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February 21, 1996

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REPLY TO: P.O. BOX 40035.4 TALLAHARSE, FL 32302-2095

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

Re: Resolution of Petition(s) to Establish Nondiscriminatory Rates, Terms, and Conditions for Resale Involving Local Exchange Companies and Alternative Local Exchange Companies Pursuant to Florida Statutes; Section 364.161, Docket No. 950984-TP

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 docket. 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
 AFA ______
 Respectfully.

Respectfully, APP PENNINGTON, CULPEPPER, MOORE, CAF WILKINSON, DUNBAR & DUNLAP, P.A. CM CTR RECEIVED & FILED M. Dunbar EAG LEG PMD/tm; Enclosures BURENU OF RECORDS LIN OPC All Parties of Record (w/ enclosure) Čc: DOCUMENT NUMBER-DATE RCH SEC _ 02112 FEB218 WAS -FPSC-RECORDS/REPORTING OTH -

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Resolution of Petition(s) to) Establish Nondiscriminatory) Rates, Terms, and Conditions) for Resale Involving Local) Exchange Companies and) Alternative Local Exchange) Companies Pursuant to) Section 364.161, Florida Statutes) Docket No. 950984-TP Filed: February 21, 1996

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

COMES NOW, Time Warner AxS of Florida, L.P. and Digital Media Partners (collectively "Time Warner"), and pursuant to Rule 25-22.038, Florida Administrative Code, and the Order Establishing Procedure, respectfully submits its Prehearing Statement in the above-captioned docket to the Florida Public Service Commission ("Commission" or "FPSC").

A. WITNESSES, TESTIMONY AND ISSUES

None.

B. EXHIBITS

None.

C. STATEMENT OF BASIC POSITION

Time Warner believes that for local competition to develop and be sustained, there must be facilities-based alternatives to the local exchange companies. Chapter 364.161, Florida Statutes, and the new Federal legislation require local exchange companies to unbundle all of their network features, functions, and capabilities, including access to signaling databases, systems and

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routing processes, and offer them to any other telecommunications provider requesting them for resale. There is still an issue of the amount of avoidable costs and on whether services that are priced below cost should be discounted at all. However, the price for unbundled elements provided by the LECs must pass an imputation test to insure that new entrants are not caught in a price squeeze.

D-G. ISSUES AND POSITIONS

<u>ISSUE 1:</u> WHAT ELEMENTS SHOULD BE MADE AVAILABLE BY UNITED/CENTEL AND GTEFL TO MFS-FL ON AN UNBUNDLED BASIS (E.G., LINK ELEMENTS, PORT ELEMENTS, LOOP CONCENTRATION, LOOP TRANSPORT)?

<u>TIME WARNER'S POSITION:</u> Unbundled loops, ports, loop concentration and loop transport should be made available.

ISSUE 2: WHAT ARE THE APPROPRIATE TECHNICAL ARRANGEMENTS FOR EACH SUCH UNBUNDLED ELEMENT?

<u>TIME WARNER'S POSITION:</u> Unbundled elements should be made available at interconnection points between the LECs and ALECs network.

ISSUE 3: WHAT ARE THE APPROPRIATE FINANCIAL ARRANGEMENTS FOR EACH SUCH UNBUNDLED ELEMENT?

TIME WARNER'S POSITION: Chapter 364.161, Florida Statutes, and the new Federal legislation require local exchange companies to unbundle all of their network features, functions, and capabilities, including access to signaling databases, systems and

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routing processes, and offer them to any other telecommunications provider requesting them for resale. There is still an issue of the amount of avoidable costs and on whether services that are priced below cost should be discounted at all.

Time Warner further recognizes that existing LEC services such as special access provide a contribution toward the preservation of universal service and carrier of last resort obligations, and that until the conclusion of rate and universal service reform, it may not be appropriate to lose this contribution. However, the price for unbundled elements provided by the LECs must pass an imputation test to ensure that new entrants are not caught in a price squeeze.

<u>ISSUE 4:</u> WHAT ARRANGEMENTS, IF ANY, ARE NECESSARY TO ADDRESS OTHER OPERATIONAL ISSUES?

TIME WARNER'S POSITION: The LECs should provide ordering, repair, testing and other administrative systems needed on an automated basis, where possible.

H. STIPULATIONS

None.

I. PENDING MOTIONS

None.

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J. COMPLIANCE WITH ORDER ON PREHEARING PROCEDURE

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

RESPECTFULLY SUBMITTED this 21st day of February, 1996.

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Counsel for: Time Warner AxS of Florida, L.P. and Digital Media Partners

CERTIFICATE OF SERVICE DOCKET NO. 950984-TP

I HEREBY CERTIFY that a true and correct copy of the Prehearing Statement by Time Warner AxS of Florida, L.P. and Digital Media Partners has been served by Hand Delivery or Federal Express this 21st day of February, 1996, to the following parties of record:

Ms. Jill Butler Florida Regulatory Director Time Warner Communications 2773 Red Maple Ridge Tallahassee, FL 32301 (Hand Delivery)

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