

CONFIDENTIAL



Marceil Morrell\*  
Assistant Vice President &-  
Associate General Counsel-East Area

Anthony P. Gillman\*  
Assistant General Counsel

Florida Region Counsel\*\*  
Kimberly Caswell  
M. Eric Edgington  
Ernesto Mayor, Jr.  
Elizabeth Biemer Sanchez

\* Certified in Florida as Authorized House Counsel  
\*\* Licensed in Florida

GTE SERVICE CORPORATION

One Tampa City Center  
201 North Franklin Street (33602)  
Post Office Box 110, FLTC0007  
Tampa, Florida 33601-0110  
813-483-2606  
813-204-8870 (Facsimile)

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

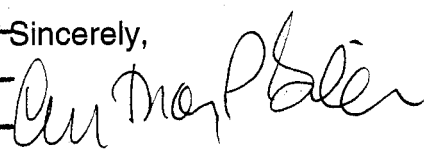
March 29, 1999

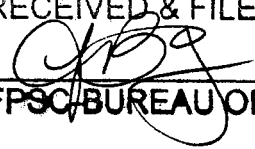
Re: Docket No. 990182-TP  
Petition of DIECA Communications Inc. d/b/a Covad Communications Company  
for Arbitration of Interconnection Rates, Terms, Conditions and Related  
Arrangements with GTE

Dear Ms. Bayo:

Please find enclosed an original and fifteen copies of GTE Florida Incorporated's  
Prehearing Statement for filing in the above matter. Also enclosed are an original and  
fifteen copies of the Rebuttal Testimony of Samuel M. Jones. Service has been made  
as indicated on the Certificate of Service. If there are any questions regarding this  
filing, please contact me at 813-483-2617.

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
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- SEC \_\_\_\_\_
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

Sincerely,  
  
Kimberly Caswell

RECEIVED & FILED  
  
FPSC BUREAU OF RECORDS

2 KC:tas  
3-29-99 Enclosures

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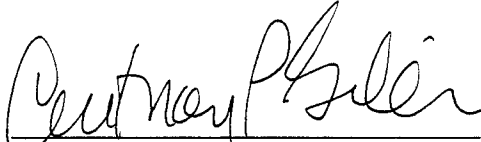
**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that copies of GTE Florida Incorporated's Prehearing Statement and Rebuttal Testimony of Samuel M. Jones in Docket No. 990182-TP were sent via overnight delivery on March 26, 1999 to:

Staff Counsel  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

James D. Earl  
Assistant General Counsel  
Covad Communications Company  
700 13<sup>th</sup> Street, NW  
Washington, DC 20005

DIECA Communications, Inc.  
c/o Covad Communications Company  
2330 Central Expressway, Building B  
Santa Clara, CA 95050

  
on \_\_\_\_\_  
Kimberly Caswell

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition of DIECA Communications Inc. )  
d/b/a Covad Communications Company for )  
Arbitration of Interconnection Rates, Terms, )  
Conditions and Related Arrangements with )  
GTE )  
\_\_\_\_\_ )

Docket No. 990182-TP  
Filed: March 29, 1999

**GTE FLORIDA INCORPORATED'S PREHEARING STATEMENT**

GTE Florida Incorporated (GTEFL) files its Prehearing Statement in accordance with Order number PSC-99-0507-PCO-TP in this docket and Commission Rule 25-22.038.

**A. Witnesses**

Michelle Meny: Issue 1 (unbundled network element (UNE) costs);

Dennis Trimble: Issue 1 (UNE prices);

Samuel M. Jones: Issues 2-6.

**B. Exhibits**

GTEFL does not intend to use any exhibits at this time, but reserves the right to do so at the hearing or other appropriate points.

**C. GTEFL's Basic Position**

The UNEs Covad seeks in this proceeding (loops, NIDs, and transport) should be priced at the rates GTEFL proposed in its arbitration with AT&T and MCI, concluded in 1997. In an effort to avoid a hearing in this matter, however, GTEFL will make available to Covad the rates the Commission ordered in that earlier arbitration, and which numerous

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other alternative local exchange carriers (ALECs) have adopted. Petitions by AT&T Comm. of the Southern States, Inc., MCI Telecomm. Corp. and MCI Metro Access Transmission Services, Inc., Order No. PSC-97-0064-FOF-TP (Jan. 17, 1997). Covad's request for the Commission to price UNEs using the FCC's default proxies makes no sense, because this Commission has already ordered rates based on GTEFL's cost studies in previous arbitrations.

GTEFL will not oppose Covad's request to use loops and NIDs for special access service, and it will agree to consider the collocation requirements of Covad in its space planning process.

GTEFL will not agree to a contract provision mandating collocation tariff modifications in the event of legal or regulatory changes affecting collocation terms and conditions. Such a provision is unnecessary, given the general change-of-law provision already in the draft Agreement.

GTEFL opposes arbitration of the dispute resolution and limitation of liability issues Covad has proposed. These issues have not been accepted for arbitration. They are beyond the scope of this proceeding because they do not concern substantive items reflected in Sections 251 and 252 of the Telecommunications Act of 1996 (Act). This position is consistent with Commission rulings in other arbitrations.

#### **D., E., F., G. GTEFL's Specific Positions**

GTEFL believes each of the issues identified for resolution in this case are mixed questions of fact, law, and policy. GTEFL's positions on each issue follow.

**Issue 1: What price should apply to the following: a) unbundled loops; b) NIDs; c) transport?**

**GTEFL's Position:** The prices GTEFL proposed in its arbitration with AT&T and MCI (consolidated Dockets 960847-TP and 960980-TP) should apply to the listed UNEs. GTEFL would, however, make available the prices the Commission set in that arbitration, subject to appropriate reservation of GTEFL's rights to appeal those rates and to any true-up if the rates are later found unlawful. All prices should include associated non-recurring charges.

**Issue 2: Should Covad's use of loops and NIDs allow for the provision of special access service?**

**GTEFL's Position:** GTEFL would not oppose Covad's use of loops and NIDs for the provision of special access service.

**Issue 3: Should there be a 30-day period for the filing of tariffs to implement changes in regulation regarding collocation?**

**GTEFL's Position:** No. This arbitration is not the appropriate forum for a general rule mandating tariff changes if collocation regulations change. Such a provision is, in any event, unnecessary because the draft contract already contains a general change-of-law clause that subjects the agreement to subsequent legal and regulatory changes.

**Issue 4: Should GTEFL be required to take into consideration Covad's present and future collocation requirements when GTEFL plans renovations of existing facilities or constructs or leases new facilities?**

**GTEFL's Position:** GTEFL will agree to consider Covad's collocation requirements when planning renovations or construction of central office facilities.

**Issue 5: Should private dispute resolution be the sole remedy of the parties for resolving disputes under the parties' interconnection agreement?**

**GTEFL's Position:** This issue has not been accepted for arbitration. Based on the language of the Act and Commission precedent, this is not an arbitrable matter. In the event that it is included in this arbitration, GTEFL's position would be that private dispute resolution and court litigation are mutually exclusive options.

**Issue 6: What are the appropriate limitations on the parties' liability in cases of willful misconduct or gross negligence?**

**GTEFL's Position:** This issue has not been accepted for arbitration. Based on the language of the Act and Commission precedent, this is not an arbitrable matter. In the event that it is included in this arbitration, GTEFL's position would be that the limitation of liability in its retail tariffs is appropriate for services offered under the interconnection contract, as well. This is also the position the Commission took in GTEFL's arbitration with AT&T and MCI.

#### **H. Stipulated Issues**

GTEFL is unaware of any stipulations at that time. However, GTEFL anticipates that the parties will stipulate to dropping at least Issues 2 and 4, which the parties have successfully negotiated.

#### **I. Pending Matters**

GTEFL opposes inclusion of Covad's proposed dispute resolution and limitation of

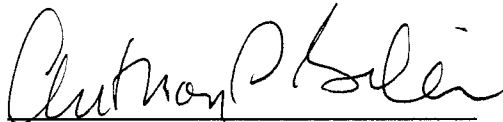
liability issues (Issues 5 and 6, respectively) and asks the prehearing officer to rule that they are beyond the scope of this arbitration.

**J. Procedural Requirements**

To the best of its knowledge, GTEFL can comply with all requirements set forth in the procedural order in this case.

Respectfully submitted on March 29, 1999.

By:

  
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Kimberly Caswell  
P. O. Box 110, FLTC0007  
Tampa, Florida 33601-0110  
Telephone No. (813) 483-2617

Attorney for GTE Florida Incorporated