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June 16, 1999

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

David Dimlich/aHS

Re: Docket No. 980253-TX

Dear Ms. Bayo:

Enclosed for filing in the above-referenced docket are an original and fifteen copies of the Posthearing Comments of Supra Telecommunications and Information Systems, Inc. Copies have been served on the parties listed on the attached Certificate of Service.

Sincerely,

David Dimlich

Enclosures

cc: All parties of record

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed Rules 25-4.300,)	
F.A.C., Scope and Definitions;)	
25-4.301, F.A.C., Applicability)	DOCKET NO. 980253-TX
of Fresh Look; and 25-4.302,)	
F.A.C., Termination of LEC)	FILED: June 16, 1999
Contracts.)	
)	

POST-HEARING COMMENTS OF SUPRA TELECOMMUNICATIONS AND INFORMATION SYSTEMS, INC.

Supra Telecommunications and Information Systems, Inc. (Supra Telecom) hereby files its Post-hearing Comments in the above-referenced rulemaking procedure pursuant to Order No. PSC-99-0547-PCO-TX.

Introduction

1. Chapter 364, Florida Statutes, and the Telecommunications Act of 1996 provide for the development of competition in the local exchange telecommunications market. The Florida Public Service Commission (Commission) has consistently advocated telecommunications competition and should be commended for proposing the Fresh Look rule to foster the competitive process.

Statutory Authority of Commission

2. There is no validity to the assertions of BellSouth and GTE that the Commission has no statutory authority to promulgate a Fresh Look rule. Section 364.19, Florida Statutes, states: "The Commission may regulate, by reasonable

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rules, the terms of telecommunications service contracts between telecommunications companies and their patrons." Section 364.01, Florida Statutes, sets forth a general framework of the Commission's jurisdiction, confirming that the Commission has the statutory authority to promulgate a Fresh Look rule.

Purpose of Fresh Look Rule

- 3. Contrary to the avowals of BellSouth and GTE, local exchange telecommunications competition has been slow to flourish in Florida due to the significant market power of the Incumbent Local Exchange Companies (ILECs). In the Commission's December 1998 Report to the Legislature, *Competition in Telecommunications Markets in Florida*, it reports that as of July 10, 1998, only 51 Alternative Local Exchange (ALECs) were actually providing service in Florida. The report also states that the competitors' share of the total access lines served in 1998 was approximately 1.8 percent. Additionally, ILECs have persisted in their efforts to protect their embedded customer base from competition and have used contract service arrangements and long-term contracts to protect their embedded customer base.
- 4. Clearly, a Fresh Look rule is necessary to permit customers who have entered into these long-term contracts or term plans with ILECs (at a time when no competitive choices were available) to opt out of those contracts without significant

¹ Competition in Telecommunications Markets in Florida, December 1998, Florida Public Service Commission's Division of Communications, at page 25.

² *Id.*, at page 46.

penalties. However, implementation of a Fresh Look rule does not prevent an ILEC from renegotiating an existing customer's contract rather than losing the customer to an ALEC who may be offering a more beneficial service or lower rates.

- 5. While Supra Telecom supports the proposed Fresh Look rule, the rule should include a separate, detailed explanation of "eligible contracts." The rule should clarify what constitutes an eligible contract and further define the term "local telecommunications service" so that contracts for the provision of *any* local telecommunications service by the ILEC are covered within the definition of eligible contracts. In addition, the Commission could render the Fresh Look rule even more effective in encouraging competition by providing that there be no termination liability for customers wishing to switch carriers under this rule.
- 6. Finally, ALECs entering the local telecommunications market in Florida and attempting to compete for the local exchange telecommunications business of consumers are discovering that many of those customers are locked into ILEC contracts covering local services offered over the public switched network. A Fresh Look rule will allow those customers to consider alternative service offers which may provide greater benefits or lower rates than the contracts entered into with the ILECs.

Conclusion

6. Supra Telecom urges the Commission to enact the Fresh Look rule. The Commission has the statutory authority to do so and has the clear directive of the

Telecommunications Act of 1996 to encourage local competition. The Fresh Look rule will remove a significant barrier to achieving that goal.

Respectfully submitted,

David V. Dimlich
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Attorney for Supra Telecommunications and Information Systems, Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Post-

hearing Comments of Supra Telecommunications and Information Systems, Inc. has been served by United States Mail to the following parties on this //day of June, 1999.

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