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May 24, 2004

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

Dear Ms. Bayó:

I am writing on behalf of Verizon Florida Inc. ("Verizon") to inform the Commission that Verizon, pursuant to its existing interconnection agreements, has sent notices to CLECs doing business in Florida about the availability of certain unbundled network elements. The notices state that, as of August 22, 2004, Verizon will no longer accept new orders for (1) unbundled Enterprise Switching or, (2) unbundled shared transport for use with Enterprise Switching, as unbundled network elements under 47 U.S.C. § 251(c)(3). The notices also remind CLECs of the various options available to them to continue to receive wholesale services from Verizon for their embedded base of customers as of August 22 under alternative arrangements. A copy of the notice is attached.

In the *Triennial Review Order* ("TRO"), the FCC issued new rules and regulations that, among other things, established that requesting carriers are not impaired without access to unbundled Enterprise Switching or shared transport used in connection with Enterprise Switching, and that incumbent LECs are therefore no longer required to provide access to those elements under the 1996 Act.¹

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- ECR _____
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- MMS _____
- RCA _____
- SCR _____
- SEC 1
- OTH _____

The terms of existing interconnection agreements do not require Verizon to provide access to unbundled network elements that it is not required to provide under federal law.

¹ See *Triennial Review Order*, 18 FCC Rcd 16978, ¶¶ 419, 421, 451; 47 C.F.R. § 51.319(d)(3).

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In accordance with those provisions, Verizon has provided notice of its intent to cease providing access to the unbundled network elements described above in 90 days. Verizon will continue to accept orders for those elements until that date.

This 90-day notice period substantially exceeds the requirements of law. After the issuance of the *TRO* on August 21, 2003, carriers had seven months – until the end of March 2004 – to discontinue their use of unbundled DS1 Enterprise Switching and associated shared transport. Verizon is extending that period even further by providing CLECs until August 22, 2004, to make alternative arrangements – five months beyond what the *TRO* provides and a full year after the *TRO eliminated these UNEs*.

Verizon has also informed carriers that they have the option to continue to receive Verizon services on a resale basis under section 251(c)(4). Verizon has further provided a framework – subject to negotiation – for commercial service arrangements. In addition, Verizon has requested that any carrier that believes that its particular interconnection agreement requires Verizon to continue to provide the unbundled network elements at issue after August 22 to inform Verizon in writing of the basis for its position.

These notices are fully consistent with Verizon's pending Petition for Arbitration in Docket No. 040156-TP. In light of the over 3600 interconnection agreements that Verizon has with CLECs nationwide, the pending Petition sought to facilitate the adoption of a uniform amendment to those interconnection agreements to (1) reflect the terms of the *Triennial Review Order* – including the portions of that order that impose additional obligations on Verizon – and (2) clarify the consequences of subsequent legal developments during the course of federal court review of that FCC decision. Verizon continues to believe that it is important for this Commission to resolve the legal issues that have been raised in that docket. By doing so, the Commission can minimize disputes concerning parties' obligations under existing agreements, and create a consistent and orderly process for implementing future changes in governing law. At the same time, Verizon has proposed a brief abeyance in that proceeding, until June 15, 2004, to facilitate commercial negotiations. Verizon's notice again invites such negotiations.

But the existence of that pending amendment proceeding could not and does not alter parties' current obligations under existing interconnection agreements, as CLECs themselves have argued. The enclosed contract notices do not depend in any way on the resolution of the amendment arbitration proceedings.

In sum, Verizon's course of action is fully consistent with the terms of its interconnection agreements and with its efforts to work with the Commission and other carriers to adopt a uniform amendment to those agreements. If you have any questions, please do not hesitate to contact me.

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Sincerely,

Richard A. Chapkis (RW)

Richard A. Chapkis
Vice President & General Counsel –
Southeast Region

May 18, 2004

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«Ttle»
«Cmp»
«CLEC»
«Ad1» «Ad2»
«Cty», «St» «ZIP»

Subject: **NOTICE OF DISCONTINUATION OF UNBUNDLED NETWORK ELEMENTS**

This letter is a **formal notice** under the interconnection agreement between «LegalEntity» and «CLEC» for the «StCommon» of «StateName».

In its Report and Order and Order on Remand and Further Notice of Proposed Rulemaking, CC Docket Nos. 01-338, 96-98, and 98-147, FCC 03-36, 18 FCC Rcd 16978, released on August 21, 2003 (the "Triennial Review Order"), the Federal Communications Commission promulgated new rules and regulations pertaining to the availability of unbundled network elements pursuant to Section 251(c)(3) of the Communications Act of 1934 (the "Act"). Among other things, the FCC determined that CLECs are not impaired without access to Enterprise Switching* or shared transport used in connection with Enterprise Switching, and that ILECs such as Verizon therefore are not required to provide the foregoing network elements on an unbundled basis under Section 251(c)(3) of the Act.

The FCC's rules and regulations pertaining to Enterprise Switching, and shared transport used in connection with Enterprise Switching, took effect on December 31, 2003 (ninety days after October 2, 2003), and the related provisions of the Triennial Review Order were affirmed by the U.S. Court of Appeals for the D.C. Circuit on March 2, 2004.

In accordance with the foregoing decisions, Verizon hereby provides formal notice to your company that, after August 22, 2004, Verizon will no longer provide, under Section 251(c)(3) of the Act, either: (i) unbundled Enterprise Switching, whether alone or in combination with any other network element (e.g., combinations of Enterprise Switching and DS-1 or above capacity loops, referred to herein as "Enterprise UNE-P"), or (ii) unbundled shared transport for use with Enterprise Switching.

To the extent notice of changes in law, or notice of termination of service/facilities availability, is relevant to the foregoing and is required under your interconnection agreement, this letter shall serve as such notice.

Although Enterprise UNE-P will no longer be available from Verizon after August 22, 2004, Verizon will continue to make Enterprise level services available on a resale basis after that date under Section 251(c)(4) of the Act. In addition, Verizon is prepared to enter into commercial negotiations for alternative service arrangements that may offer certain advantages over resale under Section 251(c)(4) of the Act. If your company has not already commenced commercial negotiations with Verizon and wishes to do so, please contact the following Verizon representative to obtain a nondisclosure agreement under which such negotiations may be conducted:

Mr. Michael D. Tinyk
Verizon Services Corp.
Suite 500
1515 North Courthouse Road
Arlington, VA 22201
Phone: 703-351-3159
Fax: 703-351-3664
Email: michael.d.tinyk@Verizon.com

Verizon is prepared to work with your company to migrate its existing Enterprise UNE-P arrangements to suitable alternative services (such as resale or an alternative commercial arrangement) prior to August 22,

* Enterprise Switching is generally described in the Triennial Review Order as local circuit switching that if provided to a requesting telecommunications carrier would be used for the purpose of serving the requesting telecommunications carrier's customers using DS1 or above capacity loops. See, for instance, Triennial Review Order, at Paragraphs 419, 421 and 451, and 47 CFR § 51.319(d)(3).

2004. Should your company fail to migrate its Enterprise UNE-P service arrangements to an alternative service on or before that date, Verizon will begin billing any Enterprise UNE-P arrangements that remain in place after August 22, 2004 at a rate equivalent to the Section 251(c)(4) resale rate for business service applicable in that jurisdiction in order to avoid service disruption. The new rate will be effected by means of a surcharge that will be added to the applicable Enterprise UNE-P rates. Additional information about this surcharge will be forwarded to your company shortly. If your company prefers not to pay the resale equivalent rates, your company may of course terminate any Enterprise UNE-P service arrangements through existing disconnect processes.

If you believe that your company's interconnection agreement requires Verizon to continue providing Enterprise Switching and related shared transport after August 22, 2004, please provide written support for your position to Mr. Michael Tinyk at the address shown above.

If we do not hear from your company by July 1, 2004, Verizon will give effect to the foregoing notice after August 22, 2004.

Vice President Interconnection Services