

**ORIGINAL
FILE COPY**

1 DIRECT TESTIMONY OF A.M. BARKLEY
2 BEFORE THE
3 FLORIDA PUBLIC SERVICE COMMISSION
4 DOCKET NO. 870790-TL
5 APRIL 22, 1991
6
7

8 Q. PLEASE STATE YOUR NAME AND ADDRESS.
9

10 A. MY NAME IS ANN M. BARKLEY AND MY BUSINESS
11 ADDRESS IS 675 WEST PEACHTREE STREET, ATLANTA,
12 GEORGIA.
13

14 Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY.
15

16 A. I AM EMPLOYED BY SOUTHERN BELL TELEPHONE AND
17 TELEGRAPH COMPANY AS AN OPERATIONS MANAGER IN
18 THE REGULATORY DEPARTMENT.
19

20 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?
21

22 A. THE PURPOSE OF MY TESTIMONY IS TO PRESENT
23 SOUTHERN BELL'S POSITION ON ISSUE 8 AS
24 IDENTIFIED IN THE ORDER ON PRE-HEARING
25 PROCEDURE ISSUED MARCH 21, 1991.

1

2 Q. ISSUE 8 STATES, "IF THE COMMISSION ORDERS EAS OR
3 A TOLL ALTERNATIVE WHEREBY ALLTEL AND SOUTHERN
4 BELL DO NOT EQUALLY RECOVER COSTS AND LOST
5 REVENUES, SHOULD SOME FORM OF COMPENSATION
6 AGREEMENT BE ESTABLISHED BETWEEN THE TWO
7 COMPANIES?" WHAT IS SOUTHERN BELL'S POSITION
8 ON THIS ISSUE?

9

10 A. SOUTHERN BELL'S POSITION IS THAT THERE SHOULD BE
11 NO REVENUE SHARING BETWEEN LOCAL EXCHANGE
12 CARRIERS FOR EAS OR TOLL ALTERNATIVES. WE ALSO
13 BELIEVE THAT THE USERS OF A PARTICULAR SERVICE,
14 I.E., THE COST CAUSERS, SHOULD PAY FOR THE COST
15 INCURRED. AS I PREVIOUSLY STATED ON BEHALF OF
16 SOUTHERN BELL IN DOCKET NO. 870436-TL,
17 HASTINGS-ST. AUGUSTINE EAS, COMPENSATION TO A
18 LOCAL EXCHANGE CARRIER (LEC) AND THE SOURCE OF
19 THAT COMPENSATION DEPENDS ON THE TYPE OF EAS OR
20 TOLL OPTIONS OFFERED.

21

22 Q. WHAT TYPE COMPENSATION ARRANGEMENT DOES SOUTHERN
23 BELL RECOMMEND FOR TWO-WAY, NON-OPTIONAL EAS?

24

25 A. UNDER A TWO-WAY, NON-OPTIONAL EAS ARRANGEMENT,

1 NO INTER-COMPANY COMPENSATION SHOULD APPLY.
2 BOTH THE ORIGINATING AND TERMINATING LECs
3 SHOULD PROVIDE AND BE RESPONSIBLE FOR
4 MAINTAINING THE FACILITIES NECESSARY WITHIN
5 THEIR RESPECTIVE CERTIFICATED TERRITORIES.
6

7 Q. HOW SHOULD COMPENSATION OCCUR IF THE COMMISSION
8 ORDERS A ONE-WAY, NON-OPTIONAL ARRANGEMENT?
9

10 A. IF DEDICATED TRUNKING FACILITIES ARE REQUIRED TO
11 PROVIDE THE SERVICE, THE ORIGINATING LEC (THE
12 LEC WHOSE SUBSCRIBERS REQUESTED EAS) SHOULD
13 LEASE FACILITIES FROM THE POINT OF CONNECTION
14 WITH THE TERMINATING LEC TO THE TERMINATING
15 LEC'S END OFFICE(S). THIS LEASE PAYMENT WOULD
16 BE DEVELOPED BASED ON THE TERMINATING LEC'S
17 COST TO PROVIDE THE FACILITIES PLUS
18 CONTRIBUTION. IN ADDITION TO THE LEASE PAYMENT
19 THE ORIGINATING LEC WOULD PAY THE TERMINATING
20 LEC LOCAL SWITCHING 2 (LS2) AND CARRIER COMMON
21 LINE (CCL) AT THE TERMINATING LEC'S INTRASTATE
22 ACCESS RATE.
23

24 IF IN-PLACE TOLL FACILITIES ARE USED TO CARRY
25 THE EAS TRAFFIC, THE ORIGINATING LEC WOULD PAY

1 THE TERMINATING LEC TERMINATING ACCESS AT THE
2 TERMINATING LEC'S INTRASTATE ACCESS RATES FOR
3 TRANSPORT, END OFFICE SWITCHING AND CARRIER
4 COMMON LINE.

5

6 Q. WOULD OPTIONAL OUTWARD EAS BE HANDLED IN A
7 SIMILAR FASHION?

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9 A. YES, OPTIONAL OUTWARD EAS WOULD BE HANDLED IN
10 EXACTLY THE SAME METHOD DEPENDING ON WHETHER
11 DEDICATED OR IN-PLACE FACILITIES WERE UTILIZED.

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13 Q. HOW WOULD OPTIONAL INWARD EAS BE TREATED?

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15 A. SOUTHERN BELL BELIEVES THAT THE OFFERING LEC
16 SHOULD PAY THE ORIGINATING LEC ORIGINATING
17 ACCESS AT THE ORIGINATING LEC'S RATES FOR
18 TRANSPORT, END OFFICE SWITCHING AND CARRIER
19 COMMON LINE.

20

21 Q. IF THE COMMISSION ORDERED A PLAN WHICH DID NOT
22 PERMIT THE LECS FULL RECOVERY OF ALL COSTS AND
23 LOST REVENUES, HOW WOULD THE COMPANIES MAKE UP
24 THE DEFICIENCY?

25

1 A. AS I HAVE EXPLAINED, IT IS SOUTHERN BELL'S
2 POSITION THAT THE SUBSCRIBERS TO THE PARTICULAR
3 SERVICE SHOULD PAY THE COSTS ASSOCIATED WITH
4 PROVISION OF THE SERVICE. IF A SERVICE WAS
5 ORDERED TO BE IMPLEMENTED WHICH RESULTED IN
6 REVENUE LOSS TO THE LEC, LOCAL RATES MAY HAVE
7 TO BE INCREASED. HOWEVER, IT IS MY POSITION
8 THAT IT WOULD BE UNFAIR FOR ALL SOUTHERN BELL
9 RATE PAYERS IN FLORIDA TO SUBSIDIZE A SERVICE
10 ENJOYED BY A MINORITY.

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12 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

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14 A. YES IT DOES.

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