

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 the LEC switched access reductions by IXCs, pursuant to Section 364.163(2), Florida Statutes.

Docket No. 030961-TI

FILED: November 21, 2003

PREHEARING STATEMENT OF THE ATTORNEY GENERAL

Charles J. Crist, Jr., Attorney General, State of Florida

The Attorney General of the State of Florida, by and through Charles J. Crist, Jr., pursuant to Florida Public Service Commission Order No. PSC-03-0994-PCO-TL, issued September 4, 2003; Order No. PSC-03-1118-PCO-TL, issued October 7, 2003; and Order No. PSC-03-1269-PCO-TL, issued November 10, 2003, files his Prehearing Statement.

Witnesses

No Witnesses

DOCUMENT NUMBER: 030867-TL

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FPSC-COMMISSION CLERK

Prefiled Exhibits

No Prefiled Exhibits

Statement of Basic Position

Petitioners Verizon Florida Inc., Sprint-Florida, and BellSouth

Telecommunications, Inc. have each filed petitions to raise their local telecommunications service rates pursuant to Section 364.164(1), Florida Statutes (2003). In evaluating the petitions, the Commission is required to consider whether the petitions will benefit residential consumers. Section 364.164(1)(a), Florida Statutes (2003). Moreover, the Commission has an overriding obligation to ensure that basic local telecommunications services are available to all consumers in the state at reasonable and affordable prices. Section 364.01(4)(a), Florida Statutes. Therefore, the Commission must exercise “appropriate regulatory oversight to protect consumers” and ensure that Petitioners’ proposed actions will in fact benefit residential consumers. Section 364.01(3), Florida Statutes.

Neither the Petitions, nor the record evidence submitted in support of these Petitions, demonstrate that the relief requested will benefit residential consumers. To the contrary, the Petitions and record evidence indicate residential consumers will be forced to shoulder additional cost for local telecommunications services without receiving a corresponding benefit.

The record raised no genuine issue as to whether the Petitions will benefit residential consumers. The record in fact demonstrates granting the Petitions will be detrimental to Florida’s consumers. The Petitions should therefore be denied as a matter of law.

Attachment A

TENTATIVE ISSUES LIST

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?

No position at this time.

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

No position at this time.

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

No position at this time.

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

POSITION: No. There has been no showing of benefits for residential consumers by the ILECS.

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

No position at this time.

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?

No position at this time.

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

POSITION: No. The ILECs have not substantiated that their respective intrastate long distance (LD) rate reductions for residential customers will equal their corresponding BLTS increases.

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

POSITION: Denied. The ILECs have not satisfied the requirements of section 364.164(1), Florida Statutes.

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: All Interexchange Communications Companies in Florida should be required to file tariffs and flow through the impacts of access rate reductions, except for those IXCs whose intrastate access expense reduction is \$100 or less, per month. Those IXCs which are not required to flow through the reductions should attest to such, via a letter filed with the Commission.

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: Yes.

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

POSITION: The IXCs should be required to cap and maintain their long distance rate reductions for a period of three years after parity is achieved, as required by section 364.163, Florida Statutes.

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: The interexchange carriers should allocate rate reductions between residential and business customers in the same proportion as the respective percent revenue increases for those two classes of customers that have been proposed by the ILECs.

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?

No position at this time.

ISSUE 11: Should these Dockets be closed?

POSITION: Yes.

Stipulated Issues

Attorney General has stipulated to no issues at this time.

Pending Motions

Attorney General has a motion for summary final order pending.

Claims of Confidentiality

There are numerous pending claims of confidentiality.

The Commission should closely scrutinize the claims of confidentiality filed by the companies. As much information as possible should be publicly disclosed and the companies should be required to present information in such a way that information relating to the merits of their cases is public. If information currently claimed as confidential can be combined or presented in a way that would allow public disclosure, the Commission should require the companies to do this.

Requirements that Cannot be Complied With

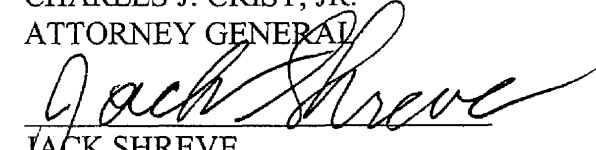
Attorney General is not aware of any requirements of Commission Orders No. PSC-03-0994-PCO-TL, No. PSC-03-1118-PCO-TL and No. PSC-03-1269-PCO-TL that cannot be complied with at this time.

Objection to Witnesses' Qualification

The Attorney General has no objections to witness qualifications at this time.

DATED this 21st day of November, 2003.

Respectfully submitted,
CHARLES J. CRIST, JR.
ATTORNEY GENERAL


JACK SHREVE
Florida Bar No. 73622
Senior Special Counsel for Consumer Affairs

Office of the Attorney General
PL-01, The Capitol
Tallahassee, Florida 32399-1050
Tel: (850) 414-3300, Ext. 4681
Fax: (850) 410-2672

CERTIFICATE OF SERVICE
DOCKETS NOS. 030961-TI, 030867-TL, 030868-TL, 030689-TL

I CERTIFY that a true and correct copy hereof has been furnished by United States mail to the following on this 21st day of November, 2003.

Beth Keating
Division of Legal Services, Room 370
Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Richard Chapkis
Kimberly Caswell
201 North Franklin Street, FLTC007
Tampa, FL 33602
(Attorneys for Verizon Florida, Inc.)

Charles Beck
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, #812
Tallahassee, FL 32399-1400

John Fons
Ausley & McMullen
P. O. Box 391
Tallahassee, FL 32302

Mark Cooper
AARP
504 Highgate Terrace
Silver Spring, MD 20904

Lisa Sapper
AT&T
1200 Peachtree Street, NE, Suite 8100
Atlanta, GA 32309

Michael A. Gross
Florida Cable Telecommunications Assn.
246 East 6th Avenue
Tallahassee, FL 32303

Michael B. Twomey
P. O. Box 5256
Tallahassee, FL 32314-5256

Charles Rehwinkel
Sprint-Florida, Inc.
1313 Blairstone Road
Tallahassee, FL 32301

Nancy White
c/o Ms. Nancy H. Sims
BellSouth Telecommunications, Inc.
150 South Monroe Street, Suite 400
Tallahassee, FL 32301-1556

Susan Masterson
Sprint-Florida, Inc.
P. O. Box 2214
Tallahassee, FL 32316

George Meros
Gray Robinson
P. O. Box 11189
Tallahassee, FL 32302-3189

John Feehan
Knology of Florida, Inc.
1241 O.G. Skinner Drive
West Point, GA 31833

Floyd R. Self
Messer Caparello & Self
P. O. Box 1876
Tallahassee, FL 32302-1876

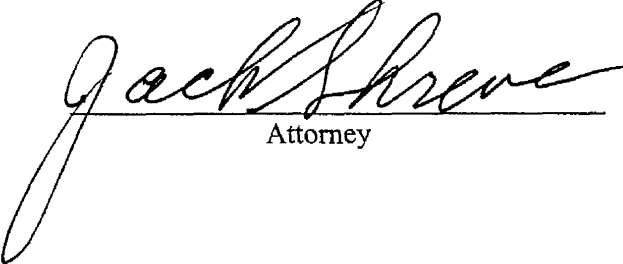
Tracy W. Hatch, Esq.
AT&T Communications of the
Southern States, LLC
101 N. Monroe Street, Suite 700
Tallahassee, FL 32301

Donna McNulty
MCI World Com Communications, Inc.
1203 Governors Square Blvd., Suite 201
Tallahassee, FL 32301-2906

Harris R. Anthony
400 Perimeter Center Terrace
Suite 350
Atlanta, GA 30346

Brian Sulmonetti
De O'Roark
MCI World Com Communications
6 Concourse Parkway
Suite 3200
Atlanta, GA 30328

Lyn Bodiford
State Affairs Coordinator
AARP
200 West College Street
Tallahassee, FL 32301


Attorney