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**ORIGINAL
FILE COPY**

January 26, 1996

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

via Hand Delivery

Re: Resolution of Petition(s) to establish 1995 rates, terms, and conditions for interconnection involving local exchange companies and alternative local exchange companies pursuant to Section 364.162, Florida Statutes; Docket No. 950985A-TP-Continental/Sprint United and 950985D-Time Warner/Sprint United

Dear Ms. Bayo:

Enclosed for filing please find an original and fifteen copies of Time Warner AxS of Florida, L.P.'s and Digital Media Partners' Prehearing Statement for the above-referenced dockets. You will also find a copy of this letter and a diskette in Word Perfect 5.1 format enclosed. Please date-stamp the copy of this letter to indicate that the original was filed and return to me.

If you have any questions regarding this matter, please feel free to contact me.

Respectfully,

Sue E. Weiske

Sue E. Weiske

- ACK
- AFA
- APP
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- CMU *Chen*
- CTR
- EAG
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- RCH
- SEC
- WAS
- OTH

SEW/tmz
Enclosures

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[Signature]
EPSC-BUREAU OF RECORDS

cc: All Parties of Record (w/ enclosure)

DOCUMENT NUMBER-DATE

01004 JAN 26 96

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Resolution of Petition(s)) Docket Nos.
to establish nondiscriminatory) 950985A-Continental/
rates, terms, and conditions for) Sprint United
interconnection involving local) 950985D-Time Warner/
exchange companies and alternative) Sprint United
local exchange companies pursuant) Filed: January 26, 1996
to Section 364.162, Florida Statutes)
_____)

PREHEARING STATEMENT BY TIME WARNER AXS OF FLORIDA, L.P.
AND DIGITAL MEDIA PARTNERS

A. WITNESSES, TESTIMONY AND ISSUES

Direct Testimony:

Witness Danny G. Engleman 1, 13
Witness Joan McGrath 3, 4, 5a, 5b, 6, 7, 8, 9, 10,
12, 13, 14
Witness Don J. Wood 1, 2, 11

Rebuttal Testimony:

Witness Danny G. Engleman 1, 11, 13
Witness Joan McGrath 3, 4, 5a, 5b, 6, 7, 8, 9, 10,
12, 13, 14
Witness Don J. Wood 1, 2, 11

B. EXHIBITS

Direct Testimony:

JM-1 Resume
JM-2 Schematics
DGE-1 Resume
DJW-1 Resume

Rebuttal Testimony:

None

DOCUMENT NUMBER-DATE

01004 JAN 26 8
FPSC-RECORDS/REPORTING 1459

C. STATEMENT OF BASIC POSITION

Time Warner believes that the best method of interconnection compensation, especially in a infant local exchange market, is a bill and keep arrangement. This is the method that local exchange companies (LECs) use today, is administratively simple, and allows competitors to choose a network architecture which is most efficient. In addition, bill and keep is most likely to produce the benefits of competition for consumers. In technical interconnection arrangements, the alternative local exchange company should be treated as a co-carrier, utilizing many of the mechanisms that are in place between LECs today. No issues other than those identified in this docket should be discussed in this docket.

D-G. ISSUES AND POSITIONS

ISSUE 1: WHAT ARE THE APPROPRIATE RATE STRUCTURES, INTERCONNECTION RATES, OR OTHER COMPENSATION ARRANGEMENTS FOR THE EXCHANGE OF LOCAL AND TOLL TRAFFIC BETWEEN THE RESPECTIVE ALECS AND SPRINT UNITED?

TIME WARNER'S POSITION: The appropriate interconnection arrangement is bill and keep.

ISSUE 2: IF THE COMMISSION SETS RATES, TERMS, AND CONDITIONS FOR INTERCONNECTION BETWEEN THE RESPECTIVE ALECS AND SPRINT UNITED, SHOULD SPRINT UNITED TARIFF THE INTERCONNECTION RATE(S) OR OTHER ARRANGEMENTS?

TIME WARNER'S POSITION: Yes.

ISSUE 3: WHAT ARE THE APPROPRIATE TECHNICAL AND FINANCIAL ARRANGEMENTS WHICH SHOULD GOVERN INTERCONNECTION BETWEEN THE RESPECTIVE ALECS AND SPRINT UNITED FOR THE DELIVERY OF CALLS ORIGINATED AND/OR TERMINATED FROM CARRIERS NOT DIRECTLY CONNECTED TO THE RESPECTIVE ALEC'S NETWORK?

TIME WARNER'S POSITION: For intraLATA calls (both local and toll), technically, ALECs should be able to transmit traffic through the Sprint United tandems to other local service provider end offices that also subtend the Sprint United tandems. Financially, bill and keep will apply.

If a LATAwide termination structure is not used, local calls should terminate under a bill and keep arrangement, and intraLATA toll calls should use the intraLATA Modified Access Based Compensation (MABC) plan used between LECs in Florida today. The originating company bills its end user for the toll call, and pays the terminating company switched access charges. Where one LEC serves as an intermediary, the intermediary LEC is paid tandem switching and transport as well.

On interLATA toll calls, IXC traffic exchanged between the Sprint United tandem and the ALEC should be handled using industry Meet Point Billing procedures--dual tariff, dual bill. The ALEC will bill the IXC for Carrier Common Line, Local Switching, and Transport from the tandem to its end office; the LEC will bill Tandem Switching and Transport from the IXC point of presence to the tandem.

Mobile interconnect traffic exchanged via the LEC tandem will look, to both companies like local traffic. Most mobile carriers have direct connections to the LEC tandem. On originating, therefore, the ALEC would deliver traffic to the Sprint United tandem under bill and keep. On terminating, Sprint United would bill the normal cellular charges to the cellular company, and the ALEC would terminate the calls under local bill and keep.

Further, Sprint United should allow two collocated ALECs to direct connect within the Sprint United tandem, without going through the tandem switch (a "hotel" connection), charging only for rates applied for collocation, and not for switched access.

ISSUE 4: WHAT ARE THE APPROPRIATE TECHNICAL AND FINANCIAL REQUIREMENTS FOR THE EXCHANGE OF INTRALATA 800 TRAFFIC WHICH ORIGINATES FROM THE RESPECTIVE ALECS' CUSTOMER AND TERMINATES TO AN 800 NUMBER SERVED BY OR THROUGH SPRINT UNITED?

TIME WARNER'S POSITION: The company originating the 800 call will need to send the originating call record to the 800 number owner in order for them to bill the end user. Technically, for 800 calls originating from the ALEC, the ALEC would route its 800 traffic to its service switching point where a query is launched to the signal control point (SCP). A bill record will be generated by the SCP provider which will be sent to Sprint United, so they can bill the 800 end user customer. the ALEC should bill Sprint United originating switched access charges, an 800 query charge, and a record provisioning charge.

ISSUE 5a): WHAT ARE THE APPROPRIATE TECHNICAL ARRANGEMENTS FOR THE INTERCONNECTION OF THE RESPECTIVE ALECS' NETWORK TO SPRINT UNITED'S 911 PROVISIONING NETWORK SUCH THAT THE RESPECTIVE ALECS' CUSTOMERS ARE ENSURED THE SAME LEVEL OF 911 SERVICE AS THEY WOULD RECEIVE AS A CUSTOMER OF SPRINT UNITED?

TIME WARNER'S POSITION: Sprint United should interconnect the ALECs' facilities to Sprint United's 911 hub sites. It must configure its 911 tandem to recognize industry standard 911 signaling for the traffic originating from the ALECs' switches. There should be a single point of contact for coordinating purposes. Sprint United should be required to provide the ALECs with reference data to assist in the configuration of interconnected 911 trunks and to ensure that 911 calls are correctly routed. There must be a cooperative effort between the ALECs and Sprint United for deployment, routing and alternate routing and other operational issues.

ISSUE 5b): WHAT PROCEDURES SHOULD BE IN PLACE FOR THE TIMELY EXCHANGE AND UPDATING OF THE RESPECTIVE ALECS CUSTOMER INFORMATION FOR INCLUSION IN APPROPRIATE E911 DATABASES?

TIME WARNER'S POSITION: The ALEC will use the existing method in place today for transfer and update of correctly preformatted E911 datafiles according to a pre-negotiated protocol and predetermined schedule. Sprint United should be required to cooperate with the ALECs to ensure that ALEC customer data is in the proper format for inclusion in the 911 Automatic Location

Identification database. Sprint United must either make the master street address guide (MSAG) available to the ALECs or cooperate in the editing of the ALECs' customer data against the MSAG for inclusion in the ALI database(s). Sprint United should have the same standards for the ALEC as it does for itself. The ALEC's record delivery will be transmitted as frequently and as rapidly as Sprint United.

ISSUE 6: WHAT ARE THE APPROPRIATE TECHNICAL AND FINANCIAL REQUIREMENTS FOR OPERATOR HANDLED TRAFFIC FLOWING BETWEEN THE RESPECTIVE ALECS AND SPRINT UNITED INCLUDING BUSY LINE VERIFICATION AND EMERGENCY INTERRUPT SERVICES?

TIME WARNER'S POSITION: There are three scenarios for the ALEC to provide Operator Services. The ALEC could self-provide, hire a third party vendor, or hire Sprint United. In either the first or second scenarios, the only connection to Sprint United for the ALEC would be an inward trunk from the ALEC local switch to the Sprint United Operator Services switch so a ALEC operator could contact a Sprint United operator when a local ALEC customer requires busy line verify/interrupt of a Sprint United line. Conversely, if a Sprint United subscriber has a need for verify/interrupt of an ALEC line, an inward trunk arrangement needs to be made available to the ALEC operator provider. The option is for the ALEC operator to refer or connect to the subscriber's long distance company to perform the service. The ALEC's operator service provider should be able to verify/interrupt ALEC lines

without connecting to Sprint United. If the ALEC selects Sprint United as the provider, operator services trunking would be required between the ALEC local switch and the Sprint United operator switch to perform all operator services functions.

ISSUE 7: WHAT ARE THE APPROPRIATE ARRANGEMENTS FOR THE PROVISION OF DIRECTORY ASSISTANCE SERVICES AND DATA BETWEEN THE RESPECTIVE ALECS AND SPRINT UNITED?

TIME WARNER'S POSITION: Having the ALEC's directory assistance listings resident in the Sprint United database is to both parties' advantage. Sprint United maintains a complete, accurate database for their subscribers, and world, while the ALEC is able to make its listings universally available as well. Although Sprint United incurs costs for entering and maintaining the ALEC data for Directory Assistance (DA) purposes, but the value of the universal database is priceless. Sprint United should be required to carry the ALEC listings in its DA database at no charge to the ALEC for these reasons.

ISSUE 8: UNDER WHAT TERMS AND CONDITIONS SHOULD SPRINT UNITED BE REQUIRED TO LIST THE RESPECTIVE ALECS' CUSTOMERS IN ITS WHITE AND YELLOW PAGES DIRECTORIES AND TO PUBLISH AND DISTRIBUTE THESE DIRECTORIES TO THE RESPECTIVE ALECS' CUSTOMERS?

TIME WARNER'S POSITION: Because of the small size of new entrants and efficiencies (lack thereof) in creating their own directories, Sprint United should be required to provide certain

listing services to all end users regardless of their local telephone company. Sprint United should provide a single line white page listing for the ALEC's customers at no charge to either the ALEC or the end user. For business customers, Sprint United should also provide a single line yellow page listing at no charge as well. Sprint United must ensure accuracy and timeliness in these listings. Sprint United should provide a user guide/informational insert to be published in both the white pages information section and the yellow pages sections, at no charge to the ALEC. Sprint United should deliver directories to all customers at no charge to the ALEC. Sprint United would have the opportunity to sell yellow page ads to the ALEC's customers.

ISSUE 9: WHAT ARE THE APPROPRIATE ARRANGEMENTS FOR THE PROVISION OF BILLING AND COLLECTION SERVICES BETWEEN THE RESPECTIVE ALECS AND SPRINT UNITED, INCLUDING BILLING AND CLEARING CREDIT CARD, COLLECT, THIRD PARTY AND AUDIOTEXT CALLS?

TIME WARNER'S POSITION: If the LEC has a billing and collection arrangement with an IXC to bill end user toll traffic on the local telephone bill and the new entrant also has billing and collection contracts with that IXC, then the LEC who will receive the call detail from the IXC when a ported number is involved should be required to "clear" that traffic to the ALEC, which will bill the end user. The cost for this should be shared among Sprint United, the ALEC, and the IXC.

ISSUE 10: WHAT ARRANGEMENTS ARE NECESSARY TO ENSURE THE PROVISION OF CLASS/LASS SERVICES BETWEEN THE RESPECTIVE ALECS AND SPRINT UNITED'S NETWORKS?

TIME WARNER'S POSITION: The ALEC network and cluster need to be translated in all Sprint United end offices that support CLASS/LASS features. Likewise, the network and cluster of Sprint United end offices need to be translated in the ALEC's switch. In addition, both STP pairs (the ALEC's and Sprint United's) must be translated to allow an exchange of messages between end offices.

ISSUE 11: WHAT ARE THE APPROPRIATE ARRANGEMENTS FOR PHYSICAL INTERCONNECTION BETWEEN THE RESPECTIVE ALECS AND SPRINT UNITED, INCLUDING TRUNKING AND SIGNALING ARRANGEMENTS?

TIME WARNER'S POSITION: Interconnection should be permitted wherever reasonably possible, rather than being arbitrarily limited. In addition, signaling networks need to be interconnected and need to pass sufficient signaling information so that all of the services possible with today's technology can be offered to all customers.

ISSUE 12: TO THE EXTENT NOT ADDRESSED IN THE NUMBER PORTABILITY DOCKET, DOCKET NO. 950737-TP, WHAT ARE THE APPROPRIATE FINANCIAL AND OPERATIONAL ARRANGEMENTS FOR INTEREXCHANGE CALLS TERMINATED TO A NUMBER THAT HAS BEEN "PORTED" TO THE RESPECTIVE ALECS?

TIME WARNER'S POSITION: Sprint United should develop a way to measure this traffic, or develop a surrogate for estimating it, and remit the correct switched access charges to Time Warner. If this cannot be accomplished, an alternative is to reduce the price for some other element of interconnection to offset Sprint United's revenue windfall.

ISSUE 13: WHAT ARRANGEMENTS, IF ANY, ARE NECESSARY TO ADDRESS OTHER OPERATIONAL ISSUES?

TIME WARNER'S POSITION: As the ALECs and Sprint United work toward implementation of the numerous issues relating to interconnection, other issues may arise which could not be addressed at this point in the process. The companies must agree to work together toward an early resolution, with the expectation that additional documents will result.

ISSUE 14: WHAT ARRANGEMENTS, IF ANY ARE APPROPRIATE FOR THE ASSIGNMENT OF NXX CODES TO THE RESPECTIVE ALECS?

TIME WARNER'S POSITION: To the extent this Commission requires a usage-based intercompany compensation plan which maintains the current distinction between local versus toll, this

Commission should require Sprint United to assist Time Warner assignment of NXX codes, which the ALECs would legitimately require for proper tracking of usage for intercompany compensation. Sprint United should work with the ALECs to determine the number of NXX codes needed to accommodate the local/toll distinction, and should actively work to provide the ALECs with the needed codes.

H. STIPULATIONS

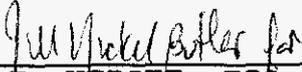
Time Warner has proposed no stipulations.

I. PENDING MOTIONS

Time Warner has filed no motions.

J. COMPLIANCE WITH ORDER ON PREHEARING PROCEDURE

Time Warner is aware of no requirements with which it cannot comply.



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Counsel for: Time Warner AxS of
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Digital Media Partners

CERTIFICATE OF SERVICE
DOCKET NO. 950985-TP

I HEREBY CERTIFY that a true and correct copy of the Prehearing Statement on behalf of Time Warner AxS of Florida, L.P. and Digital Media Partners has been served by either *Federal Express or Hand Delivery on this 26th day of January, 1996, to the following parties of record:

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