

Michael W. Tye Senior Attorney

June 24, 1993

Suite 1400 106 East College Avenue Tallahassee, Florida 32301 904 425-6360

Mr. Steven C. Tribble, Director Division of Records and Reporting Florida Public Service Commission 101 East Gaines Street Tallahassee, Florida 32399

Re: Docket No. 921074-TP

Dear Mr. Tribble:

Enclosed for filing in the above referenced docket are one (1) original and fifteen (15) copies of the Direct Testimony of Mike Guedel on behalf of AT&T. Copies of the foregoing are being served on all parties of record in accordance with the attached Certificate of Service.

Michael W. Tye

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AFA _	Attachments	
AFP	cc: J. P. Spooner, J. Parties of Recor	r.
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TICE-RECURDS/ALI CHILLIE

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Intermedia)
Communications of Florida, Inc.)
for expanded interconnection)
for AAVs within LEC central offices)

DOCKET NO. 921074-TP SUBMITTED FOR FILING: June 24, 1993

DIRECT TESTIMONY OF MIKE GUEDEL

ON BEHALF OF ATET COMMUNICATIONS OF THE SOUTHERN STATES, INC.

JUNE 24, 1993

DOCUMENT NUMBER-DATE

TTCC-RECORDS/ALTONIA

1 Q. WILL YOU PLEASE IDENTIFY YOURSELF?

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3 A. My name is Mike Guedel and my business address is AT&T,

4 1200 Peachtree Street, NE, Atlanta, Georgia 30309. I

am employed by AT&T as Manager-Network Services

6 Division.

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Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND WORK

10 EXPERIENCE?

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12 A. I received a Bachelor of Science degree in Business

13 Administration from Miami University, Oxford, Ohio.

14 Over the past years, I have attended numerous Industry

schools and seminars covering a variety of technical

16 and regulatory issues. I joined the Rates and

Economics department of South Central Bell in February

of 1980. My initial assignments included cost analysis

of terminal equipment and special assembly offerings.

20 In 1982, I worked on access charge design and

development. From May of 1983 through September of

22 1983, as part of an AT&T task force, I developed local

transport rates for the initial NECA interstate access

24 filing. Post divestiture, I remained with South

25 Central Bell with specific responsibility for cost

1		analysis, design, and development relating to switched
2		access services and intraLATA toll. In June of 1985, I
3		joined AT&T, assuming responsibility for cost analysis
4		of network services including access charge impacts for
5		the five South Central States (Alabama, Kentucky,
6		Louisiana, Mississippi, and Tennessee).
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9	Q.	PLEASE DESCRIBE YOUR CURRENT RESPONSIBILITIES?
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11	A.	My current responsibilities include supervising
12		analytical support activities necessary for intrastate
13		communications services in Florida and other southern
14		states. This includes detailed analysis of access
15		charges and other LEC filings to assess their impact on
16		AT&T and its customers. In this capacity, I have
17		represented AT&T through formal testimony before the
18		Florida Public Service Commission as well as the
19		regulatory commissions in the states of Georgia and
20		South Carolina.
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23	Q.	WHAT IS THE PURPOSE OF YOUR TESTIMONY?

The purpose of my testimony is to recommend that the

Florida Public Service Commission find expanded interconnection to be in the public interest and to take the necessary steps to expedite its implementation.

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7 Q. WHAT IS EXPANDED INTERCONNECTION?

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Expanded interconnection is an interconnection arrangement that permits access providers other than the local exchange companies to interconnect with the local exchange companies' networks on the local exchange companies' premises. Under this arrangement, the local exchange companies are required to provide space at designated points within their networks for locating (either virtually or physically) the equipment of competing access providers. Therefore, with expanded interconnection, end user customers can utilize the loop facilities of the local exchange companies for connection to the LEC central office and then select among available access providers the special transport services connecting the local exchange office to the desired interexchange carrier (IXC) point of presence (POP). This interconnection arrangement offers to bring the benefits of special

access competition to greater number of end user 1 customers than would be possible with traditional 2 alternative access vendor (AAV) end to end service. 3 5 HOW DOES "PHYSICAL" COLLOCATION DIFFER FROM "VIRTUAL" 6 COLLOCATION? 7 8 For purposes of expanded interconnection, the FCC has described "physical" collocation as an arrangement 10 whereby the competitive access provider (CAP) leases 11 floor space (and access to the floor space) within a 12 LEC central office for purposes of installing, 13 maintaining and managing telecommunications equipment 14 used in the provision of competitive access services. 15 Under this arrangement, the CAP personnel can gain 16 entry to their designated space within the LEC central 17 office (generally with security escort) to install, 18 maintain, and/or repair their own equipment. 19 20 The FCC has described "virtual" collocation (again for 21 purposes of expanded interconnection) as an arrangement

used in the provision of competitive access services

whereby the local exchange company installs, maintains

and repairs CAP designated telecommunications equipment

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1		within the LEC central office. Under this arrangement,
2		the CAP can maintain monitoring and control ability,
3		but cannot physically access the equipment within the
4		central office.
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6		In either case, however, the equipment used to
7		terminate interconnected circuits would be located in
8		the LEC central office.
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11	Q.	WHO SHOULD BE ALLOWED TO INTERCONNECT?
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13	A.	Interconnection opportunities should be available to
14		all third parties including CAPs and IXCs and end
15		users. The purpose of expanded interconnection is to
16		promote competition and to begin to challenge the local
17	11.0	exchange monopoly. Creating artificial parriers to
18		entry would preclude potential competitive alternatives
19		and only slow the competitive process.
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22	Q.	SHOULD THE SAME TERMS AND CONDITIONS OF EXPANDED
23		INTERCONNECTION APPLY TO ATET AS APPLY TO OTHER
24		INTERCONNECTORS?

1 A. Yes. AT&T should be allowed to interconnect to the
2 same extent and under the same terms and conditions as
3 any other third party user.

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6 Q. HOW WOULD THE ADOPTION OF EXPANDED INTERCONNECTION
7 SERVE THE PUBLIC INTEREST?

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The adoption of expanded interconnection would 9 facilitate the beginning of competition within the 10 11 local exchange and would benefit customers in much the 12 same way as competition in other aspects of the 13 telecommunications industry (i.e., interexchange 14 services or telephone sets) has benefited customers over the years. Competition facilitates customer 15 choice and the development and production of new and 16 17 innovative services designed or tailored to meet particular customer needs. Competition fosters better 18 19 price performance as competing vendors vie for 20 customers in the open market place. Competition will also assist the regulators in regulating the local 21 exchange companies encouraging these companies to 22 become more efficient and more responsive to customer 23 needs. 24

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1 Q. WILL THE ADOPTION OF EXPANDED INTERCONNECTION RENDER 2 THE LOCAL EXCHANGE COMPETITIVE?

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The adoption of expanded interconnection through this docket will represent only an initial step in the 5 efforts to create possibilities for real competition to 6 develop in the market for local exchange access 7 service. First, this immediate proceeding addresses only special access services - a very small part of the 9 local exchange monopoly. The docket does not address 10 the local loop and the end office switches - the real 11 core of the local bottleneck monopoly. Second, it will 12 take some time for competitors to respond to the new 13 opportunities offered through expanded interconnection, 14 15 to develop and deploy competitive networks, particularly on a statewide basis. Interconnection is 16 17 a necessary initial step to begin the introduction of competition but it alone will not guarantee the 18 development of competition within the state and it will 19 not directly alter the existing local exchange monopoly 20 held by the LECs. 21

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24 Q. WOULD THE ADOPTION OF EXPANDED INTERCONNECTION BE 25 CONSISTENT WITH PREVIOUS COMMISSION DECISIONS?

Yes. The Florida Commission has consistently supported competition within the telecommunications industry 3 where it has found that competition could work. This Commission was one of the first state commissions in the country to authorize limited IntraLATA (interEAEA) toll competition shortly after AT&T's divestiture of the local exchange companies. By Order No. 23540, the 7 Commission expanded its prescription for intraLATA competition to included intraEAEA service, thus 9 10 bringing to all Floridians the benefits of statewide 11 interexchange (toll) competition. Through Docket No. 890183-TL, the Commission recognized the benefits of 12 13 bringing competition to private line and special access customers by establishing rules for the authorization 14 15 of alternative access vendors (AAVs). The adoption of 16 expanded interconnection would support this tradition by further facilitating the expansion of competition 17 18 for special access services.

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21 Q. WOULD YOU SUMMARIZE YOUR TESTIMONY?

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23 A. Yes. Expanded interconnection is the next logical step 24 toward the introduction of competition into one of the 25 remaining monopoly preserves of the local exchange

1		companies. Expanded interconnection will facilitate
2		competition in the market for special access services
3		by allowing end user customers greater opportunity to
4		reach competing access suppliers, thus bringing the
5		benefits of competition to a larger number of special
6		access customers. Expanded interconnection clearly
7		serves the public interest, and its implementation
8		should be immediately ordered by this Commission.
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11	Q.	DOES THIS CONCLUDE YOUR TESTIMONY?
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13	A.	Yes.
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CERTIFICATE OF SERVICE

DOCKET NO. 921074-TP

I HEREBY CERTIFY that a true copy of the foregoing has been furnished by U. S. Mail or hand-delivery to the following parties on this 24th day of 4th 1993:

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