

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

FILED: November 24, 2003

SUGARMILL WOODS CIVIC ASSOCIATION, INC. PETITION TO INTERVENE

Pursuant to Sections 120.569 and 120.57(1), Florida Statutes and Rules 25-22.039, and 28-106.205, Florida Administrative Code, Sugarmill Woods, through its undersigned attorney, files its Petition to Intervene, and in support thereof, states as follows:

1. The name and address of the affected agency is:

Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

2. The name and address of the petitioner is:

Sugarmill Woods Civic Association, Inc.
108 Cypress Blvd. West
Homosassa, Florida 3446

DOCUMENT NUMBER - DATE

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FPSC-COMMISSION CLERK

3. All pleadings, motions, orders and other documents directed to the petitioner should be served on:

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4. Sprint-Florida, Incorporated (“Sprint”) is an incumbent local telecommunications exchange company (“ILEC”) regulated by the Florida Public Service Commission (“Commission”) for certain purposes. Sprint, in the docket cited above, seeks to substantially increase the basic local service rates charged to its residential and single-line business customers in exchange for reducing the intrastate access fees each charges long distance carriers.

5. Sugarmill Woods Civic Association, Inc. is a non-profit corporation formed to represent the interests of residents of the Sugarmill Woods community. There are approximately 4,000 households in Sugarmill Woods and substantially all of them with landline telephone service take that service from Sprint.

Sugarmill Woods Members’ Substantial Interests Affected

6. Sprint proposes to raise all its residential rates by \$6.86 per month per line without regard for the customers’ rate group, which equates to an annual increase of \$82.32 per customer (12 x \$6.86). Applied to the highest rate group, which currently pays \$11.48 per month, the rate of increase is 60 percent. The same increase applied to the lowest rate rural group, now paying \$7.63 per month, equals a staggering 90 percent rate increase.

7. Sprint proposes to increase its single-line business basic local service rates by \$2.87 per month in the first year of its transition and by \$3.13 in the second year. These increases are far lower than those proposed for its residential customers and, thus, are likely to inhibit, not promote competition.

8. While the annual rate increase for Sprint customers may be calculated precisely, Sprint has not demonstrated how much its residential customers will benefit by virtue of having intrastate toll rates reduced because these rates are not included in its filings and are apparently not known.

9. Given the huge levels of increases demanded by the Sprint, Sugarmill Woods submits that its approximately 4,000 members will be clearly and substantially affected by any action the Commission takes in Sprint's docket and that these members, and Sugarmill Woods as their associational representative, meet the two-prong test of Agrico Chemical Company v. Department of Environmental Regulation, 406 So.2d 478 (Fla. 2d DCA 1981) for proving substantial interests.

Disputed Issues of Fact and Law

10. The following issues have been preliminarily identified by Sugarmill Woods as disputed issues of material fact:

a. Whether the residential customers of Sprint will receive financial or other benefits as a result of having their rates raised as proposed?

b. Whether raising single-line business rates more than residential rates and raising the least dense rate groupings' rates by a higher percentage than the highest density rate groups, in fact, enhances potential competition or inhibits it, as opposed to achieving the same

revenue requirement increase by spreading it evenly as a percentage increase over all residential and single-line business rate groupings?

c. Whether the alleged increased local service competition will ever result in monthly service rates that are as low as, or lower, than the currently authorized rates?

d. Whether the decreases in intrastate toll charges mandated by the law will be apportioned to “residential” toll calling plans or rates in a manner that will allow any residential customer to “break even” on his or her total monthly telephone bill, and, if so, what level of instate toll calling will be required to do so, and at what level of reduced toll rates?

e. Whether the “local loop” and, thus, current residential rates are “subsidized” or “supported” by other services or sources of revenues, on average, if the revenues of other services necessarily using the local loop for their delivery, such as custom-calling features or toll access, are included with basic local service revenues in calculating whether the costs of the local loop are covered by the total revenues received from residential customers?

f. Whether the proposed two-year implementation schedule is consistent with its prior factual representation made to its customers, members of the Florida Legislature and Governor Jeb Bush while seeking passage of the legislation to the effect that Sprint would implement its over four years in order to lessen the “rate shock” experienced by its customers?

g. Whether applying the requested rate increases to all LifeLine customers at the end of the two-year implementation period (when “parity” is achieved) will result in the inability of any of those customers to maintain local telephone service, and, if so, for how many?

h. Whether applying the requested rate increases over two years, versus four years as previously publicly represented by Sprint, will result in non-LifeLine residential

customers having to forego basic local service, and, if so, for how many?

11. The following have been identified by Sugarmill Woods as disputed issues of law:

a. Whether merely speculating that competition will result from the proposed rate increases meets the law's legal requirement that competition must result?

b. Whether merely speculating that residential consumers will benefit by increased intrastate calling at lower toll rates, without providing any evidence about the level of the lowered intrastate toll charges that will result, or the actual or expected level of calling necessary for residential customers to benefit economically, meets the law's requirement that residential customers receive a "benefit" from the large level of rate increases they will be forced to pay.

12. The following has been identified by Sugarmill Woods as an ultimate fact:

a. Sprint has failed to demonstrate that the rate increases proposed in its filing will benefit its residential customers economically to any degree or that actual local service competition will increase and, therefore, the requested increases must be denied.

WHEREFORE, Sugarmill Woods requests that this Commission grant it intervenor status in these consolidated dockets as a full party respondent on behalf of its approximately 4,000 members, the vast majority of whom take residential basic local telephone service from Sprint.

Respectfully submitted,

/s/ Michael B. Twomey
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CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that a true and correct copy of this petition has been served by either hand delivery or overnight mail and by either facsimile transmission or electronic mail messaging this 24th day of November, 2003 on the following:

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