

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:)
)
Petition for Arbitration of ITC^DeltaCom)
Communications, Inc. with BellSouth)
Telecommunications, Inc. Pursuant to the)
Telecommunications Act of 1996)
_____)

Docket No.990750-TP

**PETITIONER ITC^DELTACOM'S REQUEST FOR LEAVE TO FILE
SUPPLEMENTAL REBUTTAL TESTIMONY**

Petitioner, ITC^DeltaCom Communications, Inc. (hereinafter "ITC^DeltaCom"), through its undersigned attorneys, requests leave to file supplemental rebuttal testimony, and in support states as follows:

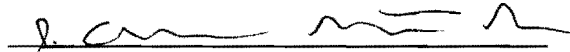
1. On August 11, 1999, ITC^DeltaCom served its First Request for Production of Documents from BellSouth Telecommunications, Inc. ("BellSouth").
2. Among other documents, the request sought BellSouth's ADSL cost studies filed with the FCC. BellSouth produced the ADSL cost studies after the deadline for filing rebuttal testimony in this case.
3. Attached as Exhibit "A" is supplemental rebuttal testimony by ITC^DeltaCom witness Tom Hyde. This testimony concerns Mr. Hyde's review of the BellSouth ADSL cost studies.
4. Because BellSouth did not produce the ADSL cost studies until after the deadline for filing rebuttal testimony, good cause exists to grant leave to file the attached supplemental rebuttal testimony.
5. The undersigned has contacted counsel for BellSouth regarding this request, and is authorized to represent that BellSouth has no objection.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

WHEREFORE, ITC^DeltaCom respectfully requests leave to filed the attached supplemental rebuttal testimony by ITC^DeltaCom witness Tom Hyde.



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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been furnished this 22nd day of October , 1999 to the following:

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Attorney

1 **Q. HAVE YOU REVIEWED THE BELL SOUTH ADSL COST STUDIES**
2 **FILED WITH THE FCC?**

3 **A. Yes. As I discussed in my rebuttal testimony, there is not a one-for-**
4 **one comparison available for ADSL "service" costs and UNE costs.**
5 **The best comparison is to compare costs for a retail exchange line**
6 **plus the portion of the ADSL costs attributable to the service inquiry**
7 **for determining if the loop is ADSL compatible with the UNE loop**
8 **costs. This comparison will overstate the retail costs as there are**
9 **functions included in the retail plus ADSL (port, DSLAM, PVC and**
10 **ATM switch) that are not included in the UNE costs.**

11 **I will address two aspects of BellSouth's "low speed" ADSL NRC cost**
12 **study. First, the "low speed" ADSL cost study has worktimes for only**
13 **two functions. Those functions are service order and connect and**
14 **test. Worktimes for processing an inquiry to determine if the loop is**
15 **ADSL compatible are not shown in the study. Therefore, the**
16 **comparison between ADSL service cost and UNE cost cannot be**
17 **correctly made as this leads me to believe that BellSouth does not**
18 **charge for this function in their ADSL service and yet includes these**
19 **costs in their UNE costs. Second, the current NRC rate in BellSouth's**
20 **FCC tariff for "low speed" ADSL is significantly below their filed costs.**
21 **This below cost NRC rate (below cost even with some of the costs**
22 **omitted from the study) when compared with the UNE NRC rates**
23 **which contain not only the missing costs for service inquiry but also**

1 include functions that are not required for ADSL (BellSouth has also
2 admitted that ADSL is only an overlay to voice grade facilities) raise a
3 barrier to competitive entry and establish a "price squeeze" between
4 ADSL "service" rates and ADSL UNE rates with benefits accruing only
5 to BellSouth.

6 BellSouth also filed a "high speed" ADSL service. There are no
7 differences between the "low speed" ADSL and "high speed" ADSL
8 loops. Both services use the same loop. The difference is in the
9 DSLAM, PVC and ATM capabilities. A "low speed" can be changed to
10 a "high speed" without any work on the loop. Although the "high
11 speed" ADSL NRC rate is above the filed cost, the cost includes
12 functions that are in conflict with BellSouth's responses to
13 ITC^DeltaCom's First Data Requests, Items 21 and 33 in which
14 BellSouth claims that it is inappropriate to average the loop
15 conditioning and that BellSouth does not include loop conditioning in
16 its tariffed rates. BellSouth's cost study and FCC "high speed" ADSL
17 tariff rate does include averaged loop conditioning. I recommend that
18 this Commission direct BellSouth to offer the same loop conditioning
19 that is included in BellSouth's "high speed" ADSL service.

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