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July 7, 1993

VIA AIRBORNE

Mr. Steven C. Tribble, Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Fletcher Building
Tallahassee, Florida 32399-0850

RE: Petition of Intermedia Communications of Florida, Inc.
for Expanded Interconnection for AAVs Within LEC Central
Offices - 921074-TP

Dear Mr. Tribble:

Please find enclosed for filing the original and fifteen (15) copies along with a 5-1/4" diskette of Sprint Communications Company Limited Partnership's Prehearing Statement in the above-referenced matter. Please return a file-stamped copy in the enclosed self-addressed stamped envelope.

Thank you.

Sincerely,

Chanthina R. Bryant

Chanthina R. Bryant
Attorney, State Regulatory

CRB:lj

Enclosure

cc: All Parties of Record

ACK	✓
AFA	1
ADD	_____
CIE	_____
CIV	_____
CTD	_____
EAC	_____
LES	1
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DOCUMENT NUMBER-DATE
07320 JUL-83
FPSC-RECORDS/REPORTING

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

In Re: Petition of INTERMEDIA)	
COMMUNICATIONS OF FLORIDA, INC.)	Docket No. 921074-TP
for Expanded Interconnection for)	
Alternate Access Vendors (AAVs))	Filed: July 8, 1993
within LEC Central Offices)	
_____)	

**PREHEARING STATEMENT OF
SPRINT COMMUNICATIONS COMPANY LIMITED PARTNERSHIP**

In accordance with Rule 25-22.038(3), Florida Administrative Code, and the Florida Public Service Commission's ("Commission") Order Establishing Procedure in the above-captioned docket, Sprint Communications Company Limited Partnership ("Sprint"), by and through its undersigned attorneys, respectfully submits the following Prehearing Statement.

A. Witnesses

Sprint will sponsor Fred I. Rock, Manager - Regulatory Access Planning, as its witness in this proceeding. Mr. Rock will present direct testimony and will address all issues as identified in the Prehearing Order issued in this docket.

B. Exhibits

Sprint does not have any exhibits at this time.

C. Basic Position

Sprint supports the Commission's initiative in examining expanded interconnection and central office collocation for the purpose of facilitating the competitive provisioning of local private line and special access transport. Expanded interconnection should be made available to all interested parties for the interconnection of transmission and multiplexing equipment. Sprint believes that the Commission should develop a more competitive local access market and more rational pricing of LEC special access services by adopting a policy requiring expanded interconnection. The Commission also has the opportunity to provide for an efficient transition to a competitive access market by allowing switched access to terminate at special access collocation sites prior to switched interconnection. Thus, the Commission should start developing the framework for switched access interconnection in Florida.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

D. Fact Issues

See Sprint's Position on Issues below.

E. Legal Issues

See Sprint's Position on Issues below.

F. Policy Issues

See Sprint's Position on Issues below.

G. Position on Issues

ISSUE 1: Is expanded interconnection for special access and/or private line in the Public Interest?

SPRINT POSITION: Yes. Expanded interconnection is designed to encourage competitive entry in the provisioning of access services which is, at present, almost exclusively being provided by LECs. The long term benefits of lower prices, product innovation, higher quality service and network diversity would be realized by both the end-user and the telecommunications industry. Without an intrastate expanded interconnection offering, the Commission would be ignoring a potential intrastate revenue stream for LECs and would only be delaying the inevitable transformation of the access marketplace from monopoly to competition.

ISSUE 2: How Does the FCC's order on expanded interconnection impact the Commission's ability to impose forms and conditions of expanded interconnection that are different from those imposed by the FCC's order?

SPRINT POSITION: Sprint believes that the best alternative for the Commission is to structure its policy on expanded interconnection for special access based on the framework established by the FCC. Although the Commission is not obligated to embrace all aspects of the FCC's policy established on expanded interconnection, the standards for equipment, technologies, interconnection points, entry points and rate structure, should at least serve as the basis for an interconnection policy adopted in Florida.

ISSUE 3: Under what circumstances should the Commission impose different forms and conditions of expanded interconnection?

SPRINT POSITION: Any enhancements to the policy as set forth by the FCC should ensure further promotion of the benefits of expanded interconnection. A Florida specific enhancement should require LECs to originate and terminate switched traffic at interconnector collocation sites established under

the special access interconnection offerings. This would allow the shared and efficient use of collocation facilities. Under a dual use of special collocation sites, an interconnector would still be required to purchase LEC provided local transport service, as is required today. From a LEC revenue management standpoint, permitting dual use of special collocation sites has no impact on LEC revenue flows since LEC local transport revenue is recovered via a fixed non distance sensitive per minute of use ("MOU") charge in Florida.

ISSUE 4: Does Chapter 364 Florida Statutes allow the Commission to require expanded interconnection?

SPRINT POSITION: Sprint takes no position on this issue at the present time.

ISSUE 5: Does a physical collocation mandate raise federal and/or state constitutional questions about the taking or confiscation of LEC property?

SPRINT POSITION: Sprint takes no position on this issue at the present time.

ISSUE 6: Should the Commission require physical and/or virtual collocation?

SPRINT POSITION: The Commission should mirror the interstate requirements regarding collocation arrangements. The FCC has ordered LECs to provide physical collocation arrangements, with exemptions for inadequate central office space, negotiated virtual arrangements or where states have established a virtual collocation requirements. Technologically, Sprint believes that the same interconnection opportunities can be made available on a virtual as on a physical basis. As long as LECs provide "virtual" interconnectors the same level of service and at the same price for common rate elements as offered to interconnectors physically located in the central office, Sprint does not believe the requirement of physical interconnection is necessary.

ISSUE 7: What LECs, if any, should be required to provide expanded interconnection?

SPRINT POSITION: The Commission should adopt the same requirements established by the FCC. In its Order, the FCC required all Tier 1 LECs to file expanded interconnection tariffs for the provisioning of special access.

ISSUE 8: Where should expanded interconnection be offered?

SPRINT POSITION: Sprint supports the application of competition-based requirements in locations most likely to experience competitive entry. Specifically, expanded interconnection should be required where interconnectors have indicated a desire to collocate. Tier 1 LECs generally serve major metropolitan areas in Florida which are most likely to warrant and benefit from competition. While the Commission should nurture the competitive process, the decision of where an interconnector wants to collocate must be left up to the interconnector.

ISSUE 9: Who should be allowed to interconnect?

SPRINT POSITION: Expanded interconnection should be made available to any party that chooses to locate its transmission and multiplexing facilities at a LEC central office and meets the applicable standards. In addition, LECs and other interconnectors should have the right to interconnect with an interconnector.

ISSUE 10: Should the same terms and conditions of expanded interconnection apply to AT&T as apply to other interconnectors?

SPRINT POSITION: Yes, Sprint agrees with the FCC in that any party currently located at a LEC central office must interconnect "in the same manner as other interconnectors," "using fiber optic facilities" and "under the same general terms and conditions."

ISSUE 11: Should the Commission require standards for physical and/or virtual collocation? If so, what should they be?

SPRINT POSITION: Yes, the Commission should mirror the FCC's policy of physical collocation, with one exception. Virtual collocation should be required when physical space becomes exhausted. LECs should also be required to establish interconnection points as close to the central office as possible, provide multiple points of entry into the central office and allow shared use of an interconnection point for both special access termination and switched transport termination as explained in Issue No. 3.

ISSUE 12: Should collocators be required to allow LECs and other parties to interconnect with their networks?

SPRINT POSITION: Yes, interconnectors should be required to offer interconnection at its point of collocation.

ISSUE 13: What standards should be established for the LECs to allocate space for collocators?

SPRINT POSITION: Physical collocation should be required on a first-come first-served basis. If central office space is exhausted, the LEC should be required to offer a virtual arrangement equitable to physical.

ISSUE 14: Should the Commission allow expanded interconnection for non-fiber optic technology?

SPRINT POSITION: Expanded interconnection for non-fiber technologies should be limited to microwave transmission.

ISSUE 15: If the Commission permits expanded interconnection, what pricing flexibility should the LECs be granted for special access and private line services?

SPRINT POSITION: LECs should have a certain degree of pricing flexibility in relation to expanded interconnection for special as well as switched access. The FCC has adopted density zone pricing for special access where competition exists as evidenced by an operational special access interconnection. This pricing methodology allows LECs to be competitive in the pricing of their special access services while limiting uneconomic interconnection.

With the following modifications, the Commission should adopt density zone pricing. The FCC has been overly restrictive in allowing LECs to initiate a zone pricing system in study areas only after expanded interconnection offerings are operational in that study area. Density-based pricing should facilitate fair competition between the LECs and interconnectors after competitive entry has occurred. Allowing the LEC industry to price by density zones regardless of whether competitive entry has occurred in any study area, will send the correct economic signals more promptly and should facilitate sound entry decisions from the competitive access industry.

A second modification to the FCC's plan Sprint proposes is that LECs be permitted to offer different initial rates in each density zone.

ISSUE 16: If the Commission permits collocation, what rates, terms, and conditions should be tariffed by the LEC?

SPRINT POSITION: The Commission should establish a policy requiring expanded interconnection offerings and central office space usage to be tariffed. Given the LECs level of control, it is appropriate to tariff interconnection and central office space offerings due to the potential for anticompetitive pricing and discrimination. Sprint believes the framework of terms, conditions and rates approved by the FCC should be adopted by this Commission. The Commission should, however, review rate elements and levels for

reasonableness. It is in the best interest of competitive entry that terms, conditions and rates are reasonable and similar to those incurred by the LEC, be included in the pricing of its access services.

ISSUE 17: Should all special access and private line providers be required to file tariffs?

SPRINT POSITION: Yes, but only because non-dominant carriers are currently required to file tariffs in Florida. Given that non-dominant carriers may be an interconnector and are required to file tariffs, all interconnectors must be required to file tariffs to prevent discrimination. Generally, Sprint believes a non-dominant carrier has limited ability to effect the market with its pricing and certainly has limited ability to price discriminately. Therefore, rules requiring price lists would normally be sufficient.

ISSUE 18: What separations impact will expanded interconnection have on the LECs?

SPRINT POSITION: In general, the overall effect of expanded interconnection and competition will produce a more efficient LEC, lower prices and generate greater quality and benefits to the end-user. While traditional cost separations tend to force costs to follow revenues, competition, with safeguards against cross-subsidization, will require LECs to cut unnecessary expenditures, increase productivity and make decisions in response to competition rather than merely shifting costs from one jurisdiction to another and from one service to another.

To the extent the LEC is unable to cover "lost contribution" from reduced special access demand through productivity gains, the Commission must look at the current overall rate levels. LECs in Florida have among the highest intrastate switched access rates in the United States. Given the fact that switched access currently contributes greatly to subsidized basic local rates, Sprint believes any LEC revenue shortfall should be recovered in rates other than switched access.

ISSUE 19: How would ratepayers be financially affected by expanded interconnection?

SPRINT POSITION: As explained in Issue No. 18, expanded interconnection and competition, in general, will stimulate the efficient provision of all telecommunications services. Ratepayers may need to bear more of the costs attributable to providing local service but only to a point short of impacting universal service. Sprint supports targeted assistance to ratepayers in need and is willing to contribute a fair share to provide such assistance. Thus, across the board

subsidization of local rates is unwarranted.

ISSUE 20: Should the Commission grant ICI's petition?

SPRINT POSITION: Yes. The Commission should allow ICI to interconnect under the terms and conditions developed in this proceeding for expanded interconnection.

ISSUE 21: Should expanded interconnection be subject to a "net revenue test" requirement in order to avoid possible cross-subsidy concerns?

SPRINT POSITION: No. It is unlikely that LECs will price expanded interconnection below cost since the result is to allow competition for its access services.

H. Stipulated Issues

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

I. Pending Motions

Sprint is not aware of any pending motions.

J. Other Requirements

Sprint is not aware of any requirement with which it cannot comply.

Respectfully submitted,

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PARTNERSHIP

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Its Attorneys

DATED: July 8, 1993

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the within and foregoing Prehearing Statement in Docket No. 921074-TP; "PETITION OF INTERMEDIA OF FLORIDA, INC. FOR EXPANDED INTERCONNECTION FOR AAVs WITHIN LEC CENTRAL OFFICES" via first class mail, by depositing same with sufficient postage and properly affixed and properly addressed to:

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This 7th day of July, 1993.

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