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July 27, 1994

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Ms. Blanca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
Room 107
101 East Gaines Street
Tallahassee, FL 32399-0850

Re: Docket No. ~~921074-TP~~

Dear Ms. Bayo:

Enclosed for filing on behalf of MCI Telecommunications Corporation in the above-referenced docket are the original and fifteen copies of MCI's Prehearing Statement. Also enclosed is a word perfect disk containing this same filing.

By copy of this letter, this document has been provided to the parties on the attached service list.

Very truly yours,

Richard D. Melson

- ACK
- AFA _____
- APP _____
- CAF _____
- ADM *Smith*
- Enclosure
- CTR _____
- EQO _____
- LED *Cargano*
- LIN *4*
- OPC _____
- RCH _____
- SEC *1*
- WAS _____
- OTH _____

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EPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

07618 JUL 27 8

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for expanded)
interconnection for alternate)
access vendors within local)
exchange company central offices)
by INTERMEDIA COMMUNICATIONS OF)
FLORIDA, INC.)

Docket No. 921074-TP

Filed: July 27, 1994

MCI TELECOMMUNICATION CORPORATION'S
PREHEARING STATEMENT

MCI Telecommunications Corporation (MCI) hereby submits its Prehearing Statement in the above-captioned docket.

A. Known Witnesses. MCI will not present any witnesses.

B. Known Exhibits. MCI will not present any exhibits, other than cross-examination exhibits.

C. Basic Position. MCI believes that expanded interconnection in the intrastate switched access market is in the public interest.

D. - G. Issues. MCI's position on the certain issues identified in the Order on Prehearing Procedure is as follows.

MCI takes no position on Issues 12-13, 22-23:

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

MCI: Switched access is provisioned and priced based on the type of service requested from the Local Exchange Carrier (LEC). The LECs provide switched access service to interexchange carriers (IXCs). The local transport rate elements for switched access are categorized into five (5) rate elements and are filed in the LEC's tariff.

DOCUMENT NUMBER-DATE

07618 JUL 27 8

FPSC-RECORDS/REPORTING

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

MCI: Switched access local transport are rated based upon the way traffic is routed; dedicated transport is flat-rated and common transport is usage sensitive.

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

MCI: Physical collocation is preferred to virtual collocation under any circumstance.

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

MCI: Yes. Expanded interconnection will lead to increased competition. Increasing competition will create the possibility of lower prices for telecommunication services to Florida consumers, the development of innovative services, increased service choices to customers and an increase in the deployment of new technology.

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

MCI: Yes. The offering of such services by non-affiliated entities will provide customers with additional choices of service providers, as well as increase competitive forces in this market to provide increased benefits (lower prices, new services, etc.) to Florida consumers.

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

MCI: Yes.

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

MCI: Federal concerns have been raised concerning the FCC's authority in this matter.

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

MCI: Yes. Physical collocation is preferred for various technical reasons. However, virtual collocation can be a viable alternative as long as virtual collocation is comparably efficient as physical collocation.

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

MCI: Tier 1 LECs which have the ability to provide expanded interconnection service should provide switched access service.

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

MCI: Any type of LEC office that can offer intrastate expanded interconnection for switched access should be required to provide such services.

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

MCI: Any entity requiring expanded interconnection services for switched access should be offered such services on a nondiscriminatory basis.

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

MCI: MCI has no position at this time.

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

MCI: MCI has no position at this time.

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

MCI: No. The same tariffing requirements should apply to switched transport as currently apply to dedicated transport. Consistent with Order PSC-94-0285-FOF-TP, AAV and AAV-like interconnector entities should not be required to file tariffs, while all companies who are

currently under tariff mandates should continue to file tariffs.

ISSUE 15: Should the proposed LEC flexible pricing plans for private line and special access expanded interconnection tariffs be approved?

MCI: The Commission should not approve the flexible pricing plans for private line and special access expanded interconnection until competition exists. Implementing flexible pricing plans for LECs will stop the development of true competition and the benefits of competition will not be realized.

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

MCI: The proposed tariffs should be approved only to the extent that the LEC's intrastate tariffs reflect their costs. In addition, the Commission must review tariffed terms and conditions to ensure the advancement of competition in this market.

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

MCI: The proposed tariffs should be approved only to the extent that the LEC's intrastate tariffs reflect their costs. In addition, the Commission must review tariffed terms and conditions to ensure the advancement of competition in this market.

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

MCI: No. Additional pricing flexibility should not be granted to LECs until true competition has been demonstrated.

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

a) With the implementation of switched expanded interconnection.

MCI: Yes, as long as competition exists in this market and such modifications do not provide the LECs with the ability to stifle the development of competition.

b) Without the implementation of switched interconnection.

MCI: Yes, as long as competition exists in this market and such modifications do not provide the LECs with the ability to stifle the development of competition.

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 intrastate filing.

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.

MCI: C. The intrastate pricing and rate structure of local transport should reflect the underlying cost based structure.

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

MCI: Local transport restructure tariffs should only be approved if the rate structure are based on underlying costs.

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?

MCI: MCI has no position at this time.

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

MCI: MCI has no position at this time.

ISSUE 24: Should these dockets be closed?

MCI: No.

H. **Stipulations.** MCI is not aware of any issues that have been stipulated by the parties.

I. **Pending Motions.** MCI has no pending motions that require action by the Prehearing Officer.

J. **Requirements of Order.** MCI believes this prehearing statement is fully responsive to the requirements of the Order on Prehearing Procedure.

RESPECTFULLY SUBMITTED this 27th day of July, 1994.

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was sent by U.S. Mail this 27th day of July, 1994.

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