

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of )  
Petition by American Communications )  
Services, Inc., and its local exchange )  
operating subsidiaries, for Arbitration )  
with GTE Florida, Inc. pursuant to the )  
Telecommunications Act of 1996 )

Docket No.: 961537-TP  
Filed: February 24, 1997

**PREHEARING STATEMENT OF  
AMERICAN COMMUNICATIONS SERVICES, INC. AND  
AMERICAN COMMUNICATIONS SERVICES OF JACKSONVILLE, INC.**

American Communication Services, Inc. and American Communication Services of Jacksonville, Inc. and American Communications Services of Tampa, Inc. ("ACSI"), through undersigned counsel, respectfully submits its prehearing statement.

**A. APPEARANCES**

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1200 19th Street, N.W., Suite 500  
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On behalf of American Communications Services, Inc. and American  
Communications Services of Jacksonville, Inc.

DOCUMENT NUMBER-DATE

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## B. WITNESSES

<u>Witness</u>	<u>Issues</u>
Mr. Richard Robertson - Direct	1, 4, 5, 6, 7, 8
Mr. C. William Stipe, III - Direct	1, 6
Dr. Marvin Kahn - Direct	1, 2, 3
Mr. Richard Robertson - Rebuttal	
Mr. C. William Stipe, III - Rebuttal	
Dr. Marvin H. Kahn - Rebuttal	

## C. EXHIBITS

<u>Number</u>	<u>Witness</u>	<u>Description</u>
Attachment I(direct)	Mr. Richard Robertson	Unbundled basic network elements
Attachment II(direct)	Mr. Richard Robertson	ACSI Proposed Most Favored Nations Language
Attachment I (rebut)	Mr. Richard Robertson	ACSI Collection at GTE Central Office
Exhibit 1 (direct)	Dr. Marvin H. Kahn	Qualifications
Exhibit 2 (direct)	Dr. Marvin H. Kahn	Hatfield model unbundled loop cost results for GTE
Exhibit 3 (direct)	Dr. Marvin H. Kahn	Hatfield model
MHK-4 (rebuttal)	Dr. Marvin H. Kahn	Hatfield default proxies for GTE-Florida
MHK-5 (rebuttal)	Dr. Marvin H. Kahn	Effect of using GTE proposed depreciation schedules
MHK-6 (rebuttal)	Dr. Marvin H. Kahn	Fill Factor Analysis
MHK-7 (rebuttal)	Dr. Marvin H. Kahn	Comparison of GTE-FL and BellSouth FL Loop costs by Density Zone - Hatfield Model
MHK-8 (rebuttal)	Dr. Marvin H. Kahn	Comparison of GTE-FL and BellSouth FL Loop costs by Density Zone - BCM2 Model
MHK-9 (rebuttal)	Dr. Marvin H. Kahn	Comparison of GTE-FL and BellSouth FL BCM2 lost results - BCM2 Model using GTE's cost study density zones
MHK-10 (rebuttal)	Dr. Marvin H. Kahn	GTE-FL Proxy Loop rates applying \$17.00 statewide rate
MHK-11 (rebuttal)	Dr. Marvin H. Kahn	Calculation of Rates and charges for Interim Number Portability

#### D. BASIC POSITION

ACSI and GTE Florida have conducted good faith negotiations which have resulted in an agreement on substantially all issues with respect to an interconnection arrangement. There remain some areas on which the parties do not agree, which have been properly presented to this Commission for arbitration pursuant to the Telecommunications Act of 1996. The Act provides the framework for competition in the local exchange area but competition will not evolve unless entrants are able to compete on equal terms with incumbent LECs such as GTE. It is essential to the development of competition that network elements be properly unbundled and available, that the elements be priced upon TELRIC and that prices, terms and conditions be available to all new entrants on a nondiscriminatory basis.

#### E. ISSUES AND POSITIONS

**ISSUE 1:** Are the following items considered to be network elements, capabilities, or functions? If so, is it technically feasible for GTEFL to provide ACSI with these elements? If technically feasible, what should the rates be for these items?

Multiplexing  
Dedicated Transport  
Channelization

ACSI's Position:

These are network elements and should be offered at prices as discussed in Issue 2.

**ISSUE 2:** What should be the recurring and nonrecurring rates of each of the following items?

**Network Interface Device  
Unbundled Loops**

**ACSI's Position:** The price of the unbundled elements should be equal to TELRIC plus a reasonable allocation of efficiently incurred forward-looking joint and common costs. GTE has not submitted adequate cost data to support their proposals consequently the Commission should utilize publicly available data and the Hatfield Model as described by Dr. Kahn to establish prices for these elements.

**ISSUE 3:** What should be the recurring and nonrecurring cost for interim local number portability (RCF, DID)?

**ACSI's Position:** The incremental cost of providing interim number portability should be borne by all carriers. The rates proposed by GTE-FL recover a disproportionate share of the cost of providing INP arrangements.

**ISSUE 4:** Should GTEFL permit ACSI to cross-connect with other collocators on GTEFL's property and, if so, what should be charged for such cross-connection?

**ACSI's Position:** ACSI should be permitted to cross connect with other providers collocated on GTEFL's property and this should be permitted directly without having to use the GTE network. The prices proposed by GTE include costs which are recovered in the elements ordered by ACSI, thus GTE is charging for the same function twice.

**ISSUE 5.** Should GTEFL be required to permit ACSI to collocate its remote switching modules in GTEFL's central offices?

ACSI's Position: Yes. The RSM concentrates individual subscriber loops to single trunk and can also perform limited switching. The RSM is an efficient interconnection arrangement and location of this equipment at the central office is the most efficient method of interconnection.

**ISSUE 6.** What should be the compensation mechanism for the exchange of local traffic between ACSI and GTEFL?

ACSI's Position: The compensation method should be in the form of "bill and keep" or "mutual traffic exchange". This is a reasonable mechanism and imposes minimal administrative costs, unlike other proposals.

**ISSUE 7.** Should ACSI be allowed to combine GTEFL's unbundled network elements in any manner it chooses including recreating existing GTEFL services?

ACSI's Position: Yes. There should be no restriction on ACSI's ability to combine unbundled network offerings to provide services. To impose restrictions would be inconsistent with s.251(c)(3) and the Interconnection Order and a limitation on ACSI's ability to compete with GTE.

**ISSUE 8.** \*\*What restrictions, if any, apply to the vulnerability to ACSI of individual provisions contained in those interconnection agreements GTEFL has with other carriers?

ACSI's Position: There should be no restrictions on the availability of individual provisions to ACSI. The most favored nations would allow ACSI to have access to rates, terms and conditions offered to other providers in a nondiscriminatory manner, which is consistent with the

requirements of the Telecommunications Act of 1996.

**F. PENDING MOTIONS FILED BY AMERICAN COMMUNICATIONS SERVICES.**

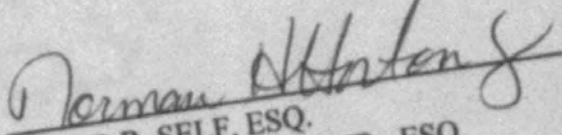
No pending motions.

**G. REQUIREMENTS THAT CANNOT BE COMPLIED WITH**

ACSI knows of no requirements that cannot be complied with.

Dated this 24th day of February, 1997.

Respectfully submitted,  
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Attorneys for American Communications Services, Inc.  
and American Communications Services of  
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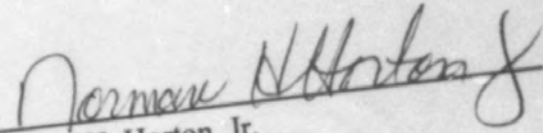
**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of American Communications Services, Inc.'s Prehearing Statement in Docket No. 961537-TP has been furnished by Hand Delivery (\*) and/or Overnight Delivery (\*\*) on this 24th day of February, 1997 to the following parties of record:

Monica Barone, Esq.\*  
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Norman H. Horton, Jr.

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February 24, 1997

**BY HAND DELIVERY**

Ms. Blanca Bayo, Director  
Division of Records and Reporting  
Room 110, Easley Building  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

Re: Docket No. 961537-TP

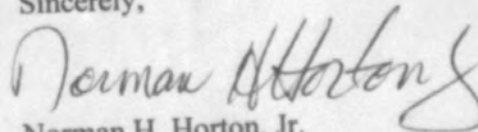
Dear Ms. Bayo:

Enclosed for filing on behalf of American Communications Services, Inc. are an original and fifteen copies of American Communications Services, Inc.'s Prehearing Statement. Also enclosed is a 3 1/2" diskette with the document on it in WordPerfect 6.1 format.

Please indicate receipt of this document by stamping the enclosed extra copy of this letter.

Thank you for your assistance in this matter.

Sincerely,



Norman H. Horton, Jr.

ACK \_\_\_\_\_  
AFA \_\_\_\_\_  
APP \_\_\_\_\_  
CAF \_\_\_\_\_  
CMU \_\_\_\_\_  
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NHH:amb  
Enclosures

cc: James Falvey, Esq.  
Parties of Record

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*mes*  
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