# MCWHIRTER REEVES ORIGINAL ATTORNEYS AT LAW NEASE REPLY TO: YOU NORTH TAMPA STREET, SUITE 2450 TALLAHASSEE YOU NORTH TAMPA STREET, SUITE 2450

Blanca S. Bayo, Director Florida Public Service Commission Division of Records & Reporting Betty Easley Conference Center 4075 Esplanade Way Tallahassee, Florida 32399-0850

Re: Docket No. 980253-TX

Dear Ms. Bayo:

Enclosed for filing and distribution are the original and seven copies of the Florida Competitive Carriers Association's Rebuttal Comments in the above docket.

Please acknowledge receipt of the above on the extra copy enclosed herein and return it to me. Thank you for your assistance.

Sincerely,

Uliclii Gordon Raufman

Vicki Gordon Kaufman

VGK/pr Enclosures

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CWHIRTER, REEVES, MCGLOTHLIN, DAVIDSON, DECKER, KAUFMAN, ARNOLD & STEEN, P.A.

### **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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In re: Proposed Rules 25-4.300, F.A.C., Scope and Definitions, 25-4.301, F.A.C., Applicability of Fresh Look, and 25-4.302, F.A.C., Termination of LEC Contracts.

Docket No. 980253-TX

Filed May 6, 1999

# THE FLORIDA COMPETITIVE CARRIERS ASSOCIATION'S REBUTTAL COMMENTS ON PROPOSED FRESH LOOK RULE

Pursuant to Order No. PSC-99-0547-PCO-TX, the Florida Competitive Carriers Association (FCCA)<sup>1</sup> files the following rebuttal comments in regard to the Commission's proposed Fresh Look rule.

In its responsive comments and testimony, BellSouth Telecommunications, Inc.
(BellSouth)<sup>2</sup> makes one procedural point and one argument on the merits. Both arguments

should be rejected.

2. Procedurally, BellSouth suggests several times that no "evidence" has been submitted to support the proposed rule.<sup>3</sup> Apparently, BellSouth misunderstands that this is a rulemaking proceeding. As such, it is governed by § 120.54. Specifically, § 120.54(c)1 provides the standard for the information the Commission must consider during rulemaking:

Any material pertinent to the issues under consideration submitted to the agency within 21 days after the date of publication of the notice or submitted at a public hearing shall be considered by the agency and made a part of the record of the rulemaking proceeding.

DOCUMENT NUMBER-DATE

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<sup>&</sup>lt;sup>1</sup> The FCCA includes numerous individual competitive carriers as well as the Telecommunications Resellers Association.

<sup>&</sup>lt;sup>2</sup> GTE Florida Incorporated (GTE) did not file any responsive comments.

<sup>&</sup>lt;sup>3</sup> At page 2, BellSouth twice says proponents offered no "evidence." At page 3, BellSouth says only two proponents of the rule filed "testimony." At page 4, footnote 5, BellSouth says the remaining proponents (other than the two filing testimony) filed comments but no "evidence."

Thus, not only must the Commission consider the testimony which some parties chose to file, it must consider all comments filed in this proceeding.

3. BellSouth's substantive point<sup>4</sup> is the same point it attempted to make in its original comments--that local competition is flourishing and therefore there is no need for the proposed rule. To support its claim, BellSouth makes unsubstantiated statements about the large amount of competition for business customers. The facts belie such assertions. For example, BellSouth attempts to rely on this Commission's order denying it entry into the long distance market<sup>5</sup> as proof that competition exists. The order illustrates exactly the opposite. The Commission found that ALECs were serving approximately 27,000 business access lines. Given the fact that BellSouth has over 6 million access lines, service by competitors of such an infinitesimal number hardly demonstrates robust local competition. And, as FCCA pointed out in its responsive comments, this Commission's on report on the topic of competition shows that ILECs control 98.2% of the local market.<sup>6</sup>

4. BellSouth also argues that competitors can market to *new* businesses.<sup>7</sup> While that is certainly true (if and when BellSouth puts in place the proper tools to allow ALECs to effectively compete), it has nothing whatsoever to do with the captive customers BellSouth seeks

<sup>&</sup>lt;sup>4</sup> BellSouth also states that no parties have discussed BellSouth's claims that the Commission lacks authority to enact the proposed rule and that the proposed rule has constitutional infirmities. FCCA rebutted such claims in its responsive comments filed on April 29, 1999.

<sup>&</sup>lt;sup>5</sup> In re: Consideration of BellSouth Telecommunications, Inc. 's entry into interLATA services pursuant to Section 271 of the Federal Telecommunications Act of 1996, Order No. PSC-97-1459-FOF-TL, November 19, 1997.

<sup>&</sup>lt;sup>6</sup> Florida Public Service Commission's December 1998 Report on Competition in Telecommunications Markets in Florida, p. 46.

<sup>&</sup>lt;sup>7</sup> BellSouth responsive comments at 5.

to continue to control. Competition is far from robust and enactment of the proposed rule is an appropriate step in the direction of a competitive local market.

WHEREFORE, the Commission should either enact the proposed Commission rules with the changes suggested by the FCCA in its April 23 filing, or it should enact the rule proposed by the FCCA.

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Joseph A. McGlothlin Vicki Gordon Kaufman McWhirter, Reeves, McGlothlin, Davidson, Decker, Kaufman, Arnold & Steen, P.A. 117 South Gadsden Street Tallahassee, Florida 32301 Telephone: (850) 222-2525

Attorneys for the Florida Competitive Carriers Association

### **CERTIFICATE OF SERVICE**

### I HEREBY CERTIFY that a true and correct copy of the Florida Competitive Carriers

## Association's foregoing Rebuttal Comments On Proposed Fresh Look Rule has been

furnished by U.S. Mail or Hand Delivery(\*) this 6th day of May, 1999, to the following:

Diana W. Caldwell\* Florida Public Service Commission Division of Appeals 2540 Shumard Oak Boulevard Gunter Building, Room 301D Tallahassee, Florida 32399-085

Barbara D. Auger Pennington, Moore, Wilkinson & Dunbar, P.A. Post Office Box 10095 Tallahassee, Florida 32302-2095

Laura L. Gallagher 204 South Monroe Street, Suite 201 Tallahassee, Florida 32301

Kimberly Caswell GTE Florida Incorporated Post Office Box 110, FLTC0007 Tampa, Florida 33601-0110

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

Monica Barone Sprint Communications Company, L.P. 3100 Cumberland Circle Atlanta, Georgia 30339 Marsha E. Rule AT&T Communications 101 North Monroe Street, Suite 700 Tallahassee, Florida 32301

R. Scheffel Wright Landers & Parsons Post Office Box 271 Tallahassee, Florida 32308

Kenneth A. Hoffman Rutledge, Ecenia, Underwood, Purnell & Hoffman, P.A. Post Office Box 551 Tallahassee, Florida 32302-0551

Richard D. Melson Hopping Green Sams & Smith 123 South Calhoun Street Post Office Box 6526 Tallahassee, Florida 32314

Lynn B. Hall Vista-United Telephone Company 3100 Bonnet Creek Road Lake Buena Vista, Florida 32830

Tom McCabe Quincy Telephone Company 107 West Franklin Street Quincy, Florida 32351

Bill Thomas Gulf Telephone Company 115 West Drew Street Perry, Florida 32347 Robert M. Post, Jr. Indiantown Telephone Systems, Inc. 15925 S.W. Warfield Boulevard Indiantown, Florida 34956

John M. Vaughn St. Joseph Telephone and Telegraph Company 502 Fifth Street Port St. Joe, Florida 32456

Jeffry J. Wahlen Ausley & McMullen 227 South Calhoun Street (32301) Post Office Box 391 Tallahassee, Florida 32302

Richard M. Rindler Swidler & Berlin 3000 K Street, N.W., #300 Washington, D.C. 20007 Michael McRae TCG - Washington 2 Lafayette Centre 1133 Twenty-First Street, N.W., Suite 400 Washington, D.C. 20036

Norman H. Horton, Jr. Messer, Caparello & Self 215 South Monroe Street, Suite 701 Post Office Box 1876 Tallahassee, Florida 32302-1876

<u>Ulilli Indm Durfman</u> Vicki Gordon Kaufman