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August 22, 2007

Ms. Ann Cole  
Office of the Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

**Re: New Docket: Request to Approve Lifeline Research Using  
Community Service Fund**

Dear Ms. Cole:

Enclosed is BellSouth Telecommunications, Inc. d/b/a AT&T Florida's Request to Approve Lifeline Research Using Community Service Fund, which we ask that you file in the captioned *new* docket.

Copies have been served to the parties shown on the attached Certificate of Service.

Sincerely,

James Meza III

cc: All parties of record  
Jerry Hendrix  
E. Earl Edenfield, Jr.

**CERTIFICATE OF SERVICE**  
**Request to Approve Lifeline Research Using Community Service Fund**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Electronic Mail and First Class U. S. Mail this 22nd day of August, 2007 to the following:

Patrick K. Wiggins  
Staff Counsel  
Florida Public Service  
Commission  
Division of Legal Services  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850  
[pwiggins@psc.state.fl.us](mailto:pwiggins@psc.state.fl.us)

Office of Public Counsel  
Charlie Beck  
c/o The Florida Legislature  
111 W. Madison Street  
Room 812  
Tallahassee, FL 32399-1400  
Tel. No. (850) 488-9330  
[beck.charles@leg.state.fl.us](mailto:beck.charles@leg.state.fl.us)

Susan Masterton  
Embarq Florida, Inc.  
1313 Blair Stone Road  
Tallahassee, FL 32301  
Tel. No. (850) 599-1560  
Fax. No. (850) 878-0777  
[susan.masterton@embarq.com](mailto:susan.masterton@embarq.com)

  
James Meza III



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[thatch@att.com](mailto:thatch@att.com)  
[greg.follensbee@att.com](mailto:greg.follensbee@att.com)

3. Embarq's principal place of business is 555 Lake Border Drive, Apopka, Florida.

Pleadings and process may be served upon:

Susan S. Masterton  
1313 Blair Stone Road  
Tallahassee, FL 32301  
(850) 599-1560 (phone)  
(850) 878-0777 (fax)  
[susan.masterton@embarq.com](mailto:susan.masterton@embarq.com)

4. The Commission opened Docket No. 991378-TL to examine BellSouth's (now AT&T Florida) service quality performance. In that docket, AT&T Florida and OPC entered into a Stipulation and Settlement to resolve all issues before the Commission in that proceeding ("BellSouth Stipulation and Settlement"). *See* BellSouth Stipulation and Settlement at § 1, page 2, attached hereto as Exhibit A. In addition to establishing a service guarantee plan ("SGP"), the BellSouth Stipulation and Settlement also required AT&T Florida to establish a "Community Service Fund" in the form of a corporate undertaking "to be used to educate customers about and promote BellSouth's Lifeline and Link-Up services." *See* BellSouth Stipulation and Settlement at § 2(B), page 5. Further, the Stipulation and Settlement provided that "[i]n the event the Parties disagree as to the method of disposing of the contribution amounts, the Parties shall submit such disagreement to the Florida Public Service Commission for resolution." *Id.* at page 5-6.

5. The Commission approved the BellSouth Stipulation and Settlement in Order No. PSC-01-1643-AS-TL. In addition, the Commission approved the extension of the Stipulation and Settlement for additional years in Order No. 02-0197-PAA-TL. Finally, the Commission

approved AT&T Florida's current SGP, which was substantially identical to the previously approved SGP in Order No. 05-0440-PAA-TL.

6. The Commission also opened Docket No. 991377-TL to examine the service quality performance of Sprint-Florida, Incorporated (now known as Embarq). Like AT&T Florida, Embarq entered into a Stipulation and Settlement to resolve the issues before the Commission in that proceeding ("Sprint Stipulation and Settlement"). *See* Sprint Stipulation and Settlement at §1, page 2, attached as Exhibit B. The Sprint Stipulation and Settlement contained similar language to the BellSouth Stipulation and Settlement establishing a "Community Service Fund" and providing that the fund could be used to "educate customers about and promote Sprint's Lifeline service." *See* Sprint Stipulation and Settlement at §2 at page 13. In addition, the Plan provided that "[t]he Parties reserve the right to agree to a different manner to dispose of amounts credited pursuant to Section 3(A)(3) of the Service Guarantee Plan, subject to the approval of the Florida Public Service Commission." *Id.* The Sprint Stipulation and Settlement was approved by the Commission in Order Nos. PSC-00-2462-PAA-TL and PSC-00-2462A-PAA-TL.

7. The same language providing a mechanism for allowing a different manner of disposition of the Community Service Fund also is included in §2 of Embarq's current Service Guarantee Program, approved by the Commission in Order No. PSC-05-0918-PAA-TL.

8. Pursuant to Movants' and OPC's commitment to increase Lifeline and Link-Up enrollment, the Fund has consistently been used to educate and support Lifeline and Link-Up enrollment in Florida. Indeed, since January 2007, numerous Lifeline and Link-Up educational and promotional events have been held throughout the State. And, in conjunction with the

NAACP and AARP, direct mailings were sent to their Florida members advising and educating them about Lifeline and Link-Up.

9. While these efforts and those of the Commission have been successful, Movants desire to further increase Lifeline and Link-Up enrollment. In this regard, Movants wish to use to the Fund to support research activities designed to (1) determine why eligible Florida consumers are not taking advantage of Lifeline and Link-Up and (2) identify ways to increase Lifeline and Linkup enrollment.

10. For instance, Movants currently wish to use the Fund to retain the Public Utility Research Center (“PURC”) to conduct research that will address four fundamental questions regarding Lifeline and Link-Up enrollment:

- How do enrollment procedures impact households’ participation in Lifeline?
- What do eligible households understand from the enrollment efforts?
- How does low income household use of wireless communications impact enrollment in Lifeline?
- What communications services are low income households and consumers in Florida purchasing and/or using?

11. Obtaining answers to these questions will provide information that will better promote Lifeline and Link-Up by:

- Examining how enrollment procedures impact participation;
- Measuring how use of wireless communications impacts Lifeline enrollment; and
- Studying what communications services low income households and consumers are using.

12. Movants submit that using the Fund in this manner is consistent with the overall intent and purpose of the commitment to promote and educate Florida consumers about Lifeline

and Link-Up. Indeed, Florida consumers will benefit by obtaining this information to implement measures specifically designed to increase Lifeline and Link-Up enrollment based on the results of the research.

13. The Commission has the authority to grant this request pursuant to (1) Rule 25-4.085, Florida Administrative Code, which provides for Commission approval and enforcement of service guarantee programs; and (2) the Commission's prior orders approving each Stipulation and Settlement.

14. OPC does not oppose this request.

WHEREFORE, for the foregoing reasons, AT&T Florida and Embarq respectfully request that the Commission make it clear that, in addition to using the Fund to educate and promote Lifeline and Linkup services, the Fund can be used to support research activities designed to (1) determine why eligible Florida consumers are not taking advantage of Lifeline and Linkup and (2) identify ways to increase Lifeline and Linkup enrollment in Florida.

Respectfully submitted this 22nd day of August 2007.

**COUNSEL FOR AT&T FLORIDA**



JAMES MEZA III

TRACY W. HATCH

MANUEL A. GURDIAN

AT&T Florida

c/o Gregory R. Follensbee

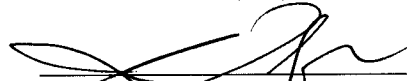
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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

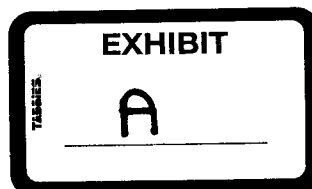
In re: Initiation of show cause  
proceedings against BellSouth  
Telecommunications,  
Incorporated for violations of  
service standards \_\_\_\_\_ /

Docket No. 991378-TL

Filed: July 9, 2001

**STIPULATION AND SETTLEMENT BY AND BETWEEN  
THE OFFICE OF PUBLIC COUNSEL AND  
BELLSOUTH TELECOMMUNICATIONS, INC.**

Pursuant to Section 120.57(4), Florida Statutes (1999), BellSouth Telecommunications, Incorporated (BellSouth or the Company) and the Office of the Public Counsel (OPC or Citizens) (hereinafter the Parties) have entered into this Stipulation and Settlement to effect an informal disposition and complete and binding resolution of any and all matters and issues which might be addressed by the Florida Public Service Commission (FPSC or Commission) in this docket regarding the company's service during the years 1996 through 1999. This Stipulation and Settlement avoids the time, expense and uncertainty associated with adversarial litigation in keeping with the Florida Public Service Commission's long-standing policy and practice of encouraging parties in contested proceedings to settle issues whenever possible. Accordingly, without prejudice to any Party's position in any other proceeding before the Florida Public Service Commission or any other venue, present or future, the Parties stipulate and agree as follows:



## **1. BACKGROUND & INTRODUCTION**

This Docket was initiated on September 10, 1999 pursuant to a memorandum dated September 10, 1999 issued by the Florida Public Service Commission. The OPC intervened on September 17, 1999. At its October 19, 1999, Agenda Conference, the Commission voted to accept BellSouth's offer of settlement and to close the docket upon remittance of a voluntary contribution of \$125,000 to the General Revenue Fund. That payment was made by BellSouth to the Florida Public Service Commission on November 18, 1999. A Proposed Agency Action Order No. PSC-99-2207-PAA-TL was issued November 9, 1999. On November 30, 1999, OPC filed a timely protest of the Order, and the matter was set for hearing. On May 17, 2000, an issue identification conference was held. At that time the Parties agreed with the FPSC staff (Staff) to establish a list of issues. On May 23, 2000, the Commission established the procedural schedule through the release of Order No. PSC-00-1027-PCO-TL. The OPC has served three Requests for Production of Documents and three sets of Interrogatories on BellSouth. BellSouth has made its responses to the discovery available to the OPC for inspection. The Commission Staff served one set of Interrogatories on BellSouth and BellSouth responded.

Since the initiation of the Docket, the Parties have engaged in discussions for the purposes of resolving this matter. To this end, the Parties have reached the following Stipulation and Settlement in full resolution of the issues before the Commission. Furthermore, the Parties agree that the period to which this Stipulation and Settlement applies, for any violation of the aforesaid rules, will include the period from 1996 up to and including 1999. The provisions of this agreement shall supplement the actions required by the Commission's Proposed Agency Action order no. PSC-99-2207-PAA-TL, including payment of a \$125,000 voluntary contribution to the General Revenue Fund.

As a resolution of this docket the Parties agree that BellSouth will incur the cost of and establish a new Service Guarantee Plan that will automatically provide payments in the form of credits to customers in the event certain service objectives are not met, and will require the payment of monies to a Community Service Fund. The Service Guarantee Plan will not require customers whose service is not installed or repaired within the objectives set out below to request that a credit be placed on the bill. Any credits called for in the plan will be applied automatically. The Stipulation and Settlement generally, and the Service Guarantee Plan, specifically, are not intended to eliminate the FPSC's statutory authority to establish, monitor compliance with and/or enforce service quality standards, nor does this agreement waive any of the FPSC's existing rules governing service quality. It represents a compromise of the Parties between possible assessment and payment of penalties and/or fines and a desire to insure that customers receive direct and immediate tangible relief when service does not meet the Service Guarantee Objectives agreed upon herein.

## **2. THE SERVICE GUARANTEE PLAN**

The Parties hereby create a Service Guarantee Plan that establishes service objectives, credits for failure to meet those objectives, and contains terms and definitional language for application of the Service Guarantee Plan. One of the objectives is designed to result in direct and automatic credits to customers if installation commitments are not met. This includes, where facilities are available, installation of residential basic local service (primary and additional) and single line business. The second objective is for repair of primary residential and single line business out-of-service conditions. BellSouth also commits to establish and to contribute to a Community Service Fund that

will educate customers about and promote BellSouth's Lifeline and LinkUp services. In addition, BellSouth commits to tariff an income eligibility test for Lifeline services.

**A. Service Guarantee Commitments and Credits**

**(1) Repair - Out of Service (Service Interruption):**

BellSouth agrees to make the applicable automatic credits on the bills of each primary residential and single line business local customer for whom BellSouth fails to meet the service objective. This automatic credit would apply to primary residential and single line business local customers experiencing an out-of-service condition irrespective of whether the trouble is caused by a network, Customer Provided Equipment, or inside wire condition. Where the Company fails to complete a repair within 24 hours from the time received (the service objective), the Company will increase the current service rebate such that the customer will receive a credit of \$4.00 plus three times the customer's daily recurring local service charges, up to a maximum of \$35.00. In no event, however, shall the customer receive a credit of less than \$10.00. Saturdays, Sundays and holidays are included in calculating service credits. Periods of time associated with and covered by the force majeure clause in Section (2)(D)(1) of the Stipulation and Settlement shall be excluded from this calculation.

An out-of-service condition for purposes of this Service Guarantee Plan occurs when a subscriber's service is interrupted (1) other than by a negligent or willful act of the subscriber, and (2) where the customer is able to continue to take service (e.g. not where the service location has been destroyed by fire, flood, wind, etc.).

**(2) Service Installation:**

Where central office or outside plant facilities are readily available, if BellSouth fails to install a customer's primary or additional residential local or single line business service on the date which the customer and the Company have agreed, BellSouth will give the customer an automatic bill credit of \$25. The commitment due date for installation shall be agreed upon by the Company and the customer. Where the Company is offering a commitment date greater than three days and the customer requests an earlier date, the commitment credit will be based on the customer requested date or on three days, whichever is greater.

Saturdays, Sundays and holidays are included for determining the applicable credits. Periods of time associated with and covered by the force majeure clause in Section (2)(D)(1) of the Stipulation and Settlement shall be excluded from this calculation. BellSouth will be subject to FPSC Rule 24-066 (3) and (5), Florida Administrative Code where central office or outside plant facilities are not readily available.

**B. Establishment of a Community Service Fund and Disposition of the Funding**

BellSouth shall establish a Community Service Fund in the form of a corporate undertaking. For the first year of this settlement (calendar year 2002), BellSouth will make a contribution to the Community Service Fund in the amount of \$250,000 to be used to educate customers about and promote BellSouth's Lifeline and LinkUp services. For the second year of this settlement (calendar year 2003), BellSouth's contribution will be \$150,000. The annual contribution will be made in January of each year this agreement is in effect. In the event the Parties disagree as to the method of disposing of the contribution amounts, the Parties shall submit such disagreement to the Florida Public Service

Commission for resolution.

**C. Filing of an Income Eligibility Tariff for Lifeline**

BellSouth commits that it will file a tariff providing for an income eligibility test at 125% of the federal poverty income guidelines for Lifeline customers. This test for eligibility will augment, rather than replace, the current eligibility guidelines based on participation in certain low income assistance programs. This tariff filing is conditioned on a governmental or non-profit entity assuming responsibility for certifying eligibility. The Florida Public Service Commission may designate itself as the entity responsible for certifying claims of eligibility, or, if it prefers, may designate another entity, such as the Office of Public Counsel.

**D. Other Provisions of the Service Guarantee Plan**

**(1) Force Majeure**

In the event of an emergency due to major events such as hurricanes, work stoppages, or acts of third parties outside BellSouth's control, when it is reasonable to expect that the Company will be unable to meet its installation and repair commitments, BellSouth may declare a service emergency. In declaring a service emergency, the Company shall define the geographic area, on a minimum of an exchange basis, where the emergency exists, may make indefinite commitments for installation and repair services within the affected areas, shall initiate public service announcements to inform customers, and shall notify the Commission at the time of implementation and termination of the service emergency period. In such cases, the Company shall be relieved of its obligations to provide credits for failure to meet the objectives for installation and repair service.

Where BellSouth is relieved of meeting the objectives, it will revert to making refunds or adjustments for customers affected by a service emergency, pursuant to Rule 25-

4.110(6), Florida Administrative Code, for out-of-service conditions as defined by Rule 25-4.070(1)(b), Florida Administrative Code.

**(2) Commission's Continuing Jurisdiction**

The intent of the Parties is that the Commission shall have the right to enforce the provisions of this Service Guarantee Plan including, but not limited to, verification that the credits are made consistent with the Service Guarantee Plan. Furthermore, it is not the intent of the Parties to deprive the Commission of its authority to resolve customer complaints and monitor and ensure that service is adequate and reasonable. The Parties contemplate that the Commission will retain its ability to monitor service through auditing and reviewing filed reports.

The Parties contemplate that this Stipulation and Settlement will resolve all issues defined in Order No. PSC-00-1027-PCO-TL for the period from January 1, 1996 through December 31, 1999. ~~BellSouth~~ will provide monthly reports to the Commission and the Office of the Public Counsel within 30 days of the end of the reporting month detailing the amount of credits related to missed objectives for installation and repair.

**(3) Term of Service Guarantee Plan**

The term of the Service Guarantee Plan is for a period of two years beginning on the implementation date. Each party will work in good faith to address and correct any unanticipated difficulties in a manner consistent with the intent of the Service Guarantee Plan.

**(4) General Terms**

**(a) Implementation Date:** BellSouth will implement this Service Guarantee Plan no later than six months from the date of a final Commission order approving the Stipulation and Settlement.

**(b) Credits:** Credits to customers will be made automatically and will not require the customer to request them.

**(5) Definitions**

**(a) Basic Local Service:** As defined in Section 364.02 (2), Florida Statutes (1999).

**(b) Day:** The twenty-four hour period beginning and ending at midnight. (For example, if a trouble report is received at 3 p.m. on Monday, and the trouble is cleared at 3:01 p.m. or later on Tuesday, a credit for one day would apply. A credit for two days would apply if the repair is completed at any time during the period 12:01 a.m. through 11:59 p.m. on Wednesday; a credit for three days would apply if the repair is completed at any time during the period 12:01 a.m. through and 11:59 p.m. on Thursday; and so forth.)

**(c) Service Guarantee Objective:** The standard(s) agreed to within this agreement.

**(d) Community Service Contribution:** Contribution made by the Company to the Community Service Fund on an annual basis.

**(e) Community Service Fund:** The fund (i.e. corporate undertaking) established pursuant to Section 2(B) and/or the fund (i.e. corporate undertaking) created by the annual contribution from the Company.

**3. MISCELLANEOUS MATTERS**

This Stipulation and Settlement will become effective on the day following the vote of the Florida Public Service Commission approving this Stipulation and Settlement.

The Florida Public Service Commission's decision will be reflected in a final order.

No Party to this Stipulation and Settlement will request, support or seek to impose a change in the application of any provision hereof. Furthermore, subject to the approvals of the Florida Public Service Commission set forth herein, all Parties hereto waive any right to request further administrative or judicial proceedings in regards to the establishment or implementation of this Stipulation and Settlement. This waiver of the



right to further administrative or judicial proceedings shall include (but not be limited to): a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code; a motion for reconsideration of the decision in this matter in the form prescribed by Rule 25-22.060, Florida Administrative Code; or a notice of appeal to initiate judicial review by the Florida Supreme Court pursuant to Rule 9.110, Florida Rules of Appellate Procedure, in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

This Stipulation and Settlement is contingent upon the Florida Public Service Commission's acceptance of the provisions herein, which acceptance shall include explicit recognition by the Florida Public Service Commission that all such matters are resolved by this Stipulation and Settlement.

This Stipulation and Settlement is also contingent upon approval in its entirety by the Florida Public Service Commission. This Stipulation and Settlement will resolve all matters in this docket pursuant to and in accordance with Section 120.57(4), Florida Statutes (1999). This docket will be closed effective on the date the Florida Public Service Commission order approving this Stipulation and Settlement is final. If this Stipulation and Settlement is not accepted and approved without modification by an order not subject to further proceedings or judicial review, then this Stipulation and Settlement shall be considered null and void and of no further force or effect.


In the event that the FPSC does not accept this document in its entirety pursuant to its terms, this document shall not be admissible in any hearing on the matters established by this docket, or in any other docket or forum. Moreover, no Party to this Stipulation and Settlement waives any position on any issue that it could have otherwise asserted in this or any other docket as if this document had never been developed and written.

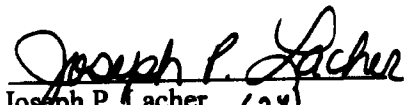
This Stipulation and Settlement dated this 9<sup>th</sup> day of July, 2001 may be executed in counterpart originals and a facsimile of an original signature shall be deemed an original.

The Parties evidence their acceptance and agreement with the provisions of this Stipulation and Settlement by their signatures:

Office of Public Counsel  
111 W. Madison Street, Room 812  
Tallahassee, Florida 32399-1400

BellSouth Telecommunications, Inc.  
150 South Monroe St., Suite 400  
Tallahassee, Florida 32301

By:   
Jack Shreve

By:   
Joseph P. Lacher (22)

PC Docs 397300v1

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL

In re: Initiation of show cause  
proceedings against Sprint-Florida,  
Incorporated for violations of  
service standards /

Docket No. 991377-TL

Filed: July 27, 2000

**STIPULATION AND SETTLEMENT AND PETITION FOR LIMITED WAIVER  
OF RULES 25-4.066 (2), 25-4.070 (3)(A), 25-4.073 (1)(C) AND (1)(D) AND 25-  
4.110(2), FLORIDA ADMINISTRATIVE CODE**

Pursuant to Section 120.57(4), Florida Statutes (1999), Sprint-Florida, Incorporated (Sprint or the Company) and the Office of the Public Counsel (OPC or Citizens) (hereinafter the Parties) have entered into this Stipulation and Settlement to effect an informal disposition and complete and binding resolution of any and all matters and issues which might be addressed by the Florida Public Service Commission (FPSC or Commission) in this docket. This Stipulation and Settlement avoids the time, expense and uncertainty associated with adversarial litigation in keeping with the Florida Public Service Commission's long-standing policy and practice of encouraging parties in contested proceedings to settle issues whenever possible. Concurrent with this Stipulation and Settlement, the Parties are herein requesting a waiver of certain quality of service rules as a condition of implementing the Service Guarantee Plan that forms the basis of the settlement of this docket. Accordingly, without prejudice to any Party's position in any other proceeding before the Florida Public Service Commission or any other venue, present or future, the Parties stipulate and agree as follows:



DOCUMENT NUMBER-DATE  
09058 JUL 27 8

## 1. BACKGROUND & INTRODUCTION

This Docket was initiated on September 10, 1999 pursuant to a memorandum dated September 10, 1999. The OPC intervened on September 17, 1999. On April 13, 2000, an issue identification conference was held. At that time the Parties agreed with the FPSC staff (Staff) to establish a list of issues. In letters dated March 27, 2000 and April 25, 2000 Sprint acknowledged that the FPSC has jurisdiction to make a determination regarding Sprint's compliance with Rules 25-4.066 (2), 25-4.070 (3)(a), 25-4.073(1) (c) and (1)(d) and 25-4.110(2), Florida Administrative Code, for the period of January 1, 1996 through December 31, 1999. These letters were acknowledged and issues established for this docket in Order No. PSC-00-0869-PCO-TL issued May 2, 2000. The OPC has served two Requests for Production of Documents and one set of Interrogatories on Sprint. Sprint has made its responses to the discovery available to the OPC for inspection.

Since the initiation of the Docket, the Parties have engaged in discussions for the purposes of resolving this matter. To this end the Parties have reached the following Stipulation and Settlement in full resolution of the issues before the Commission. Furthermore, the Parties agree to include the first quarter (January - March) 2000 in the period to which this Stipulation and Settlement applies, for any violation of the aforesaid rules.

As resolution of this docket and in lieu of any fine or other penalty that the Commission could otherwise assess in this matter, except as provided for in Section 3(D)(4), the Parties agree that Sprint will incur the cost of and establish a Service Guarantee Plan that

will automatically compensate customers and/or require the payment of funds by Sprint in the event that certain service objectives are not met. The Service Guarantee Plan will not require customers whose service is not installed or repaired within the objectives set out below to request that a credit to be placed on the bill. Any credits called for in the plan will be applied automatically. Payment of funds for failure to meet answer time criteria will be made as set out below. The Stipulation and Settlement generally, and the Service Guarantee Plan, specifically, are not intended to eliminate the FPSC's statutory authority to establish, monitor compliance with and/or enforce service quality standards. It represents a compromise of the Parties between possible assessment and payment of penalties and/or fines and a desire to insure that customers receive direct and immediate tangible relief when service does not meet the agreed upon Service Guarantee Objectives.

To that end, and except as provided for in Section 3(D)(4), the Parties agree that the initial payment to be made pursuant to Section 3(D)(2) and the Service Guarantee Plan are intended to substitute for the imposition of any sanction that the Commission might lawfully impose as a result of any hearing that could be held in this matter as set out in Order No. PSC-00-0869-PCO-TL. The Stipulation and Settlement is intended to take the place of any hearing that might be held in this Docket.

**2. JOINT PETITION FOR A WAIVER OF RULES 25-4.066 (2), 25-4.070 (3)(A), 25-4.073 (1)(C) AND (1)(D) AND 25-4.110(2), FLORIDA ADMINISTRATIVE CODE**

By this Stipulation and Settlement the Parties jointly request a limited waiver of the applicability of Florida Public Service Commission Rules 25-4.066 (2), 25-4.070

(3)(a), 25-4.073(1)(c) (as applicable to repair service) and (1)(d), and 25-4.110(2), Florida Administrative Code. Pursuant to Section 120.542, Florida Statutes, the Parties submit that the Service Guarantee Plan contained in this Stipulation and Settlement satisfies the requirement that a demonstration be made that the purpose of the underlying statute will be achieved by other means. By providing direct credits to customers whose service is affected by delayed installation or repair, the purpose of the underlying statutes are achieved. Provisions of Florida Statutes authorizing or directing the Commission to establish, monitor and enforce service standards, such as Section 364.01(4), 364.025, Florida Statutes (1999) (carrier of last resort obligations, service availability) will be adequately met if the basic service subscriber receives a direct and material credit for being without basic service. The graduated credit schedule will also act to discipline Sprint by imposing increasing and substantial penalties the longer repair of, or access to, service is delayed.

The Service Guarantee Plan meets the quality of service provisions of Chapter 364 by giving immediate and direct compensation to customers and provides similarly swift penalties to Sprint for not meeting objectives that are consistent with the existing Commission service rules. In addition, application of the above rules to Sprint at the same time direct credits are being made or accrued would constitute unfairness or economic hardship by imposing duplicate penalties. For this reason, the Parties request a waiver so that the Service Guarantee Plan can be implemented. The waiver is requested only for the time the Service Guarantee Plan is in effect and except as provided for in Section (D)(4). It is further the intent of the Parties that the waiver will be effective as to any amendments to the subject rules.

### **3. THE SERVICE GUARANTEE PLAN**

The Parties hereby establish a Service Guarantee Plan that establishes four Service Guarantee Objectives, establishes credits for failure to meet these objectives and contains term and definitional language for application of the Service Guarantee Plan. Two of the objectives are designed to result in direct and automatic credits to customers if the objectives are not met. These are for installation of primary, basic service (where facilities are available) and repair of out-of-service conditions. The other two objectives are established for answer time in the business office and repair queues serving basic service customers. Failure to meet the answer time objectives will result in credits (referred to herein as "Community Service Credits") being made to a Community Service Fund that will educate customers about and promote Sprint's Lifeline service.

#### **A. Service Guarantee Objectives and Credits Schedule**

##### **1. Repair - Out of Service (Service Interruption):**

Sprint agrees to make the applicable automatic credits on the bills of each residential and single line business customer for whom Sprint fails to meet the Service Guarantee Objective specified in Table 1. An out-of-service condition for purposes of this Service Guarantee Objective occurs when a subscriber's service is interrupted other than by a negligent or willful act of the subscriber and it remains out of service in excess of 24 hours after being reported to the Company and where the customer is able to continue to take service (e.g. not where the service location has been destroyed by fire, flood, wind,

etc.). Sundays and holidays are excluded in calculating service outage duration for purposes of determining applicability of the credits in Table 1. In no event shall the Service Guarantee Credit for failure to meet a (Repair - Out of Service) Service Guarantee Objective be less than \$10.

Sprint will commit to continue providing automatic adjustments or refunds to customers who experience out-of-service conditions during Sunday or holiday periods, where such Sunday or holiday periods are not included in the duration calculation for purposes of the Service Guarantee Credit. Such adjustments or refunds shall not be deemed Service Guarantee Credits, shall be provided only for a Sunday or holiday not covered by the Service Guarantee Credit and will be calculated and credited to the customer consistent with Rule 25-4.110(2), Florida Administrative Code.

**TABLE 1**

<b>Repair - Out of Service</b>	
<b><i>Duration</i></b>	<b><i>Credit<sup>a</sup></i></b>
<i>≤ 24 Hours*</i>	<i>\$0</i>
<i>&gt; 24 to 36 Hours</i>	<i>25% of 1 Month's Recurring Local Service</i>
<i>&gt; 36 to 48 Hours</i>	<i>50% of 1 Month's Recurring Local Service</i>
<i>&gt; 2 to 5 Days</i>	<i>100% of 1 Month's Recurring Local Service</i>
<i>&gt; 5 Days</i>	<i>200% of 1 Month's Recurring Local Service</i>

*\*Service Guarantee Objective.  
§ \$10 minimum credit.*

**2. Service Installation Intervals:**

Sprint agrees to make the applicable automatic credits on the bills of each residential and single line business customer for whom Sprint fails to meet the Service Guarantee



Objective specified in Table 2. This Service Guarantee Objective is applicable for primary local service only. Table 2 contains Sprint's commitment regarding the service installation intervals, service guarantee criteria and associated customer Service Guarantee Credits where central office and outside plant facilities are readily available. The duration shall be calculated beginning upon receipt of application when all tariff requirements relating thereto have been complied with, except those instances where a later installation date is requested by the applicant or where special equipment or services are involved. Where the applicant requests a later date, the duration shall be calculated as if the requested date is day 3. Saturdays, Sundays and holidays are excluded for determining the applicable credits in Table 2, except that duration greater than 15 work days will be determined based on calendar days, including Saturdays, Sundays and holidays. Sprint will still be subject to FPSC Rule 24-066 (3) & (5), Florida Administrative Code where central office or outside plant facilities are not readily available.

**TABLE 2**

***Primary Service Installation Intervals***

<u>Duration</u>	<u>Credit</u>
<i>≤ 3 Days*</i>	<i>\$0</i>
<i>&gt; 3 to 6 Days</i>	<i>\$20</i>
<i>&gt; 6 to 15 Days</i>	<i>\$50</i>
<i>&gt; 15 to 30 Days</i>	<i>\$100</i>

\*Service Guarantee Objective

**3. Answer Time - Repair and Business Office:**

Answer time for residence and business basic service customers will be measured

and reported based on the Average Speed of Answer (ASA). Measurement of ASA begins when the call leaves the Integrated Voice Response Unit (IVRU) and ends when a service representative answers the call or the caller abandons the call. Where an IVRU is not used, measurement of ASA begins as soon as the call is received at the automatic call distributor and ends when a service representative answers the call or the caller abandons the call. The Company will forecast expected demand and provide incoming access lines (trunks) to the business office and repair call centers at a P.01 grade of service for the average busy hour busy season. Within 30 seconds after the customer enters the IVRU, the caller will be given the option to exit the menu and be connected to a service representative. Sprint will credit the Community Service Fund for disposition in the amounts specified in Table 3 and/or Table 4 when the achieved ASA and/or Accessibility results do not meet the Service Guarantee Objectives specified in Tables 3 and 4.

Achievement of the Service Guarantee Objective and payment of any applicable Community Service Credits shall be determined separately for the business office that is designated to serve residential and single-line business basic service customers and separately for repair. Furthermore, Service Guarantee Objective achievement and applicable credit payment shall be determined separately for ASA and Accessibility. For example, 94% accessibility and 47 seconds ASA for a given queue would produce a community service credit of \$15,000 for the reporting month.

Answer time Service Guarantee Objectives and associated Community Service Credits for Answer Time results, ASA and Accessibility, are as follows:

**TABLE 3**

<i>Answer Time AS1 (seconds)</i>	<i>Community Service Credit</i>
<b>≤ 35*</b>	<b>\$-0-</b>
<b>&gt; 35 ≤ 45</b>	<b>\$5,000</b>
<b>&gt; 45 ≤ 60</b>	<b>\$10,000</b>
<b>&gt; 60 ≤ 90</b>	<b>\$25,000</b>
<b>&gt; 90</b>	<b>\$50,000</b>

\*Service Guarantee Objective

**TABLE 4**

<i>Accessibility (%)</i>	<i>Community Service Credit</i>
<b>95 to 100*</b>	<b>\$-0-</b>
<b>&gt; 90 ≤ 95</b>	<b>\$5,000</b>
<b>&gt; 85 ≤ 90</b>	<b>\$10,000</b>
<b>&gt; 70 ≤ 85</b>	<b>\$25,000</b>
<b>≤ 70</b>	<b>\$50,000</b>

\*Service Guarantee Objective

Where the Company maintains a separate call center queue for non-basic business service customers, the criteria and credits are not applicable and answer time reporting is not required by the Service Guarantee Plan.

**B. General Terms**

- 1. Implementation Date:** Sprint will implement this Service Guarantee Plan no later than January 1, 2001 or within six month's of a final Commission order approving the Stipulation and Settlement, whichever is later. To the extent that the Service Guarantee Plan (or any portion thereof) is implemented earlier for any Service Guarantee Objective, upon notification to the Public Counsel and Commission Staff, the applicable

safe harbor provisions of this Service Guarantee Plan will apply for such portion implemented early.

2. **Credits:** Credits to customers will be made automatically and will not require the customer to request them.

**C. Definitions**

1. **Accessibility:** Where an IVRU is not used, Accessibility for a particular queue is defined as the percentage of calls directed by the customer to the particular queue, where the numerator is the total number of calls either answered by a service representative or abandoned by the customer and the denominator is the total number of calls directed by the customer to the particular queue. Where an IVRU is used, Accessibility for a particular queue is defined as the percentage of calls exiting the IVRU and directed by the customer to the particular queue, where the numerator is the total number of calls either answered by a service representative or abandoned by the customer and the denominator is the total number of calls exiting the IVRU and directed by the customer to the particular queue.
2. **Average Speed of Answer (ASA):** For a given month, the sum of the total number of seconds of all calls accessing a queue measured from the time each call exits the IVRU until the call is abandoned or answered by service representative, divided by the total number of calls.
3. **Service Representative:** A repair or business office live attendant prepared to assist a customer with either a repair or service inquiry or request.
4. **Local Service:** As defined in Section 364.02 (2), Florida Statutes (1999).
5. **Recurring Local Service:** The base amount for application of the percentages in Table 1, which shall be the charges for: recurring regulated basic and non-basic services, the Subscriber Line Charge, franchise fee (if any) and a prorated portion of the total taxes applicable to regulated local service. The base amount will not include the 911 surcharge, the local number portability charge or discretionary sales surtax. The service guarantee credit will be based on the recurring regulated local services of the customer for the period during which the credit is applied.
6. **Grade of Service:** Percent of calls encountering a busy. A P.01 grade of service requires sufficient incoming access lines or trunks such that 99 percent of calls will not encounter a busy condition in the average busy season busy hour.

7. **Service Guarantee Objective:** The standard(s) shown in Tables 1 through 4 for which no monetary credit will be required.
8. **Community Service Credits:** Credits made to the Community Service Fund when the Company fails to achieve the Service Guarantee Objectives established in Table 3 and/or Table 4.
9. **Community Service Fund:** The fund (i.e. corporate undertaking) established pursuant to Section 3(D)(2) and/or the fund (i.e. corporate undertaking) created by the payment of credits required when the Company fails to achieve the Service Guarantee Objectives established in Table 3 and/or Table 4.
10. **Safe Harbor Threshold:** The level of service below which the Commission shall have the authority to take action against Sprint pursuant to Section 364.285, Florida Statutes, the provisions of the Service Guarantee Plan notwithstanding. For this purpose the applicable threshold service levels shall be based on 80% of the FPSC rules in effect on the date of filing of the Stipulation and Settlement including application of Rule 25-4.070(6) (exclusion due to emergency situations), to wit:
  - (i). Business office answer time – 68% of calls directed to the business office answer queue answered within 55 seconds;
  - (ii). Repair answer time – 72% of the calls directed to the repair answer queue answered within 30 seconds (or where an IVRU is utilized – 76% of the calls directed to the repair answer queue answered within 55 seconds);
  - (iii). Installation – For each exchange, 72% of new primary service orders completed within 72 hours; and
  - (iv.). Repair, out-of-service – For each exchange, 76% of out-of-service conditions restored within 24 hours.

For (i) and (ii), suspension of the Safe Harbor provided in Section 3(D)(3) shall occur for a particular Service Guarantee Objective only when the same queue fails to meet the threshold service level for two consecutive months. Suspension of the safe harbor will occur for a particular Service Guarantee Objective with respect to (iii) and (iv) above on an exchange-by-exchange basis and only when the same exchange fails to meet the threshold service level for two consecutive months. Restoration of the Safe Harbor shall only occur after the answer time or affected exchange equals or exceeds the applicable objective(s) contained in (i) through (iv) herein for two consecutive months.

**D. Other Provisions of the Service Guarantee Plan**

**1. Force Majeure**

In the event of an emergency due to major events such as hurricanes, work stoppages, or acts of third parties outside Sprint's control when it is reasonable to expect that the Company will be unable to meet its installation, repair and answer time objectives, Sprint may declare a service emergency. In declaring a service emergency, the Company shall define the geographic area, on a minimum of an exchange basis, where the emergency exists, may make indefinite commitments for installation and repair services within the affected areas, shall initiate public service announcements to inform customers, and shall notify the Commission at the time of implementation and termination of the service emergency period. In such cases, the Company shall be relieved of its obligations to provide credits for failure to meet the Service Guarantee Objectives for installation and repair service and answer time.

Where Sprint is relieved of meeting the Service Guarantee Objectives, it will revert to making refunds or adjustments for customers affected by a service emergency, pursuant to Rule 25-4.110(2), Florida Administrative Code, for out-of-service conditions defined by Rule 25-4.070(1)(b), Florida Administrative Code.

**2. Establishment of a Community Service Fund and Disposition of Community Service Credits**

Sprint shall establish a Community Service Fund in the form of a corporate

undertaking. If, pursuant to Section 3(A)(3) of the Service Guarantee Plan, Sprint makes credits to the Community Service Fund for failure to meet repair and business office answer time Service Guarantee Objectives, such amounts shall be disposed of, in coordination with the Office of Public Counsel, to educate customers about and promote Sprint's Lifeline service. Community Service Credits shall be accrued monthly and shall be spent during the calendar year following the accrual. For example, any amounts accrued during calendar 2001 shall be spent to educate customers about and promote Sprint's Lifeline service during calendar year 2002. The Parties reserve the right to agree to a different manner to dispose of amounts credited pursuant to Section 3(A)(3) of the Service Guarantee Plan, subject to the approval of the Florida Public Service Commission.

In addition, separate and apart from any credits that may be made pursuant to Section 3(A)(3) of the Service Guarantee Plan, Sprint agrees to credit an amount of \$100,000 to the Community Service Fund. Regardless of any credits made or disposed of as otherwise provided herein, \$100,000 shall be spent prior to January 1, 2002 to educate customers about and promote Sprint's Lifeline service.

### **3. Safe Harbor**

Sprint's obligation to implement the Service Guarantee Plan is contingent upon the Commission granting the waiver requested herein. Therefore, except for the period of April 1, 2000 through the implementation date, during the life of the Service Guarantee Plan, the Company shall not be subject to Florida Public Service Commission Rules 25-4.066 (2), 25-4.070 (3)(a), 25-4.073 (c) and (d) and 25-4.110(2), Florida Administrative Code, except as

otherwise specified herein.

#### **4. Commission's Continuing Jurisdiction**

The intent of the Parties is that the Commission shall have the right to enforce the provisions of this Service Guarantee Plan including, but not limited to, verification that the credits are made consistent with the Service Guarantee Plan. Furthermore, it is not the intent to deprive the Commission of its authority to resolve customer complaints and monitor and ensure that service is adequate and reasonable and resolve customer complaints. The Parties contemplate that the Commission will retain its ability to monitor service through auditing and reviewing filed reports.

The Parties contemplate that this Stipulation and Settlement will resolve all issues defined in Order No. PSC-00-0869-PCO-TL for the defined period (January 1, 1996 through March 31, 2000) and that the automatic credits will provide a safe harbor to Sprint for Commission sanctions that might otherwise be imposed pursuant to Rules 25-4.066 (2), 25-4.070 (3)(a), 25-4.073 (c) and (d) and 25-4.110(2), Florida Administrative Code, for the duration of the Service Guarantee Plan.

However, the Parties further recognize that the Commission's monitoring efforts and/or the level of service complaints may warrant Commission inquiry into Sprint's overall level of service. For this reason the Parties further agree that any safe harbor that the Service Guarantee Plan provides will apply as long as the Company's results reported on a quarterly basis do not drop below the Safe Harbor Threshold. The Company will continue



to report service results to the FPSC as required under the rules in effect on the date of the filing of this Stipulation and settlement. In addition, Sprint will provide monthly reports to the Commission and the Office of the Public Counsel within 30 days of the end of the reporting month detailing the amount of credits related to installation, repair-out-of-service, business office answer time and repair answer time.

#### **5. Term of Service Guarantee Plan**

The term of the Service Guarantee Plan is for a minimum period of two years beginning on the implementation date, however, the Parties may mutually agree to extend the Service Guarantee Plan, subject to Commission approval. The Parties also will meet not later than the 18th month of the Service Guarantee Plan to discuss the potential for extending the Service Guarantee Plan and to address any aspects of the Service Guarantee Plan that should be modified. Additionally, each party will work in good faith to address and correct any unanticipated difficulties in a manner consistent with the intent of the Service Guarantee Plan.

#### **4. MISCELLANEOUS MATTERS**

This Stipulation and Settlement will become effective on the day following the vote of the Florida Public Service Commission approving this Stipulation and Settlement. The Florida Public Service Commission's decision will be reflected in a final order.

No Party to this Stipulation and Settlement will request, support or seek to impose a change in the application of any provision hereof. Furthermore, subject to the

approvals of the Florida Public Service Commission set forth herein, all Parties hereto waive any right to request further administrative or judicial proceedings in regards to the establishment or implementation of this Stipulation and Settlement. This waiver of the right to further administrative or judicial proceedings shall include (but not be limited to): a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code; a motion for reconsideration of the decision in this matter in the form prescribed by Rule 25-22.060, Florida Administrative Code; or a notice of appeal to initiate judicial review by the Florida Supreme Court pursuant to Rule 9.110, Florida Rules of Appellate Procedure, in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

This Stipulation and Settlement is contingent upon the Florida Public Service Commission's acceptance of the provisions herein, which acceptance shall include explicit recognition by the Florida Public Service Commission that all such matters are resolved by this Stipulation and Settlement.

This Stipulation and Settlement is also contingent upon approval in its entirety by the Florida Public Service Commission. This Stipulation and Settlement will resolve all matters in this docket pursuant to and in accordance with Section 120.57(4), Florida Statutes (1999). This docket will be closed effective on the date the Florida Public Service Commission order approving this Stipulation and Settlement is final. If this Stipulation and Settlement is not accepted and approved without modification by an order not subject to further proceedings or judicial review, then this Stipulation and Settlement shall be considered null and void and of no further force or effect.

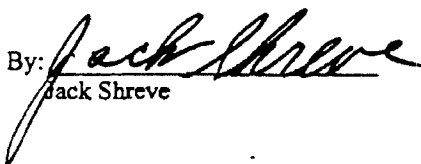
In the event that the FPSC does not accept this document in its entirety pursuant to its terms, this document shall not be admissible in any hearing on the matters established by this docket, or in any other docket or forum. Moreover, no Party to this Stipulation and Settlement waives any position on any issue that it could have otherwise asserted in this or any other docket as if this document had never been developed and written.

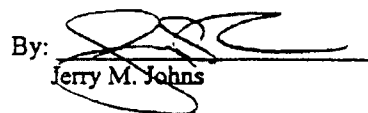
This Stipulation and Settlement dated this 21<sup>st</sup> day of July 2000 may be executed in counterpart originals and a facsimile of an original signature shall be deemed an original.

The Parties evidence their acceptance and agreement with the provisions of this Stipulation and Settlement by their signatures:

Office of Public Counsel  
111 W. Madison Street, Room 812  
Tallahassee, Florida 32399-1400

Sprint-Florida, Incorporated  
1313 Blair Stone Road  
Tallahassee, Florida 32301

By:   
Jack Shreve

By:   
Jerry M. Johns