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November 22, 2002

Ms. Blanca S. Bayo, Director
Division of the Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Discontinuance of Service Draft Rules

Dear Ms. Bayo:

These are Verizon Florida Inc.'s (Verizon) comments on Staff's proposed Discontinuance of Service Rules drafted after the industry workshop held on October 16, 2002.

Verizon is disappointed that the Staff has decided not to pursue further consideration of the Mass Migration Guidelines that the industry presented in this proceeding. Verizon has considerable experience with mass customer migrations when CLECs exit the market. Based on this experience, Verizon knows that in most cases when a CLEC leaves the market, there is no designated carrier to acquire that CLEC's customers. Thus, sufficiently detailed guidelines are necessary to ensure smooth transition of customers to a new carrier. In this regard, the industry's proposed mass migration guidelines are best suited to serve Florida customers during abandonment situations.

Contrary to Staff's apparent impression, there is general industry consensus on the need for tighter and more detailed rules. To Verizon's knowledge, FCCA was the only possible exception to this view, and even it did not oppose the industry proposal - rather, it indicated that its members had not reviewed and approved it.

Mass migration guidelines already exist in two of Verizon's markets (New York and Massachusetts) and are under consideration in several other states. These guidelines were developed through collaborative input from ILECs and CLECs, as well as state regulators. Nevertheless, Staff here has declined to adopt detailed rules because it has so far "not experienced a problem involving migration of customers." Verizon, like many

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state Commissions, believes the best approach is to develop well-considered and adequate rules before problems develop.

Below, Verizon will respond to specific Staff comments.

The Staff explains that it decided not to proceed with the industry's mass migration guidelines because it believes "this is a contractual relationship in which both parties benefit from the transition of the customers. Therefore, cooperation between the two companies involved should not be a problem." Verizon disagrees with this assessment. Verizon is not sure what "contractual relationship" Staff means, but there is usually nothing designating an acquiring carrier, and the exiting CLEC does not necessarily benefit from the transition of the customers.

Even if there is a designated acquiring carrier, the customer must still be given the option of selecting a carrier of their choice, and there are operational issues that must be addressed. For example, NXX codes need to be reassigned to the acquiring CLEC and the E-911 database must be unlocked for the acquiring CLEC. The industry's mass migration guidelines addressed these issues; the Staff's draft does not.

In addition, the first paragraph of proposed rule 25-24.821 requires the ALEC to provide 60 days' advance notice of service discontinuation, or notice "as soon as the ALEC has knowledge that disconnection will occur." This language gives the CLEC an undue opportunity to avoid giving adequate notice. Allowing the CLEC to give very short notice fails to consider the ILEC's interests. For example, if the CLEC exiting the marketplace is a full facilities-based provider and the ILEC receives a customer request to take over service, the ILEC will have to build facilities.

Ninety days advance notice of service discontinuation would be ideal; if the Commission allows 60 days or shorter notice, then it must recognize that the ILEC may not be able to get facilities in place to provide service at the time the CLEC leaves the market.

Further, the Staff mistakenly believes paragraph 2 of the industry draft "places the Commission in the position of being a clearinghouse of information to the industry." Staff contends that "the information provided to the customer from the exiting provider is sufficient for the customer to give to the provider of his choice without the Commission having to provide additional information to the industry."

The industry is not asking the Commission to be a "clearinghouse" for industry information, but to hold necessary information from the exiting CLEC. The Commission is in the best position, as an objective, neutral party charged with authority over local telecommunications services, to ensure that the abandoning carrier provides all information necessary to the Commission, customers, and succeeding carriers so that customers are not harmed. The usual, uniform exit letter does not, in fact, include sufficient information for this purpose (for example, the exiting carrier doesn't give customers essential information like their circuit numbers or customer service records and even if it did, the customer would not necessarily understand it or know he needed to retain it. While the Commission need not act as a "clearinghouse," Verizon does believe some involvement by the Commission in the migration process is in the public interest, particularly because it is certain that some CLECs will not give customers adequate notification or give the new service provider adequate network information. It is necessary and appropriate for the Commission to notify the industry when a particular CLEC intends to leave the market and specify whether there is an acquiring carrier. Without adequate notice and guidelines in this regard, it is inevitable that customers will face disconnection - for example, because they have not chosen a provider on the day the CLEC leaves the market.

Finally, the Staff believes it can eliminate the requirement (in paragraph 8 of the industry draft) requiring a list of customers to be given to the underlying carrier for transfer purposes. Again, the Commission believes this issue will be remedied by "a contractual agreement." This is not true, because there is usually no acquiring carrier. The customer list, with appropriate billing addresses, is thus necessary.

Verizon urges the Staff to reconsider the industry's proposed mass migration guidelines. Without adequate plans in place to assure adequate notice to consumers and expeditious transfer of customers, problems such as customer confusion and unnecessary disconnections are inevitable. It is in the public interest to establish detailed guidelines before such problems arise on a larger scale.

If the Staff instead decided to go forward with its proposed draft, Verizon has attached a revised draft to better ensure that the exiting carrier provides sufficient information to the Commission to ensure smooth transition of customers to the new carrier and to address situations where there is no acquiring carrier.

Sincerely,

Kimberly Caswell

KC:tas
Attachment

c: Staff Counsel (w/a)

25-24.821 Discontinuance of Service. If an ALEC intends to discontinue local telecommunications service to its customers, the ALEC shall take the following actions no less than ~~60~~ 90 calendar days prior to disconnection of service, or as soon as the ALEC has knowledge that disconnection will occur.

(1) Customer Notification. Furnish written notice to each affected customer that includes:

(a) The date the service will be discontinued;

(b) The reason for discontinuance;

(c) Clear instructions how to choose another provider;

(d) A toll-free number for the exiting provider;

(e) Clearly stated deadlines for customer action including a statement that the customer will lose service if the customer does not select another provider;

(f) Identification of each telephone number and its associated circuit identification, if a circuit identification exists, with a statement that informs the customer to provide this information to the local service provider the customer chooses; and

(g) A statement that any deposit held by the company shall be applied to the customer's final bill and a refund will be issued within 45 days of issuance of the final bill if the deposit amount exceeds the final bill amount.

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(h) A statement of whether the exiting ALEC is the customer's presubscribed carrier for intraLATA and/or interLATA toll.

(2) Commission Notification. Provide written notice to the Commission stating, at a minimum, the following:

(a) An explanation of why the company will no longer provide local service;

(b) The date the service will be discontinued;

(c) Contact name and telephone number of the person capable of assisting with the transition of customers to other providers;

(d) A sample of the letter to be sent to the customers;

(e) Plans, if any, for follow-up customer notification.

(f) Date by which customers must select a provider.

(g) Steps to be completed and dates to transfer NXX or thousand number blocks to the appropriate number code or pooling administrator; and

(h) Plans to unlock the E-911 database and provide notice to the 911 county coordinators.

(i) The ALEC's current customer serving arrangements(e.g., resale, UNEs-based, etc.) and the underlying service provider, if any, including the number of customers broken down by business and residence.

(j) A summary of how and in what format the ALEC's customer service records (CSRs) are being kept and how CSRs will be made

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available to other carriers. The summary will include a statement identifying the data elements in the CSR, including, but not limited to, the following:

(1) billing telephone number;

(2) working telephone number;

(3) complete customer billing name and address;

(4) directory listing information, including address and listing type;

(5) complete service address, including floor, suite, unit, etc.;

(6) current presubscribed carriers for both intraLATA and interLATA toll;

(7) local freeze status;

(8) all vertical features;

(9) options (e.g., Lifeline, 900 blocking, toll blocking, remote call forwarding, off-premise extensions, etc.);

(10) information on customer serving arrangements (e.g., resale, UNE-based, etc.);

(11) identification of network service provider(s)(including name of entities to which the ALEC is providing service for resale);

(12) identification of any data service (e.g., line sharing or line splitting) on the migrating end user's line;

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(13) network information, including circuit identification number;

(14) plans for unlocking the E-911 database, including any notification or communications to the E-911 service provider.

(3) Administrative Action.

(a) Remove all PC freezes from all customer accounts.

(b) Retain adequate number of personnel able to process all Local service Requests received prior to the final discontinuance date.

(c) Apply each deposit to the customer's final bill. Any amount of a deposit that exceeds the final bill amount shall be refunded to the customer within 45 days of issuance of the final bill.

(d) Unlock the E-911 database and send a letter to the appropriate E-911 database provider(s), with copies to the incumbent local exchange carrier(s) and the Commission, authorizing the E-911 database provider(s) to unlock any remaining records belonging to the exiting provider, after the exiting provider has abandoned service.

(e) If the ALEC has central office code or thousand number blocks of numbers, the ALEC shall notify the North American

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Numbering Plan Administrator and the National Administrator of the Local Exchange routing Guide.

(4) Termination actions when normal migration procedures have failed and there is no acquiring carrier.

(a) If an exiting ALEC's customer has not selected a new carrier by 7 days from the end of the 90-day period stated in the ALEC's customer notification letter, the exiting ALEC, with Commission approval, will temporarily suspend the customer's service for 7 days.

(b) After the 70day temporary suspension, and upon Commission approval, the ALEC may disconnect the customer's service. The Commission shall consider the following factors in deciding whether to allow disconnection under this section:

(i) Progress of customer migration. The Commission will consider how many of the exiting ALEC's customers have not yet switched to another local service provider; if a significant number of customers are "in jeopardy" of losing their dial-tone service, the Commission can deny the exiting ALEC's request to terminate the customer's service and exit the market.

(ii) Availability of alternatives. The Commission will consider the ease with which customers who have not switched to another local carrier will be able to obtain alternate local service (considering, for example, other carriers' available facilities).

(iii) Nature of the customer base. The Commission will not ordinarily approve an ALEC's exit from the market until it is assured that the following types of users will not lose service upon the ALEC's exit: national security or civil defense authorities; hospitals' police and fire departments; ambulance and rescue corps; and any customer who has obtained federal TSP authorization under FCC regulations.

Specific Authority: 350.237(2), 364.01(4), F.S.
Law Implemented: 364.19, 364.337(5), F.S.
History: New.

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