

10<sup>00</sup> am



Continental Cablevision - Southeastern Region

DONALD L. CROSBY  
Regulatory Counsel

ORIGINAL  
FILE COPY

October 20, 1995

VIA HAND DELIVERY

Ms. Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

RE: DOCKET NO. 950985A-TP

Dear Ms. Bayo:

Enclosed for filing in the above-referenced docket are an original and fifteen copies of the following: (1) Amended Petition of Continental; and (2) Direct Testimony of A. R. (Dick) Schleiden. Copies have been served on the parties of record pursuant to the attached certificate of service.

Please acknowledge receipt and filing these documents by date stamping the duplicate copy of this letter and returning the same to me.

Thank you for your assistance with this filing.

Sincerely,

*Donald L Crosby*

*Donald L Crosby*  
*October 20, 1995*

Donald L. Crosby  
Regulatory Counsel

Enclosures  
DLC/cdp

*4:35 PM*

cc: All Parties of Record

- ACK
- AFA
- APP
- CAF
- CMR  Chase
- CTR
- EAG
- LEG  1
- LIN  5
- OPC
- RCH
- SEC  1
- WAS
- OTH

RECEIVED & FILED  
*was*  
EPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

10392 OCT 20 95

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Resolution of Petition(s) to )  
establish nondiscriminatory )  
rates, terms, and conditions for )  
interconnection involving local )  
exchange companies and alternative )  
local exchange companies pursuant )  
to Section 364.162, Florida )  
Statutes )

DOCKET NO.  
950985A-TP

AMENDED PETITION OF CONTINENTAL

On October 6, 1995, Continental Cablevision, Inc., on behalf of its affiliates, Continental Fiber Technologies, Inc., d/b/a AlterNet, and Continental Florida Telecommunications, Inc. (collectively "Continental" or "Petitioner"), filed a petition in Docket No. 950985-TP. At the prehearing conference held on October 9, 1995 in that proceeding, Commissioner J. Terry Deason ruled that Continental's petition would be considered in the above-docketed proceeding to be established for that purpose.

Pursuant to that ruling, Continental hereby amends its October 6, 1995 petition for filing in this proceeding. In this amended petition, Continental requests the Commission to establish a "bill and keep" arrangement for the exchange of telephone traffic between Continental and the large incumbent local exchange telecommunications companies ("LECS") and to hold a formal administrative proceeding to determine this issue. A "bill and keep" arrangement requires each participating company to bear its own expense of interconnection without being paid any revenue by the

DOCUMENT NUMBER-DATE

10392 OCT 20 247

FPSC-RECORDS/REPORTING

other participating companies. Such an arrangement provides the following benefits: (1) it is reciprocal; (2) it is the least-cost method of compensation; (3) it avoids creating barriers and burdens to entry; (4) it encourages investment in telecommunications infrastructure and enhances the economy of Florida; (5) it leads to greater efficiency through balanced traffic flows; (6) it avoids distorting market behavior; and (7) it opens considerably more opportunity for consumer choice.

This amended petition is being filed for resolution in Docket No. 950985A-TP within the 120-day period provided by Section 364.162, Florida Statutes (1995). Continental understands the ruling of the Prehearing Officer to be that this time period commenced on October 6, 1995 with the filing of its petition on that date in Docket No. 950985-TP.

Following efforts to negotiate a mutually-agreeable interconnection arrangement, Continental and BellSouth Telecommunications, Inc. ("BellSouth") have not reached agreement on such an arrangement for the exchange of traffic between their facilities. Accordingly, Continental is filing this amended petition for the establishment of a "bill and keep" arrangement to apply to the interconnection of traffic between Continental and the four large incumbent LECs: BellSouth; GTE Florida Incorporated ("GTE"); Sprint/United-Florida ("United"); and Sprint/Centel-Florida ("Centel").

Continental commenced discussions with BellSouth first because Continental's immediate plan is to operate in that

company's service territory. Within the near future, Continental's plans call for operations within the service territory of United; however, no discussions have been held with that company. This decision was made partly because of the uncertainty of the applicability--under the statutory prohibition on discrimination--of any agreement reached with BellSouth on Continental's arrangements with other incumbent LECs. In the longer term, Continental's operations could require interconnection with the facilities of GTE and Centel.

By seeking the Commission's establishment, in one proceeding, of an arrangement to cover Continental's interconnection with the four large incumbent LECs, Petitioner believes that the limited resources of the Commission and the parties will be better utilized. Apart from the clear benefit of efficiency, Continental believes that this action by the Commission is the only way to resolve the issue of discrimination in a definitive manner short of a settlement involving Continental and the large incumbent LECs. Continental submits that neither United, GTE, nor Sprint would be injured by Commission action in this proceeding where all three parties will have a full opportunity to participate. Additionally, Continental stands ready to negotiate a settlement of this proceeding involving all of the large incumbent LECs through an agreement that would resolve all issues to each party's satisfaction.

The Order Establishing Procedure, Order No. PSC-95-1084-PCO-TP ("Order"), directs petitioning parties to file their direct testimony and exhibits with their petitions. In satisfaction of this procedural direction, Petitioner hereby submits the attached direct testimony of A.R.(Dick) Schleiden.

The Order further directs petitioning parties to file a proposed list of issues, and Petitioner hereby submits the attached list of issues. The attached list proposes issues that are based on those agreed to by the parties at Staff's Issue Identification Workshop in Docket No. 950985-TP. One modification to the agreed-upon issues list is the replacement of references to TCG or Teleport with references to Continental and to BellSouth with references to the large incumbent LECs.

In support of its amended petition, Continental states as follows:

1. The complete name and address of the Petitioner is:

Continental Cablevision, Inc.  
Continental Fiber Technologies, Inc. d/b/a AlterNet  
Continental Florida Telecommunications, Inc.  
7800 Belfort Parkway, Suite 270  
Jacksonville, Florida 32256-6925  
Phone: (904) 731-8810

2. All notices, pleadings, orders and other documents should be provided to:

Donald L. Crosby  
Regulatory Counsel  
Continental Cablevision, Inc.  
Southeastern Region  
7800 Belfort Parkway, Suite 270  
Jacksonville, Florida 32256-6925  
Phone: (904) 731-8810  
Fax: (904) 281-0342

A. R. (Dick) Schleiden  
General Manager  
Continental Fiber Technologies, Inc. d/b/a AlterNet  
4455 Baymeadows Road  
Jacksonville, Florida 32217  
Phone: (904) 448-3390  
Fax: (904) 731-8699

Bill Wiginton  
Hyperion Telecommunications, Inc.  
Boyce Plaza III  
2570 Boyce Plaza Road  
Pittsburgh, Pennsylvania 15241  
Phone: (412) 221-1888  
Fax: (412) 221-6642

3. Continental Fiber Technologies, Inc. d/b/a AlterNet (AlterNet) was certificated as an alternative access vendor prior to July 1, 1995. Pursuant to Section 364.337(6), Florida Statutes (1995), AlterNet furnished written notice to the Commission of its wish to provide alternative local exchange telecommunications service, effective January 1, 1996. The Commission recently acknowledged the authority of AlterNet to operate as an alternative local exchange telecommunications company. In order to initiate service as such a company, Petitioner immediately requires technically feasible and economically viable interconnection arrangements with the large incumbent LECs. The ability of the Petitioner to provide effective alternative local exchange telecommunications services is largely dependent upon completing calls between its customers and those of the large incumbent LECs under a reciprocal arrangement.

4. In response to the direction by the Order that petitioners must file a clear description of the provisions

that have been agreed upon, Petitioner points out that no provision has yet been successfully negotiated. However, Petitioner hopes that all of the technical and administrative interconnection issues shown on the attached list can be successfully negotiated with BellSouth and the other three large incumbent LECs. Accordingly, Continental hereby submits the attached list of provisions on which Continental and BellSouth appear to agree.

5. With regard to the direction by the Order that petitioners file a clear description of the issues that are unresolved, Continental states that the financial terms (i.e., a "bill and keep" arrangement or mutual compensation) governing the exchange of traffic between Continental and BellSouth are the primary issues of material fact that remain in dispute. Under the "bill and keep" arrangement sought by Continental, the participating parties would not pay each other for the exchange of traffic flowing between their respective facilities. To permit Petitioner to compete with the large incumbent LECs by offering traditional and enhanced services to both residential and business customers, the Commission must establish a compensation structure for interconnection that will allow Continental to offer such services economically. Petitioner believes at present that the attached lists contains all of the unresolved issues between Continental and the large incumbent LECs. However, Petitioner reserves the right, pursuant to the Order, to raise any additional issue and does not waive its right to do so.

6. In an attempt to negotiate a mutually-agreeable interconnection arrangement, Continental initiated discussions with BellSouth by letter sent in June of 1995. During the interim, meetings and telephone calls between representatives of Continental and BellSouth have been held for the purpose of pursuing agreement. Despite these efforts, agreement has not been reached.

7. Petitioner urges the Commission to reject the positions taken by large incumbent LEC witnesses in Docket No. 950985-TP who have filed testimony on the rate structure and rate level for the exchange of traffic between their facilities and those of Teleport. Continental submits that Commission approval of such positions would lead to a rate that violates Section 364.162, Florida Statutes (1995), in that such a rate would be "set so high that it would serve as a barrier to competition." The switched access charge proposal of these witnesses would impede the development of competitive markets for local exchange services. Continental requests that the Commission establish a "bill and keep" arrangement that will ensure full and robust competition.

8. The ultimate facts and law entitling Continental to relief include, but are not limited to:

a. Section 364.162, Florida Statutes (1995), authorizes a qualified party to negotiations for mutually acceptable prices, terms and conditions of interconnection to petition the Commission in the event that such negotiations are unsuccessful. As shown by the facts set



out above, Continental is such a qualified party, having been unsuccessful in reaching agreement with BellSouth on these matters. Pursuant to that authority, Continental is filing this amended petition.

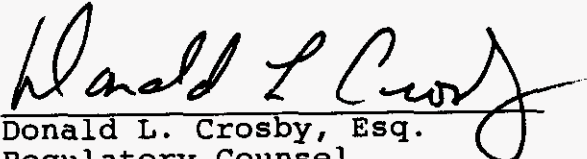
b. Petitioner's interests are substantially affected by the incumbent LECs' demand for a rate structure and a rate level for interconnection that would thwart Continental's efforts to compete with them in the local exchange service market on an economically viable basis.

c. Petitioner seeks a "bill and keep" arrangement under which each party bears its own cost of interconnection without compensation from the other.

9. Based on the foregoing, Continental requests the Commission to establish a "bill and keep" arrangement for the exchange of traffic between the networks of Continental and the large incumbent LECs that will lead to full and robust competition between these parties and to grant any other relief deemed necessary by the Commission.

Respectfully submitted,

CONTINENTAL CABLEVISION, INC.

  
Donald L. Crosby, Esq.  
Regulatory Counsel  
Continental Cablevision, Inc.  
Southeastern Region  
7800 Belfort Parkway, Suite 270  
Jacksonville, Florida 32256-6925  
Phone: (904) 731-8810  
Fax: (904) 281-0342

Dated: October 20, 1995

*Donald L. Crosby*  
*October 20, 1995*  
*9:35 PM*

PROPOSED LIST OF ISSUES FOR THIS PROCEEDING

1. What are the appropriate interconnection arrangements for the exchange of local and toll traffic between Continental and the large incumbent LECs?
2. Should the large incumbent LECs tariff the interconnection rate(s) or other arrangements?
3. What are the appropriate technical and financial arrangements which should govern interconnection between Continental and the large incumbent LECs for the delivery of calls originated and/or terminated from carriers not directly connected to Continental's facilities?
4. What are the appropriate technical and financial requirements for the exchange of intraLATA 800 traffic which originates from a Continental customer and terminates to an 800 number served by a large incumbent LEC?
- 5(a). What are the appropriate technical arrangements for the interconnection of Continental's facilities to the large incumbent LECs' 911 provisioning facilities such that Continental's customers are ensured the same level of 911 service as they would receive as a customer of a large incumbent LEC?
- 5(b). What procedures should be in place for the timely exchange and updating of Continental customer information for inclusion in appropriate E911 databases?
6. What are the appropriate technical requirements for operator traffic flowing between Continental's operator services provider and the large incumbent LECs' operator services providers including busy line verification and emergency interrupt services?
7. Under what terms and conditions should the incumbent LECs be required to list Continental's customers in its directory assistance database?
8. Under what terms and conditions should a large incumbent LEC be required to list Continental's customers in its universal white and yellow pages directories and to publish and distribute these directories to Continental's customers?
9. What arrangements are necessary to ensure that Continental can bill and clear credit card, collect, third party calls and audiotext calls?
10. What arrangements are necessary to ensure the provision of CLASS/LASS services between Continental and the large incumbent LECs?

PROVISIONS ON WHICH CONTINENTAL AND BELLSOUTH  
APPEAR TO AGREE

1. Meet point trunking and billing arrangements for the exchange of traffic between interexchange carriers and Continental.
2. Arrangements for delivery of local 800 traffic originated by Continental and terminated by BellSouth.
3. Interconnection of Continental's facilities to BellSouth's 911 hub sites and arrangements for the delivery by Continental to BellSouth of Continental customer data and updates for the State's E911 databases, plus provision of the Master Street Address Guide.
4. Arrangements for basic white pages and yellow pages directory listings, publishing and distribution of BellSouth's directories to Continental customers.
5. Arrangement for listing of Continental's customers in BellSouth's electronic directory assistance database.
6. Arrangements for the processing and clearing of all intraLATA collect, third party, audiotext and credit card calls placed between Continental's and BellSouth's facilities.
7. Busy line verification and emergency interrupt services.
8. Provisioning of CLASS/LASS features interface.

UNRESOLVED ISSUES BETWEEN CONTINENTAL AND BELLSOUTH

1. Financial terms (i.e., a "bill and keep" arrangement or mutual compensation) governing the exchange of traffic between Continental and BellSouth.

ADDITIONAL ISSUES SHOULD CONTINENTAL AND BELLSOUTH  
FAIL TO REACH AGREEMENT ON THEIR RESOLUTION

1. What are the appropriate technical and financial meet point billing arrangements which should govern interconnection between Continental and BellSouth for the delivery of calls originated and/or terminated from other service providers not directly connected to Continental's facilities?
2. What are the appropriate technical and financial requirements for the exchange of intraLATA 800 traffic which originates from a Continental customer and terminates to an 800 number served by BellSouth?

3. If adopted by the Commission for application to Continental, would the proposals in the testimony of the large incumbent LEC witnesses in Docket No. 950985-TP be anti-competitive or inhibit consumer choice?