

RECEIVED-FPSC

9250 W. Flagler St., Miami, FL 33174 12 MAR -6 PM 2:40



COMMISSION
CLERK

March 5, 2012

Ms. Judy Harlow
c/o Ann Cole
Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
(850) 413-6842

Subject: Industry survey for legislative review of agency rules in effect on or before November 16, 2010, Docket No. 110303-OT

Dear Ms. Harlow,

Attached is FPL FiberNet's response to the survey questions relating to Rule 25-4.0161, Florida Administrative Code (F.A.C.). Please let us know if you have any questions, or need anything further.

Sincerely,

A handwritten signature in blue ink that reads "David Eckmann".

David Eckmann
Director of Core Business Development, Legal & Regulatory Affairs
FPL FiberNet, LLC
9250 W. Flagler St.
Miami, FL 33174

Cc: Laura Fowler

12 MAR -6 PM 2:40

DOCUMENT NUMBER - DATE

01310 MAR -6 12

FPSC-COMMISSION CLERK

Survey for legislative review of agency rules in effect on or before November 16, 2010
Docket No. 110303-OT
Rule 25-4.0161, Florida Administrative Code (F.A.C.)
FPL FiberNet, LLC Response

1. What are the estimated transactional costs resulting from the Company's compliance of Rule 25-4.0161, F.A.C., for the five year period beginning July 1, 2011?

We estimate the transactional costs at \$1,000 resulting from our company's compliance of Rule 25-4.0161, F.A.C., for the five year period beginning July 1, 2011.

a. What are your actual transactional costs resulting from your Company's compliance with Rule 25-4.0161, F.A.C., for the period July 1, 2011 through December 31, 2011?

We estimate the actual transactional costs at \$100 resulting from our company's compliance of Rule 25-4.0161, F.A.C., for the period July 1, 2011 through December 31, 2011. We do not track these costs separately and can not provide a precise actual amount.

2. What is your estimate of the likely impact, stated in terms of costs and/or benefits, on small businesses (as defined by Section [288.703](#), F.S.) located in the Company's service territory, resulting from the compliance of Rule 25-4.0161, F.A.C., for the five year period beginning July 1, 2011?

We can not quantify the costs and benefits. However, with respect to costs, FPL FiberNet, LLC pays at a current rate of .16%. As our competitors are also paying regulatory assessment fees, these charges are passed on to customers, including small businesses. In terms of benefits, the funding created by the regulatory assessment fee enables the FPSC to help ensure that illegal barriers to competition are not created.

3. What is your estimate of the likely impact, stated in terms of costs and/or benefits, on small counties and small cities (as defined in Section [120.52](#), F.S.) located in the Company's service territory, resulting from the compliance of 25-4.0161, F.A.C., for the five year period beginning July 1, 2011?

We believe that the impact on small counties and small cities will be similar to the impact on small businesses which we described in response to Question 2.

DOCUMENT NUMBER-DATE

01310 MAR-6 09

FPSC-COMMISSION CLERK

Survey for legislative review of agency rules in effect on or before November 16, 2010
Docket No. 110303-OT
Rule 25-4.0161, Florida Administrative Code (F.A.C.)
FPL FiberNet, LLC Response

4. What is your estimate of the likely impact, stated in terms of costs and/or benefits, on entities located in the Company's service territory other than those specifically identified in Questions 2 and 3, resulting from the compliance of 25-4.0161, F.A.C., for the five year period beginning July 1, 2011?

We believe that the impact on other entities located in our service territory will be similar to the impact on small businesses which we described in response to Question 2.

5. What expected impact do you believe Rule 25-4.0161, F.A.C., will have on economic growth, private sector job creation or employment, and private sector investment for the five year period July 1, 2011 in the Company's service territory?

We believe that competitive telecommunications prices and ubiquity of broadband services are and will continue to be crucial to economic growth and employment. In this regard, we believe that the FPSC's role as an enabler of competition in telecommunications is important to sustaining economic growth and employment in our State, and the FPSC's ability to play that role is made possible by the regulatory assessment fee.

6. What expected impact do you believe Rule 25-4.0161, F.A.C., will have on business competitiveness, including the ability of persons doing business in the Company's service territory to compete with persons doing business in states other than Florida or other domestic markets, productivity, and innovation, for the five year period July 1, 2011?

Please see our response to Question 5.

7. What are the benefits to your Company associated with Rule 25-4.0161, F.A.C.?

As a competitive telecommunications provider and as a wholesale provider to other competitive telecommunications companies, preservation of competition is critical to our company. As we indicated in response to Question 5, the funding provided by the regulatory assessment fee enables the FPSC to ensure that illegal barriers to competition are not created.

Survey for legislative review of agency rules in effect on or before November 16, 2010
Docket No. 110303-OT
Rule 25-4.0161, Florida Administrative Code (F.A.C.)
FPL FiberNet, LLC Response

8. Since the December 4, 2011 rule change has your Company revised customer rates in order to comply with Rule 25-4.0161, F.A.C.? If so, please explain any rate changes that were made.

Not explicitly. Our rates are tied to market rates. To the extent that the regulatory assessment fee is reduced, market rates will be reduced in the absence of any changes to the competitive environment, and we have not observed any such changes since the December 4, 2011 rule change. We have not made any changes to our standard rates in Florida since the December 4, 2011 rule change, and a change of a fraction of a percent in costs would not be observable in our pricing process for individual-case-basis applications.

9. If the Company did revise customer rates after the rule change, what were the specific costs associated with processing and implementing these rate changes?

We have not revised our standard rates in Florida since the December 4, 2011 rule change, and any changes in rates can be implemented in our company with minimal cost.

10. Does the Company anticipate having to revise customer rates in the future in order to comply with Rule 25-4.0161, F.A.C.? If so, please explain any anticipated rate changes for the five year period beginning July 1, 2011.

As costs decrease, market rates decrease, and we expect that there will be an impact on prices. However, a change of a fraction of a percent in costs would not be observable in our pricing process.

11. If the company anticipates revising customer rates in order to comply with Rule 25-4.0161, F.A.C., what costs does the company expect to incur to process and implement the rate changes for the five year period beginning July 1, 2011?

Any future changes in rates will be implemented in our company with minimal cost.