BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Initiation of show cause proceedings against GTE Florida Incorporated for apparent violation of service standards.

DOCKET NO. 991376-TL ORDER NO. PSC-02-0146-AS-TL ISSUED: February 1, 2002

The following Commissioners participated in the disposition of this matter:

LILA A. JABER, Chairman J. TERRY DEASON

ORDER APPROVING VERIZON FLORIDA INC.'S SETTLEMENT_OFFER

BY THE COMMISSION:

Background

On September 10, 1999, this Docket was opened, based upon Verizon Florida Inc.'s (Verizon) apparent repeated service standards violations, as evidenced in the periodic reports required by Rule 25-4.0185, Florida Administrative Code. On September 17, 1999, the Office of Public Counsel (OPC) filed a Notice of Intervention, which was acknowledged by Order No. PSC-99-2494-PCO-TL, issued on December 20, 1999.

Verizon filed an offer of settlement on October 29, 1999, to resolve the issues in this docket. That offer was rejected by this Commission on December 21, 1999, by Order No. PSC-99-2501-PCO-TL, and the matter was set for hearing. On January 10, 2000, OPC filed a motion to expand the scope of the proceedings to include willful violation of the Commission's quality of service rules for the years 1996 and 1997, as well as 1998 and 1999 as alleged in the original Docket. OPC's motion was granted by Order No. PSC-00-0687-FOF-TL, issued April 12, 2000.

On June 21, 2001, August 1, 2001, and September 10, 2001, We conducted three days of hearing regarding Verizon's apparent violation of the Commission's service standards during the period January 1, 1996, through December 31, 1999. On October 30, 2001, however, Verizon filed a motion for continuance of post-hearing procedures, including the filing of briefs, pending an imminent

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settlement with OPC. We issued Order No. PSC-01-2137-PCO-TL on November 1, 2001, modifying the schedule in anticipation of a settlement agreement. On December 10, 2001, Verizon and OPC filed a joint settlement agreement to resolve all issues in this docket.

Discussion

In their joint settlement agreement, Verizon and OPC agreed that Verizon will make a monetary contribution of \$2,000,000 to the General Revenue Fund, to be paid no later than 30 days after the issuance of this Order. The company has proposed this settlement to resolve the issues in Docket No. 991376-TL, Initiation of show cause proceedings against GTE Communications Corporation (n/k/a Verizon Florida, Inc.) for apparent violation of Rule 25-4.070(3)(a), Florida Administrative Code, Restoration of Interrupted Service, and Rule 25-4.066, Florida Administrative Code, Installation of Primary Service.

We find this to be a fair and just resolution to the issues presented in this Docket. We also note that Verizon has corrected its deficiencies in service standards which gave rise to the apparent violations which resulted in this Docket being opened.

Finding

We hereby accept the provisions of the Settlement Agreement, whereby Verizon will pay a settlement of \$2,000,000 into the General Revenue Fund. The contribution shall be received by this Commission no later than thirty days from the issuance of this Order, and shall identify the docket number and company name. This Commission shall forward the contribution to the Office of the Comptroller for deposit in the State of Florida General Revenue Fund.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the provisions of the Settlement Agreement as set forth in the body of this Order are hereby approved. It is further

ORDERED that the \$2,000,000 contribution shall be received by this Commission no later than thirty days from the issuance of this

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Order, and shall identify the docket number and company name. This Commission shall forward the contribution to the Office of the Comptroller for deposit in the State of Florida General Revenue Fund. It is further

ORDERED that all pending motions in this Docket are rendered moot by the issuance of this Order. It is further

ORDERED that this Docket be closed administratively upon receipt of the \$2,000,000 contribution.

By ORDER of the Florida Public Service Commission this <u>1st</u> day of <u>February</u>, <u>2002</u>.

BLANCA S. BAYÓ, Director Division of the Commission Clerk and Administrative Services

D. .

Kay Flynn, Chief

Bureau of Records and Hearing

Services

(SEAL)

CLF

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

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Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal Division of the Commission Clerk and the Director, Administrative Services and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.