\$0.79		
5	Rate Group 1 - RESALE	MRC		\$10.17	\$11.55	\$1.37		
6								
7	Rate Group 2	MRC		\$12.53	\$14.11	\$1.58		
8	Rate Group 2 - 50% Emp Concession	MRC		\$6.27	\$7.06	\$0.79		
9	Rate Group 2 - RESALE	MRC		\$10.90	\$12.27	\$1.37		
10								
11	Rate Group 3	MRC		\$12.91	\$14.49	\$1.58		
12	Rate Group 3 - 50% Emp Concession	MRC		\$6.46	\$7.25	\$0.79		
13	Rate Group 3 - RESALE	MRC		\$11.23	\$12.60	\$1.37		
14								
15	Rate Group 4	MRC		\$13.28	\$14.86	\$1.58		
16	Rate Group 4 - 50% Emp Concession	MRC		\$6.64	\$7.43	\$0.79		
17	Rate Group 4 - RESALE	MRC		\$11.55	\$12.92	\$1.37		
18								
19	Rate Group 5	MRC		\$13.68	\$15.26	\$1.58		
20	Rate Group 5 - 50% Emp Concession	MRC		\$6.84	\$7.63	\$0.79		
21	Rate Group 5 - RESALE	MRC		\$11.90	\$13.27	\$1.37		
22								
23	Total Residential Rategroups							
24								
25	Vacation Service - Residence							
26	Vacation Service/Residence	MRC		\$5.77	\$5.77	\$0.00		
27								
28	Total Basic Residential Vacation Service							
29								
30	ECS Usage for Routes Established Before 7/1/95							
31	Residence 1-Party Extended Calling Service							
32	- Call Connection	Usage		\$0.25	\$0.25	\$0.00		
33								
34	Total ECS Usage							
35								
36	Service Charges for Basic Residence							
37	Network Access Establishment Charge	NRC		\$21.00	\$23.00	\$2.00		
38	Network Access Establishment Charge - RESALE	NRC		\$18.26	\$20.00	\$1.74		
39	Central Office Line Connection	NRC		\$36.00	\$38.00	\$2.00		
40	Central Office Line Connection - RESALE	NRC		\$31.31	\$33.04	\$1.74		
41								
42	Total Service Charges							
43								
44	Total Basic Residential Service							

FLORIDA RATE REBALANCING		Year 2	
Summary			
		Total Switched Access Reduction	\$ 76,231,567
	Present Revenue	Proposed Revenue - Year 2	Cummulative Increase - Year 2 Revenue Years 1 & 2
Residential			\$ -
Business			\$ -
Total			\$ -
Total Basis Res and Bus Recovered - over (under)			\$ (76,231,567)

REDACTED

**FLORIDA RATE REBALANCING
 RESIDENCE BASIC EXCHANGE ACCESS**

1-Oct-03

Row	Service Description	Billing Type	Year 3 Impact			Annual Present Revenue	Annual Proposed Revenue - Year 3	Annual Revenue Change - Year 3
			Annualized Units	Present Rate	Proposed Rate - Year 3			
1	Basic Local Exchange Service							
2	Flat Rate - 1 Party Service/Residence							
3	Rate Group 1	MRC		\$13 28	\$14 85	\$1 57		
4	Rate Group 1 - 50% Emp Concession	MRC		\$6 84	\$7 43	\$0 79		
5	Rate Group 1 - RESALE	MRC		\$11 55	\$12 91	\$1 37		
6								
7	Rate Group 2	MRC		\$14 11	\$15 68	\$1 57		
8	Rate Group 2 - 50% Emp Concession	MRC		\$7 06	\$7 84	\$0 79		
9	Rate Group 2 - RESALE	MRC		\$12 27	\$13 64	\$1 37		
10								
11	Rate Group 3	MRC		\$14 49	\$16 06	\$1 57		
12	Rate Group 3 - 50% Emp Concession	MRC		\$7 25	\$8 03	\$0 78		
13	Rate Group 3 - RESALE	MRC		\$12 60	\$13 97	\$1 37		
14								
15	Rate Group 4	MRC		\$14 86	\$16 43	\$1 57		
16	Rate Group 4 - 50% Emp Concession	MRC		\$7 43	\$8 22	\$0 79		
17	Rate Group 4 - RESALE	MRC		\$12 92	\$14 29	\$1 37		
18								
19	Rate Group 5	MRC		\$15 26	\$16 83	\$1 57		
20	Rate Group 5 - 50% Emp Concession	MRC		\$7 83	\$8 42	\$0 78		
21	Rate Group 5 - RESALE	MRC		\$13 27	\$14 64	\$1 37		
22								
23	Total Residential Rategroups							
24								
25	Vacation Service - Residence							
26	Vacation Service/Residence	MRC		\$5 77	\$6 00	\$0 23		
27								
28	Total Basic Residential Vacation Service							
29								
30	ECS Usage for Routes Established Before 7/1/95							
31	Residence 1-Party Extended Calling Service							
32	- Call Connection	Usage		\$0 25	\$0 25	\$0 00		
33								
34	Total ECS Usage							
35								
36	Service Charges for Basic Residence							
37	Network Access Establishment Charge	NRC		\$23 00	\$25 00	\$2 00		
38	Network Access Establishment Charge - RESALE	NRC		\$20 00	\$21 74	\$1 74		
39	Central Office Line Connection	NRC		\$38 00	\$40 00	\$2 00		
40	Central Office Line Connection - RESALE	NRC		\$33 04	\$34 78	\$1 74		
41								
42	Total Service Charges							
43								
44	Total Basic Residential Service							

FLORIDA RATE REBALANCING		Year 3	
Summary			
		Total Switched Access Reduction	\$ 76,231,567
	Present Revenue	Proposed Revenue - Year 3	Increase - Year 3
			Cumulative Revenue Years 1, 2 & 3
Residential			\$ -
Business			\$ -
Total			\$ -
Total Basis Res and Bus Recovered - over (under)			\$ (76,231,567)

REDACTED

FLORIDA RATE REBALANCING BASIC EXCHANGE ACCESS SUMMARY UNE-P IMPACT - With Usage

Row	Service Description	Annual Present Revenue	Annual Estimated Costs at Ordered UNE-P* Rates	Estimated Contribution Margin*	Contribution Margin %
1					
2	Total Basic Business Service				
3	Current View		\$ -		
4	Year 1		\$ -		
5	Year 2		\$ -		
6	Year 3		\$ -		
7					
8	Total Basic Residential Service				
9	Current View		\$ -		
10	Year 1		\$ -		
11	Year 2		\$ -		
12	Year 3		\$ -		
13					
14	Total Basic Service				
15	Current View		\$ -		
16	Year 1		\$ -		
17	Year 2		\$ -		
18	Year 3		\$ -		

*UNE-P calculated as Loop, Port & estimated Usage as ordered in Dkt. 990649-B-TP and are used in this analysis only as a cost indicator. VZ does not believe ordered UNE rates are a valid approximation of cost and are provided only to prove the validity of VZ's proposed rate design.

REDACTED

FLORIDA RATE REBALANCING
BUSINESS BASIC EXCHANGE ACCESS
 UNE-P IMPACT - CURRENT - With Usage

Row	(A) Service Description	(B) Billing Type	(C) Annualized Units	(D) Proposed Rate	(E) EUCL	(F)=(D)*(E) Proposed Rate w/EUCL	(G) Estimated Costs at Ordered UNE-P* Rates	(H)=(F)-(G) Unit Contribution	(I)=(C)*(F) Annual Present Revenue	(J)=(C)*(G) Annual Estimated Costs at Ordered UNE-P* Rates	(K)=(I)-(J) Estimated Contribution Margin*	(L)=(K)/(J) Contribution Margin %
1												
2	Basic Local Exchange Service											
3	Flat Rate - 1 Party Service/Business											
4	Rate Group 1	MRC		\$ 24.47	\$ 6.50	\$ 30.97	\$ 35.75					
5	Rate Group 1 - RESALE	MRC		\$ 21.28	\$ 6.50	\$ 27.78	\$ 35.75					
6												
7	Rate Group 2	MRC		\$ 26.82	\$ 6.50	\$ 33.32						
8	Rate Group 2 - RESALE	MRC		\$ 23.32	\$ 6.50	\$ 29.82						
9												
10	Rate Group 3	MRC		\$ 28.05	\$ 6.50	\$ 34.55	\$ 31.27					
11	Rate Group 3 - RESALE	MRC		\$ 24.39	\$ 6.50	\$ 30.89	\$ 31.27					
12												
13	Rate Group 4	MRC		\$ 28.85	\$ 6.50	\$ 35.35	\$ 28.72					
14	Rate Group 4 - RESALE	MRC		\$ 25.09	\$ 6.50	\$ 31.59	\$ 28.72					
15												
16	Rate Group 5	MRC		\$ 30.35	\$ 6.50	\$ 36.85	\$ 23.90					
17	Rate Group 5 - RESALE	MRC		\$ 26.39	\$ 6.50	\$ 32.89	\$ 23.90					
18												
19	Total Business Rategroups											
20												
21												
22	ECS Usage for Routes Established Before 7/1/95											
23	Business 1-Party Extended Calling Service											
24	- Call Connection	Usage		\$ 0.04		\$ 0.04	\$ 0.04					
25	Detail Billing											
26	- Charge Per Page of Billing Detail	Usage		\$ 0.11		\$ 0.11	\$ 0.11					
27												
28	Total ECS Usage											
29												
30												
31	Service Charges for Basic Business											
32	Network Access Establishment Charge	NRC		\$ 33.90		\$ 33.90	\$ 33.90					
33	Network Access Establishment Charge - RESALE	NRC		\$ 29.48		\$ 29.48	\$ 29.48					
34												
35	Total Service Charges											
36												
37	Total Basic Business Service											

*UNE-P calculated as Loop, Port & estimated Usage as ordered in Dkt. 990649-B-TP and are used in this analysis only as a cost indicator. VZ does not believe ordered UNE rates are a valid approximation of cost and are provided only to prove the validity of VZ's proposed rate design

**FLORIDA RATE REBALANCING
 BUSINESS BASIC EXCHANGE ACCESS
 UNE-P IMPACT - YEAR 1 PROPOSED - With Usage**

Row	(A) Service Description	(B) Billing Type	(C) Annualized Units	(D) Proposed Rate	(E) EUCL	(F)=(D)*(E) Proposed Rate w/EUCL	(G) Estimated Costs at Ordered UNE-P* Rates	(H)=(F)-(G) Unit Contribution	(I)=(C)*(F) Annual Present Revenue	(J)=(C)*(G) Annual Estimated Costs at Ordered UNE-P* Rates	(K)=(I)-(J) Estimated Contribution Margin*	(L)=(K)/(J) Contribution Margin %
1												
2	Basic Local Exchange Service											
3	Flat Rate - 1 Party Service/Business											
4	Rate Group 1	MRC		\$ 26.98	\$ 6.50	\$ 33.48	\$ 35.75					
5	Rate Group 1 - RESALE	MRC		\$ 23.46	\$ 6.50	\$ 29.96	\$ 35.75					
6												
7	Rate Group 2	MRC		\$ 28.54	\$ 6.50	\$ 35.04						
8	Rate Group 2 - RESALE	MRC		\$ 24.82	\$ 6.50	\$ 31.32						
9												
10	Rate Group 3	MRC		\$ 29.37	\$ 6.50	\$ 35.87	\$ 31.27					
11	Rate Group 3 - RESALE	MRC		\$ 25.54	\$ 6.50	\$ 32.04	\$ 31.27					
12												
13	Rate Group 4	MRC		\$ 29.90	\$ 6.50	\$ 36.40	\$ 28.72					
14	Rate Group 4 - RESALE	MRC		\$ 26.00	\$ 6.50	\$ 32.50	\$ 28.72					
15												
16	Rate Group 5	MRC		\$ 30.35	\$ 6.50	\$ 36.85	\$ 23.90					
17	Rate Group 5 - RESALE	MRC		\$ 26.39	\$ 6.50	\$ 32.89	\$ 23.90					
18												
19	Total Business Rategroups											
20												
21												
22	ECS Usage for Routes Established Before 7/1/95											
23	Business 1-Party Extended Calling Service											
24	- Call Connection	Usage		\$ 0.04		\$ 0.04	\$ 0.05					
25	Detail Billing											
26	- Charge Per Page of Billing Detail	Usage		\$ 0.11		\$ 0.11	\$ 0.14					
27												
28	Total ECS Usage											
29												
30												
31	Service Charges for Basic Business											
32	Network Access Establishment Charge	NRC		\$ 33.90		\$ 33.90	\$ 34.00					
33	Network Access Establishment Charge - RESALE	NRC		\$ 29.48		\$ 29.48	\$ 29.48					
34												
35	Total Service Charges											
36												
37	Total Basic Business Service											

*UNE-P calculated as Loop, Port & estimated Usage as ordered in Dkt 990649-B-TP and are used in this analysis only as a cost indicator. VZ does not believe ordered UNE rates are a valid approximation of cost and are provided only to prove the validity of VZ's proposed rate design.

**FLORIDA RATE REBALANCING
 BUSINESS BASIC EXCHANGE ACCESS
 UNE-P IMPACT - YEAR 2 PROPOSED - With Usage**

Row	(A) Service Description	(B) Billing Type	(C) Annualized Units	(D) Proposed Rate	(E) EUCL	(F)=(D)+(E) Proposed Rate w/EUCL	(G) Estimated Costs at Ordered UNE P* Rates	(H)=(F)-(G) Unit Contribution	(I)=(C)*(F) Annual Present Revenue	(J)=(C)*(G) Annual Estimated Costs at Ordered UNE-P* Rates	(K)=(I)-(J) Estimated Contribution Margin*	(L)=(K)/(J) Contribution Margin %
1												
2	Basic Local Exchange Service											
3	Flat Rate - 1 Party Service/Business											
4	Rate Group 1	MRC		\$ 29 49	\$ 6 50	\$ 35 99	\$ 35 75					
5	Rate Group 1 - RESALE	MRC		\$ 25 64	\$ 6 50	\$ 32 14	\$ 35 75					
6												
7	Rate Group 2	MRC		\$ 30 26	\$ 6 50	\$ 36 76						
8	Rate Group 2 - RESALE	MRC		\$ 26 31	\$ 6 50	\$ 32 81						
9												
10	Rate Group 3	MRC		\$ 30 69	\$ 6 50	\$ 37 19	\$ 31 27					
11	Rate Group 3 - RESALE	MRC		\$ 26 69	\$ 6 50	\$ 33 19	\$ 31 27					
12												
13	Rate Group 4	MRC		\$ 30 95	\$ 6 50	\$ 37 45	\$ 28 72					
14	Rate Group 4 - RESALE	MRC		\$ 26 91	\$ 6 50	\$ 33 41	\$ 28 72					
15												
16	Rate Group 5	MRC		\$ 31 60	\$ 6 50	\$ 38 10	\$ 23 90					
17	Rate Group 5 - RESALE	MRC		\$ 27 48	\$ 6 50	\$ 33 98	\$ 23 90					
18												
19	Total Business Rategroups											
20												
21												
22	ECS Usage for Routes Established Before 7/1/95											
23	Business 1-Party Extended Calling Service											
24	- Call Connection	Usage		\$ 0 04		\$ 0 04	\$ 0 05					
25	Detail Billing											
26	- Charge Per Page of Billing Detail	Usage		\$ 0 11		\$ 0 11	\$ 0 14					
27												
28	Total ECS Usage											
29												
30												
31	Service Charges for Basic Business											
32	Network Access Establishment Charge	NRC		\$ 33 90		\$ 33 90	\$ 34 00					
33	Network Access Establishment Charge - RESALE	NRC		\$ 29 48		\$ 29 48	\$ 29 48					
34												
35	Total Service Charges											
36												
37	Total Basic Business Service											

*UNE-P calculated as Loop, Port & estimated Usage as ordered in Dkt 990649-B-TP and are used in this analysis only as a cost indicator. VZ does not believe ordered UNE rates are a valid approximation of cost and are provided only to prove the validity of VZ's proposed rate design

REDACTED

**FLORIDA RATE REBALANCING
 BUSINESS BASIC EXCHANGE ACCESS
 UNE-P IMPACT - YEAR 3 PROPOSED - With Usage**

Row	(A) Service Description	(B) Billing Type	(C) Annualized Units	(D) Proposed Rate	(E) EUCL	(F)=(D)*(E) Proposed Rate w/EUCL	(G) Estimated Costs at Ordered UNE-P* Rates	(H)=(F)-(G) Unit Contribution	(I)=(C)*(F) Annual Present Revenue	(J)=(C)*(G) Annual Estimated Costs at Ordered UNE-P* Rates	(K)=(I)-(J) Estimated Contribution Margin*	(L)=(K)/(J) Contribution Margin %
1												
2	Basic Local Exchange Service											
3	Flat Rate - 1 Party Service/Business											
4	Rate Group 1	MRC		\$ 32 00	\$ 6 50	\$ 38 50	\$ 35 75					
5	Rate Group 1 - RESALE	MRC		\$ 27 83	\$ 6 50	\$ 34 33	\$ 35 75					
6												
7	Rate Group 2	MRC		\$ 32 00	\$ 6 50	\$ 38 50						
8	Rate Group 2 - RESALE	MRC		\$ 27 83	\$ 6 50	\$ 34 33						
9												
10	Rate Group 3	MRC		\$ 32 00	\$ 6 50	\$ 38 50	\$ 31 27					
11	Rate Group 3 - RESALE	MRC		\$ 27 83	\$ 6 50	\$ 34 33	\$ 31 27					
12												
13	Rate Group 4	MRC		\$ 32 00	\$ 6 50	\$ 38 50	\$ 28 72					
14	Rate Group 4 - RESALE	MRC		\$ 27 83	\$ 6 50	\$ 34 33	\$ 28 72					
15												
16	Rate Group 5	MRC		\$ 32 00	\$ 6 50	\$ 38 50	\$ 23 90					
17	Rate Group 5 - RESALE	MRC		\$ 27 83	\$ 6 50	\$ 34 33	\$ 23 90					
18												
19	Total Business Rategroups											
20												
21												
22	ECS Usage for Routes Established Before 7/1/95											
23	Business 1-Party Extended Calling Service											
24	- Call Connection	Usage		\$ 0 04		\$ 0 04	\$ 0 05					
25	Detail Billing											
26	- Charge Per Page of Billing Detail	Usage		\$ 0 14		\$ 0 14	\$ 0 14					
27												
28	Total ECS Usage											
29												
30												
31	Service Charges for Basic Business											
32	Network Access Establishment Charge	NRC		\$ 34 00		\$ 34 00	\$ 34 00					
33	Network Access Establishment Charge - RESALE	NRC		\$ 29 57		\$ 29 57	\$ 29 48					
34												
35	Total Service Charges											
36												
37	Total Basic Business Service											

*UNE-P calculated as Loop, Port & estimated Usage as ordered in Dkt. 990649-B-TP and are used in this analysis only as a cost indicator. VZ does not believe ordered UNE rates are a valid approximation of cost and are provided only to prove the validity of VZ's proposed rate design

**FLORIDA RATE REBALANCING
 RESIDENCE BASIC EXCHANGE ACCESS
 UNE-P IMPACT - CURRENT - With Usage**

Row	(A) Service Description	(B) Billing Type	(C) Annualized Units	(D) Present Rate	(E) EUCL	(F)=(D)+(E) Present Rate w/EUCL	(G) Estimated Costs at Ordered UNE-P* Rates	(H)=(F)-(G) Unit Contribution	(I)=(C)*(F) Annual Present Revenue	(J)=(C)*(G) Annual Estimated Costs at Ordered UNE-P* Rates	(K)=(I)-(J) Estimated Contribution Margin*	(L)=(K)/(J) Contribution Margin %
1	Basic Local Exchange Service											
2	Flat Rate - 1 Party Service/Residence											
3	Rate Group 1	MRC		\$ 10 12	\$ 6 50	\$ 16 62	\$ 35 75					
4	Rate Group 1 - 50% Emp Concession	MRC		\$ 5 06	\$ 6 50	\$ 11 56	\$ 35 75					
5	Rate Group 1 - RESALE	MRC		\$ 8 80	\$ 6 50	\$ 15 30	\$ 35 75					
6												
7	Rate Group 2	MRC		\$ 10 95	\$ 6 50	\$ 17 45						
8	Rate Group 2 - 50% Emp Concession	MRC		\$ 5 48	\$ 6 50	\$ 11 98						
9	Rate Group 2 - RESALE	MRC		\$ 9 52	\$ 6 50	\$ 16 02						
10												
11	Rate Group 3	MRC		\$ 11 33	\$ 6 50	\$ 17 83	\$ 31 27					
12	Rate Group 3 - 50% Emp Concession	MRC		\$ 5 67	\$ 6 50	\$ 12 17	\$ 31 27					
13	Rate Group 3 - RESALE	MRC		\$ 9 85	\$ 6 50	\$ 16 35	\$ 31 27					
14												
15	Rate Group 4	MRC		\$ 11 70	\$ 6 50	\$ 18 20	\$ 28 72					
16	Rate Group 4 - 50% Emp Concession	MRC		\$ 5 85	\$ 6 50	\$ 12 35	\$ 28 72					
17	Rate Group 4 - RESALE	MRC		\$ 10 17	\$ 6 50	\$ 16 67	\$ 28 72					
18												
19	Rate Group 5	MRC		\$ 12 10	\$ 6 50	\$ 18 60	\$ 23 90					
20	Rate Group 5 - 50% Emp Concession	MRC		\$ 6 05	\$ 6 50	\$ 12 55	\$ 23 90					
21	Rate Group 5 - RESALE	MRC		\$ 10 52	\$ 6 50	\$ 17 02	\$ 23 90					
22												
23	Total Residential Rategroups											
24												
25	Vacation Service - Residence											
26	Vacation Service/Residence	MRC		\$ 5 77	\$ 6 50	\$ 12 27	\$ 25 27					
27												
28	Total Basic Residential Vacation Service											
29												
30												
31												
32												
33												
34												
35												
36												
37												
38												
39												
40	ECS Usage for Routes Established Before 7/1/95											
41	Residence 1-Party Extended Calling Service											
42	- Call Connection	Usage		\$ 0 25		\$ 0 25	\$ 0 25					
43												
44	Total ECS Usage											
45												
46	Service Charges for Basic Residence											
47	Network Access Establishment Charge	NRC		\$ 20 00		\$ 20 00	\$ 20 00					
48	Network Access Establishment Charge - RESALE	NRC		\$ 17 39		\$ 17 39	\$ 17 39					
49	Central Office Line Connection	NRC		\$ 35 00		\$ 35 00	\$ 35 00					
50	Central Office Line Connection - RESALE	NRC		\$ 30 44		\$ 30 44	\$ 30 44					
51												
52	Total Service Charges											
53												
54	Total Basic Residential Service											

*UNE-P calculated as Loop, Port & estimated Usage as ordered in Dkt 990649-B-TP and are used in this analysis only as a cost indicator VZ does not believe ordered UNE rates are a valid approximation of cost and are provided only to prove the validity of VZ's proposed rate design

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**FLORIDA RATE REBALANCING
 RESIDENCE BASIC EXCHANGE ACCESS
 UNE-P* IMPACT - YEAR 1 PROPOSED - With Usage**

Row	(A) Service Description	(B) Billing Type	(C) Annualized Units	(D) Proposed Rate	(E) EUCL	(F)=(D)*(E) Proposed Rate w/EUCL	(G) Estimated Costs at Ordered UNE-P* Rates	(H)=(F)-(G) Unit Contribution	(I)=(C)*(F) Annual Present Revenue	(J)=(C)*(G) Annual Surrogate Costs at UNE-P Rates	(K)=(I)-(J) Contribution Margin	(L)=(K)/(J) Contribution Margin %
1	Basic Local Exchange Service											
2	Flat Rate - 1 Party Service/Residence											
3	Rate Group 1	MRC		\$ 11 70	\$ 6 50	\$ 18 20	\$ 35 75					
4	Rate Group 1 - 50% Emp Concession	MRC		\$ 5 85	\$ 6 50	\$ 12 35	\$ 35 75					
5	Rate Group 1 - RESALE	MRC		\$ 10 17	\$ 6 50	\$ 16 67	\$ 35 75					
6												
7	Rate Group 2	MRC		\$ 12 53	\$ 6 50	\$ 19 03						
8	Rate Group 2 - 50% Emp Concession	MRC		\$ 6 27	\$ 6 50	\$ 12 77						
9	Rate Group 2 - RESALE	MRC		\$ 10 90	\$ 6 50	\$ 17 40						
10												
11	Rate Group 3	MRC		\$ 12 91	\$ 6 50	\$ 19 41	\$ 31 27					
12	Rate Group 3 - 50% Emp Concession	MRC		\$ 6 46	\$ 6 50	\$ 12 96	\$ 31 27					
13	Rate Group 3 - RESALE	MRC		\$ 11 23	\$ 6 50	\$ 17 73	\$ 31 27					
14												
15	Rate Group 4	MRC		\$ 13 28	\$ 6 50	\$ 19 78	\$ 28 72					
16	Rate Group 4 - 50% Emp Concession	MRC		\$ 6 64	\$ 6 50	\$ 13 14	\$ 28 72					
17	Rate Group 4 - RESALE	MRC		\$ 11 55	\$ 6 50	\$ 18 05	\$ 28 72					
18												
19	Rate Group 5	MRC		\$ 13 68	\$ 6 50	\$ 20 18	\$ 23 90					
20	Rate Group 5 - 50% Emp Concession	MRC		\$ 6 84	\$ 6 50	\$ 13 34	\$ 23 90					
21	Rate Group 5 - RESALE	MRC		\$ 11 90	\$ 6 50	\$ 18 40	\$ 23 90					
22												
23	Total Residential Rategroups											
24												
25	Vacation Service - Residence											
26	Vacation Service/Residence	MRC		\$ 5 77	\$ 6 50	\$ 12 27	\$ 25 27					
27												
28	Total Basic Residential Vacation Service											
29												
30												
31												
32												
33												
34												
35												
36												
37												
38												
39												
40	ECS Usage for Routes Established Before 7/1/95											
41	Residence 1-Party Extended Calling Service											
42	- Call Connection	Usage		\$ 0 25		\$ 0 25	\$ 0 25					
43												
44	Total ECS Usage											
45												
46	Service Charges for Basic Residence											
47	Network Access Establishment Charge	NRC		\$ 21 00		\$ 21 00	\$ 21 00					
48	Network Access Establishment Charge - RESALE	NRC		\$ 18 26		\$ 18 26	\$ 18 26					
49	Central Office Line Connection	NRC		\$ 36 00		\$ 36 00	\$ 36 00					
50	Central Office Line Connection - RESALE	NRC		\$ 31 31		\$ 31 31	\$ 31 31					
51												
52	Total Service Charges											
53												
54	Total Basic Residential Service											

*UNE-P calculated as Loop, Port & estimated Usage as ordered in Dkt 990649-B-TP and are used in this analysis only as a cost indicator. VZ does not believe ordered UNE rates are a valid approximation of cost and are provided only to prove the validity of VZ's proposed rate design

**FLORIDA RATE REBALANCING
 RESIDENCE BASIC EXCHANGE ACCESS
 UNE-P IMPACT - YEAR 2 PROPOSED - With Usage**

Row	(A) Service Description	(B) Billing Type	(C) Annualized Units	(D) Proposed Rate	(E) EUCL	(F)=(D)+(E) Proposed Rate w/EUCL	(G) Estimated Costs at Ordered UNE-P* Rates	(H)=(F)-(G) Unit Contribution	(I)=(C)*(F) Annual Present Revenue	(J)=(C)*(G) Annual Estimated Costs at Ordered UNE-P* Rates	(K)=(I)-(J) Estimated Contribution Margin*	(L)=(K)/(J) Contribution Margin %
1	Basic Local Exchange Service											
2	Fiat Rate - 1 Party Service/Residence											
3	Rate Group 1	MRC	0 \$	13 28 \$	6 50 \$	19 78 \$	35 75 \$					
4	Rate Group 1 - 50% Emp Concession	MRC	0 \$	6 64 \$	6 50 \$	13 14 \$	35 75 \$					
5	Rate Group 1 - RESALE	MRC	0 \$	11 55 \$	6 50 \$	18 05 \$	35 75 \$					
6												
7	Rate Group 2	MRC	0 \$	14 11 \$	6 50 \$	20 61 \$						
8	Rate Group 2 - 50% Emp Concession	MRC	0 \$	7 06 \$	6 50 \$	13 56 \$						
9	Rate Group 2 - RESALE	MRC	0 \$	12 27 \$	6 50 \$	18 77 \$						
10												
11	Rate Group 3	MRC	0 \$	14 49 \$	6 50 \$	20 99 \$	31 27 \$					
12	Rate Group 3 - 50% Emp Concession	MRC	0 \$	7 25 \$	6 50 \$	13 75 \$	31 27 \$					
13	Rate Group 3 - RESALE	MRC	0 \$	12 60 \$	6 50 \$	19 10 \$	31 27 \$					
14												
15	Rate Group 4	MRC	0 \$	14 86 \$	6 50 \$	21 36 \$	28 72 \$					
16	Rate Group 4 - 50% Emp Concession	MRC	0 \$	7 43 \$	6 50 \$	13 93 \$	28 72 \$					
17	Rate Group 4 - RESALE	MRC	0 \$	12 92 \$	6 50 \$	19 42 \$	28 72 \$					
18												
19	Rate Group 5	MRC	0 \$	15 26 \$	6 50 \$	21 76 \$	23 90 \$					
20	Rate Group 5 - 50% Emp Concession	MRC	0 \$	7 63 \$	6 50 \$	14 13 \$	23 90 \$					
21	Rate Group 5 - RESALE	MRC	0 \$	13 27 \$	6 50 \$	19 77 \$	23 90 \$					
22												
23	Total Residential Rategroups		0									
24												
25	Vacation Service - Residence											
26	Vacation Service/Residence	MRC	0 \$	5 77 \$	6 50 \$	12 27 \$	25 27 \$					
27												
28	Total Basic Residential Vacation Service											
29												
30												
31												
32												
33												
34												
35												
36												
37												
38												
39												
40	ECS Usage for Routes Established Before 7/1/95											
41	Residence 1-Party Extended Calling Service											
42	- Call Connection	Usage	0 \$	0 25 \$		0 25 \$	0 25 \$					
43												
44	Total ECS Usage											
45												
46	Service Charges for Basic Residence											
47	Network Access Establishment Charge	NRC	0 \$	23 00 \$		23 00 \$	23 00 \$					
48	Network Access Establishment Charge - RESALE	NRC	0 \$	20 00 \$		20 00 \$	20 00 \$					
49	Central Office Line Connection	NRC	0 \$	38 00 \$		38 00 \$	38 00 \$					
50	Central Office Line Connection - RESALE	NRC	0 \$	33 04 \$		33 04 \$	33 04 \$					
51												
52	Total Service Charges											
53												
54	Total Basic Residential Service											

*UNE-P calculated as Loop, Port & estimated Usage as ordered in Dkt 990649-B-TP and are used in this analysis only as a cost indicator. VZ does not believe ordered UNE rates are a valid approximation of cost and are provided only to prove the validity of VZ's proposed rate design

**FLORIDA RATE REBALANCING
 RESIDENCE BASIC EXCHANGE ACCESS
 UNE-P IMPACT - YEAR 3 PROPOSED - With Usage**

Row	Service Description	(B) Billing Type	(C) Annualized Units	(D) Proposed Rate	(E) EUCL	(F)=(D)+(E) Proposed Rate w/EUCL	(G) Estimated Costs at Ordered UNE-P* Rates	(H)=(F)-(G) Unit Contribution	(I)=(C)*(F) Annual Present Revenue	(J)=(C)*(G) Annual Estimated Costs at Ordered UNE-P* Rates	(K)=(I)-(J) Estimated Contribution Margin*	(L)=(K)/(J) Contribution Margin %
1	Basic Local Exchange Service											
2	Flat Rate - 1 Party Service/Residence											
3	Rate Group 1	MRC		\$ 14.85	\$ 6.50	\$ 21.35	\$ 35.75					
4	Rate Group 1 - 50% Emp Concession	MRC		\$ 7.43	\$ 6.50	\$ 13.93	\$ 35.75					
5	Rate Group 1 - RESALE	MRC		\$ 12.91	\$ 6.50	\$ 19.41	\$ 35.75					
6												
7	Rate Group 2	MRC		\$ 15.68	\$ 6.50	\$ 22.18						
8	Rate Group 2 - 50% Emp Concession	MRC		\$ 7.84	\$ 6.50	\$ 14.34						
9	Rate Group 2 - RESALE	MRC		\$ 13.64	\$ 6.50	\$ 20.14						
10												
11	Rate Group 3	MRC		\$ 16.06	\$ 6.50	\$ 22.56	\$ 31.27					
12	Rate Group 3 - 50% Emp Concession	MRC		\$ 8.03	\$ 6.50	\$ 14.53	\$ 31.27					
13	Rate Group 3 - RESALE	MRC		\$ 13.97	\$ 6.50	\$ 20.47	\$ 31.27					
14												
15	Rate Group 4	MRC		\$ 16.43	\$ 6.50	\$ 22.93	\$ 28.72					
16	Rate Group 4 - 50% Emp Concession	MRC		\$ 8.22	\$ 6.50	\$ 14.72	\$ 28.72					
17	Rate Group 4 - RESALE	MRC		\$ 14.29	\$ 6.50	\$ 20.79	\$ 28.72					
18												
19	Rate Group 5	MRC		\$ 16.83	\$ 6.50	\$ 23.33	\$ 23.90					
20	Rate Group 5 - 50% Emp Concession	MRC		\$ 8.42	\$ 6.50	\$ 14.92	\$ 23.90					
21	Rate Group 5 - RESALE	MRC		\$ 14.64	\$ 6.50	\$ 21.14	\$ 23.90					
22												
23	Total Residential Rategroups											
24												
25	Vacation Service - Residence											
26	Vacation Service/Residence	MRC		\$ 6.00	\$ 6.50	\$ 12.50	\$ 25.27					
27												
28	Total Basic Residential Vacation Service											
29												
30												
31												
32												
33												
34												
35												
36												
37												
38												
39												
40	ECS Usage for Routes Established Before 7/1/95											
41	Residence 1-Party Extended Calling Service											
42	- Call Connection	Usage		\$ 0.25		\$ 0.25	\$ 0.25					
43												
44	Total ECS Usage											
45												
46	Service Charges for Basic Residence											
47	Network Access Establishment Charge	NRC		\$ 25.00		\$ 25.00	\$ 25.00					
48	Network Access Establishment Charge - RESALE	NRC		\$ 21.74		\$ 21.74	\$ 21.74					
49	Central Office Line Connection	NRC		\$ 40.00		\$ 40.00	\$ 40.00					
50	Central Office Line Connection - RESALE	NRC		\$ 34.78		\$ 34.78	\$ 34.78					
51												
52	Total Service Charges											
53												
54	Total Basic Residential Service											

*UNE-P calculated as Loop, Port & estimated Usage as ordered in Dkt 990649-B-TP and are used in this analysis only as a cost indicator. VZ does not believe ordered UNE rates are a valid approximation of cost and are provided only to prove the validity of VZ's proposed rate design.

REDACTED

EXHIBIT C

DOCUMENT	LINE(S)/COLUMN(S)	REASON
Amended Direct Testimony of Orville D. Fulp Pages 13, 25, 26	All highlighted text	This is competitively sensitive, confidential and proprietary business information that has been confidentially maintained by Verizon. Disclosure of this information would cause harm to Verizon by giving its competitors an unfair advantage in developing, pricing and marketing their services. It would be particularly unfair to disclose this information because similar information about competitive carriers is not made available to the public.
Amended Exhibit No. ODF-1 (7 pages)	All highlighted text	
Amended Exhibit No. ODF-2 (8 pages)	All highlighted text	
Amended Exhibit No. ODF-3 (9 pages)	All highlighted text	

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of the foregoing were sent via electronic mail on October 2, 2003 and overnight delivery on October 1, 2003 to:

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