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July 28, 2006 – **VIA ELECTRONIC MAIL**

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

Re: Docket No. 060173-EU  
Proposed amendments to rules regarding overhead electric facilities to allow more stringent construction standards than required by National Electric Safety Code

Docket No. 060172-EU  
Proposed rules governing placement of new electric distribution facilities underground, and conversion of existing overhead distribution facilities to underground facilities, to address effects of extreme weather events

Dear Ms. Bayo:

Enclosed is Verizon Florida Inc.'s Request for Hearing for filing in the above matters. Service has been made as indicated on the Certificate of Service. If there are any questions regarding this filing, please contact me at 770-284-5498.

Sincerely,

s/ Dulaney L. O'Roark III

Dulaney L. O'Roark III

Enclosures

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing were sent via U.S. mail on July 28, 2006 to the parties on the attached list.

s/ Dulaney L. O'Roark III

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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Proposed amendments to rules regarding  
overhead electric facilities to allow more )  
stringent construction standards than required )  
by National Electric Safety Code )  
and )  
)  
)  
)

Docket No. 060173-EU  
Filed: July 28, 2006

In re: Proposed rules governing placement of )  
new electric distribution facilities underground, )  
and conversion of existing overhead )  
distribution facilities to underground facilities, )  
to address effects of extreme weather events )  
\_\_\_\_\_ )

Docket No. 060172-EU

**VERIZON FLORIDA INC.'S REQUEST FOR HEARING**

In accordance with the Order Establishing Procedures for this rulemaking (Order No. PSC-06-0610-PCO-EU), Florida Statutes § 120.54(3)(c) and Florida Administrative Code § 28-103.004, Verizon Florida Inc. (“Verizon”) asks the Commission to set a hearing on the proposed amendments to Rules 25-6.034, 25-6.064, 25-6.078, and 25-6.115 that Staff has proposed in this docket. Verizon is an “affected person” under Florida Statutes, § 120.54(3)(c), and Florida Administrative Code Rule § 28-103.004(3), and is, therefore, entitled to a hearing.

The Commission has already set a hearing on proposed new Rules 25-6.0341, 25-6.0342, and 25-6.0343, and Verizon intends to participate in that hearing. The Commission did not, however, set a hearing for the proposed changes to Rule 25-6.034, 25-6.064, 25-6.078, or 25-6.115, even though they would, if adopted, substantially modify the existing rules.

With respect to proposed Rule 25-6.034, whereas the existing rule prescribes construction and maintenance of electric utility facilities “in accordance with generally accepted engineering practices,” the proposed rule would, in addition, require each electric utility to establish its own construction standards for overhead and underground facilities that, “at a minimum,” comply with the National Electrical Safety Code (“NESC”), and that are “guided by the extreme wind loading standards” in the 2002 edition of the NESC. See proposed Rule 25-6.034(2), (4) & (5).

Verizon attaches to approximately 381,000 electric utility poles. In addition, about 29,632 of Verizon’s 107,863 poles bear attachments by electric utilities. Therefore, Verizon is necessarily affected by proposed Rule 25-6.034 (as well as the other proposed rules already slated for hearing). If the rules are adopted, Verizon will have to comply with the construction and maintenance standards set by the electric utilities with respect to third-party attachments. Because these new standards may differ from the existing, uniform national NESC standard, they could require Verizon to upgrade or rearrange its attachments to electric utility facilities, or even to remove them. For these and other reasons, the proposed rule would likely have a negative financial impact on Verizon. Verizon and other ILECs that attach to electric utility poles would be particularly disadvantaged because, unlike the rate-regulated electric utilities, the price-regulated ILECs cannot pass on increased costs to their customers.

To the extent new standards are imposed upon Verizon through the new rules, they may also impermissibly interfere with Verizon’s joint-use and license agreements that govern Verizon’s attachments to electric facilities. Among other things, the new standards could dramatically affect Verizon’s rental rates and impose additional

financial and operational burdens that are not contemplated under the existing contracts.

Indeed, section 25-6.034(7), on its face, recognizes that the rule will affect companies, like Verizon, that attach to electric utility poles, because it requires the utility to seek input from other entities “with existing agreements to share the use of its electric facilities.” The proposed rule, however, does *not* require the electric utility to actually factor other entities’ input into the standards themselves, so Verizon will have no meaningful way of protecting its interests once the electric utility is given the authority to develop its own standards. The rules appear to allow disputes or challenges to a utility’s standards only *after* they are enacted. See proposed rule 25-6.034(7).

Verizon would, likewise, be affected by the changes to Rule 25-6.064, which requires investor-owned electric utilities to calculate amounts due as contributions-in-aid-of-construction (“CIAC”) from customers who request new or upgraded facilities. Through pole rental fees paid to the electric utilities, Verizon pays a portion of their costs when they place new poles, and needs to protect its interest in preventing pole rental rates that are further skewed than they already are.

Proposed Rule 25-6.078 requires the electric utility to implement a tariffed policy for undergrounding facilities in new subdivisions. Verizon would be affected by this change to the extent an electric company’s new undergrounding policy requires Verizon to convert or modify existing pole attachments, thus imposing costs upon Verizon.

Proposed Rule 25-6.115 addresses the electric utility’s recovery of the costs of conversions from overhead to underground facilities. This Rule does not account for the fact that Verizon, as a price-regulated company, does not have the electric utilities’

ability to pass along to customers the costs of such conversions. The new Rule, if adopted, could thus have a negative financial impact upon Verizon and work to its competitive disadvantage.

Because adoption of the proposed amendments to Rules 25-6.034, 25-6.064, 25-6.078, and 25-6.115 would directly (and negatively) affect Verizon, Verizon is entitled to a hearing on these amendments (as well as on the other rules already scheduled for hearing).

Respectfully submitted on July 28, 2006.

By:           s/ Dulaney L. O’Roark III            
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