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RECORDS AND REPORTING

May 10, 1999

BY HAND DELIVERY

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Northeast Florida Telephone Company, Inc.'s Petition for
Temporary Suspension of Toll Dialing Parity Requirement
Docket No. 990546-TL

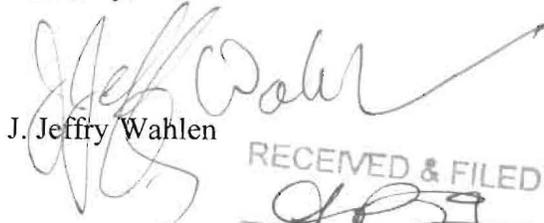
Dear Ms. Bayo:

Enclosed for filing are the original and fifteen (15) copies of Northeast's Petition.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning the same to this writer.

Thank you for your assistance in this matter.

Sincerely,



J. Jeffrey Wahlen

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Northeast Florida Telephone)	Docket No.
Company, Inc.'s Petition for Temporary)	Filed: May 10, 1999
Suspension of Toll Dialing Parity)	
Requirement)	
_____)	

PETITION

Pursuant to Rules 28-106.201 and 23-22.036, Florida Administrative Code, Northeast Florida Telephone Company, Inc. ("Northeast" or the "Company") seeks a temporary suspension of the Federal Communications Commissions Toll Dialing Parity Requirement as set forth below.

Introduction

1. This petition is being filed pursuant to Section 251(f)(2) of the Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996) [hereinafter "1996 Act"] and as contemplated in the Federal Communications Commission's ("FCC") Second Report and Order (August 8, 1996) ["Second Report and Order"] and Order (March 23, 1999) ["Rescheduling Order"] in CC Docket 96-98 (In re: Implementation of the Local Competition Provisions of the Telecommunications Act of 1996).

2. The name and address of the Petitioner is Northeast Florida Telephone Company, Inc., P. O. Box 485, Macclenny, Florida, 32063. Northeast is a small incumbent local exchange company ("small LEC") serving fewer than 100,000 access lines. Northeast is also "a local exchange company with fewer than 2 percent of the Nation's subscribers line" within the meaning of Section 251(f)(2) of the 1996 Act.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

3. All pleadings, orders, notices and other papers filed and served in this docket should be served on:

Debi Nobles
Northeast Florida Telephone
Company, Inc.
P. O. Box 485
Macclenny, FL 32063

J. Jeffrey Wahlen
Ausley & McMullen
P. O. Box 391
Tallahassee, FL 32302

4. Northeast is not aware of any disputed issues of material fact relating to this petition.

Background

5. On March 25, 1993, the FPSC, on its own motion, opened a docket to determine whether intraLATA presubscription was feasible and appropriate in Florida. Hearings were held in September 1994, and a final order was issued on February 13, 1995. See Order No. PSC-95-0203-FOF-TP. Therein, the FPSC allowed small LECs to delay the implementation of intraLATA presubscription until after January 1, 1997. After that time, the small LECs were required to provide intraLATA presubscription on a bona fide request basis only.

6. Order No. 95-0203 also established a mechanism for recovering the costs of intraLATA presubscription. Under the approved mechanism, LECs were allowed to recover intraLATA presubscription costs over a three-year period using a tariffed minute-of-use charge calculated using intraLATA originating Feature Group D access MOUs over the most recent 12-month period.

7. On June 13, 1997, the FPSC issued an order addressing incumbent LEC business office practices and tariff provisions in the implementation of intraLATA presubscription. See Order No. PSC-97-0709-TP. Therein, the FPSC approved one free PIC for customers during a 90-day period and addressed two-for-one PIC charges. The two-for-one PIC charge was further addressed in Order No. PSC-98-0710-FOF-TP, issued May 22, 1998, which required GTEFL

and the small LECs to provide the two-for-one PIC charge at the rate of one PIC plus a 30% rate additive after the one-free-PIC 90-day window expires. Order No. 98-0710 at 13.

8. Section 251(b)(3) of the 1996 Federal Act requires all local exchange companies to provide dialing parity. The FCC adopted rules and outlined a schedule for the implementation of toll dialing parity by LECs in its Second Report and Order, which was appealed and resolved by AT&T v. Iowa Utilities Board, 119 S.Ct. 721 (1999). However, by the time the appeals were resolved, the dates in the implementation schedule had passed. Accordingly, the FCC issued its Rescheduling Order and therein reset the schedule for implementation of toll dialing parity. The Rescheduling Order states:

No later than April 22, 1999, all LECs must file intraLATA toll dialing parity plans with the state regulatory commission for each state in which the LEC provides telephone exchange service if a plan has not yet been filed with such state commissions. Once a state commission has approved a plan, the LEC must implement its plan no later than 30 days after the date on which the plan is approved. Any plan that provides for the implementation of intraLATA dialing parity by a date subsequent to 30 days after approval by the state commission will be deemed in violation of the Commission rules.

Rescheduling Order at 6, ¶ 7.

9. By letter dated April 22, 1999, Northeast advised the Florida Public Service Commission (“FPSC” or “Commission”) of its plan to follow the previously issued FPSC orders in this area. In response, the Division of Communications suggested that Northeast file a request with the FPSC for suspension of the FCC’s dialing parity requirements under Section 251(f)(2). This petition is being filed in response to that suggestion.

Northeast’s Status

10. Since January 1, 1997, Northeast has been prepared to implement Toll Dialing Parity as prescribed in the FPSC’s orders in this area, but has been preparing to provide toll dialing

parity as part of its normal switch upgrades. Northeast has identified a list of tasks that must be accomplished before offering toll dialing parity, but cannot complete the list until after the FCC's prescribed implementation deadline.

11. Indeed, based on its current estimates, Northeast will offer intraLATA toll dialing parity in its Macclenny and Sanderson exchanges no later than September 30, 1999. Between now and then, Northeast will do the following:

- a. **Provide notification**, a minimum of 30 days prior to the conversion to intraLATA 1+ and 0+ toll dialing parity, to all interexchange carriers who currently offer Feature Group D service in the applicable end offices. Carriers should provide notification to Northeast of the exchanges in which they plan to offer intraLATA toll services, in advance of Northeast's implementation date. Interexchange carriers who enter the market after implementation will be added to the list of participating carriers within 30 days of notifying Northeast.
- b. **Notify subscribers**, a minimum of 30 days in advance of Northeast's implementation date, of the availability of intraLATA toll dialing parity. Northeast will provide the subscriber notification via bill message. The bill message will include an explanation of intraLATA toll dialing parity and a local number for subscribers to direct inquiries. Northeast anticipates that promotional strategies by the carriers will contribute to subscriber awareness of intraLATA toll dialing parity. Customer telephone directories will be updated as new editions are published to provide subscribers information on how to choose an intraLATA toll carrier. Currently, directories include a section that provides

subscribers with information on choosing a long distance company for long distance calls outside of Northeast's Local Calling Zone.

- c. **Update business office practices and customer service protocols** so subscribers who contact Northeast requesting new telephone exchange service subsequent to the implementation of intraLATA toll dialing parity will be able to select an intraLATA interexchange carrier using the same procedures currently followed to select an interLATA interexchange carrier. New subscribers who are undecided regarding a choice of intraLATA carrier will be placed in a "no-PIC" status until such a choice is made. Customers in the no-PIC status will not be able to make intraLATA toll calls on a 1+ or 0+ basis.
- d. **Modify billing system** to facilitate one-free PIC during the first 90 days following implementation of intraLATA toll dialing parity for new and existing subscribers. Any changes made after the first 90 days of implementation will be subject to a \$5.00 nonrecurring charge. If a carrier requests a PIC change on behalf of a subscriber, which is unsubstantiated and denied by the subscriber, Northeast will return the subscriber to their previously selected carrier and apply an unauthorized PIC change charge and a PIC change charge to the carrier who requested the unauthorized PIC change. This charge coincides with the interstate charge.
- e. **Modify billing system, business office practices and customer service protocols** to facilitate the full 2-PIC carrier selection methodology. With the full 2-PIC methodology, customers will be able to presubscribe to one telecommunications carrier for interLATA toll calls and presubscribe to the same

or a different participating telecommunications carrier, including their existing local exchange company, for intraLATA toll calls.

- f. **Test billing system** to ensure that intrastate intraLATA 1+ and 0+ toll calls originating in Northeast's exchanges shall be subject to the intraLATA toll dialing parity provisions. 0- dialed calls and 0+ local calls shall remain with Northeast. There will be no change in the way 1+555+1212 or N11 calls are handled once intraLATA toll dialing parity is implemented.
- g. **File a tariff** for the recovery of the costs of implementing intraLATA presubscription in the manner prescribed by the Commission in its February 13, 1995, Order issued in Docket No. 930330-TP, Investigation into IntraLATA Presubscription. IntraLATA toll dialing parity implementation costs will be recovered from each interexchange carrier, operating in the state, calculated using their monthly originating Northeast switched access FGD interLATA access minutes of use over a twelve-month period, beginning October 1, 1999.

Northeast's Request

12. It would be technically infeasible and unduly economically burdensome for a small LEC like Northeast to accomplish all of these tasks before September 30, 1999, because some of them require a certain number of days notice to customers and carriers, and because Northeast does not have the personnel to handle all of these tasks simultaneously. Indeed, Northeast's computer billing system is maintained by an outside vendor that has been requested to make the necessary changes, but has advised Northeast that it cannot make the changes any faster than contemplated in the schedule set forth above. Accordingly, Northeast seeks a suspension of the FCC's Toll Dialing Parity requirements so that it can continue to operate under the FPSC-

approved basis until September 30, 1999. Granting this request is consistent with the FPSC's previous orders in this area, is consistent with public interest, convenience and necessity and is contemplated in the Second Report and Order.

DATED this 10th day of May, 1999.

Respectfully Submitted,



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P. O. Box 391
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(850) 224-9115

ATTORNEYS FOR NORTHEAST
FLORIDA TELEPHONE COMPANY, INC.