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December 21, 2001

Ms. Blanca S. Bayo, Director
Division of the Commission Clerk
and Administrative Services
Florida Public Service Commission
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Re: Docket No. 011543
Application by for certificate to provide alternative local exchange telecommunications
service by Verizon Florida Inc.

Dear Ms. Bayo:

This letter provides additional detail on the application for certification as an alternative local exchange carrier (ALEC) filed by Verizon Florida Inc. (Verizon) on November 9, 2001.

Verizon plans to operate as an ALEC in areas outside the territory in which it is an incumbent local exchange carrier (ILEC). The ALEC certificate is necessary for Verizon to meet demand for telecommunications solutions on a statewide basis. In order to provide service on an out-of-franchise basis, the Verizon ALEC plans to deploy facilities and execute interconnection and resale contracts, with the ILECs in the relevant areas, just as any other ALEC would.

The law governing Verizon's Application provides:

The Commission shall grant a certificate of authority to provide alternative local exchange service upon a showing that the applicant has sufficient technical, financial, and managerial capability to provide such service in the geographic area proposed to be serviced....It is the intent of the Legislature that the commission act expeditiously to grant certificates of authority under this section and that the grant of certificates not be affected by the application of any criteria other than that specifically enumerated in this subsection.

(Fla. Stat. sec. 364.337(1); *see also* sec. 364.337(3), which repeats the above-described criteria for granting an application.)

As part of its application, Verizon furnished documentation of its technical, financial, and managerial capability to operate as an ALEC. Verizon's decades of operation as an ILEC in Florida further prove its fitness to run a telecommunications company.

Verizon's application should be granted expeditiously because it has met all of the statutory criteria. As the Legislature made clear in section 364.337 (and as the Commission has also recognized), the Commission cannot look beyond financial, technical, and managerial fitness

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when considering applications for ALEC certification. (See also, e.g., *Application for Certificate to Provide Alternative Local Exchange Telecommunications Service by BellSouth Telecomm., Inc.*, Order No. PSC-96-0704-FOF-TX, 96 FPSC 5:515 (May 23, 1996); *Application for Certificate to Provide Alternative Local Exchange Telecomm. Service by BellSouth BSE, Inc.*, Order No. PSC-98-1165-FOF-TX (Aug. 27, 1998).)

While no public interest analysis of Verizon's application is permitted, Verizon nonetheless emphasizes that its certification as an ALEC would benefit the public. Verizon's application responds to existing demand for Verizon's services. A number of customers with locations inside and outside of Verizon's existing service territory have already expressed interest in Verizon expanding its offerings beyond franchise boundaries to provide complete end-to-end service. This expansion will enable customers with multiple locations to avoid the customer inconvenience and frustration of having to work with Verizon at some locations and one or more company (e.g., Bell South, MCI, Sprint) at others. Verizon's ability to provide complex ordering and billing services is, moreover, particularly important to large business customers.

Verizon's operation as an ALEC will provide customers additional provider and service choices, and will raise new competitive challenges to both the ILECs and ALECs in the territories Verizon enters. Further, Verizon's application serves as an additional opportunity for the PSC to facilitate local telecommunications infrastructure investment. If the PSC grants Verizon's application, Verizon will be encouraged to invest in facilities and infrastructure needed to serve key customers around the state.

Without this authority, Verizon is at a competitive disadvantage relative to other companies certified statewide. These companies are uniquely positioned to provide end-to-end service without regard to where the customer happens to be located. Absent an ALEC certificate, cannot compete on equal footing with other companies that can offer service throughout the state.

Please contact me if you need any further information about Verizon's Application.

Sincerely,



David M. Christian