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FLORIDA CABLE TELEVISION ASSOCIATION, INC

P.O. BOX 10883, TALLAHASSEE, FLORIDA 32302, 904/681-1990

Florida Cable Television Assoc., Inc.

STEVEN E. WILKERSON
President

July 27, 1994

ORIGINAL
FILE COPY

VIA HAND DELIVERY

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
101 East Gaines Street
Tallahassee, FL 32399

RE: Docket No. 921074-TP

Dear Ms. Bayo:

Enclosed for filing in the above-referenced docket are an original and fifteen copies of Florida Cable Television Association, Inc.'s ("FCTA") Prehearing Statement.

Also enclosed is a copy on a 3-1/2" diskette in WordPerfect format, version 6.0.

Please acknowledge receipt and filing of the above by date stamping the duplicate copy of this letter and returning the same to me.

Thank you for your assistance in processing this filing.

ACK ~ Yours very truly,

AFA _____
APP Jama Wilson (CFA)
CAF _____

(CML) Laura L. Wilson
Regulatory Counsel

CTR _____
EAG _____
ENC Enclosures

LEG Carmono
All Parties of Record
LW 4 Mr. Steven E. Wilkerson
Mr. Robert J. Brillante

OTB _____

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Expanded Interconnection)
Phase II and Local Transport)
Restructure.)

DOCKET NO. 921074-TP
DOCKET NO. 930955-TL
DOCKET NO. 940014-TL
DOCKET NO. 940020-TL
DOCKET NO. 931196-TL
DOCKET NO. 940190-TL

**PREHEARING STATEMENT OF
FLORIDA CABLE TELEVISION ASSOCIATION, INC.**

The Florida Cable Television Association, Inc. ("FCTA") pursuant to Rule 25-22.038, Florida Administrative Code, Order No. PSC-94-0076-PCO-TL, Order No. PSC-94-0277-PCO-TL and Order No. PSC-94-0830-PCO-TP, respectfully submits its Prehearing Statement to the Florida Public Service Commission ("Commission").

I. BASIC POSITION

Expanded interconnection of intrastate switched access is in the public interest and is consistent with the FCC's treatment of interstate switched access. Expanded interconnection of switched access will facilitate the growth of competitive telecommunications networks in Florida and provide Florida's consumers with "state of the art" telecommunications service. Therefore, the Commission should require expanded interconnection of switched access.

The LECs currently possess a monopoly for switched services. Thus, it is essential to the development of competition that the Commission set appropriate expanded interconnection standards and ensure the interconnection with the dominant LEC network is priced fairly and is not cumbersome technologically. The Commission has the statutory authority to mandate physical collocation. However, if physical collocation is not mandated, at minimum, the following conditions should apply: (1) the LECs should be required to provide collocation in a manner which is technically, economically and operationally equivalent to a physical collocation standard. A standard of reasonableness is necessary to prevent incumbent LECs from building inefficiencies into collocation arrangements which will impede competition and minimize consumer choice.

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the Commission should adopt rules and regulations implementing a physical collocation standard and require the LECs to file tariffs specifying such rules and regulations; and (3) the Commission should resolve disputes among parties if collocation arrangements cannot be successfully negotiated.

With regard to pricing flexibility, the LECs should not be granted pricing flexibility beyond that provided for by the FCC. Specifically, Contract Service Arrangements (CSAs) should not be allowed. Further, if physical collocation is not mandated, the LECs should not be permitted to flexibly price these services until the successful negotiation and implementation of collocation arrangements that technically, economically and operationally meet a physical collocation standard set by the Commission.

II. WITNESSES' TESTIMONY AND EXHIBITS

The FCTA will present William Kingsley as a rebuttal witness. Mr. Kingsley's testimony rebuts the Direct and Supplemental Direct Testimony of Ben Poag and the Direct Testimony of David Denton. There are no exhibits attached to Mr. Kingsley's rebuttal testimony.

III. ISSUES

ISSUE 1:

How is switched access provisioned and priced today?

FCTA's POSITION:

FCTA takes no position.

ISSUE 2:

How is local transport structured and priced today?

FCTA's POSITION:

FCTA takes no position.

ISSUE 3:

Under what circumstances should the Commission impose the same or different forms and conditions of expanded interconnection than the F.C.C.?

FCTA's POSITION: Generally, the Phase I modifications to the FCC decision and a physical collocation mandate should apply in Phase II. If physical collocation is not mandated, then the Commission should adopt a physical collocation standard for expanded interconnection arrangements. Even though the FCC has not yet issued an order establishing standards for virtual collocation, the Commission should move forward in this docket to assure that interconnection is reasonably priced and is not technologically, administratively or economically limiting for interconnectors. There should be no dominant LEC pricing flexibility, i.e. CSA authority, beyond that permitted by the FCC.

ISSUE 4:

Is expanded interconnection for switched access in the public interest? (The following should be discussed within this issue: Potential separations impact; Potential revenue impact on LECs, their ratepayers, and potential competitors; Potential ratepayer impact.)

FCTA's POSITION: Yes. Expanded interconnection for switched access is in the public interest.

ISSUE 5:

Is the offering of dedicated and switched services between non-affiliated entities by non-LECs in the public interest?

FCTA's POSITION: Yes. Non-LEC offering of dedicated and switched services between non-affiliated entities is in the public interest. Such a regulatory approach will provide Florida's consumers with the benefits of a competitive telecommunications market.

ISSUE 6:

Does Chapter 364, Florida Statutes, allow the Commission to require expanded interconnection for switched access?

FCTA's POSITION: Yes. However, Chapter 364, Florida Statutes, severely limits the Commission's ability to implement a meaningful policy involving expanded interconnection of switched access service.

ISSUE 7:

Does a physical collocation mandate raise federal or state constitutional questions about the taking or confiscation of LEC property?

FCTA's POSITION: No; although, FCTA acknowledges that the United States Court of Appeals for the District of Columbia Circuit expressed concern regarding the federal taking question.

ISSUE 8:

Should the Commission require physical and/or virtual collocation for switched access expanded interconnection?

FCTA's POSITION: The Commission should require physical collocation. However, if the Commission does not mandate physical collocation, it should, at minimum, adopt a physical collocation standard against which virtual collocation should be provided in a manner which is technically, economically, administratively, and operationally equivalent to physical collocation. A standard of reasonableness is also necessary to prevent dominant LECs from building inefficiencies into collocation arrangements that will impede competition. The Commission should allow negotiated physical collocation arrangements as an alternative to virtual collocation.

ISSUE 9:

Which LECs should provide switched access expanded interconnection?

FCTA's POSITION: For consistency, the Commission should mirror its Phase I determinations.

ISSUE 10:

From what LEC facilities should expanded interconnection for switched access be offered? Should expanded interconnection for switched access be required from all such facilities?

FCTA's POSITION: For consistency, the Commission should mirror the FCC's decisions as refined by the Commission's decisions regarding special access interconnection in Phase I of this proceeding.

ISSUE 11:

Which entities should be allowed expanded interconnection for switched access?

FCTA's POSITION: For consistency, the Commission should mirror the FCC's decisions as refined by the Commission's decisions regarding special access in Phase I of this proceeding.

ISSUE 12:

Should collocators be required to allow LECs and other parties to interconnect with their network?

FCTA's POSITION: No. This position is consistent with the Commission's decision in Phase I of this proceeding.

ISSUE 13:

Should the Commission allow switched access expanded interconnection for non-fiber optic technology?

FCTA's POSITION: Yes. The Commission should allow switched access interconnection for non-fiber technology.

ISSUE 14:

Should all switched access transport providers be required to file tariffs?

FCTA's POSITION: No. Only the dominant LECs should be required to file tariffs.

ISSUE 15:

Should the proposed LEC flexible pricing plans for private line and special access services be approved?

FCTA's POSITION: No. The Commission should approve no pricing flexibility for intrastate private line and special access services beyond that allowed by the FCC for interstate services. Price flexibility should be allowed only after implementation of expanded interconnection.

ISSUE 16:

Should the LECs proposed intrastate private line and special access expanded interconnection tariffs be approved?

FCTA's POSITION: No. Tariffs should only be approved consistent with other decisions reached in this docket.

ISSUE 17:

Should the LECs proposed intrastate switched access interconnection tariffs be approved?

FCTA's POSITION: No. Tariffs should only be approved consistent with other decisions reached in this docket.

ISSUE 18:

Should the LECs be granted additional pricing flexibility? If so, what should it be?

FCTA's POSITION: The incumbent LECs should be granted no more pricing flexibility for intrastate services than allowed for interstate services. Price flexibility should be allowed only after the implementation of expanded interconnection.

ISSUE 19:

Should the Commission modify its pricing and rate structure regarding switched transport service?

- a) **With the implementation of switched expanded interconnection.**
- b) **Without the implementation of switched expanded interconnection.**

FCTA's POSITION: The Commission should modify its pricing and rate structure regarding switched transport only after implementation of switched expanded interconnection.

ISSUE 20:

If the Commission changes its policy on the pricing and rate structure of switched transport service, which of the following should the new policy be based on:

- a) **The intrastate pricing and rate structure of local transport should mirror each LEC's interstate filing, respectively.**
- b) **The intrastate pricing and rate structure of local transport should be determined by competitive conditions in the transport market.**
- c) **The intrastate pricing and rate structure of local transport should reflect the underlying cost based structure.**
- d) **The intrastate pricing and rate structure of local transport should reflect other methods.**

FCTA's POSITION: If the Commission changes its policy on the pricing and rate structure of switched transport service, the new policy should be based on statements "a," "b" and "c" above.

ISSUE 21:

Should the LECs proposed local transport restructure tariffs be approved? If not, what changes should be made to the tariffs?

FCTA's POSITION: No. Tariffs should only be approved consistent with other decisions reached in this docket.

ISSUE 22:

Should the Modified Access Based Compensation (MABC) agreement be modified to incorporate a revised transport structure (if local transport restructure is adopted) for IntraLATA toll traffic between LECs?

FCTA's POSITION: No position at this time.

ISSUE 23:

How should the Commission's Imputation guidelines be modified to reflect a revised transport structure (if local transport restructure is adopted)?

FCTA's POSITION: No position at this time.

ISSUE 23(a):

Should the Commission modify the Phase I order in light of the decision by the United States Court of Appeals for the District of Columbia Circuit?

FCTA's POSITION: No. The Commission has the authority to mandate physical collocation. Notwithstanding, should the Commission choose to modify its order to allow LECs the option of choosing between physical or virtual collocation, then the Commission should adopt a physical collocation standard by which expanded interconnection arrangements can be negotiated on a case-by-case basis. The Commission also should adopt rules and regulations implementing a physical collocation standard and require the LECs to file tariffs specifying such rules and regulations. The Commission should resolve disputes among parties if collocation arrangements cannot be successfully negotiated. Finally, the Commission should suspend all price flexibility for the LECs until expanded interconnection arrangements are successfully negotiated and implemented.

ISSUE 24:

Should these dockets be closed?

FCTA's POSITION: Depending on the decisions reached in this proceeding, additional Commission review may be necessary.

RESPECTFULLY SUBMITTED this 27th day of July, 1994.

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by: Laura L. Wilson (CFD)
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Prehearing Statement has been furnished by Hand Delivery (*) and/or U.S. Mail on this 27th day of July, 1994 to the following parties of record:

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