

080159-TP

secondary line loss cannot be used to explain away residential competition in Verizon's service territory.

- The Office of Public Counsel ("OPC") suggested that although competition may exist at the upper end of the market, customers with basic local telecommunications service are not being offered competitive rates, terms and conditions that are comparable to bundled local service. Market evidence in the Tampa Bay region demonstrates, however, that competition for basic service customers is even greater than for residential customers as a whole. From August 2005 to August 2008, Verizon basic residential lines (without features or with a la carte features) fell from **BEGIN CONFIDENTIAL XXXXXX to XXXXXX, END CONFIDENTIAL** a decrease of approximately **BEGIN CONFIDENTIAL XXX END CONFIDENTIAL**. Those rates of decline are greater than the overall rate for residential lines, which decreased from **BEGIN CONFIDENTIAL XXXXXXXXXXXX to XXXXXXXX, END CONFIDENTIAL** a reduction of approximately **BEGIN CONFIDENTIAL XXX END CONFIDENTIAL** during the same period. Despite OPC's theory that basic customers do not find competitive offers "comparable" to ILEC offers, significant numbers of them are accepting those offers. This evidence undermines any claim that competition is limited to the upper end of the residential market.

- COM _____
- ECR _____
- GCL _____
- OPC _____
- RCP / _____
- SSC _____
- SGA _____
- ADM _____
- CLK _____

In short, the evidence of strong, facilities-based competition in the Tampa Bay region is overwhelming and uncontroverted. The Commission should adjust its regulatory policy – and its rules – accordingly.