

IBEW



INTERNATIONAL BROTHERHOOD of ELECTRICAL WORKERS

LOCAL UNION 824

October 12, 2001

Chairman E. Jacobs, Jr. Florida Public Service Commission 2540, Shumard Oak Boulevard Tallahassee, Fl. 32399

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Dear Chairman Jacobs,

I am the Business Manager for IBEW Local 824 and represent 5840 members all of whom are Verizon employees in Florida.

I am appalled that the Florida Public Service Commission would consider AT&T's selfserving proposal to split BellSouth's wholesale and retail operations in Florida into two separate companies. This is a radical and ill-conceived idea that has been rejected by every Commission and Legislature that has seriously considered it. For example, Pennsylvania, Illinois, Maryland and the FCC have reviewed AT&T's idea to split up local phone companies, recognized it as a hyper-regulatory solution looking for a problem and have rejected it-so should you.

Structural separation in any form represents a direct threat to good union jobs. I am particularly concerned about my membership should AT&T's ridiculous proposal find success in Florida and bleed onto Verizon. I'm sure you recall that when AT&T was split up in 1984, thousands of jobs were lost and union members with years of seniority were laid-off or forced to accept lower paying jobs. Likewise, if you permit AT&T to split BellSouth thereby paving a path for the same to happen to Verizon Florida, collective bargaining agreements will be broken. Surely BellSouth employees and definitely IBEW Local 824 employees, in Florida will face severe job disruption, mass movement and loss of work. You must not allow this awful history to be repeated here in Florida, even in the name of competition.

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Splitting BellSouth or any other telecommunications company in Florida will practically guarantee the inefficient provision of telephone service. Certainly forcing the break-up of a regional company in Florida will result in lost efficiencies. Such inefficiency does not lend itself to true and meaningful competition that is designed to deliver consumer benefits in the form of lower prices. In fact, consumers will have to fund the implementation and maintenance of a separated BellSouth, and potentially a separated Verizon. This is a double hit for IBEW members-higher telephone prices on top of job losses and disruption. Beside, the FCC's most recent report on competition suggests that Florida ranks well above the national average when it comes to the number competitive local exchange carriers per zip code.

As I mentioned above, AT&T's structural separation has been rejected by Pennsylvania, Illinois, Maryland and the FCC. Further against the action, among them The Progress & Freedom Foundation, Cato Institute, Alliance for Public Technology, the U.S. Hispanic Chamber of Commerce, and the United Seniors Health Council.

Any structural separation plan is unconscionable and unnecessary, and must be stopped. IBEW Local 824 is adamantly opposed to the structural separation of any telecommunications company in Florida, and will fight to ensure that all jobs are protected, particularly now when our state is facing significant private sector lay-offs and an economic slow down. IBEW Local 824 requests that you reject any form of structural separation on its face as poor public policy that is bad for everyone.

Sincerely,

Danny L. Johnson Business Manager IBEW Local 824

cc: The Honorable Governor Jeb Bush Commissioner Braulio L. Baez Commissioner J. Terry Deason Commissioner Lila A. Jaber Commissioner Michael A. Palecki CLC President Floyd Suggs John Ferrell, President Verizon Florida Customer Operations John Blanchard, President Verizon Southeast Region Regulatory