

allegiancetelecom,inc.

Legal Department 9201 Central Expressway Dallas, TX 75231

January 26, 2004

Ms. Blanca Bayó, Director Division of the Commission Clerk and Administrative Services Room 110, Easley Building Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Docket No. 030851-TP

Dear Ms. Bayó:

Enclosed for filing in the above-referenced docket are the original and fifteen (15) copies of Allegiance Telecom of Florida, Inc.'s Prehearing Statement.

Also enclosed is an extra copy of this letter. Please acknowledge receipt of this transmittal by date-stamping the extra copy and returning it to the undersigned in the enclosed selfaddressed stamped envelope.

Thank you for your assistance in this matter.

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CVG/s Enclosures cc: Parties of Record

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Very truly yours Charles V. Gerkin, Ir:

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# BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Docket No. 030851-TP
-
Filed: January 27, 2004

# PREHEARING STATEMENT OF Allegiance Telecom of Florida, Inc.

In compliance with the Order Establishing Procedure (Order No. PSC 03-1054-PCO-TP) issued in this docket on September 22, 2003, Allegiance Telecom of Florida, Inc. ("Allegiance") respectfully submits its Prehearing Statement.

## 1. Witnesses

Allegiance does not anticipate calling any witnesses at the hearing on this matter.

# 2. Exhibits

Allegiance does not anticipate filing any exhibits but reserves the right to introduce exhibits for cross-examination, impeachment, or any other purpose authorized by the applicable Florida Rules of Evidence and the Rules of the Commission.

# 3. Statement of Position

The Commission should find that Alternative Local Exchange Carriers ("ALECs") are not impaired without access to unbundled switching only in geographically contiguous UNE loop rate zones where at least three (3) ALECs are providing telecommunications services to mass market customers using their own switches in the vast majority of the wire centers in such geographic area, or at least two (2) providers of wholesale switching services who are not incumbent Local Exchange Carriers are providing wholesale switching that is used by ALECs to provide telecommunications services to mass market customers in the vast majority of the wire centers in such geographic area.

### 4-6. Questions of Fact, Law and Policy at Issue

**Issue 1:** For purposes of this proceeding, what are the relevant markets for purposes of evaluating mass market impairment and how are they defined?

Allegiance Position: The geographic market for purposes of evaluating mass market impairment should be each contiguous area consisting of the same UNE loop rate zone within each Metropolitan Statistical Area or within those portions of each LATA that are not within any Metropolitan Statistical Area.

Witness: Allegiance will not present a witness on this issue.

- Issue 2: In defining the relevant geographic areas to include in each of the markets, how should the following factors be taken into consideration and what relative weights should they be assigned:
- (a) the locations of mass market customers actually being served by CLECs;

Allegiance Position: Only mass market customers served from wire centers in geographically contiguous areas consisting of the same UNE loop rate zone should be considered to be in the same geographic market.

Witness: Allegiance will not present a witness on this issue.

(b) the variation in factors affecting CLECs' ability to serve each group of customers; and

Allegiance Position: Wire center density is the primary factor affecting CLECs' ability to serve the mass market customers in any given wire center.

Witness: Allegiance will not present a witness on this issue.

(c) CLECs' ability to target and serve specific markets profitably and efficiently using currently available technologies?

Allegiance Position: Allegiance takes no position on this issue at this time.

- Witness: Allegiance will not present a witness on this issue.
- Issue 3(a): Does a batch cut process exist that satisfies the FCC's requirements in the Triennial Review Order? If not, in which markets should the Commission establish a batch cut process?

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

(b) For those markets where a batch cut process should be established, what volume of loops should be included in a batch?

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

(c) For those markets where a batch cut process should be established, what specific processes should be employed to perform the batch cut?

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

(d) For those markets where a batch cut process should be established, is the ILEC capable of migrating multiple lines that are served using unbundled local circuit switching to CLECs' switches in a timely manner?

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

(e) For those markets where a batch cut process should be established, should the Commission establish an average completion interval performance metric for the provision of high volumes of loops?

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

(f) For those markets where a batch cut process should be established, what rates should be established for performing the batch cut processes?

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

- (g) Are there any markets in which a batch hot cut process need not be implemented? If so, for those markets where a batch cut process need not be established because absence of such a process is not impairing CLECs' ability to serve end users using DS0 loops to serve mass market customers without access to unbundled local circuit switching,
  - (i) what volume of unbundled loop migrations can be anticipated if CLECs no longer have access to unbundled local circuit switching;

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

(ii) how able is the ILEC to meet anticipated loop migration demand with its existing processes in a timely and efficient manner; and

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

(iii) what are the nonrecurring costs associated with the ILEC's existing hot cut process?

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

Issue 4(a): In which markets are there three or more CLECs not affiliated with each other or the ILEC, including intermodal providers of service comparable in quality to that of the ILEC, serving mass market customers with their own switches?

Allegiance Position: Allegiance takes no position on this issue at this time but reserves the right to take a post-hearing position, depending upon the evidence presented at the hearing.

Witness: Allegiance will not present a witness on this issue.

(b) In which markets are there two or more CLECs not affiliated with each other or the ILEC, including intermodal providers of service comparable in quality to that of the ILEC, who have their own switches and are offering wholesale local switching to customers serving DS0 capacity loops in that market?

Allegiance Position: Allegiance takes no position on this issue at this time but reserves the right to take a post-hearing position, depending upon the evidence presented at the

hearing.

Witness: Allegiance will not present a witness on this issue.

Issue 5(a): In which markets are there either two wholesale providers or three selfprovisioners of local switching not affiliated with each other or the ILEC, serving end users using DS1 or higher capacity loops? Where there are, can these switches be used to serve DS0 capacity loops in an economic fashion?

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

(b) In which markets are there any carriers with a self-provisioned switch, including an intermodal provider of service comparable in quality to that of the ILEC, serving end users using DS0 capacity loops?

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

- (c) In which markets do any of the following potential operational barriers render CLEC entry uneconomic absent access to unbundled local circuit switching:
  - (1) The ILEC's performance in provisioning loops;

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

(2) difficulties in obtaining collocation space due to lack of space or delays in provisioning by the ILEC; or

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

(3) difficulties in obtaining cross-connects in the ILEC's wire centers?

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

- (d) In which markets do any of the following potential economic barriers render CLEC entry uneconomic absent access to unbundled local circuit switching:
  - (1) the costs of migrating ILEC loops to CLECs' switches; or

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

(2) the costs of backhauling voice circuits to CLECs' switches from the end offices serving the CLECs' end users?

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

(e) Taking into consideration the factors in (a) through (d), in what markets is it economic for CLECs to self-provision local switching and CLECs are thus not impaired without access to unbundled local circuit switching?

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

(f) For each market, what is the appropriate cut-off for multiline DS0 customers (where it is economic to serve a multiline customer with a DS1 loop)? That is, taking into account the point at which the increased revenue opportunity at a single location is sufficient to overcome impairment and the point at which multiline end users could be served economically by higher capacity loops and a CLEC's own switching (and thus be considered part of the DS1 enterprise market), what is the maximum number of DS0 loops that a CLEC can serve using unbundled local switching, when serving multiline end users at a single location?

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

Issue 6: If the triggers in § 51.319(d)(2)(iii)(A) have not been satisfied for a given ILEC market and the economic and operational analysis described in § 51.319(d)(2)(iii)(B) resulted in a finding that CLECs are impaired in that market absent access to unbundled local switching, would the CLECs' impairment be cured if unbundled local switching were only made available for a transitional period of 90 days or more? If so, what should be the duration of the transitional period?

Allegiance Position: Allegiance takes no position on this issue at this time.

Witness: Allegiance will not present a witness on this issue.

### 7. Stipulated Issues

Allegiance is not aware of any issues that have been stipulated.

#### 8. Pending Motions

Allegiance does not have any pending motions at this time.

### 9. Claims of Confidentiality

Allegiance has pending claims of confidentiality for (a) certain portions of Allegiance's Responses to the Staff's First Data Request; (b) Allegiance's revised Responses to Interrogatories 7 and 33 of BellSouth's First Set of Interrogatories to Allegiance; (c) Allegiance's Response to Interrogatory 4(a) of Staff's First Set of Interrogatories to Allegiance; and (d) Allegiance's Responses to Sprint's First Set of Interrogatories to Allegiance.

#### 10. Other Requirements

There are no requirements of the Order Establishing Procedure of which Allegiance is aware that cannot be complied with.

11. Objections to Witness Qualifications

None.

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