

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Verizon Florida Inc. to reform intrastate network access and basic local telecommunications rates in accordance with Section 364.164, Florida Statutes.

DOCKET NO. 030867-TL

In re: 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.

DOCKET NO. 030868-TL

In re: Petition for implementation of Section 364.164, Florida Statutes, by rebalancing rates in a revenue-neutral manner through decreases in intrastate switched access charges with offsetting rate adjustments for basic services, by BellSouth Telecommunications, Inc.

DOCKET NO. 030869-TL

In re: Flow-through of LEC switched access reductions by IXC's, pursuant to Section 364.163(2), Florida Statutes.

DOCKET NO. 030961-TI

NOVEMBER 21, 2003

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-03-0994-PCO-TL, issued September 4, 2003; modified by Order No. PSC-03-1118-PCO-TL, issued October 7, 2003; further modified by Order No. PSC-03-1269-PCO-TL, issued November 10, 2003, the Staff of the Florida Public Service Commission files its Prehearing Statement.

DOCUMENT NUMBER DATE

11816 NOV 21 8

FPSC-COMMISSION CLERK

a. All Known Witnesses

WITNESS	ISSUES ADDRESSED
Gregory L. Shafer	1C, 2, and 3
Suzanne M. Ollila	1B, 1C, 2

b. All Known Exhibits

Exhibit to the Direct Testimony of Suzanne M. Ollila (SMO-1).

c. Staff's Statement of Basic Position

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

Testifying Staff Position: Testifying staff believes that the ILEC proposals will result in benefits for some residential consumers and that there will likely be an increase in market entry if the proposals are approved. Testifying staff does, however, believe that Sprint's implementation of its proposal should be extended due to the magnitude of the proposed increases for that company.

d. Staff's Position on the Issues

ISSUE 1: Will the ILECs' rebalancing proposals remove the current support for basic local telecommunications services that prevents the creation of a more attractive competitive market for the benefit of residential consumers?

POSITION: Staff has no position at this time.

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ISSUE 1A: What is a reasonable estimate of the level of support provided for basic local telecommunications services?

POSITION: Staff has no position at this time.

ISSUE 1B: Does the current level of support prevent the creation of a more attractive competitive local exchange market for the benefit of residential consumers?

POSITION: Staff has no position at this time.

ISSUE 1C: Will the ILECs' rebalancing proposals benefit residential consumers as contemplated by Section 364.164, Florida Statutes? If so, how?

POSITION: Staff has no position at this time.

TESTIFYING STAFF

POSITION: The ILEC rebalancing proposals will result in benefits for some residential consumers through increased value and increased choice.

ISSUE 2: Will the effects of the ILECs' rebalancing proposals induce enhanced market entry? If so, how?

POSITION: Staff has no position at this time.

TESTIFYING STAFF

POSITION: The likelihood of increased market entry is improved by the rebalancing proposals, particularly in those markets where profitability is marginal. It is also likely that some existing market participants will expand their participation in new markets and service offerings.

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ISSUE 3: Will the ILECs' rebalancing proposals reduce intrastate switched network access rates to interstate parity over a period of not less than two years or more than four years?

POSITION: Staff has no position at this time.

TESTIFYING STAFF

POSITION: Sprint should extend its implementation of access reductions and increases to basic local service rates by 12 months in order to mitigate rate shock to consumers.

ISSUE 4: Are the ILECs' rebalancing proposals revenue neutral, as defined in Section 364.164(2), Florida Statutes?

POSITION: Staff has no position at this time.

ISSUE 5: Should the ILECs' rebalancing proposals be granted or denied?

POSITION: Staff has no position at this time.

ISSUE 6: Which IXCs should be required to file tariffs to flow through BellSouth's, Verizon's, and Sprint-Florida's switched access reductions, if approved, and what should be included in these tariff filings?

POSITION: Staff has no position at this time.

ISSUE 7: If the ILEC access rate reductions are approved, should the IXCs be required to flow through the benefits of such reductions, via the tariffs, simultaneously with the approved ILEC access rate reductions?

POSITION: Staff has no position at this time.

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ISSUE 8: For each access rate reduction that an IXC receives, how long should the associated revenue reduction last?

POSITION: Staff has no position at this time.

ISSUE 9: How should the IXC flow-through of the benefits from the ILEC access rate reductions be allocated between residential and business customers?

POSITION: Staff has no position at this time.

ISSUE 10: Will all residential and business customers experience a reduction in their long distance bills? If not, which residential and business customers will and will not experience a reduction in their long distance bills?

POSITION: Staff has no position at this time.

ISSUE 11: Should these Dockets be closed?

POSITION: Staff has no position at this time.

e. Pending Motions

Staff has no pending motions.

f. Pending Confidentiality Claims or Requests

Staff has no pending confidentiality claims or requests.

STAFF'S PREHEARING STATEMENT

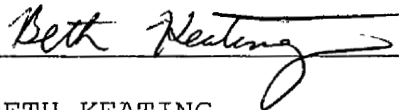
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- g. Compliance with Order Nos. PSC-03-0994-PCO-TL, PSC-03-1118-PCO-TL, and PSC-03-1269-PCO-TL

Staff has complied with all requirements of the Order Establishing Procedure, as modified, entered in these Dockets.

Respectfully submitted this 21st Day of November, 2003.



BETH KEATING
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Staff Counsel

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NOVEMBER 21, 2003

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Staff's Prehearing Statement has been furnished by U.S. Mail and E-Mail, this 21st day of November, 2003, to the following:

CERTIFICATE OF SERVICE

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~~CERTIFICATE~~ CERTIFICATE OF SERVICE

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A copy of the foregoing has also been provided by facsimile to all currently registered active Interexchange Service Providers in the Commission's Master Commission Directory.



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