ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into Pricing of Unbundled Network Elements, Phase II	)))	Docket No. 990649-TP

ADDITIONAL DIRECT TESTIMONY OF

DAVID G. TUCEK

ON BEHALF OF

GTE FLORIDA INCORPORATED

SUBJECT: LONG RUN INCREMENTAL COSTS

JUNE 30, 2000

ADDITIONAL DIRECT TESTIMONY OF DAVID G. TUCEK

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is David G. Tucek. My business address is 1000 GTE Drive, Wentzville, MO 63385.

Q. ARE YOU THE SAME DAVID G. TUCEK WHO PREVIOUSLY FILED DIRECT TESTIMONY IN THIS PROCEEDING?

A. Yes, I am.

Q. WHAT IS THE PURPOSE OF YOUR ADDITIONAL DIRECT TESTIMONY?

A. The purpose of my additional direct testimony is to describe and sponsor the following recurring cost studies:

(1) UNE Combinations;

(2) Subloop TELRICs;

(3) Intrabuilding Cable;

(4) Dark Fiber.

The results of the first of these studies were filed on June 15, 2000, and appear in Tab 5 of the Company's filing package. The remaining studies have been filed on June 30, 2000, and appear in Tabs 32, 33 and 34. Filed concurrently with these studies is a CD-ROM that contains an update of GTE's long-run forward-looking cost model, ICM. This update, Version 4.1b, reflects changes needed to the

program logic to develop the Subloop TELRICs. The CD-ROM contains confidential data and has been sent to only those parties who have signed the appropriate protective agreement.

Q. HOW WERE THE UNE COMBINATION STUDIES PERFORMED?

A. These studies relied on the cost study results that GTE filed on April 17, 2000, and on the information presented in the direct testimony of GTE witness Dennis Trimble. The summary sheet filed on June 15TH identified the source of each of the costs presented in that summary. Direct Exhibit DGT-4 presents a more detailed breakdown of each of the UNE Combination TELRICs, showing both the costs and source of the constituent components. The spreadsheet containing this exhibit, FLUNECOMB.XLS, is also included on the CD-ROM filed on June 30, 2000.

Q. HOW WERE THE SUBLOOP TELRICS DETERMINED?

A. The subloop TELRICs for feeder and distribution outside plant, and for drops, were estimated using an updated version of ICM, Version 4.1b, which has been included on the CD-ROM filed on June 30, 2000. Because access to the feeder and distribution subloop elements can occur at either a DLC or any cross-connect box, the copper backbone cable that ICM designates as feeder was split evenly between the feeder and distribution subloop UNEs. The changes made to this version of ICM were needed to identify properly the network components making up the feeder and distribution

subloops, and to identify separately the length of the average business loop used in the dark fiber study. Part of these changes identified the portion of conduit investment utilized by copper cables. This in turn permitted GTE to refine the mapping for the 4-wire UNE. As explained below, by itself, the change in the identification of the conduit investment would cause an increase in the 4-wire TELRIC. However, correction of an error in the mapping of the 4-wire loop results in a net decrease overall. Also, the change in the identification of the conduit investment affected the TELRICs for 56-kilobit and DS1 Digital Special Access Lines (DSAL-56KB and DSAL-DS1).

Q. WHY WOULD THE CHANGE IN THE IDENTIFICATION OF CONDUIT INVESTMENT INCREASE THE 4-WIRE TELRIC?

A. The four-wire loop utilizes two pairs for the copper portion of the loop, but only a single channel for the fiber portion. In the initial mapping, conduit investment was assigned only to the fiber portion of a loop, even though it is used by both fiber and copper cables in the modeled network. Consequently, all of the conduit investment received a weighting of one in the mapping for a four-wire loop, when the portion attributable to copper cables should have received a weighting of two. Changing the mapping to take advantage of the greater level of detail in Version 4.1b increases the investment assigned to the 4-wire loop, and also increases its TELRIC. However, the original 4-wire mapping assigned two drops to the 4-wire loop. Changing this to a single drop and weighting the copper portion of the conduit investment as just

described decreases the 4-wire TELRIC by 1.7 percent, to $48.12 per month.

Q. WHY WOULD THE CHANGE IN THE IDENTIFICATION OF CONDUIT INVESTMENT AFFECT THE COST OF THE DSAL TELRICS?

A. As with the 4-wire loop, under the original mapping for the DSAL-56KB TELRIC, the conduit investment was not given the proper weighting to reflect the portion used by copper cable, causing the cost to be understated. The change works in the opposite direction with respect to the DSAL-DS1. Under the original mapping, all of the conduit investment was given a weight of 24, since a DS1 is equivalent to 24 voice-grade channels. Under the new mapping, the portion attributable to copper should only receive a weight of 2, as with the 4-wire loop. Consequently, the original mapping overstated the DSAL-DS1 TELRIC. These changes increase the DSAL-56KB TELRIC by 0.5 percent, to $59.65 per month, and decreases the DSAL-DS1 by 3.7 percent to $141.63 per month.

Q. HOW WERE THE COSTS OF INTRABUILDING CABLE DEVELOPED?

A. These TELRICs are based on the per-pair cost of placing 200 feet of a 600-pair riser cable and 50-feet of a 100-pair horizontal cable. The spreadsheet INTRAFL600.XLS contains the cost study and is included on the CD-ROM filed on June 30, 2000. The results of the

study have been filed in Tab 33 of the Company's cost filing. Note that the cost of intrabuilding cable is not explicitly modeled by ICM. Consequently, it is excluded from the TELRICs of the UNEs that utilize a loop.

Q. HOW WAS THE DARK FIBER STUDY PERFORMED?

Q. The Dark Fiber study is based on the cost of a 24-fiber cable, using the average length of a business loop modeled by ICM. While this study was completed outside of ICM, the material and placement costs, depreciation and return factors, and the other expense factors used are the same as are used by ICM. The outside plant percentages correspond to the overall percentages for aerial, buried and underground placement reported in ARMIS for Florida as of year-end 1999. The spreadsheet DRK-FL.XLS contains the cost study and is included on the CD-ROM filed on June 30, 2000. The cost results can also be found in Tab 34 of the Company's ICM filing.

Q. DOES THIS CONCLUDE YOUR ADDITIONAL DIRECT TESTIMONY?

A. Yes, it does.

GTE Florida, Inc.
Docket No. 990649-TP
Unbundled Network Elements
UNE PLATFORM/EEL COST STUDY
TELRICs

Unbundled Elements / Services	(a) TELRIC / 1 $/line/month	$/minute	
(1) UNE PLATFORM			
#1 UNE Basic Analog Platform			
2-Wire Voice Grade Loop (w/o Billing & Collection and NID)	$19.03		Footnote 2.
2-Wire Port	$2.73		Cost Study Tab 6, Page 1.
Basic NID	$0.76		Cost Study Tab 6, Page 1.
DS0 Jumper	$0.23		Cost Study Tab 7, Page 1.
UNE Basic Analog Platform. Usage is additional (see Footnote 1).	$22.75		
Deaveraged Rate for Basic Analog Platform. Usage is additional (see Footnote 1).			
Zone 1 Deaveraged 2-wire Rate		20.72	Exhibit DBT-4, Page 1.
Zone 2 Deaveraged 2-wire Rate		27.42	Exhibit DBT-4, Page 1.
Zone 3 Deaveraged 2-wire Rate		49.93	Exhibit DBT-4, Page 1.
COU		$4.43	Cost Study Tab 6, Page 1.
Loop B&C		$0.60	ICM non-BNF table & UNEMAPFL.DB.
Zone 1 (Deaveraged 2-wire Rate of $20.72 less COU $4.43 plus port of $2.73 plus NID of $0.76 less Loop B&C of $0.60 plus DS0 Jumper of $0.23)	$19.41		
Zone 1 (Deaveraged 2-wire Rate of $27.42 less COU $4.43 plus port of $2.73 plus NID of $0.76 less Loop B&C of $0.60 plus DS0 Jumper of $0.23)	$26.11		
Zone 1 (Deaveraged 2-wire Rate of $49.93 less COU $4.43 plus port of $2.73 plus NID of $0.76 less Loop B&C of $0.60 plus DS0 Jumper of $0.23)	$48.62		
#2 UNE ISDN BRI PLATFORM (excludes Billing/Collection & Cost of Unbundling)			
ISDN Loop 2-Wire	$23.49		Cost Study Tab 6, Page 1.
Less: Basic NID	($0.76)		Cost Study Tab 6, Page 1.
Less: Loop B&C	($0.60)		ICM non-BNF table & UNEMAPFL.DB.
ISDN BRI Port	$11.43		Cost Study Tab 6, Page 1.
Basic NID	$0.76		Cost Study Tab 6, Page 1.
DS-0 Jumper	$0.23		Cost Study Tab 7, Page 1.
UNE ISDN BRI Platform. Usage is additional (see Footnote 1).	$34.55		
Deaveraged Rate for UNE ISDN BRI Platform. Usage is additional (see Footnote 1).			
Zone 1 Deaveraged 2-wire Rate		20.72	Exhibit DBT-4, Page 1.
Zone 2 Deaveraged 2-wire Rate		27.42	Exhibit DBT-4, Page 1.
Zone 3 Deaveraged 2-wire Rate		49.93	Exhibit DBT-4, Page 1.
COU		$6.17	Cost Study Tab 6, Page 1.
Loop B&C		$0.60	ICM non-BNF table & UNEMAPFL.DB.
BRI Card in DLC, Additional Cost		$3.10	Footnote 2.
Zone 1 (Deaveraged 2-wire Rate of $20.72 less COU $6.17 plus port of $11.43 plus NID of $0.76 less Loop B&C of $0.60 plus DS0 Jumper of $0.23 plus BRI card of $3.1	$29.47		
Zone 1 (Deaveraged 2-wire Rate of $27.42 less COU $6.17 plus port of $11.43 plus NID of $0.76 less Loop B&C of $0.60 plus DS0 Jumper of $0.23 plus BRI card of $3.1	$36.17		
Zone 1 (Deaveraged 2-wire Rate of $49.93 less COU $6.17 plus port of $11.43 plus NID of $0.76 less Loop B&C of $0.60 plus DS0 Jumper of $0.23 plus BRI card of $3.1	$58.68		
#3 UNE ISDN PRI Platform			
DS-1 Loop	$189.02		Cost Study Tab 6, Page 8.
ISDN PRI Port	$189.99		Cost Study Tab 6, Page 1.
Less: Loop B&C	($0.60)		ICM non-BNF table & UNEMAPFL.DB.

	Unbundled Elements / Services	(a) TELRIC / 1 $/line/month	$/minute	
52	DS1 Jumper		$0.42	Cost Study Tab 7, Page 1.
53	UNE ISDN PRI Platform. Usage is additional (see Footnote 1).	$378.83		
54				
55	Deaveraged Rate for UNE ISDN PRI Platform. Usage is additional (see Footnote 1)			
56	Zone 1 Deaveraged DS-1 Loop Rate		$175.04	Exhibit DBT-4, Page 4.
57	Zone 2 Deaveraged DS-1 Loop Rate		$198.77	Exhibit DBT-4, Page 5.
58	Zone 3 Deaveraged DS-1 Loop Rate		$364.95	Exhibit DBT-4, Page 6.
59				
60	Loop B&C		$0.60	ICM non-BNF table & UNEMAPFL.DB.
61				
62	Zone 1 (Deaveraged DS-1 Loop Rate of $175.04 plus port of $189.99 plus DS1 Jumper of $0.42 less Loop B&C of $0.60)	$364.85		
63	Zone 1 (Deaveraged DS-1 Loop Rate of $198.77 plus port of $189.99 plus DS1 Jumper of $0.42 less Loop B&C of $0.60)	$388.58		
64	Zone 1 (Deaveraged DS-1 Loop Rate of $364.95 plus port of $189.99 plus DS1 Jumper of $0.42 less Loop B&C of $0.60)	$554.76		
65				
66				
67	#4 UNE DS-1 Platform			
68	DS-1 Loop		$189.02	Cost Study Tab 6, Page 8.
69	DS-1 Digital Trunk Side Port		$59.80	Cost Study Tab 6, Page 1.
70	DS1 Jumper		$0.42	Cost Study Tab 7, Page 1.
71	Less: Loop B&C		($0.60)	ICM non-BNF table & UNEMAPFL.DB.
72	UNE DS-1 Platform. Usage is additional (see Footnote 1).	$248.64		
73				
74	Deaveraged Rate for UNE ISDN DS-I Platform. Usage is additional (see Footnote 1).			
75	Zone 1 Deaveraged DS-1 Loop Rate		$175.04	Exhibit DBT-4, Page 4.
76	Zone 2 Deaveraged DS-1 Loop Rate		$198.77	Exhibit DBT-4, Page 5.
77	Zone 3 Deaveraged DS-1 Loop Rate		$364.95	Exhibit DBT-4, Page 6.
78				
79	DS1 Jumper		$0.42	Cost Study Tab 7, Page 1.
80				
81	Loop B&C		$0.60	ICM non-BNF table & UNEMAPFL.DB.
82				
83	Zone 1 (Deaveraged DS-1 Loop Rate of $175.04 plus port of $59.80 plus DS1 Jumper of $0.42 less Loop B&C of $0.60)	$234.66		
84	Zone 1 (Deaveraged DS-1 Loop Rate of $198.77 plus port of $59.80 plus DS1 Jumper of $0.42 less Loop B&C of $0.60)	$258.39		
85	Zone 1 (Deaveraged DS-1 Loop Rate of $364.95 plus port of $59.80 plus DS1 Jumper of $0.42 less Loop B&C of $0.60)	$424.57		
86				
87				
88	**(2) ENHANCED EXTENDED LINK (EELS)**			
89	#1 Loop, DS0/1 multiplexing, DS1 interoffice transport			
90	2-Wire Voice Grade Loop (w/o Billing & Collection and NID)		$19.03	Footnote 2.
91	Basic NID		$0.76	Cost Study Tab 6, Page 1.
92	DS-0 Jumper		$0.23	Cost Study Tab 7, Page 1.
93	Loop B&C		$0.60	ICM non-BNF table & UNEMAPFL.DB.
94	DS-1 to Voice Grade Multiplexing (1-24 Loop Capacity)		$159.07	Cost Study Tab 6, Page 5.
95	Loop, DS0/1 multiplexing, DS1 interoffice transport. Usage is additional.	$179.69		
96				
97	Each Additional 2-Wire Voice Grade Loop (including Jumper)		$20.02	Cost Study Tab 7, Page 1
98				
99	Deaveraged Rate for 2-Wire Loop plus DS-0/1 Multiplexing (1-24 Capacity)			
100	Zone 1 Deaveraged 2-wire Rate		$20.72	Exhibit DBT-4, Page 1.
101	Zone 2 Deaveraged 2-wire Rate		$27.42	Exhibit DBT-4, Page 1.
102	Zone 3 Deaveraged 2-wire Rate		$49.93	Exhibit DBT-4, Page 1.
103				
104	COU		$4.43	Cost Study Tab 6, Page 1.
105				
106	Zone 1 (Deaveraged 2-Wire Rate of $20.72 plus NID of $0.76 plus DS0 Jumper of $0.23 plus Multiplexing of $159.07 less COU of $4.43)	$176.35		

	Unbundled Elements / Services	(a) TELRIC / 1 $/line/month	$/minute	
107	Zone 1 (Deaveraged 2-Wire Rate of $27.42 plus NID of $0.76 plus DS0 Jumper of $0.23 plus Multiplexing of $159.07 less COU of $4.43)	$183.05		
108	Zone 1 (Deaveraged 2-Wire Rate of $49.93 plus NID of $0.76 plus DS0 Jumper of $0.23 plus Multiplexing of $159.07 less COU of $4.43)	$205.56		
109				
110	Each Additional Deaveraged Loop			
111	Zone 1 (Deaveraged 2-Wire Rate of $20.72 plus NID of $0.76 plus DS0 Jumper of $0.23 less COU of $4.43)	$17.28		
112	Zone 1 (Deaveraged 2-Wire Rate of $27.42 plus NID of $0.76 plus DS0 Jumper of $0.23 less COU of $4.43)	$23.98		
113	Zone 1 (Deaveraged 2-Wire Rate of $49.93 plus NID of $0.76 plus DS0 Jumper of $0.23 less COU of $4.43)	$46.49		
114				
115	Additional Usage--Transport and Terminations			
116	Dedicated DS-1 interoffice transport-Transport Facility per ALM	$0.33	Cost Study Tab 6, Page 6.	
117	Dedicated DS-1 interoffice transport-Transport Termination--Per Termination	$21.83	Cost Study Tab 6, Page 6.	
118				
119				
120	#2 DS-1 Loop, DS-1 Interoffice Transport			
121	DS-1 Loop	$189.02	Cost Study Tab 6, Page 8.	
122	DS-1 Jumper	$0.42	Cost Study Tab 7, Page 1.	
123	DS-1 Loop, DS-1 Interoffice Transport	$189.44		
124				
125	Deaveraged Rate for DS-1 Loop			
126	Zone 1 Deaveraged DS-1 Loop Rate	$175.04	Exhibit DBT-4, Page 4.	
127	Zone 2 Deaveraged DS-1 Loop Rate	$198.77	Exhibit DBT-4, Page 5.	
128	Zone 3 Deaveraged DS-1 Loop Rate	$364.95	Exhibit DBT-4, Page 6.	
129				
130	Zone 1 (Deaveraged DS-1 Loop Rate of $175.04 plus DS1 Jumper of $0.42)	$175.46		
131	Zone 1 (Deaveraged DS-1 Loop Rate of $198.77 plus DS1 Jumper of $0.42)	$199.19		
132	Zone 1 (Deaveraged DS-1 Loop Rate of $364.95 plus DS1 Jumper of $0.42)	$365.37		
133				
134	Additional Usage--Transport and Terminations			
135	Dedicated DS-1 interoffice transport-Transport Facility per ALM	$0.33	Cost Study Tab 6, Page 6.	
136	Dedicated DS-1 interoffice transport-Transport Termination--Per Termination	$21.83	Cost Study Tab 6, Page 6.	
137				
138				
139	#3 DS-1 Loop, DS-1/3 multiplexing, DS-3 interoffice transport			
140	DS-1 Loop	$189.02	Cost Study Tab 6, Page 8.	
141	DS-3 Jumper Electrical	$0.42	Cost Study Tab 7, Page 1.	
142	DS-3 to DS-1 Multiplexing (1-24 Loop Capacity)	$437.00	Cost Study Tab 6, Page 6.	
143	Total	$626.44		
144				
145	Each Additional DS-1 Loop (including $0.42 Jumper)	$189.44	Cost Study Tab 6, Page 8.	
146			Cost Study Tab 7, Page 1.	
147	Deaveraged Rate for DS-1 Loop plus DS-1/3 Multiplexing			
148	Zone 1 Deaveraged DS-1 Loop Rate	$175.04	Exhibit DBT-4, Page 4.	
149	Zone 2 Deaveraged DS-1 Loop Rate	$198.77	Exhibit DBT-4, Page 5.	
150	Zone 3 Deaveraged DS-1 Loop Rate	$364.95	Exhibit DBT-4, Page 6.	
151				
152	Zone 1 (Deaveraged DS-1 Loop Rate of $175.04 plus DS1 Jumper of $0.42 plus Multiplexing of $437.00)	$612.46		
153	Zone 1 (Deaveraged DS-1 Loop Rate of $198.77 plus DS1 Jumper of $0.42 plus Multiplexing of $437.00)	$636.19		
154	Zone 1 (Deaveraged DS-1 Loop Rate of $364.95 plus DS1 Jumper of $0.42 plus Multiplexing of $437.00)	$802.37		
155				
156	Each Additional Deaveraged DS-1 Loop			
157	Zone 1 (Deaveraged DS-1 Loop Rate of $175.04 plus DS1 Jumper of $0.42)	$175.46		
158	Zone 1 (Deaveraged DS-1 Loop Rate of $198.77 plus DS1 Jumper of $0.42)	$199.19		
159	Zone 1 (Deaveraged DS-1 Loop Rate of $364.95 plus DS1 Jumper of $0.42)	$365.37		
160				
161	Additional Usage--Transport and Terminations			

	Unbundled Elements / Services	(a) TELRIC / 1 $/line/month	$/minute	
162	Dedicated DS-3 interoffice transport-Transport Facility per ALM		$3.76	Cost Study Tab 6, Page 6.
163	Dedicated DS-3 interoffice transport-Transport Termination--Per Termination		$112.86	Cost Study Tab 6, Page 6.
164				
165				
166	**FOOTNOTE 1**			
167	USAGE--on a per minute/per mile basis. Features and Data			
168	Queries would be in addition to these costs.			
169	End Office -AVG MOU-24 Hour		$0.0022600	Cost Study Tab 6, Page 1.
170	Tandem Switching-AVG MOU-24 Hour		$0.0014800	Cost Study Tab 6, Page 6.
171	Common Shared Transport-Transport Term-AVG MOU-24 Hour		$0.0000855	Cost Study Tab 6, Page 6.
172	Common Shared Transport-ALM-AVG MOU-24 Hour		$0.0000006	Cost Study Tab 6, Page 6.
173				
174				
175	**FOOTNOTE 2**			
176	Cost of 2-Wire Loop from May 1, 2000 Filing:			
177	Local Loop			
178	2-Wire Voice Grade Loop		$20.39	Cost Study Tab 6, Page 1.
179	Cost of Unbundling		$4.43	Cost Study Tab 6, Page 1.
180	Less: Basic NID		($0.76)	Cost Study Tab 6, Page 1.
181				
182	Calculation of 2-Wire Voice Grade Loop for June 15, 2000 Filing:			
183	Local Loop			
184	2-Wire Voice Grade Loop		$20.39	Cost Study Tab 6, Page 1.
185	Less: Billing & Collection		($0.60)	ICM non-BNF table & UNEMAPFL.DB.
186	Less: Basic NID		($0.76)	Cost Study Tab 6, Page 1.
187	2-Wire Voice Grade Loop (w/o Billing & Collection and NID)		$19.03	
188				
189	Calculation of BRI Card in DLC, Additional Cost			
190	ISDN Loop 2-Wire		$23.49	Cost Study Tab 6, Page 1.
191	2-Wire Voice Grade Loop		($20.39)	Cost Study Tab 6, Page 1.
192	BRI Card in DLC, Additional Cost		$3.10	