

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Expanded Interconnection ) DOCKET NO. 921074-TP  
Phase II and Local Transport ) DOCKET NO. 930955-TL  
Restructure ) DOCKET NO. 940014-TL  
\_\_\_\_\_ ) DOCKET NO. 940020-TL  
DOCKET NO. 931196-TL  
DOCKET NO. 940190-TL

ORIGINAL  
FILE COPY

FILED: 7/27/94

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-94-0076-PCO-TL, issued January 21, 1994, the Staff of the Florida Public Service Commission files its Prehearing Statement.

- A. All Known Witnesses: Staff does not intend to sponsor a witness at this time.
- B. All Known Exhibits: Staff has not yet identified a list of exhibits which it intends to use in this proceeding. Staff intends to supply a tentative list of such exhibits at or prior to the Prehearing Conference.
- C. Staff's Statement of Basic Position:  
None pending discovery.

D.-G. Staff's Position on the Issues:

ISSUE 1: How is switched access provisioned and priced today?

POSITION: Switched access service uses a local exchange company's switching facilities to provide a communications pathway between an interexchange company's terminal location and an end user's premises. Switched access is provisioned under a feature group arrangement, an 800 number arrangement, or a 900 number arrangement. There are four feature groups: FGA, FGB, FGC, and FGD. These categories are distinguished by their technical characteristics, for example, the connection to the central office is line side or trunk side. Rate elements

ACK \_\_\_\_\_  
AFA \_\_\_\_\_  
APP \_\_\_\_\_  
CAF \_\_\_\_\_  
CMU \_\_\_\_\_  
CTR \_\_\_\_\_  
EAG \_\_\_\_\_  
LEG \_\_\_\_\_  
LIN \_\_\_\_\_  
OPC \_\_\_\_\_  
RCH \_\_\_\_\_  
SEC / \_\_\_\_\_  
W'S \_\_\_\_\_  
OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE

07669 JUL 27 94

FPSC-RECORDS/REPORTING

ORDER NO.

DOCKETS NOS. 921074-TP, 930955-TL, 940014-TL, 940020-TL, 931196-TL  
AND 940190-TL

PAGE 2

differ by name according to the respective local exchange company. Rate elements typically include local switching, carrier common line, local transport, and carrier access capacity. Rate elements are currently priced under the equal charge rule. This means that each unit is priced the same as the next unit for a given rate element. Rates and charges include recurring, nonrecurring, and usage.

ISSUE 2: How is local transport priced and provisioned today?

POSITION: Local transport, as mentioned in Issue 1, is one of the switched access rate elements. Local transport is currently priced on a usage sensitive basis. The rate is applied on a per minute of use per termination basis. Regardless of distance all transport minutes of use are assessed the same rate per minute of use.

ISSUE 3: Under what circumstances should the Commission impose the same or different forms and conditions of expanded interconnection than the F.C.C.?

POSITION: No position at this time.

ISSUE 4: Is expanded interconnection for switched access in the public interest?

POSITION: Expanded interconnection for switched access is in the public interest. Expanded interconnection with LEC central offices will increase opportunities for switched access competition by permitting customers to choose among alternative providers. Additionally, greater competition has the potential to bring new and innovative services and technology to the marketplace from both the LECs and alternative access providers. Clearly, competition will have an impact on LEC revenues; however, staff takes no position at this time whether the impact will have a significant effect on ratepayers.

ORDER NO.

DOCKETS NOS. 921074-TP, 930955-TL, 940014-TL, 940020-TL, 931196-TL  
AND 940190-TL

PAGE 3

**ISSUE 5:** Is the offering of dedicated and switched services between non-affiliated entities by non-LECs in the public interest?

**POSITION:** The offering of dedicated and switched services between non-affiliated entities by non-LECs is in the public interest. The offering of these services between non-affiliated entities will expand competitive offerings to end users. Additionally, greater competition has the potential to bring new and innovative services and technology to the marketplace from the LECs and alternative access providers.

**ISSUE 6:** Does Chapter 364 Florida Statutes allow the Commission to require expanded interconnection for switched access?

**POSITION:** No position pending the filing of briefs by the parties.

**ISSUE 7:** Does a physical collocation mandate raise federal or state constitutional questions about the taking or confiscation of LEC property?

**POSITION:** No position pending the filing of briefs by the parties.

**ISSUE 8:** Should the Commission require physical and/or virtual collocation for switched access expanded interconnection?

**POSITION:** No position at this time.

ORDER NO.

DOCKETS NOS. 921074-TP, 930955-TL, 940014-TL, 940020-TL, 931196-TL  
AND 940190-TL

PAGE 4

**ISSUE 9:** Which LECs should provide switched access expanded interconnection?

**POSITION:** If expanded interconnection is required, only Tier 1 LECs (Southern Bell, GTEFL, United, and Centel) should be required to offer switched access expanded interconnection on a tariffed generally available service.

If a non-Tier 1 LEC receives a bona fide request for expanded interconnection but the terms and conditions cannot be negotiated by the parties, the Commission should review such a request on a case-by-case basis. If the parties agree on expanded interconnection, the terms and conditions should be set by individual negotiation.

**ISSUE 10:** From what LEC facilities should expanded interconnection for switched access be offered? Should expanded interconnection for switched access be required from all such facilities?

**POSITION:** If expanded interconnection is required, it should be offered out of all LEC offices, central offices, tandems and remotes, that are used as rating points for switched access services. Initially, expanded interconnection should be offered out of those central offices that are identified in the proposed tariffs in the interstate jurisdiction. Additional offices should be added within 90 days of a written request to the LEC by an interconnector.

**ISSUE 11:** Which entities should be allowed expanded interconnection for switched access?

**POSITION:** If expanded interconnection is required, any entity should be allowed to interconnect on an intrastate basis its own basic transmission facilities associated with terminating equipment and multiplexers except entities restricted pursuant to Commission rules, orders, and statutes.



ORDER NO.

DOCKETS NOS. 921074-TP, 930955-TL, 940014-TL, 940020-TL, 931196-TL  
AND 940190-TL

PAGE 5

**ISSUE 12:** Should collocators be required to allow LECs and other parties to interconnect with their networks?

**POSITION:** No. Collocators should not be required to allow LECs and other parties to interconnect with their networks.

**ISSUE 13:** Should the Commission allow switched access expanded interconnection for non-fiber optic technology?

**POSITION:** Yes, if expanded interconnection is required, the Commission should allow expanded interconnection of non-fiber optic technology on a central office basis where facilities permit. In the case of microwave technology, the actual location of microwave equipment should be negotiated between the LEC and the interconnector.

**ISSUE 14:** Should all switched access transport providers be required to file tariffs?

**POSITION:** No. If expanded interconnection is required, only Tier-1 LECs should be required to file tariffs.

**ISSUE 15:** Should the proposed LEC flexible pricing plans for private line and special access services be approved?

**POSITION:** No position at this time pending further discovery.

**ISSUE 16:** Should the LECs' proposed intrastate private line and special access expanded interconnection tariffs be approved?

**POSITION:** No position at this time pending further discovery.

ORDER NO.

DOCKETS NOS. 921074-TP, 930955-TL, 940014-TL, 940020-TL, 931196-TL  
AND 940190-TL

PAGE 6

**ISSUE 17:** Should the LECs' proposed intrastate switched access interconnection tariffs be approved?

**POSITION:** No position at this time pending further discovery.

**ISSUE 18:** Should the LECs be granted additional pricing flexibility? If so, what should it be?

**POSITION:** Yes, if expanded interconnection is required, the LECs should be granted additional pricing flexibility in the form of Contract Service Arrangement authority for switched access services and Zone Density pricing.

**ISSUE 19:** Should the Commission modify its pricing and rate structure regarding switched access transport services?

a) With the implementation of switched access expanded interconnection.

b) Without the implementation of switched access expanded interconnection.

**POSITION:** Whether or not the Commission approves expanded interconnection for switched access, it should still proceed with the restructure of Local Transport. The LECs' interstate Local Transport rates have already been restructured in conjunction with the elimination of the FCC "equal charge per minute of use" rule. There are efficiencies in having interstate and intrastate Local Transport rate structures the same. In addition, the LECs will need to reduce their intrastate Local Transport rates due to competitive pressures from AAVs that will also provide Local Transport. These competitive pressures would increase if the Florida Statutes are modified to allow AAVs to transport traffic between non-affiliated entities.

ORDER NO.

DOCKETS NOS. 921074-TP, 930955-TL, 940014-TL, 940020-TL, 931196-TL  
AND 940190-TL

PAGE 7

**ISSUE 20:** If the Commission changes its policy on the pricing and rate structure of switched transport service, which of the following should the new policy be based on:

a) The intrastate pricing and rate structure of local transport should mirror each LEC's interstate filing, respectively.

b) The intrastate pricing and rate structure of local transport should be determined by competitive conditions in the transport market.

c) The intrastate pricing and rate structure of local transport should reflect the underlying cost based structure.

d) The intrastate pricing and rate structure of local transport should reflect other methods.

**POSITION:** There seems to be a general consensus that interstate and intrastate rate structures should be the same. Staff has no position at this time on how rate levels should be determined.

**ISSUE 21:** Should the LECs proposed local transport restructure tariffs be approved? If not, what changes should be made to the tariffs?

**POSITION:** No position at this time pending further discovery.

**ISSUE 22:** Should the Modified Access Based Compensation (MABC) agreement be modified to incorporate a revised transport structure (if local transport restructure is adopted) for intraLATA toll traffic between LECs?

**POSITION:** Staff's preliminary position is that the rates under the Modified Access Based Compensation plan for intraLATA LEC toll should continue to mirror the corresponding switched access rates. Therefore, if the Commission revises or

ORDER NO.

DOCKETS NOS. 921074-TP, 930955-TL, 940014-TL, 940020-TL, 931196-TL  
AND 940190-TL

PAGE 8

restructures Local Transport rates, then intraLATA transport and intertoll trunking rates between LECs should be modified accordingly.

ISSUE 23: How should the Commission's imputation guidelines be modified to reflect a revised transport structure (if local transport restructure is adopted)?

POSITION: If Local Transport rates are reduced and/or restructured then imputation calculations for MTS rates should be modified accordingly. Imputation guidelines should continue to require that switched access charges, not actual costs, be covered by LEC toll rates. No position at this time on specific changes that would need to be made. Staff believes that this issue should be addressed separately after the Commission has issued its final order on the other issues in this case.

ISSUE 23A: Should the Commission modify the Phase I Order in light of the decision by the United States Court of Appeals for the District of Columbia Circuit?

POSITION: No position at this time.

ISSUE 24: Should these dockets be closed?

POSITION: No.

#### H. Stipulation

Staff is not aware of any issues that have been stipulated at this time.



ORDER NO.  
DOCKETS NOS. 921074-TP, 930955-TL, 940014-TL, 940020-TL, 931196-TL  
AND 940190-TL  
PAGE 9

I. Pending Motions:

Staff has no pending motions at this time.

RESPECTFULLY SUBMITTED,



---

DONNA L. CANZANO  
Staff Counsel

Florida Public Service Commission  
101 E. Gaines Street  
Tallahassee, Florida 32399-0863

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Expanded Interconnection ) DOCKET NO. 921074-TP  
Phase II and Local Transport ) DOCKET NO. 930955-TL  
Restructure ) DOCKET NO. 940014-TL  
\_\_\_\_\_ ) DOCKET NO. 940020-TL  
DOCKET NO. 931196-TL  
DOCKET NO. 940190-TL

FILED: 7/27/94

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that one true and correct copy of Staff's Prehearing Statement has been furnished by U.S. Mail, this 27th day of July, 1994, to the following:

Wiggins & Villacorta, P.A.  
Patrick K. Wiggins  
Intermedia Communications, Inc.  
Post Office Drawer 1657  
Tallahassee FL 32302

Intermedia Communications, Inc  
External Affairs VP  
9280 Bay Plaza Blvd., #720  
Tampa FL 33619

ALLTEL Florida, Inc.  
Harriet Eudy  
Post Office Box 550  
Live Oak FL 32060-0550

Kimberly Caswell  
GTE Florida Inc.  
P.O. Box 110, FLTC0007  
Tampa FL 33601

MacFarlane Ausley Ferguson  
& McMullen  
Lee Willis, Attorney  
ALLTEL  
Post Office Box 391  
Tallahassee FL 32301

Ervin, Varn, Jacobs,  
Odom & Ervin  
Everett Boyd  
Sprint  
P.O. Drawer 1170  
Tallahassee, FL 32302

**CERTIFICATE OF SERVICE**

**DOCKETS NOS. 921074-TP, 930955-TL, 940014-TL, 940020-TL, 931196-TL, 940190-TL**

**AT&T Communications of the  
Southern States, Inc.  
Michael Tye, Attorney  
106 E. College Ave., #1410  
Tallahassee FL 32301-7733**

**Central Telephone Company  
General Regulatory Manager  
Sprint/United - Florida  
P. O. Box 165000 M C #5326  
Altamonte Springs FL 32716-5000**

**MacFarlane Ausley Ferguson  
& McMullen  
Lee Willis, Attorney  
Centel  
Post Office Box 391  
Tallahassee FL 32301**

**Young, Van Assenderp, Varnadoe  
& Benton, P.A.  
David Erwin  
P.O. Box 1833  
Tallahassee FL 32302-1833**

**Florida Cable Television  
Association, Inc.  
Laura Wilson  
Post Office Box 10383  
Tallahassee FL 32302**

**Florida Interexchange Carriers  
Association  
Joseph Gillan  
Post Office Box 547276  
Orlando FL 32854**

**McWhirter, Reeves, McGlothlin,  
Davidson, & Bakas  
Vicki Kaufman  
FICA  
315 S. Calhoun St., #716  
Tallahassee FL 32301**

**GTE Florida, Inc.  
Beverly Menard  
c/o Richard Fletcher  
106 E. College Ave., #1440  
Tallahassee FL 32301**

**Southern Bell Telephone  
and Telegraph Company  
c/o Marshall Criser, III  
150 South Monroe Street  
Suite 400  
Tallahassee FL 32301**

**Hopping, Boyd, Green & Sams  
Richard Melson  
MCI  
Post Office Box 6526  
Tallahassee FL 32314**

**AMNEX  
Regulatory Affairs  
101 Park Avenue, #2507  
New York NY 10178**

**MCI Telecommunications  
Michael Henry  
780 Johnson Ferry Road, #700  
Atlanta GA 30342**

**CERTIFICATE OF SERVICE**

**DOCKETS NOS. 921074-TP, 930955-TL, 940014-TL, 940020-TL, 931196-TL,  
940190-TL**

**MacFarlane Ausley Ferguson  
& McMullen  
Lee Willis, Attorney  
United  
Post Office Box 391  
Tallahassee FL 32302**

**Interexchange Access Coalition  
c/o Wiley, Rein and Fielding  
Rachel Rothstein  
1776 K Street NW  
Washington DC 20006**

**Florida Pay Telephone  
Association, Inc.  
Angela Green  
315 S. Calhoun Street, #710  
Tallahassee FL 32301**

**Northeast Florida Telephone Co.  
John Carroll, Jr.  
Post Office Box 485  
Macclenny FL 32063-0485**

**Charles Beck  
Office of Public Counsel  
House of Representatives  
The Capitol  
Tallahassee FL 32301**

**Pennington & Haben, P.A.  
Peter Dunbar  
Time Warner  
Post Office Box 10095  
Tallahassee FL 32301**

**Quincy Telephone Company  
Daniel Gregory  
Post Office Box 189  
Quincy FL 32351**

**Rutledge, Ecenia, Underwood,  
Purnel & Hoffman, P.A.  
Kenneth A. Hoffman  
Teleport  
Post Office Box 551  
Tallahassee FL 32302-0551**

**Southland Telephone Company  
Jeff McGee  
Post Office Box 37  
Atmore AL 36504-0037**

**Sprint Communications Company  
Chanthina Bryant  
3065 Cumberland Circle  
Atlanta GA 30339**

**Time Warner Cable  
Ms. Janis Stahlhut  
V.P. of Regulatory Affairs  
Corporate Headquarters  
300 First Stamford Place  
Stamford CT 06902-6732**

**Peoples Telephone Company  
Regulatory Affairs  
2300 NW 39th Place  
Miami FL 33172**



**CERTIFICATE OF SERVICE**

**DOCKETS NOS. 921074-TP, 930955-TL, 940014-TL, 940020-TL, 931196-TL,  
940190-TL**

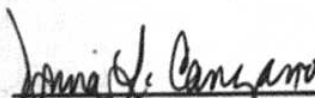
**United Telephone Company  
Jerry Johns  
Post Office Box 165000  
Altamonte Springs FL 32716-5000**

**Teleport Communications Group  
Jodie Donovan  
One Teleport Drive, #301  
Staten Island 10311**

**Messer, Vickers, Caparello,  
Madsen, Lewis, Goldman &  
Metz, P.A.  
Floyd Self  
Mc Caw  
Post Office Box 1876  
Tallahassee FL 32302**

**Department of Management  
Services  
Carolyn Mason  
Division of Communications  
Koger Executive Center  
Knight Building, #309  
Tallahassee FL 32399-0950**

**City of Lakeland  
Manager, Rates & Regulatory  
Affairs  
501 East Lemon Street  
Lakeland FL 33801-5050**

  
\_\_\_\_\_  
**DONNA L. CANZANO  
Staff Counsel**

**Florida Public Service Commission  
101 East Gaines Street  
Tallahassee, FL 32399-0863  
(904) 487-2740**