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## Law & Public Policy South East Region

325 John Knox Road, Suite 105 Tallahassee, FL 32303 FAX: 850-422-2586 or V922-2586

DATE: 12.6.99

TO: Matha Cata Brown

FROM: DONNA CANZANO MCNULTY
PHONE: 850-422-1254

NUMBER OF PAGES (INCLUDING COVER SHEET): 5

MESSAGE: AT /MCT Worldon Comments 
in DN 991473-

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## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review and revision of	)	Docket	No.	991	473-TE
Rules 25-4.066 - 25-4.081 and	)				
25-24.490, Florida	)				
Administrative Code	)	Filed:	Dec.	6,	1999
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## POST-WORKSHOP COMMENTS of AT&T and MCIWorldCom

AT&T Communications of the Southern States, Inc., (AT&T), and MCI WorldCom, Inc. (MCI WorldCom) hereby file joint post-workshop comments regarding staff's review of Rules 25-4.066 - 25-4.081 and 25-24.490, Florida Administrative Code. Many of the issues raised by staff were covered thoroughly at the workshop, so these joint comments will be limited to discussion of application of ILEC service quality rules to ALECs.

Although AT&T and MCI WorldCom recognize the Commission's responsibility for consumer protection, it is inappropriate to apply ILEC service quality rules to ALECs. Those rules were developed in a monopoly environment where the Commission was the surrogate for competition. Without competition, consumers had no choice but to accept the services offered by the ILEC. Unlike ILECs, however, ALECs must work to attract and retain each and every one of their customers. Those customers, who are the ultimate arbiters

of service quality, will be quick to return to the ILEC or another service provider if they find ALEC service unsatisfactory. Thus, it is unnecessary to apply ILEC service regulation to ALECs, whose customers have a choice of providers.

Moreover, imposition of service requirement rules could stifle ALEC innovations and alternatives to traditional ILEC services. Also, such service requirement rules will impose unnecessary regulatory costs on new entrants. Requiring ALECs to comply with ILEC service rules will discourage competition, rather than encourage it as required by Section 364.01, Florida Statutes.

AT&T and MCI WorldCom respectfully request that the Commission refrain from proposing rules that would impose competitive restraints upon ALECs. Although 364.337, Florida Statutes, gives the Commission regulatory oversight over provision of basic local telecommunications service for the purpose of establishing reasonable service criteria, it also specifies that any rules adopted by the Commission must be consistent with Section 364.01, Florida Statutes. In giving this direction, the Legislature was undeniably intent upon requiring the Commission to proceed cautiously with respect to measures that would have potential to retard the market entry of competitive providers and the introduction of new

competitive services. In relevant part, Section 364.01 provides that:

(4) The commission shall exercise its exclusive jurisdiction in order to:

\* \* \*

- (b) Encourage competition through flexible regulatory treatment among providers of telecommunications services in order to ensure the availability of the widest possible range of consumer choice in the provision of all telecommunications services.
  - \* \* \*
- (d) Promote competition by encouraging new entrants into telecommunications markets and by allowing a transitional period in which new entrants are subject to a lesser level of regulatory oversight than local exchange telecommunications companies.
- (e) Encourage all providers of telecommunications services to introduce new or experimental telecommunications services free of unnecessary regulatory restraints.
- (f) Eliminate any rules and/or regulations which will delay or impair the transition to competition.
- (g) Ensure that all providers of telecommunications services are treated fairly, by preventing anticompetitive behavior and eliminating unnecessary regulatory restraint.
- (h) Recognize the continuing emergence of a competitive telecommunications environment through the flexible regulatory treatment of competitive telecommunications services . . .

Emphasis added.

It is inappropriate to apply the ILEC service rules to ALECs. As competition develops, however, the Commission may want to revisit the continued applicability of the ILEC service rule requirements as they are applied to ILECs.

## CONCLUSION

ALECs must compete for every customer and their customers always have an alternative carrier. Applying ILEC service regulations to competitive new entrants therefore is unnecessary and serves as a barrier to entry. The Commission should refrain from doing so at this time.

RESPECTFULLY SUBMITTED this 6th day of December, 1999.

Marsha R. Rule
101 N. Monroe St.
Suite 700
Tallahassee, FL 32301
(850) 425-6365

ATTORNEY FOR AT&T COMMUNICATIONS OF THE SOUTHERN STATES, INC.

Donna Canzano McNulty 325 John Knox Road Suite 105 Tallahassee, FL 32303 (850) 425-1254

ATTORNEY FOR MCI WORLDCOM, INC.