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**REBUTTAL TESTIMONY  
OF  
STEVEN C. ANDREASSI  
ON BEHALF OF  
TELEPORT COMMUNICATIONS GROUP, INC.  
DOCKET NO. 921074-TP**

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FPSC-RECORDS/REPORTING

1 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

2 A. My name is Steven Andreassi. My business address  
3 is Teleport Communications Group, Inc. (TCG), Two  
4 Teleport Drive, Suite 300, Staten Island, New York  
5 10311.

6 Q. DID YOU SUBMIT TESTIMONY IN PHASE II OF THIS  
7 PROCEEDING?

8 A. Yes. I submitted direct testimony and supplemental  
9 direct testimony in Phase II.

10 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

11 A. The purpose of my testimony is to respond to  
12 certain testimony filed by Southern Bell and GTE  
13 Florida Inc. ("GTEFL").

14 Q. DO YOU AGREE WITH SOUTHERN BELL WITNESS DENTON  
15 (Testimony at 4-6) and GTEFL WITNESS BEAUVAIS  
16 (Testimony at 2) THAT EXPANDED INTERCONNECTION FOR  
17 SWITCHED ACCESS SERVICES WILL PUT CONTRIBUTION  
18 RECEIVED BY THE LOCAL EXCHANGE CARRIER ("LEC") FROM  
19 SWITCHED ACCESS IN JEOPARDY?

20 A. No. Expanded interconnection will not  
21 significantly erode the contributions the LEC  
22 receives from switched access because  
23 interconnectors will only be able to compete for a  
24 small portion of this service. As I explained in  
25 my direct testimony, the only piece of switched  
26 access an interconnector can offer to an

1 interexchange carrier ("IXC") customer is the  
2 dedicated trunk portions of local transport. Even  
3 if interconnectors captured the entire local  
4 transport market, which is highly unlikely, the LEC  
5 would still earn revenues from the carrier common  
6 line charge, local switching and an intrastate  
7 residual interconnection charge.

8 Q. SHOULD THE COMMISSION GRANT THE LECS THE ABILITY TO  
9 FLEXIBLY PRICE SWITCHED ACCESS SERVICES?

10 A. To the extent that the Commission implements a  
11 restructuring of local transport rates ("LTR"),  
12 similar to the scheme mandated at the federal level  
13 to permit the LECs to respond to competition, TCG  
14 supports such a restructuring. GTEFL Witness Lee  
15 argues that LECs should receive pricing flexibility  
16 in addition to LTR in the form of a switched access  
17 discount plan and zone pricing plan. Mr. Lee  
18 claims this is necessary due to an already highly  
19 competitive environment in Florida. As a general  
20 matter, it is impossible for an environment in  
21 which AAVs are prohibited from offering switched  
22 services to be "highly competitive." Moreover, if  
23 the Commission approves Phase II, competitors will  
24 have the ability to compete for only the small  
25 local transport portion of switched access.  
26 Therefore, it is reasonable for LECs to receive

1 pricing flexibility for local transport which is  
2 accomplished through LTR. TCG believes it would be  
3 reasonable to implement at the intrastate level the  
4 volume and term discounts established by the  
5 Federal Communications Commission in its Expanded  
6 Interconnection Order (FCC 94-190, rel. July 25,  
7 1994). This plan permits the LECs to offer  
8 switched access with volume and term discounts only  
9 after 100 DS1 switched cross connects are  
10 operational in the LECs' offices located in the  
11 pricing zone with the greatest traffic density.

12 Q. DO YOU AGREE WITH MR. DENTON (Testimony at 12) AND  
13 MR. BEAUVAIS (Testimony at 40) THAT CUSTOMERS WILL  
14 BE DENIED THE FULL BENEFITS OF COMPETITION IF  
15 COLLOCATORS ARE NOT REQUIRED TO OFFER EXPANDED  
16 INTERCONNECTION FOR SWITCHED ACCESS?

17 A. No. The Commission instituted this proceeding to  
18 permit competitors access to the LECs' bottleneck  
19 network facilities. By permitting them access to  
20 these ubiquitous LEC facilities, AAVs will be able  
21 to offer competitive, diverse services to customers  
22 who would otherwise be connected only to the  
23 monopoly provider. Mr. Denton states that "in a  
24 number of instances" Southern Bell has not been  
25 allowed to collocate with a competitor on  
26 reasonable terms. (Testimony at 12). To my

1 knowledge, TCG has never denied a request from a  
2 potential interconnector, but would instead welcome  
3 the revenues associated with the use of its  
4 network. TCG believes that in a competitive market  
5 most AAVs would similarly grant a collocation  
6 request.

7 Q. MR. DENTON (Testimony at 12-13) AND MR. BEAUVAIS  
8 (Testimony at 38-39) ARGUE THAT LECS SHOULD NOT  
9 HAVE TO PERMIT NON-FIBER OPTIC DS0  
10 INTERCONNECTIONS. DO YOU AGREE?

11 A. No. The LECs are confused. In addressing  
12 interconnection of non-fiber optic technology in  
13 the Phase I Order, the Commission was referring to  
14 the transmission equipment placed in the cage by  
15 the interconnector. For example, the Order  
16 addressed the use of microwave equipment by  
17 interconnectors as an example of the use of non-  
18 fiber optic technology. The Commission did not  
19 restrict the type of LEC technology to which an  
20 interconnector would connect its transmission  
21 equipment. It is in the public interest for  
22 collocators to interconnect to copper DS0  
23 technology to reach customers using less than high  
24 speed capacity services and the LECs should tariff  
25 DS0 interconnection for special and switched access  
26 services.

1           In addition, Mr. Beauvais (Testimony at 38) and Mr.  
2           Denton (Testimony at 12) argue that DSO  
3           interconnection is impossible due to space  
4           constraints. Again, the LECs are confused.  
5           Collocators are seeking to interconnect with the  
6           LECs' existing network using transmission equipment  
7           in the collocators' cage and therefore space in the  
8           central office is not an issue. Contrary to the  
9           LECs' argument, collocators are not requesting LECs  
10          to provision more DSOs to their customers.

11        Q.    DOES THIS CONCLUDE YOUR TESTIMONY?

12        A.    Yes.