

Dorothy Menasco

From: ROBERTS.BRENDA [ROBERTS.BRENDA@leg.state.fl.us]
Sent: Tuesday, January 27, 2009 3:33 PM
To: Filings@psc.state.fl.us
Cc: Angela McCall; Adam Teitzman; bruce.schoonover@knology.com; Charles Murphy; David Christian; Deborah Nobles; Denise Collins; Douglas C. Nelson; Dulany O'Roark; Gregory R. Follensbee; Jerry Holt; Lakisha Taylor; Larry Wright; marsha@reuphlaw.com; Nexus Communications TSI; Robert M. Elmer; Robert M. Post, Jr.; Sandy Khazraee; Smart City Telecom; Stephen Rowell; Timisha Brooks; Tom Mccabe; Vilaire Communications, Inc.; Windstream Florida, Inc.
Subject: e-filing (Dkt. No. 080234-TP)
Attachments: 080234 Citizens Prehearing Statement.sversion.doc

Electronic Filing

a. Person responsible for this electronic filing:

Charlie Beck, Deputy Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400
(850) 488-9330
beck.charles@leg.state.fl.us

b. Docket No. 080234-TP

In re: Implementation of Florida lifeline program involving bundled service packages and placement of additional enrollment requirements on customers.

c. Document being filed on behalf of Office of Public Counsel

d. There are a total of 7 pages.

e. The document attached for electronic filing is the Prehearing Statement of the Office of Public Counsel.

(See attached file: 080234 Citizens Prehearing Statement.sversion.doc)

Thank you for your attention and cooperation to this request.

Brenda S. Roberts
Office of Public Counsel
Telephone: (850) 488-9330
Fax: (850) 488-4491

DOCUMENT NUMBER-DATE

00669 JAN 27 8

1/27/2009

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Implementation of Florida Lifeline) Docket No. 080234-TP
Program involving Bundled Service)
Packages and Placement of Additional) Filed: January 27, 2009
Enrollment Requirements on Customers)

PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL

The Citizens of the State of Florida, through the Office of Public Counsel,
hereby submit this Prehearing Statement.

APPEARANCES:

Charlie Beck
Deputy Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400
On behalf of the Citizens of the State of Florida.

1. **WITNESSES:**

None.

2. **EXHIBITS:**

Citizens have no exhibits to identify at this time.

3. **STATEMENT OF BASIC POSITION**

Telephone service provides a vital link to emergency services,
government services, and surrounding communities, and Lifeline helps to provide
that link to many low-income citizens of Florida. The Commission will promote
participation in the Lifeline program, consistent with the provisions of section

DOCUMENT NUMBER-DATE

00669 JAN 27 8

FPSC-COMMISSION CLERK

364.10, Florida Statutes, by requiring all ETCs to enable Lifeline/Linkup customers to subscribe to the carriers' bundled service offerings while continuing to receive the Lifeline and Linkup benefits.

AT&T and Embarq already provide Lifeline benefits to persons who subscribe to their bundled service offerings. According to the Commission's December, 2008, Lifeline report, AT&T increased the number of their Lifeline subscribers from 87,291 in September, 2006, to 93,337 in September, 2007, and 104,506 in June, 2008. Embarq increased the number of their Lifeline subscribers from 23,104 to 30,016 and 34,803 during these same time periods. Yet the number of customers taking Lifeline from Verizon actually *declined* during this time period, dropping from 26,428 Lifeline subscribers in September, 2006, to 23,918 in September, 2007, and 22,720 in June, 2008. Requiring Verizon to provide Lifeline to eligible persons who wish to subscribe to its bundled service offerings will help reverse this negative trend.

Wireless ETCs should also be required to provide Lifeline benefits to eligible persons who wish to subscribe to any service offerings that include the equivalent of basic local exchange service access. Since inception of the Lifeline automatic enrollment process in April, 2007, Sprint-Nextel received over 10,350 Lifeline applications from eligible customers, yet it reports only 78 Lifeline customers as of June, 2008. This extremely poor take rate will be improved if the Commission requires Sprint-Nextel and other wireless ETCs provide Lifeline to eligible persons who wish to subscribe to their bundled service offerings.

4. STATEMENT OF FACTUAL ISSUES AND POSITIONS

ISSUE 1: Under applicable law, may the Commission require Florida ETCs that charge federal End User Common Line charges, or equivalent federal charges, to apply the lifeline discount to bundled service offerings which include functionality that is comparable to that described at 47 CFR 54.101(a)(1)-(9) or Section 364.02(1), Florida Statutes?

OPC: Yes. No state or federal law precludes the Commission from such action. Requiring ETC's to offer Lifeline in bundled service offerings is consistent with the goals and principles of universal service, is in the public interest, and will foster increased participation in the Florida Lifeline program.

ISSUE 2: Under applicable law, may the Commission require Florida ETCs that do not charge federal End User Common Line charges, or equivalent federal charges, to apply the lifeline discount to bundled service offering which include functionality that is comparable to the described at 47 CFR 54.101(a)(1)-(9) or Section 364.02(1), Florida Statutes?

OPC: Yes. Sprint misinterprets 47 C.F.R. §54.403(b). 47 C.F.R. §54.403(b) is not a restriction on Lifeline consumers' choice of calling services at comparable terms, but rather is a prescriptive rule directed at ETC's to assure that federal support is passed through to low-income eligible consumers in its entirety. No state or federal law precludes the Commission from requiring ETCs to provide the Lifeline discount to bundled service offerings.

ISSUE 3: Should the Commission require each Florida ETC that charges federal End User Common Line charges, or equivalent federal charges, to apply the lifeline discount to bundled service offerings which include functionality that is comparable to that described at 47 CFR 54.101(a)(1)-(9) or Section 364.02(1), Florida Statutes?

OPC: Yes. The dwindling number of Lifeline customers served by Verizon, compared to growing number of Lifeline customers served by AT&T and Sprint, demonstrates the need to require ETC's to apply the Lifeline discount to bundled service offerings.

ISSUE 4: Should the Commission require the Florida ETC that does not charge federal End User Common Line charges, or equivalent federal charges, to apply the lifeline discount to its bundled services which include functionality that is comparable to that described at 47 CFR 54.101(a)(1)-(9) or Section 364.02(1), Florida Statutes?

OPC: Yes. The small number of Lifeline customers served by Sprint and Alltel demonstrates the need to require ETC's to apply the Lifeline discount to bundled service offerings.

5. STIPULATED ISSUES:

None.

6. PENDING MOTIONS:

None.

7. STATEMENT OF PARTY'S PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY:

Citizens have no pending requests for claims for confidentiality.

8. OBJECTIONS TO QUALIFICATION OF WITNESSES AS AN EXPERT:

Citizens do not expect to challenge the qualification of any witness.

9. STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE:

There are no requirements of the Order Establishing Procedure with which the Office of Public Counsel cannot comply.

Dated this 27th day of January, 2009.

Respectfully submitted,

J. R. Kelly
Public Counsel

s/ Charlie Beck
Charlie Beck
Deputy Public Counsel

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

Attorney for the Citizens
of the State of Florida

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Prehearing Statement of the Office of Public Counsel has been furnished by electronic mail and U.S. Mail to the following parties on this 27th day of January, 2009, to the following persons:

Charles Murphy
Timisha Brooks
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Stephen Rowell
1 Allied Drive
Little Rock, AR 72202

Denise Collins
1410 Market Street
Tallahassee, FL 32312

Larry Wright
American Dial Tone
1212 Curlew Road, Suite 7C
Dunedin, FL 34683-9332

Gregory Follensbee
AT&T Florida
150 South Monroe Street, Suite 400
Tallahassee, FL 32301-1561

Lakisha Taylor
Budget Phone
1325 Barksdale Blvd., Suite 200
Bossier City, LA 71111-4600

Marsha E. Rule
Rutledge, Ecenia, Purnell &
Hoffman, P.A.
Post Office Box 551
Tallahassee, FL 32302-0551

Douglas C. Nelson
Regulatory Counsel
233 Peachtree Street N.E., Suite 2200
Atlanta, GA 30303

Sandra A. Khazraee
Embarq Florida, Inc.
Mail code: FLTHO0201
P.O. Box 2214
Tallahassee, FL32316-2214

Robert M. Elmer
FairPoint Communications
502 Cecil G. Costin, Sr. Blvd.
Port St. Joe, FL 32456-1754

Angel McCall
Frontier Communications of the
South, LLC
300 Bland Street
Bluefield, WV 24701-3020

Robert M. Post, Jr.
ITS Telecommunications Systems, Inc.
P.O. Box 277
Indiantown, FL 34956-0277

Bruce Schoonover, Jr.
Knology of Florida, Inc.
c/o Knology, Inc.
1241 O.G. Skinner Drive
West Point, GA 31833-1789

Midwestern Telecommunications, Inc.
P.O. Box 1401
Chicago Heights, IL 60412-7401

Deborah Nobles
NEFCOM
505 Plaza Circle, Suite 200
Orange Park, FL 32073-9409

Nexus Communications TSI, Inc.
3629 Cleveland Ave., Suite C
Columbus, OH 43224-2911

Smart City Telecom
P.O. Box 22555
Lake Buena Vista, FL 32830-2555

Thomas M. MCCabe
TDS Telcom/Quincy Telephone
Suite 3, Box 329
1400 Village Square Blvd.
Tallahassee, FL 32312-1231

David Christian
Verizon Florida, LLC
106 East College Ave., Suite 710
Tallahassee, FL 32301-7721

Vilaire Communications, Inc.
P.O. Box 98907
Lakewood, WA 98496-8907

James White
Windstream Florida, Inc.
4651 Salisbury Road, Suite 151
Jacksonville, FL 32256-6187

Dulaney L. O'Roark III
Verizon Florida, LLC
P.O. Box 110, 37th Floor
MC FLTC0007
Tampa, FL 33601-0110

s/ Charlie Beck
Charlie Beck