

Florida Cable Telecommunications Association

Steve Wilkerson, President

March 22, 1996



VIA HAND DELIVERY

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

RE: Docket No. 950985-TP

Dear Ms. Bayo:

Yours very truly

Enclosed for filing in the above-referenced docket are an original and fifteen (15) copies of Florida Cable Telecommunications Association, Inc.'s ("FCTA") Posthearing Brief. Copies have been served on the parties of record pursuant to the attached certificate of service.

Also enclosed is a copy on a 3-1/2" diskette in WordPerfect format, version 5.1.

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

310 North Monroe Street • Tallahassee, Florida 32301 • (904) 681-1990 FAX (904) 681-9676

Thank you for your assistance in processing this filing.

CK APP CAF CMUCL	Laura Vice	a L. Wilson President, Regulatory Affairs & ulatory Counsel
OTR	Encl	osures
540	cc:	All Parties of Record Mr. Steven E. Wilkerson RECEIVED & FILED ERSC-BUREAU OF RECUNDANCE

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Resolution of Petition(s) to establish)	
non-discriminatory rates, terms and)	DOCKET NO. 950985-TP
conditions for interconnection involving)	
local exchange companies and alternative)	
local exchange companies pursuant to)	FILED: March 22, 1996
Section 364.162, Florida Statutes)	
)	

FLORIDA CABLE TELECOMMUNICATIONS ASSOCIATION, INC.'S POSTHEARING BRIEF

The Florida Cable Telecommunications Association, Inc. ("FCTA") pursuant to Order No. PSC-95-1084-PCO-TP and Rule 25-22.056, Florida Administrative Code, respectfully submits to the Florida Public Service Commission ("Commission") its posthearing brief in the above-captioned docket.

I. BASIC POSITION

This proceeding involves the setting of nondiscriminatory rates, terms and conditions of local interconnection between local providers in a manner that promotes competition and ensures that the cost of furnishing interconnection is covered. The Commission should act consistent with these principles and the legislative intent to encourage negotiated settlements between industry members.

The Commission has not acted upon the Intermedia agreements with GTEFL and United/Centel. Nor did the approved MFS Stipulation contain any prices for the termination of local traffic. Therefore, in this proceeding, the Commission is able to approve a nondiscriminatory rate of bill and keep for the exchange of local calls between ALECs and United/Centel or GTEFL. Once approved, bill and keep should be made generally available, even to Intermedia. This is necessary to prevent discrimination against Intermedia, to prevent putting Intermedia at a

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competitive disadvantage in the market vis-a-vis other ALECs, and to send the right signals to parties who have fulfilled the Legislature's desire for negotiated resolutions.

II. ISSUES

ISSUE 1: What is (are) the appropriate rate structures interconnection rate(s) or other compensation arrangements for the exchange of local and toll traffic between the ALECs and Sprint-United/Centel and GTEFL?

POSITION: At this entry stage in the development of local competition, the appropriate local interconnection arrangement is a bill and keep arrangement.

DISCUSSION: At this entry stage in the development of local competition, the best local interconnection arrangement is a bill and keep arrangement. This position is consistent with the legislative intent and provides numerous advantages over the recommendations by United/Centel and GTEFL in this proceeding.

A. BILL AND KEEP IS CONSISTENT WITH THE LEGISLATIVE INTENT

With the passage of Chapter 364, Florida Statutes, the Commission has been given the opportunity and responsibility to "promote" local exchange competition, not simply "permit" it. Section 364.01, Fla. Stat. Hearing Exhibit No. 5, Representative Scott Clemons' letter to Chairman Clark.

The "promotion" of consumer choice through a competitive marketplace was the legislative "trade-off" for the immediate option of price flexibility for incumbent LECs. Both GTEFL and United/Centel have elected price regulation. Therefore, the Commission no longer has a responsibility to protect the LECs or ensure that the LECs' revenue requirements are met. Rather, the Commission should be concerned about protecting consumers and promoting consumer choice. Competition is, after all, the best consumer protection. Quite contrary to Witness

Michaelson's recommendation that competition merely be "accommodated" (Tr. 1162), the Legislature has forcefully stated that competition is in the public interest and must be promoted. The Commission has acted consistent with this intent to protect consumers by establishing ALEC rules and, in Docket No. 950696-TP, by establishing an interim mechanism to ensure universal service by a carrier of last resort for four years. Now the Commission has an opportunity to establish the essential elements of fair competition (local interconnection arrangements) so that consumers can begin to enjoy the benefits of local competition through lower prices, better quality and innovative new services as quickly as possible.

The agreements reached to date between LECs and ALECs demonstrate that there are reasonable solutions out in the marketplace based upon the individual circumstances at the time. Tr. 1302. Consumers and companies can only benefit when the industry is able to agree upon fair terms of entry and to work cooperatively to implement the full intent of their agreement. However, proposals seeking only to forestall competition or to control the rate of competition by front loading excessive costs on competitors are not acceptable. Prices based upon maintaining the United/Centel or GTEFL revenue requirements in the new "price regulated" world create just such an effect. United/Centel and GTEFL's self-interest in this proceeding is clear. They are clinging to the past because they are afraid of the future - a world where consumer choice flourishes.

B. BILL AND KEEP HAS NUMEROUS ADVANTAGES OVER LEC PROPOSALS

The record in this proceeding clearly spells out the numerous advantages of bill and keep local interconnection arrangements at this stage in the competitive process. It is a mechanism that the industry is familiar with, it is simple to administer, and it obviates the need for separate or new billing/accounting systems. Unlike a usage based rate, bill and keep will not create incentives for carriers to seek a traffic imbalance in order to maximize profits. Considering that ALECs are in a start-up mode, bill and keep will be a fair and reasonable solution for LECs as well. It enables the

LEC to cover the cost of furnishing interconnection and prevents discriminatory treatment among <u>local providers</u> as required by ss. 364.162, and 364.16, Florida Statutes. As explained below, bill and keep is clearly the best solution at this time that prevents the risk that interconnection rates are set in a manner that deters competitive entry contrary to the legislative intent of Chapter 364.

First, only bill and keep is capable of preventing discrimination among local providers.

FCTA agrees with Witness Poag that the Commission must establish non-discriminatory rates and that a local provider must not discriminate against other local providers. Tr. 112, 1303. However, FCTA's position is based upon the plain language of Sections 364.16(3) and 364.162(2), Florida Statutes, which provide:

- s. 364.16(3): Each local exchange telecommunications company shall provide access to, and interconnection with, its telecommunications facilities to any other provider of local exchange telecommunications requesting such access and interconnection at nondiscriminatory prices, rates, terms, and conditions established by the procedures set forth in s. 364.162. [Emphasis supplied.]
- s. 364.162(2): If a negotiated price is not established by August 31, 1995, either party may petition the Commission to establish the nondiscriminatory rates, terms, and conditions of interconnection and for the resale of services and facilities [Emphasis supplied].

Section 364.16(3) above specifies that a "LEC" may not provide interconnection to any other "local providers" (LECs or ALECs, since the term "local provider" is undefined) on a discriminatory basis. Thus, GTEFL must not discriminate between United/Centel or MCImetro in terminating local traffic. Section 364.162(2), in a consistent manner, also requires that the Commission must not establish discriminatory terms of interconnection.

Currently, United/Centel and GTE interconnect with other "local providers" for the exchange of local EAS traffic on a bill and keep basis. Therefore, bill and keep local interconnection arrangements must be made available to ALECs to prevent unlawful discrimination under ss. 364.16(3) and 364.162, Florida Statutes. This point is highlighted by Witness Menard's proposal

to change the current bill and keep interconnection arrangements between incumbent LECs to reflect the ALEC rates she proposes in this proceeding. Tr. 1059. The problem is that GTEFL's solution to the discrimination issue moves in the wrong direction towards increasing the cost of doing business.

Witness Poag incorrectly asserts that discrimination can be avoided by using United/Centel's switched access rate elements for the exchange of <u>local</u> traffic exchange. Tr. 1313. United/Centel's concern about discrimination against IXCs is interesting in light of the IXCs position in support of bill and keep in this proceeding. Moreover, United/Centel's position fails to recognize what the above stated provisions of s. 364.16(3) say about preventing discrimination among <u>local</u> providers. It also fails to recognize that local interconnection arrangements are treated as a separate and distinct matter from network access services. This is readily apparent in the opening sentences of s. 364.163 which state:

For purposes of this section, "network access service" is defined as any service provided a local exchange telecommunications company to a telecommunications company certificated under this chapter or licensed by the Federal Communications Commission to access the local exchange telecommunications network, excluding the local interconnection arrangements in s. 364.16 and the resale arrangements in s. 364.161. [Emphasis supplied].

Local interconnection arrangements are separate from LEC network access services. It is entirely proper for the Commission to consider local interconnection arrangements for ALECs separate and apart from switched access service elements and rates. This is further enhanced by the Legislature's express action to "de-link" universal service contribution from local interconnection issues. Tr. 134. That is not true of network access services.

In addition, United/Centel and GTEFL arguments in support of the need for "maintaining the integrity" of their switched access tariffs are self-contradictory. Tr. 1071. They do not plan to charge the RIC for local call termination. Tr. 1314; 1072. They do not plan to charge the CCL

element for local call termination. Tr. 1314; 1072. GTEFL does not propose to charge the information surcharge. Tr. 1072. They do not propose to charge local providers the originating access element for the exchange of local traffic. Tr. 1314; 1072. It appears that the LECs would simply pick and choose when they want to maintain consistency with their access tariffs. That action would indeed present a discrimination problem for network access service. Bill and keep is the only compensation method for the exchange of <u>local</u> traffic that meets the statutory requirement against discrimination among "local providers."

Second, bill and keep ensures that the LECs' costs are covered. FCTA agrees with United/Centel and GTEFL that s. 364.162(4) states that the local interconnection charge must be "sufficient to cover the cost of furnishing local interconnection." Tr. 1303. The record proves that mutual traffic exchange meets this statutory requirement. Witness Wood, an expert economist, testified that compensation can take many forms. It is the exchange of value, not money, that determines if a party has received compensation. Tr. 371. With bill and keep, there is mutual traffic exchange and payment "in-kind." Tr. 354. Costs are covered because there is reciprocity between local providers in that both the LEC and the ALEC "pay" each other the same amount for terminating local calls. Tr. 121. Each carrier receives the reciprocal right to receive termination of local calls made by its own customers to subscribers on the other carrier's network without cash payment. Tr. 119. Moreover, the terminating carrier is compensated for call termination by its own customer, who pays the terminating carrier a monthly fee for service, including the right to receive calls without a separate charge. Payment in-kind is no less compensatory than payment in cash. Tr. 372.

Rather than "covering" the cost, GTEFL and United/Centel seek to "recover" revenue requirements through local interconnection charges based upon switched access rate elements.

Tr. 1231-2; 1388. United/Centel persists in maintaining that a monetary exchange is "required"

by law despite the fact that the Commission has already determined otherwise by its March 5, 1996 vote in the BellSouth phase of this proceeding. United/Centel's position about cost recovery is highly suspect given the terms of its 105% cap on local traffic imbalance contained in the Intermedia agreement. Under that cap, Intermedia could terminate more traffic every month than United/Centel. If so, United/Centel could end up paying Intermedia 105% every month. Tr. 1311. Notwithstanding, United/Centel believes it will recover its costs under this type of cap or United/Centel would not propose its adoption. Tr. 1311. Such payments hardly square with United/Centel's position that mutual traffic exchange does not permit cost coverage. United/Centel and GTEFL also ignore the reciprocal nature of costs. Their costs will decrease as customers migrate to the ALEC. The ALECs' costs rise as its customer base increases. Tr. 133. Bill and keep recognizes this point.

Even if the Commission now decided that a monetary exchange is appropriate, the LEC arguments about the correct amount of a charge must fail. They have submitted conflicting statements concerning what an interconnection rate having an "appropriate" level of contribution to joint and common costs would be. Tr. 1027. They have admitted that their proposed prices include contributions to things that are not necessary to provide local interconnection, i.e. GTE's airplanes and the cost of marketing departments that are responsible for ensuring that customers do not leave GTEFL. Tr. 1015-1018. The most notable example of an unnecessary charge is United/Centel's line termination charge. United/Centel concedes that the line termination charge is not a necessary cost to furnishing of local interconnection. Tr. 1412, 1430. United/Centel further agrees that if the line termination charge is eliminated in October, the resulting local interconnection charge for November onward would cover its cost or United/Centel would not have proposed it. Tr. 1313. If that is true, there is no reasonable excuse for starting off with the line termination charge in local interconnection rates in the first place. Because the proposed prices

contain contribution through elements that are unnecessary to furnish local interconnection, they must be rejected.

Moreover, the proposals must be rejected in light of the lack of mutuality and reciprocity. GTEFL and United/Centel will not immediately pay tandem charges to the ALEC. Tr. 1235. GTEFL refuses to provide reciprocal connectivity. Tr. 1077. United/Centel's flat-rate port proposal also contains a tandem differential, and ALECs will likely be required to buy at least 3 more trunks (for 411, 911 and operator services provisioning) than United/Centel will purchase from the ALEC under this option. Tr. 1416.

In a desperate attempt to make its proposal look reasonable United/Centel suggests that several parties have agreed to similar terms with BellSouth. Tr. 1198; 1226. The record demonstrates, however, that FCTA's agreement with BellSouth was done to minimize the risk of litigation based upon the circumstances at the time. Tr. 131; 148-149. The Commission had not yet rendered its decision in the interim universal service and temporary number portability dockets. Tr. 148. The parties were uncertain about the passage of federal legislation and its terms. Tr. 149. Since the agreement, more states have accepted bill and keep as appropriate for the start up phases of competition. Tr. 149. Now those circumstances and the attendant risks driving the deal have changed. Neither United/Centel nor GTEFL have grounds for finger-pointing since they have not been willing to make the same concessions that BellSouth made in order to strike its deal with FCTA back in December. For example, neither are willing to agree to guarantee universal service in their territory without ALEC contributions under the interim mechanism for two years. Tr. 1305; 1076. United/Centel will not agree to a similar rate as BellSouth despite the fact that its proposed rate, less the unnecessary line termination charge, would produce a rate very similar to BellSouth's. Tr. 1308. GTEFL is unwilling to agree to reciprocal connectivity. Tr. 1076. United/Centel and GTEFL want the Commission to give them the benefits of the BellSouth deal

and rate structure without making the same concessions that BellSouth made to ALECs. This is an unreasonable and unacceptable request.

Third, bill and keep will promote competition by encouraging providers to be efficient and preventing unnecessary costs. FCTA agrees with Witness Poag that efficiency is an important principle. Tr. 1303. Perhaps the greatest testimony to the efficiency of bill and keep is that the LECs use it today among themselves. Indeed, this appears to be the preferred interconnection in instances where there is no competitive threat. Tr. 833. FCTA also agrees with the testimony of Witness Cornell in support of the position that bill and keep is less costly and easier to administer than a usage rate. FCTA would further note that Sprint Corporation's comments to the FCC concerning PCS - LEC interconnection support FCTA's position. At page 7, those comments state:

Sprint supports the use of bill and keep arrangements for PCS-LEC interconnection during the interim period until access reform has been completed and PCS networks are up and running on a reasonably widespread basis. For these interim purposes, bill and keep has a number of advantages, as recognized by the Commission (see e.g. §§ 61-62. Bill and keep is simple to administer; it obviates the need for separate or new billing and accounting systems; and it prevents incumbent LECs from charging excessive interconnection rates, which can skew the positioning of PCS in the market. Tr. 1320-1.

Finally, FCTA concurs with Witness Cornell's position that implementation of bill and keep avoids the necessity of LEC imputation requirements required to avoid a price squeeze. Tr. 841.

Finally, the interconnection charge must promote technological innovation and innovative pricing strategies. Tr. 116. Among the promised benefits of local competition are lower prices and new services. If this promise is to become a reality in Florida, the least cost interconnection method must be adopted. Tr. 119. For competition to benefit everyone - not just large business users - the Commission must create the greatest latitude for ALECs to price their retail services competitively. Tr. 117. The Commission is aware that Florida's basic residential rates are flat rates

and among the lowest in the country. In order to stimulate competition for basic residential customers, the Commission will need to choose the least cost method of local interconnection - bill and keep. That is because ALECs providing basic service must, as a matter of law, provide a flat-rate option. s. 364.337(2), Fla. Stat.; Tr. 137. Even Witness Poag concedes that an ALEC desirous of providing only basic service has cause for concern over United/Centel's proposal. Tr. 1192-1193. Bill and keep is the only method capable of encouraging lower prices and stimulating consumer choice for flat-rate basic service. Tr. 119.

For all the above reasons, a bill and keep local interconnection compensation arrangement is appropriate at this time.

ISSUE 2: If the Commission sets rates, terms and conditions for interconnection between the respective ALECs and Sprint-United/Centel and GTEFL, should Sprint-United/Centel and GTEFL tariff the interconnection rate(s) or other arrangements?

POSITION: Yes. They should be tariffed separate from LEC basic, non-basic, and network access services.

DISCUSSION: The Commission should classify the rates, terms, and conditions established in this proceeding as "local interconnection arrangements." The LECs should then be required to separately tariff the local interconnection arrangements making them generally available.

Local interconnection arrangements are treated separate from LEC basic, non-basic and network access services under the new law. LEC basic services are defined under s. 364.02(2). LEC non-basic services are defined by s. 364.02(8). Network access services are defined s. 364.163. In contrast, local interconnection arrangements are not specifically defined. The terms are to be set by negotiation or the Commission. Once set, the terms should only be changed by

negotiation or further Commission action. Separately tariffed local interconnection arrangements, including platform services, should not cross-reference other tariff sections. This will prevent confusion and controversy when the LECs begin to annually increase categories of non-basic services 6-20% under s. 364.051(6). The LECs should not oppose this given their agreement with Intermedia to define local interconnection as including certain platform services and temporary number portability in addition to local call termination.

ISSUE 3: What are the appropriate technical and financial arrangements which should govern interconnection between the ALECs and Sprint-United/Centel and GTEFL for the delivery of calls originated and/or terminated from carriers not directly connected to the respective ALECs' networks?

POSITION: The appropriate arrangements are contained in Staff's February 26, 1996 recommendation on this issue for the BellSouth phase of this docket as ordered by the Commission on March 5, 1996.

DISCUSSION: The FCTA adopts the recommendation and further clarification contained in Staff's February 26, 1996 recommendation on this issue at pages 34-39 in the BellSouth phase of this proceeding. As it would apply to this proceeding, that recommendation can be summarized as follows: (1) GTEFL and United/Centel should establish meet point billing arrangements with ALECs as they have with adjacent LECs. Meet-points, for billing purposes, should be established at mutually agreeable locations; (2) ALECs collocated in the same GTEFL or United/Centel wire center should be permitted to cross-connect without transiting the LEC switch. The LEC should charge one-half its special access cross-connect rate; (3) carriers providing tandem switching or other intermediary functions should collect only those access charges that apply to the functions they perform. The RIC should be billed and collected by the

carrier terminating the call, just as it is today among adjacent LECs.

ISSUE 4: What are the appropriate technical and financial requirements for the exchange of intraLATA 800 traffic which originates from the ALECs' customer and terminates to an 800 number served by or through Sprint-United/Centel and GTEFL?

POSITION: The appropriate arrangements are contained in Staff's February 26, 1996 recommendation on this issue for the BellSouth phase of this docket as ordered by the Commission on March 5, 1996.

DISCUSSION: The FCTA adopts the recommendation and further clarification contained in Staff's February 26, 1996 recommendation on this issue in the BellSouth phase of this proceeding. As applied to this proceeding, that recommendation can be summarized as follows: The ALEC will provide to Sprint-United/Centel and GTEFL the appropriate records necessary for Sprint-United/Centel and GTEFL to bill their customers. The records should be provided in a standard ASR/EMR format for a fee of \$0.015 per record. At such time as the ALEC elects to provide 800 services, the ALEC should reciprocate this arrangement. Sprint-United/Centel and GTEFL should compensate an ALEC for the origination of 800 traffic terminated to Sprint-United/Centel and GTEFL pursuant to the ALEC's originating switched access charges.

ISSUE 5: (a) What are the appropriate technical arrangements for the interconnection of ALECs' networks to Sprint-United/Centel's and GTEFL's 911 provisioning networks such that ALECs' customers are ensured the same level of 911 service as they would receive as a customer of Sprint-United/Centel and GTEFL?

*POSITION: The appropriate arrangements are contained in Staff's February 26, 1996

recommendation on this issue for the BellSouth phase of this docket as ordered by the Commission on March 5, 1996.*

DISCUSSION: The FCTA adopts the February 26, 1996 Staff recommendation and further clarification on this issue at pages 43-47 of the recommendation. As applied to this proceeding, the recommendation can be summarized as follows:

- 1) The LEC must provide the ALEC with access to the appropriate LEC 911 tandems;
- The ALEC should provide the trunking, via leased or owned facilities capable of carrying ANI, to 911 tandems;
- 3) All technical arrangements should conform with industry standards;
- 4) The LEC should notify the ALEC 48 hours in advance of any scheduled testing or maintenance, and provide immediate notification of any unscheduled outage;
- 5) The LEC should provide a list consisting of each municipality in Florida that subscribes to Basic 911 Service, the E911 conversion date and a ten-digit directory number representing the appropriate emergency answering position for each municipality subscribing to 911 service.
- 6) Each ALEC should arrange to accept 911 calls from its customer and translate the 911 call to the appropriate 10-digit directory number and route that call to the LEC at the appropriate tandem or end office; and
- 7) When a municipality converts to E-911 service, the ALEC should discontinue the Basic 911 procedures and begin the E911 procedures.
- (b) What procedures should be in place for the timely exchange and updating of the ALECs' customer information for inclusion in appropriate E911 databases?

*POSITION: The appropriate arrangements are contained in Staff's February 26, 1996

recommendation on this issue for the BellSouth phase of this docket as ordered by the Commission on March 5, 1996.*

DISCUSSION: FCTA adopts the February 26, 1996 Staff recommendation on this issue in the BellSouth phase of this docket at pages 48-52. As applied to this proceeding, the recommendation can be summarized as follows:

- The LEC must provide the ALECs with access to the appropriate LEC E911 tandems, including the designated secondary tandem.
- 2) if the primary tandem trunks are not available, the ALEC should alternate route the call to the designated secondary E911 tandem. If the secondary tandem trunks are not available, the ALEC should alternate route the call to the appropriate Traffic Operator Position System (TOPS) tandem.
- 3) The ALECs should be responsible for providing the trunking, via leased or owned facilities which are capable of carrying Automatic Number Identification, to the E911 tandems.
- 4) All technical arrangements should conform with industry standards.
- 5) The LEC should notify the ALECs 48 hours in advance of any scheduled testing or maintenance, and provide immediate notification of any unscheduled outage.
- The LEC should provide ALECs with mechanized access to any database used for provisioning E911 service. ALECs and LECs should work together and file with this Commission, within 60 days from the date of this order, a comprehensive proposal for mechanized access to any database used for provisioning E911 service. The proposal should include cost and price support, and a list of operational procedures; and
- 7) If a municipality has converted to E911 service, the ALEC should forward 911 calls

to the appropriate E911 primary tandem along with the ANI, based upon the current E911 end office to tandem homing arrangement as provided by the LEC.

ISSUE 6: What are the appropriate technical and financial requirements for operator handled traffic flowing between the respective ALECs and Sprint-United/Centel and GTEFL including busy line verification and emergency interrupt services?

POSITION: A LEC and an ALEC should mutually provide each other busy line verification and emergency interrupt services. Sprint-United/Centel's and GTEFL's services should be a tariffed part of the Commission-established local interconnection arrangements.

ISSUE 7: What are the appropriate arrangements for the provision of directory assistance services and data between the respective ALECs and Sprint-United/Centel and GTEFL?

POSITION: Each LEC should include an ALEC's customers' primary listings (residence and business listings) and yellow page (business) listings in its directory assistance database at no charge.

<u>ISSUE 8</u>: Under what terms and conditions should Sprint-United/Centel and GTEFL be required to list the ALECs' customers in its white and yellow pages directories and to publish and distribute these directories to the ALECs' customers?

*POSITION: The LEC should include an ALEC's customers' primary listings in the white page and yellow page directories, distribute directories to the customers of each and recycle all customers' directory books at no charge. The parties

should work cooperatively on issues concerning lead time, timeliness, format, and content of list information.*

ISSUE 9: What are the appropriate arrangements for the provision of billing and collection services between the respective ALECs and Sprint-United/Centel and GTEFL, including billing and clearing credit card, collect, third party and audiotext calls?

POSITION: FCTA takes no position.

ISSUE 10: What arrangements are necessary to ensure the provision of CLASS/LASS services between the respective ALECs and Sprint-United/Centel's and GTEFL's networks?

*POSITION: The LECs and each ALEC should provide LEC-to-LEC Common Channel Signaling (CCS) to one another, where available, in conjunction with all traffic in order to enable full interoperability of CLASS features and functions. *

DISCUSSION: FCTA adopts Staff's recommendation on this issue in the BellSouth phase found at pages 65-69 of the February 26, 1996 recommendation. As applied to this proceeding, the recommendation may be summarized as follows: The LECs and each ALEC should provide LEC-to-LEC Common Channel Signaling (CCS) to one another, where available, in conjunction with all traffic in order to enable full interoperability of CLASS features and functions. All CCS signaling parameters should be provided including Automatic Number Identification (ANI), Originating Line Information (OLI) calling party category, charge number, etc. All privacy indicators should be honored. The parties should cooperate on the exchange of Transactional Capabilities Application Point (TCAP) messages to facilitate full interoperability of CCS-based features between their networks. CCS should be provided Signal Transfer Point to Signal Transfer Point. Because

CCS will be used cooperatively for the mutual handling of traffic, the ALECs and LECs should each be responsible for the costs associated with the installation and use of their respective CCS networks.

ISSUE 11: What are the appropriate arrangements for physical interconnection between the respective ALECs and Sprint-United/Centel and GTEFL, including trunking and signaling arrangements?

POSITION: The Commission should require LECs to provide interconnection, trunk and signaling arrangements at the tandem and end office levels.

DISCUSSION: The Commission should require LECs to provide interconnection, trunk and signaling arrangements at the tandem and end office levels. Reciprocal connectivity should be established at each and every point where the facilities of Sprint-United/Centel and GTEFL and the ALEC perform the physical function of delivering local traffic to be terminated in the other company's network. Such interconnecting facilities should conform to appropriate telecommunications industry standards. STP SS7 Signalling connectivity is required. One-way and two-way trunking options should be made available. Use of the LEC's signalling network should be offered on an unbundled basis at tariffed rates as part of local interconnection arrangements and signalling functionality should be available with both A-link and B-link connectivity. Mid-span meets should be permitted where technically and economically feasible and should be a negotiated arrangements. FCTA further adopts the concepts contained in the Staff recommendation discussion found at pages 70-72 of its February 26, 1996 recommendation.

ISSUE 12: To the extent not addressed in the number portability docket, Docket No. 950737-TP, what are the appropriate financial and operational arrangements for

interexchange calls terminated to a number that has been "ported" to the ALECs?

POSITION: The RIC should be billed and collected by the terminating carrier.

<u>DISCUSSION:</u> The FCTA adopts the February 26, 1996 recommendation on this issue in the BellSouth phase of this proceeding at pages 73-74. As applied to this proceeding, that recommendation may be summarized as follows: carriers providing any intermediary functions on calls routed through number portability solutions should collect only those access charges applicable to the functions they perform. The RIC should be billed and collected by the terminating carrier.

ISSUE 13: What arrangements, if any, are necessary to address other operational issues?

POSITION: Arrangements should be made for cooperative network design and management procedures.

<u>DISCUSSION</u>: The FCTA adopts the February 26, 1996 Staff recommendation on this issue in the BellSouth phase of this proceeding at pages 75-79. As applied to this proceeding, that recommendation can be summarized as follows: Mechanized intercompany operational procedures similar to the ones between IXCs and LECs today, should be developed. Operational disputes that are unable to be resolved through negotiations should be handled by filing a petition or motion with the Commission. Further, ALECs and LECs should adhere to the following requirements:

- ALECs and LECs should provide their respective repair contact numbers to one another on a reciprocal basis;
- 2) Misdirected repair calls should be referred to the proper company at no charge, and the end user should be provided the correct contact telephone number;

3) Extraneous communications beyond the direct referral to the correct repair

telephone number should be prohibited;

4) The LEC should provide operator reference database (ORDB) updates on a

monthly basis at no charge to enable ALEC operators to respond in emergency

situations; and

5) The LEC should work with ALECs to ensure that the appropriate ALEC data, such

as calling areas, service installation, repair and customer service, is included in the

information pages of a LEC's directory.

ISSUE 14: What arrangements, if any, are appropriate for the assignment of NXX codes

to the ALECs?

*POSITION: ALECs should have access to a sufficient quantity of numbering resources

on a nondiscriminatory basis. The LECs should agree to sponsor any ALEC

which makes a request and assist the ALEC in obtaining RAO codes and

any other billing and accounting codes necessary for the provision of local

phone numbers.*

RESPECTFULLY SUBMITTED this 22nd day of March, 1996.

Laura L. Wilson, Esquire

Charles F. Dudley, Esquire

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CERTIFICATE OF SERVICE DOCKET NO 950985-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by

Hand Delivery(*) and/or U. S. Mail on this 22nd day of March, 1996 to the following parties of record:

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