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December 30, 2004

Mr. Rick Moses c/o Ms. Blanca Bayó Director of the Division of Commission Clerk and Administrative Services The Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Florida Relay Service System RFP, Docket No. 040763-TP

Dear Mr. Moses:

On behalf of MCI, please accept the following information as clarification of the nature and intent of the information provided in response to Section C.4.b. of the above referenced RFP. MCI's proposal was rejected as non-responsive, and consequently was not scored, due to the provision of MCI's Dun and Bradstreet number and the recommendations of three independent companies with which MCI has contracts instead of a banking letter of reference as evidence of MCI's financial stability. We understand that the bidders will not be given an opportunity to address the Commission during the January 4, 2005 meeting at which the award will be made and posted. Therefore, we ask that this letter be provided to the Commission for consideration during its deliberations.

Section C.4. of the RFP provides:

4. Financial Information

To allow the FPSC to evaluate the financial responsibility of the bidding CMP company, the following items shall be submitted with the proposal for the bidding company (and its parent company, if applicable): COM CTR a. Audited financial statements (or a SEC 10K Report) for the ECR most recent two (2) years, including at a minimum: GCL 1) statement of income and related earnings, OPC 2) cash flow statement, 3) balance sheet, and, MMS opinion concerning financial statements from an outside 4) RCA CPA; SCR b. Primary Banking source letter of reference. SEC I OTH



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In order to provide the information necessary "to evaluate the financial responsibility of the bidding company," MCI provided all of the items listed in Section C.4.a., each of which constitute objective, certifiable measures of MCI's financial responsibility. However, in response to the Staff's request for a banking letter of reference described in Section C.4.b., MCI explained the reasons restricting provision of a banking letter arising from policy considerations of confidentiality and its recent bankruptcy proceeding. Instead, and with full explanation of its reasoning, MCI provided information that was sufficient to convey the same assurance of financial responsibility in the form of MCI's Dun and Bradstreet number and the recommendations of three independent companies with which MCI has contracts. MCI believes that the response provided was not a <u>material</u> deviation from the bid specifications because it conveyed equivalent information, and because it did not affect the price of the bids, give MCI a competitive advantage over Sprint or Hamilton, or give the Commission any reason to doubt MCI's ability to fulfill the contract.

The term "minor irregularity" is defined in Section A.6.q. of the RFP as "[a] variation from the request for proposal terms and conditions which does not affect the price of the proposal, does not give the bidder a significant advantage or benefit not enjoyed by other bidders, and does not adversely impact the interests of the agency." The practical effect of the information provided by MCI places it squarely within the meaning of the term as defined. Therefore, the Commission has the discretion to waive the defect presented by the alternative information as a minor irregularity within the terms of the RFP and Florida law.

The purpose of competitive bidding in this docket is to ensure that hearing and speech impaired citizens of Florida have the most reliable relay service available at the most reasonable cost. By arbitrarily rejecting MCI's proposal without scoring it, the Commission would be rejecting what MCI believes to be a more innovative, creative, and cost effective solution for no substantive or meaningful reason. On the other hand, by accepting and scoring the MCI proposal, the benefits of the competitive bidding process will have the greatest chance of realization. Therefore, MCI respectfully requests that the Commission waive the defect in the information submitted in response to Section C.4.b. as a minor irregularity to the RFP, direct the Staff to score the MCI proposal, and reschedule its decision on the award pending completion of the scoring process.

MCI appreciates the attention you have paid this important matter, and looks forward to receiving the Commission's response to this request.

Sincerely. fol Senior Attorney, MC