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February 20, 1998

Ms. Blanca S. Bayó  
Director, Records & Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Re: Docket No. 971140-TL

Dear Ms. Bayó:

Enclosed herein for filing on behalf of MCI  
Telecommunications Corporation and MCI Metro Access Transmission  
Services, Inc. (collectively MCI), are the original and 15 copies  
of the Rebuttal Testimony of Chip Parker, Tom Hyde and Ron  
Martinez.

By copy of this letter these documents have been provided to  
the parties on the attached service list.

Very truly yours,

*Richard D. Melson*

Richard D. Melson

- ACK
- AFA
- APP
- CAF
- CMU  *Stavara*
- CTR  *RDM/clp*
- EAG
- LEG
- LIN  *Stango*
- OPC
- RCH
- SEC
- WAS  10-888.1
- OTH

cc: Per Certificate of Service

*Hyde*  
DOCUMENT NUMBER-DATE  
02467 FEB 20 88  
FPSC-RECORDS/REPORTING

*Parker*  
DOCUMENT NUMBER-DATE  
02468 FEB 20 88  
FPSC-RECORDS/REPORTING

*Martinez*  
DOCUMENT NUMBER-DATE  
02469 FEB 20 88  
FPSC-RECORDS/REPORTING

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing was furnished to the following parties by hand delivery this 20th day of February, 1998.

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*Tim D. Pa*

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ATTORNEY

**ORIGINAL**

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**REBUTTAL TESTIMONY OF  
THOMAS HYDE  
ON BEHALF OF  
MCI TELECOMMUNICATIONS CORPORATION  
AND  
MCI METRO ACCESS TRANSMISSION SERVICES, INC.  
DOCKET NO. 971140-TP  
FEBRUARY 20, 1998**

**Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND  
EMPLOYMENT.**

**A. My name is Thomas Hyde. I am presently providing consulting services to MCI  
Telecommunications Corporation ("MCI"). My business address is 780 Johnson  
Ferry Road, Suite 700, Atlanta, GA 30188.**

**Q. ARE YOU THE SAME THOMAS HYDE WHO FILED DIRECT  
TESTIMONY IN THIS DOCKET?**

**A. Yes.**

**Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

1    **A.**    The purpose of my testimony is to respond to certain testimony presented by  
2           BellSouth witness Eno Landry. I also explain why the studies on which Daonne  
3           Caldwell relied in her direct testimony would not change the NRCs I have  
4           suggested for the loop/port combinations at issue in this docket.

5

6    **Q.**    **MR. LANDRY STATES IN HIS TESTIMONY THAT TWO ORDERS**  
7           **WILL BE REQUIRED TO PROCESS A CLEC ORDER. DO YOU**  
8           **AGREE WITH MR LANDRY'S ASSUMPTION ?**

9

10   **A.**    No. The rationale that Mr. Landry uses to justify two orders is that the loop  
11           cannot be associated with the port on the same bill. When an existing BellSouth  
12           customer's service is migrated to a CLEC, it will use the same loop connected to  
13           the same port, with the same telephone number. In this environment, there is no  
14           valid reason to disassociate the telephone number from the loop. If BellSouth  
15           feels that reassurance is necessary, the CLEC can notify BellSouth that that  
16           particular service will have the current port associated with the current loop,  
17           thereby allowing BellSouth to retain the existing telephone number as the loop  
18           identifier. Using the telephone number as loop identifier removes any need for a  
19           second order and any additional costs associated with a second order.

20

21   **Q.**    **DO YOU AGREE WITH MR LANDRY'S ASSUMPTIONS ON**  
22           **FALLOUT?**

23

24   **A.**    BellSouth's assumptions that CLEC fallout will be greater than current access  
25           fallout are not appropriate. In a forward looking environment, with most

1 efficient, least cost technology, fallout will be minimal with the CLEC performing  
2 corrections, not BellSouth. Fallout for CLECs should be consistent with  
3 BellSouth's fallout for its own orders. Fallout of three percent or less is the  
4 correct level to use in any UNE cost study since this is BellSouth's own fallout  
5 level. This level of fallout is further supported by the statement made by the  
6 President of the United States Telephone Association (USTA), Mr. Roy Neel, in  
7 the En Banc on State of Local Competition before the Federal Communications  
8 Commission (FCC) on January 29, 1998. In that proceeding Mr Neel stated:

9  
10 "[b]ut you look in Bell South alone, there's one C-LEC in Bell South and  
11 we can get you the details about this, that has achieved a flow through  
12 rate of 97 percent over the last few months."

13  
14 **Q. HAS BELL SOUTH ADDRESSED THE COST OF MIGRATING AN**  
15 **EXISTING CUSTOMER TO CLEC SERVICE?**

16  
17 **A.** No. BellSouth has only addressed the functions required for the new installation  
18 of a designed service. No provision has been included in BellSouth's study for  
19 migration of existing customers to UNE combinations, which is the only scenario  
20 for which the Commission will be setting rates in this proceeding. A large  
21 percentage of CLEC orders will be for migrating existing BellSouth customers to  
22 CLEC service. When you have an existing service with a loop connected to a  
23 port and that combination will be retained by the CLEC, there is no need for any  
24 work to be performed by BellSouth on the loop or at the customer premises.

1 Design functions are also unnecessary, as the service is already working and  
2 design efforts would be redundant and not cost justified.

3

4 In summary, Mr. Landry assumes that most of the work functions necessary to  
5 provide the stand-alone elements will still need to be performed to provide  
6 loop/port combinations. As I explained above, however, most of the work  
7 functions cited by Mr. Landry, and included in BellSouth's cost studies, are not  
8 necessary when existing BellSouth customers are migrated to loop/port  
9 combinations. As I demonstrated in my Direct testimony, when these unnecessary  
10 functions are removed, the nonrecurring charges are reduced by approximately  
11 two orders of magnitude. This dramatic reduction in cost is achieved without  
12 even questioning the overstated work times for those functions which remain  
13 when the existing customer is migrated.

14

15 **Q. HAVE YOU REVIEWED THE DIRECT TESTIMONY FILED BY MS.**  
16 **DAONNE CALDWELL?**

17

18 **A. Yes.**

19

20 **Q. IN YOUR DIRECT TESTIMONY, THE NRCs WHICH YOU**  
21 **SUGGESTED WERE GENERATED BASED ON INPUT FROM THE**  
22 **PUBLIC VERSION OF THE MOST RECENT BELL SOUTH COST**  
23 **STUDY FILED IN GEORGIA. WOULD YOUR RESULTS BE**  
24 **DIFFERENT IF YOU SUBSTITUTED THOSE INPUTS FOR THE ONES**  
25 **MS. CALDWELL USED IN THIS CASE?**

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**A.** No. All of the inputs are virtually identical.

As I explained in my Direct Testimony, the only substantive difference between the Georgia and Florida studies are the assumptions about mechanical order processing.

**Q.** DOES THIS CONCLUDE YOUR TESTIMONY?

**A.** Yes.