

David M. Christian
Vice President - Regulatory Affairs



106 E. College Avenue, Suite 710
Tallahassee, FL 32301

Phone 850 224-3963
Fax 850 222-2912
david.christian@verizon.com

September 26, 2008

Beth W. Salak, Director
Division of Competitive Markets and Enforcement
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

080000

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08 SEP 26 AM 10:44
COMMISSION
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Subject: Verizon Lifeline Data Request Response to Staff Inquiries Regarding Number Discrepancies

Dear Ms. Salak:

This is in response to staff's September 24, 2008 e-mail regarding "trouble reconciling figures that Verizon is reporting."

Verizon notes that staff had a similar issue last year. Staff is again attempting to reach a "Net Lifeline Customer Gain" number by subtracting the number of Lifeline customers removed from the number of new Lifeline customers added monthly. Verizon's original response to the data request included these figures:

1- Number of Lifeline Customers Added

Month	Count
Jul 07	955
Aug 07	1007
Sep 07	953
Oct 07	867
Nov 07	910
Dec 07	841
Jan 08	1106
Feb 08	1121
Mar 08	763
Apr 08	832
May 08	753
Jun 08	883

COM _____
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This claim of confidentiality was filed by or on behalf of a "telco" for Confidential DN ~~09084-08~~. The document is in locked storage pending advice on handling. To access the material, your name must be on the CASR. If undocketed, your division director must provide written permission before you can access it.

DOCUMENT NUMBER-DATE

09083 SEP 26 08

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2 - Number of Customers Removed from Lifeline

Month	Count
Jul 07	492
Aug 07	407
Sep 07	532
Oct 07	491
Nov 07	486
Dec 07	454
Jan 08	484
Feb 08	405
Mar 08	445
Apr 08	423
May 08	399
Jun 08	443

Staff e-mailed Verizon that it had made the following calculation:

October 2007 through June 2008 by month

Item # 5	(A)	Item # 7	(B)	(Item 5 minus Item 7)	(C)
<i>New Lifeline Customers</i>		<i>Lifeline Customers Removed</i>		<i>Net Lifeline Customer Gain</i>	
8,076		4,030		4,046	

That figure may be misleading for staff's purposes although Verizon attempts to respond to data requests with the most accurate data and using consistent methods. For Lifeline, Verizon provides the Commission with the same data reported at the federal level. As Verizon discussed with staff last year, the numbers provided in response to staff's data request are the same as those reported to the Universal Service Administrative Company (USAC) on a monthly basis for reimbursement from the Federal Universal Service Fund Low Income program. These numbers represent customers who were verified to be Lifeline customers for a full month and for whom Verizon's data queries provide complete customer information. If a customer's billing records are incomplete or inconsistent (for example, the NECA company code on the account does not match the FL NECA company code), Verizon does not claim the Lifeline subscriber in its reimbursement request although the customer is legitimately receiving the Lifeline discount. For this reason, Verizon's USAC Lifeline counts should be lower than the "actual" number of Lifeline customers in a given month.

The numbers of Lifeline customers added and removed are pulled retroactively from service order activity data in response to this request. Depending on the timing of service order processing and because of lags in the provisioning and billing systems, the data for the number of customers added and removed will never produce a mathematical equivalent to the USAC numbers. There is no way for Verizon to manipulate the various systems to achieve that end.

DOCUMENT NUMBER-DATE

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In an effort to resolve some of the confusion in analyzing the data, Verizon proposes using figures tracked by the Support and Response Center (SRC). For the reasons explained above, this data is not directly comparable to the data reported to USAC. It is a simplified spreadsheet compiled for internal usage, but should provide sufficient data for staff to conduct its analysis.

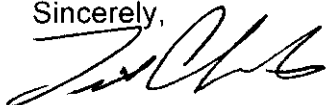
FL Lifeline volume comparison by month							
Volume per NPA							
Date	727	813	863	941	Totals	+/-	+/- %
6/30/2007	9,419	7,765	3,551	2,840	23,575	187	0.79%
7/31/2007	9,518	7,852	3,619	2,895	23,884	309	1.29%
8/31/2007	9,596	7,883	3,617	2,919	24,015	131	0.55%
9/30/2007	9,592	7,924	3,633	2,927	24,076	61	0.25%
10/31/2007	9,637	7,963	3,649	2,954	24,203	127	0.52%
11/30/2007	8,507	7,062	3,208	2,577	21,354	(2,849)	-13.34%
12/31/2007	8,604	7,107	3,224	2,601	21,536	182	0.85%
1/31/2008	8,835	7,264	3,303	2,680	22,082	546	2.47%
2/29/2008	8,889	7,301	3,332	2,725	22,247	165	0.74%
3/31/2008	8,955	7,352	3,372	2,763	22,442	195	0.87%
4/30/2008	8,984	7,420	3,416	2,779	22,599	157	0.69%
5/31/2008	8,975	7,452	3,421	2,778	22,626	27	0.12%
6/30/2008	9,006	7,472	3,450	2,792	22,720	94	0.41%

Verizon's original response to No. 16, the number of access lines with Lifeline resold to other carriers each month did not include separate identification of each carrier by name.

This data has been retrieved is being filed under confidential cover with the Clerk's office as it provides sensitive CLEC information. Verizon considers this information to be confidential as it contains proprietary information that could be used by competitors to gain an unfair competitive advantage. Therefore, this filing is made under a Claim of Confidentiality pursuant to F.S. 364.183(1) and Rule 25-22.006(5). Verizon understands the information must be kept confidential until returned to Verizon.

If you have any questions or concerns, please feel free to contact me or Demetria Clark at (850) 222-5479.

Sincerely,



David M. Christian
Vice President – Regulatory Affairs

Attachment

REDACTED

Verizon FL Response to Item # 16 – 2008 FPSC Lifeline Data Request

YearMo	OCN Code	SumOfQTY	Name
200707		1014	
200707		1	
200707		1	
200707		396	
200708		1028	
200708		1	
200708		1	
200708		385	
200709		1045	
200709		2	
200709		376	
200710		394	
200710		3	
200710		1029	
200711		395	
200711		2	
200711		1063	
200712		376	
200712		1	
200712		1067	
200801		373	
200801		1	
200801		1018	
200802		382	
200802		1	
200802		1083	
200803		370	
200803		1	
200803		1074	
200804		338	
200804		1	
200804		1053	
200805		313	
200805		1	
200805		60	
200805		1028	
200806		2	
200806		1	
200806		117	
200806		1115	
200806		1	

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Public Service Commission

ACKNOWLEDGEMENT

DATE: September 26, 2008

TO: David Christian, Verizon

FROM: Ruth Nettles, Office of Commission Clerk

RE: Acknowledgement of Receipt of Confidential Filing

This will acknowledge receipt of a **CONFIDENTIAL DOCUMENT** filed in Docket Number 080000 or, if filed in an undocketed matter, concerning Lifeline data request response to staff inquiry regarding number discrepancies, and filed on behalf of Verizon. The document will be maintained in locked storage.

If you have any questions regarding this document, please contact Marguerite Lockard, Deputy Clerk, at (850) 413-6770.

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