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March 22, 1996

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

Dear Ms. Bayo:

Re: Docket No. 950985-TP
Resolution of petition(s) to establish nondiscriminatory rates, terms and conditions for interconnection involving local exchange companies and alternative local exchange companies pursuant to Section 364.162, Florida Statutes

Please find enclosed for filing an original and fifteen copies of the Post-Hearing Brief of GTE Florida Incorporated in the above matter. Also enclosed is a diskette with a copy of the Brief in WP 5.1 format. Service has been made as indicated on the Certificate of Service. If there are any questions with regard to this matter, please contact me at 813-228-3087.

Very truly yours,

Anthony P. Gillman

APG:tas
Enclosures

A part of GTE Corporation,

- ACK
- AFA _____
- APP _____
- CAF _____
- CMU Chase
- CTR _____
- EAG _____
- LEG 1
- LIN 5
- OPC _____
- RCH _____
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Resolution of petition(s) to)
establish nondiscriminatory rates, terms,)
and conditions for interconnection)
involving local exchange companies)
and alternative local exchange companies)
pursuant to Section 364.162, F.S.)
_____)

Docket No. 950985-TP
Filed: March 22, 1996

**POST HEARING STATEMENT OF POSITION AND BRIEF OF
GTE FLORIDA INCORPORATED**

GTE Florida Incorporated (GTEFL), in accordance with P.S.C. Rule No. 25-22.056 files its Post-Hearing Statement of Position and Brief.

Introduction and Statement of Basic Position

GTEFL does not dispute that the interconnection of networks is essential for local competition to be effective in Florida. GTEFL's recognition of this fact is evidenced by its agreement with MFS on the myriad of technical issues that must be resolved before local interconnection can become a reality. However, providing interconnection does not also mean that GTEFL must be responsible for assuring the financial viability of MFS and other local competitors. Encouraging competition, as valid as a goal as that may be, should not excuse the Commission from its statutory obligation to determine that the charge for local interconnection recovers the costs in furnishing such interconnection.

In this docket, GTEFL has proposed an interconnection arrangement which fully meets the requirements of Florida law and establishes a fair, non-discriminatory rate designed to recover the costs of utilizing its network. Under this arrangement, referred to as an originating responsibility plan (ORP), the carrier serving the customer originating

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a call sees that the call is completed and that other firms involved in either transporting or terminating the call are compensated for use of their networks. GTE is proposing to charge its existing switched access rate less the residual interconnection charge, the carrier common line charge and the information surcharge. This rate covers the company's long run incremental costs and contributes to its joint and common costs. The local switching rate is less than nine-tenths of a cent (\$0.0089) per minute. This charge is low enough that competitive entry will not in any way be impeded, yet sufficient enough to allow GTEFL to recover its costs of furnishing interconnection as required by Florida law.

GTEFL's ORP stands in stark contrast to bill and keep, the interconnection arrangement advocated by MFS and the other alternative local exchange carriers (ALECs). Such an intercarrier compensation scheme should be rejected by the Commission as a violation of the public interest as well as Florida law. Florida law clearly directs the Commission to set a local interconnection charge at a level sufficient to cover the costs of furnishing interconnection. The Commission simply cannot make this determination under a bill and keep arrangement. Such an arrangement will only comply with the statute in the rare instance where the quantity of terminating minutes is the same, the terminating cost and price charged by both carriers are the same, and no intermediate carriers are involved.

Statement of Position on Specific Issues

Issue 1: What are the appropriate rate structures, interconnection rates, or other compensation arrangements for the exchange of local and toll traffic between Metropolitan Fiber Systems of Florida, Inc. (MFS) and GTEFL?

GTEFL Summary of Position: ** The Commission should adopt an originating responsibility plan (ORP) for interconnection. Under this plan, the carrier serving the customer originating the call compensates any carriers involved in transporting or terminating that call. Under this arrangement, the charge for local switching (\$0.0089 per minute) clearly covers the cost of interconnection as mandated by Section 364.162(4).

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GTEFL Position:

A. GTEFL's Originating Responsibility Plan (ORP) Presents a Rational Pricing Plan that Complies with Florida Law.

As a first step toward establishing a rational pricing policy, the Commission should adopt an originating responsibility plan (ORP) for intercompany compensation for interconnection. Under this mechanism, the carrier serving the customer originating the call sees that the call is completed and that any carriers involved in transporting or terminating the call are compensated (Beauvais Direct, p. 19). Each company should develop its own interconnection prices and each company (or an administrator) should be required to determine net compensation due. Net compensation will depend on the traffic flows between the companies and their interconnection prices. (Beauvais Direct, p. 24). In GTEFL's case, the use of its existing switched access rates less the carrier common line, residual interconnection charges and information surcharge, will be most

consistent with the goal of establishing an efficient pricing structure for the competitive environment for local traffic (Beauvais Direct, pp. 25-26). GTEFL's proposed rate for local switching, which is less than nine-tenths of a cent (\$0.0089)¹ per minute covers the company's long run incremental cost and includes a reasonable contribution to joint and common costs. It also is consistent with rates already charged for similar services presently being offered by GTEFL to shared tenant service providers (Beauvais Direct, p. 14).

MFS contends that if a mutual compensation plan is adopted by the Commission, the Commission should set the rate at its long run incremental cost (LRIC) (Devine Direct, p. 25). Such a position is without merit and is not even supported by the other ALECs who have participated in this proceeding. MCImetro's witness Nina Cornell testified that if rates are to be set, they should be set at total service long run incremental cost (TSLRIC), which includes volume insensitive costs (T. 880, 882, 925). AT&T has also taken the position that if rates are established, they should be set at TSLRIC levels (Guedel Direct, p. 15).

The interconnection charge should also contribute to GTEFL's joint and common costs which are not included in TSLRIC studies. Joint and common costs are categorized in two groups, those which are specific to switched services and those which are common to all services (T. 1013). Although the ALECs seem to want to ignore joint

¹ In addition to the local switching charge, GTEFL has also proposed transport rates which will vary depending upon the length of the transport and other factors. Transport would generally add another tenth of a cent to the interconnection charge (Ex. 27).

and common costs, the fact is that these costs are legitimate costs which must be recovered by GTEFL in order to stay in business. As noted by Dr. Beauvais:

As I have stated before, there are common costs involved in the provision of switched services. As even Dr. Cornell pointed out, those costs admittedly do not go away if switched access or local interconnection ceases. Neither do they go away if toll ceases, neither do they go away if the local ceases. They are common. If we eliminate any one of them, they remain.

(T. 1021). Thus, even though joint and common costs are not part of a LRIC or TSLRIC study, this does not mean that such costs do not exist or that they should not be recovered. Moreover, GTEFL's cost estimates are conservative, as they did not capture the incremental and service specific nature of the company's common costs. State commissions from other jurisdictions have also recognized that contribution to joint and common costs is necessary and have established rates accordingly. See e.g. Re Illinois Telephone Company, Docket Nos. 94-0096, 94-0117, 94-0146, Order at 74 (April 7, 1995) (rate allows a reasonable level of contribution to Illinois Bell's overhead costs"); Application of Southern New England Telephone Company for Approval to Offer Unbundled Loops, Ports and Associated Interconnection Arrangements, Docket No. 95-06-17, Order at 13 (December 7, 1995) (telephone companies are "rightfully entitled to recover prudent common costs in designing rates for their services"). Moreover, Section 364.162(4), which requires that the interconnection charge must cover the costs of furnishing interconnection, is not limited to recovery of only LRIC or TSLRIC costs. See Fla. Stat. §364.162(4).

In advocating that interconnection charges should be set at TSLRIC, the ALECs are attempting to avoid paying for their share of the joint and common costs of GTEFL's network which all other users of the network must pay. Again, as noted by Dr. Beauvais:

[T]here's no reason to my mind to suggest that only end users or IXCs should make those contributions to the common costs. All parties using the network should make some contribution to those costs.

(T. 1022) (emphasis added). In advocating the adoption of prices which do not include contribution to joint and common costs, the ALECs are asking for preferential treatment not afforded to other users of the network. The rates charged IXCs for access to GTEFL's network include contribution to joint and common costs. Indeed, the IXCs must pay seven cents in access charges for essentially the same type of functions being provided in local interconnection (T. 1071)². Likewise, purchasers of vertical services also contribute substantially to the recovery of such costs. MFS has provided no justification why it should be treated more favorably than other users of the network nor has it provided any justification why GTEFL's ratepayers should pay for MFS' use of GTEFL's network. Special treatment is especially inappropriate for MFS who possesses the flexibility to define its serving area in order to specifically target those business customers in urban areas which cost less to serve and generate significant revenues (T. 641-42).

² MFS even takes the extreme position that it should not be required to pay access charges for intraLATA toll (T. 650). Rather, MFS contends that the local bill and keep arrangement should apply to intraLATA toll as well. It would clearly be discriminatory for GTEFL to charge access charges to IXCs and impute these charges in its own rates while charging MFS nothing for the same functionalities (T. 652-53).

The ORP proposed by GTEFL is also not discriminatory as argued by MFS. It is true that GTEFL and United have entered into a small number of EAS arrangements where mutual compensation is not paid. However, Ms. Menard testified that GTEFL and United have agreed that any ORP plan adopted by the Commission in this case would apply to their EAS arrangements as well (Menard Depo., Ex. 31, p. 25). When this is done, MFS will be treated in the same manner as other incumbent LECs, providing it the status as co-carrier as desired by MFS (T. 643).

Furthermore, although MFS contends that GTEFL's proposed rates are too high, MFS agreed to pay a rate that was 50% higher in Massachusetts. In that state, MFS agreed to a 1.5 cent per minute rate (T. 690). GTEFL's proposed rate is only slightly higher than the rates agreed to in New York (\$0.0074 for end office and \$0.0098 for access tandem) and California (\$0.00745) (T. 682, 698). MFS witness Time Devine described MFS' experience in New York, Illinois and Maryland (all mutual compensation states) to be very successful (T. 646-47). MFS' experience in other mutual compensation states disproves MFS' allegation made in this case that mutual compensation arrangements create price squeezes (Devine Direct, pp. 31-32). GTEFL's proposed rate is also not out of line of rates approved by other state commissions which have ordered mutual compensation. See e.g., In the Matter of the Application of City Signal, Inc., for an Order Establishing and Approving Interconnection Arrangements with Ameritech Michigan, Case No. U-10647 (Mich. P.S.C.) (effective rate of 1.5 cents per minute applied if traffic is out of balance by more than five percent).

B. A Bill and Keep Arrangement Does Not Comply With Section 364.162(4)

The bill and keep arrangement advocated by MFS and the other intervening ALECS requires a payment in kind (Devine Direct, p. 26). As such, no charges for local interconnection are imposed by either interconnecting party. In making these arguments, the ALECs ignore the unambiguous language of the new Florida telecommunications legislation which states:

In setting the local interconnection charge, the commission shall determine that the charge is sufficient to cover the cost of furnishing interconnection.

Fla. Stat. §364.162(4) (emphasis added). This statute is clear and unambiguous and therefore must be given its plain and obvious meaning. Streeter v. Sullivan, 509 So.2d 268, 271 (Fla. 1987); Citizens v. Public Service Commission, 425 So.2d 534, 541-42 (Fla. 1982).

Bill and keep, by its nature, does not meet the statutory requirements because it does not include a "local interconnection charge." Indeed, no charge is ever imposed by either party for interconnection under bill and keep. Mutual interconnection is made without regard to the costs incurred by the carrier in providing interconnection or the imbalance of traffic terminated by interconnected carriers. Thus, bill and keep arrangements fail to pass muster under the new law as a matter of definition. Although the new law requires the Commission to set local interconnection charges at levels sufficient to recover costs, bill and keep precludes charging altogether.

More significantly, if the Commission adopts bill and keep, it will have ignored its duty to “determine that the (local interconnection) charge is sufficient to cover the cost of furnishing interconnection.” *Id.* Such a determination cannot be made because the Commission cannot, under the evidence submitted, find that the traffic flow will be equally in balance, that the costs of both interconnecting carriers will be identical and no intermediary carriers will be involved (Beauvais Direct, p. 19). As noted by Dr. Beauvais, bill and keep would arguably be appropriate only if the costs incurred by GTEFL in terminating MFS calls is completely offset with savings achieved by not having to pay MFS for its termination of GTEFL calls, as depicted in the following example.

LEC	ALEC
100 calls @ \$1.00 = \$100 cost	100 calls @ \$1.00 = \$100 cost

In the above example, when the costs to both the incumbent and the ALEC are equal and the traffic is in balance, a total wash of charges occurs. Under this scenario, the bill and keep is identical to GTEFL's proposed ORP and would comply with the statute (Beauvais Direct, p. 25).

However, the formula changes when the traffic is not in balance, as depicted below:

LEC	ALEC
100 calls @ \$1.00 = \$100 cost	75 calls @ \$1.00 = \$75.00 cost

Like the first example, the incumbent LEC still incurs a cost of \$100 in terminating calls on behalf of the ALEC; however, because the traffic is not in balance, the incumbent LEC only avoids \$75.00 in payments to the ALEC. Under this example, because the incumbent LEC is \$25 short of recovering its cost of furnishing local interconnection, bill and keep would not meet the statutory requirements of Section 364.162(4).

The same is true if the costs of the interconnecting companies are not the same. Using the same example as shown above, the respective costs of the incumbent LEC and the ALEC are shown below:

LEC	ALEC
100 calls @ \$1.00 = \$100 cost	100 calls @ \$0.75 = \$75.00 cost

In this example, like the one before it, the LEC incurs costs of \$100, but avoids payment to the ALEC of only \$75.00. Again, the LEC will not recover its costs of interconnection through bill and keep.

The above examples, although simple in form, demonstrate that it will be rare for bill and keep to comply with the statute (Beauvais Direct, p. 25). This is true regardless of which carrier benefits from the imbalance under bill and keep. As noted by MFS witness Tim Devine, MFS is terminating more traffic in New York than the incumbent LEC (Devine Reb. p. 10). The cost requirement of Section 364.162(4) is not limited to incumbent LECs. As such, ALECs are also legally entitled to recover their costs of furnishing local interconnection. Thus, it does not matter who the imbalance of traffic

favors. If there is an imbalance, one of the parties will not totally recover its costs of local interconnection from the local interconnection charge.³

C. Proponents of Bill and Keep Failed to Show That Traffic Would Be Balanced.

As noted above, the only way to rationalize bill and keep under the statute is to assume that the traffic is in balance. However, no demonstrative proof was introduced to support this assumption. Although MFS witness Tim Devine relied upon the company's experience in New York, that experience demonstrated that an imbalance will occur over time. In New York, MFS terminated 60% of the interconnected calls, while the incumbent LEC terminated 40% (Devine Reb., p. 10). United witness Ben Poag introduced evidence showing a significant imbalance with respect to existing EAS route (Poag Direct, p. 5). Although MCImetro's witness, Nina Cornell, argued that traffic would be balanced, she offered no empirical proof in support of her assumption. The same was true with respect to AT&T witness Mike Guedel who testified that his opinion was not based upon any studies (T. 779). Time Warner witness Don Wood testified that he expected traffic to balance over time but could not specify with certainty over what period of time this would occur (T. 408-409). Moreover, his assumptions were not based on any documented experience (T. 412). Instead, he merely attempted to discredit existing

³ MCI's witness, Nina Cornell suggests that the statute should be ignored if the incumbent LEC's losses are minimal (a fact not proven) (T. 914-15). However, the statute does not make exceptions relating to degrees of cost shortfalls. Even if the shortfall is relatively small, the Commission's obligation under the statute remains unchanged.

studies relied upon by United (relating to EAS rates) which showed an imbalance of traffic (T. 413).

The fact is that no one, including GTEFL, can state with any confidence that the traffic will be balanced or not, whether in the short or long term. That uncertainty that legally precludes the Commission from ordering bill and keep. If the Commission cannot determine whether traffic is in balance, it cannot determine whether the costs of furnishing interconnection are being recovered. However, this assurance can be made if each carrier pays the other for use of that carrier's network, as recommended by GTEFL.

D. ALECs' Claims that Costs of Measurement and Billing Are Too Excessive Are Unfounded.

The ALECs' view that bill and keep should be ordered because of excessive costs of measurement and billing is unfounded and unsubstantiated. First, GTEFL will still need to measure the traffic even if bill and keep is ordered. GTEFL witness Bev Menard explained that the company will measure and bill the number of minutes of toll and local traffic respectively on trunk groups (T. 1104-1105). As further noted by Ms. Menard, the company would still be required to measure the traffic to distinguish between toll and local calls even under a bill and keep mechanism (T. 1010). Indeed, the only functional difference between a bill and keep and a mutual compensation plan is whether or not a price will be imposed on the termination of local calls. Under an ORP arrangement advocated by Dr. Beauvais, if GTE terminates one hundred calls on behalf of MFS, fifty of which are toll and fifty of which are local, GTE will charge MFS switched access rates

for the fifty toll calls and its proposed local interconnection charge for the remaining fifty. Under bill and keep, the same measurement and billing will take place. The only difference is for the local calls, the charge will be zero.

Although many ALECs took the position that the incremental cost of measurement and billing are substantial, it was only GTEFL who provided any cost figures. These cost figures showed that any incremental increase as a result of local interconnection was minuscule. Dr. Beauvais testified that the cost of measuring and billing was a mere \$0.0003 (Beauvais Direct, p. 21). Although this number was not Florida-specific, Ms. Menard testified about costs that were. The cost of billing was included in GTEFL's long run incremental cost study which was introduced into evidence as Exhibit 28. Although the actual number is confidential, Ms. Menard noted that the cost was not only consistent with Dr. Beauvais' estimates, but was lower (T.1105).⁴

E. Local GTEFL Customers Should Not Subsidize the Competitive Entry of ALECs.

Upon cross-examination, MFS witness Tim Devine admitted, although begrudgingly, that if costs in furnishing interconnection are not recovered through bill and keep arrangement, they would be recovered through local rates and other services ordered by GTEFL's customers (T. 667). Mr. Devine was unquestionably correct; if GTEFL does not recover its costs of interconnection through the interconnection charge, it necessarily must recover those costs through rates charged its customer base. In essence, Mr.

⁴ Because the billing cost number was confidential, Ms. Menard did not disclose it on the record. However, the number appears on lines 4 and 5 of page 1000002 of Exhibit 28.

Devine is asking the Commission to require GTEFL's ratepayers to subsidize the entry of MFS and other well-financed companies (AT&T, MCI and Time-Warner) in the local marketplace.

Forcing GTEFL customers to subsidize MFS' entry into the marketplace does not constitute good public policy and also violates Florida law. Section 364.162(4) specifically states that the "local interconnection charge" shall be sufficient to cover the costs of furnishing interconnection. The statute does not permit recovery from local service rates, vertical services or any other rates charged by the incumbent LEC as argued by MFS. Rather, it unambiguously provides that the interconnection charge itself must be sufficient to cover the costs of interconnection.

Furthermore, GTEFL's existing customer base will be smaller because of competitive inroads into GTEFL's market share. This will force GTEFL to recover its interconnection costs caused by the ALECs from a potentially smaller group of customers, creating an even greater burden upon those customers remaining on GTEFL's network. Although GTEFL acknowledges that encouraging competition is a worthwhile goal, it does not justify GTEFL ratepayers' subsidization of GTEFL's competitors.

F. The Fact that Bill and Keep was Ordered for BellSouth Does not Mean that Same Result Must be Reached for GTEFL

The ALECs, all of whom participated in a similar docket filed against BellSouth, rely upon the decision rendered in that case where the Commission rejected BellSouth's proposed mutual compensation plan and ordered a bill and keep plan. The Commission

is not compelled to issue the same decision in this case. As the Commission is aware, the new Florida legislation obligates individual parties to negotiate interconnection agreements among themselves. Fla. Stat. §364.162(3). Thus, BellSouth may negotiate terms that are completely different from those negotiated by GTEFL or United. If two parties are unable to reach an agreement, then either may file a petition with the Commission to "arbitrate any dispute" existing between them. Id. at §364.162(2).

Because the legislature contemplated that different agreements would be negotiated among individual parties, the Commission is authorized to arbitrate the disputes on an individual basis as well. The statute also states that if more than one petition is filed, the Commission is bound to "conduct separate proceedings for each." Id. at §364.162(3). This provides further evidence that the legislature intended for the Commission to address interconnection arrangements on a company-specific basis. Furthermore, neither GTEFL nor United participated in the BellSouth hearing and is therefore not legally bound by its result. Indeed, as argued by ALECs' counsel prior to the commencement of the hearing in this docket, participation by non-petitioning ALECs as intervenors would not bind them to the final result. As such, the result in the BellSouth case should not be thrust upon GTEFL or United in this case.

Any decision reached in this proceeding involving GTEFL and United should be determined under the evidence introduced in this proceeding. Although GTEFL did not participate in the BellSouth case, there appear to be distinguishing facts between the BellSouth case and the present proceeding involving GTEFL and United. In the BellSouth case, the Staff's alternative recommendation was based in part on the fact that,

"despite BellSouth's claim that payment should be in cash, BellSouth, the only one with the necessary cost information, presented no evidence of those costs." See Resolution of Petition(s) to Establish Nondiscriminatory rates, Terms, and Conditions for Interconnection Involving Local Exchange Companies and Alternative Local Exchange Companies Pursuant to Section 364.162, Florida Statutes, Staff Recommendation at 30 (February 26, 1996). In GTEFL's case, GTEFL submitted costs studies in support of its proposed rates through responses to discovery (Ex. 28). It also presented direct evidence that cost of measurement and billing would be very low (Beauvais Direct, p. 21). The Staff's alternative recommendation was also based upon the assumption that traffic would be in balance. Id. at 26. However, in the present case, evidence was introduced that showed that traffic would be out of balance. Also, BellSouth sought a much higher mutual compensation rate (4.5 cents per minute) than is being sought by GTEFL (less than one cent per minute). Id. at 18.

Regardless of the evidence presented in the BellSouth case, MFS' petition against GTEFL must stand on its own merit. If the evidence in the GTEFL case justifies the implementation of a mutual compensation plan, then such a plan should be implemented without regard that a different decision was made under the evidence presented in the BellSouth proceeding.

G. As an Alternative to Either Bill and Keep or Mutual Compensation, the Commission May Order the Arrangement Entered with Intermedia Communications Company (ICI) on an Interim Basis.

GTEFL acknowledges that it does not know whether the traffic will be in balance and takes the position that the Commission cannot therefore determine that GTEFL will

recover its costs of interconnection under §364.162(4). Because of this uncertainty, the Commission may not wish to order either bill and keep or mutual compensation. If the Commission decides not to order GTEFL's proposed ORP, it should adopt a plan agreed to between GTEFL and ICI (Ex. 32). A similar agreement was entered between ICI and United. Under this plan, GTEFL's ORP would be instituted at the rates proposed in this docket. However, a 105% cap is imposed to protect parties in case the balance of traffic significantly favors one party over the other. Under this plan, an interconnecting carrier would not be required to compensate another local exchange provider for more than up to 105% of the total minutes of use of the local exchange provider with the lower minutes of use in the same month (Ex. 32) . As described by Dr. Beauvais, the ICI agreement represents an "ORP with a protection agreement" (Beauvais Depo., Ex. 32, p. 8). This cap will protect all interconnecting parties from substantial imbalances in traffic. Any such plan should only be adopted on an interim basis (T. 1010). The ICI agreement was also interim and expires at the end of two years. During this interim period, traffic can be measured to determine whether a balance will occur.

Issue 2: If the Commission sets rates, terms, and conditions for interconnection between MFS and GTEFL, should GTEFL tariff the interconnection rate(s) or other arrangements?

GTEFL Summary of Position: ** Carriers should be afforded maximum flexibility in devising arrangements that fit their particular circumstances, as long as nondiscriminatory prices are established across interconnected companies. The Commission should not require detailed tariffs concerning interconnection elements. **

GTEFL Position: The Commission should permit interconnecting carriers maximum flexibility in devising arrangements that best fit their particular circumstances, as long as any agreements establish nondiscriminatory prices across interconnecting carriers. The Commission should not require the filing of detailed tariffs concerning interconnection. The new federal Telecommunications Act of 1996 requires incumbent LECs to negotiate the items listed under Section 251 and 252 of that Act. Section 252(a) allows incumbent LECs to enter into agreements with competing carriers that do not take into consideration all requirements of Sections 251 and 252. Therefore, the Commission should not mandate certain results on the carriers by requiring the filing of detailed tariffs. Such a requirement would have a detrimental effect on future negotiations because it will disrupt the free market forces that are present during negotiations and skew the process. At most, the Commission should only set general parameters and guidelines in order to allow future negotiations to take place on an unfettered basis.

Issue 3: What are the appropriate technical and financial arrangements which should govern interconnection between MFS and GTEFL for the delivery of calls originated and/or terminated from carriers not directly connected to MFS' network?

GTEFL Summary of Position: ** If GTEFL's access tandem is used for traffic transiting the tandem, tandem switching charges apply. GTEFL supports the use of an additional element (\$0.002) to compensate for traffic transiting GTEFL's access tandem which does not go to an end office. GTEFL's collocation tariffs do not support cross-connects between two entities collocated in a GTEFL wire center. **

GTEFL Position: With regard to technical arrangements, MFS will be allowed to subtend the access tandem. GTEFL has no problems in allowing transiting traffic. If GTEFL's access tandem is used for traffic transiting the tandem, GTEFL will charge tandem switching in accordance with its access tariffs. In addition, GTEFL supports the use of an additional rate element (\$.002) to compensate for traffic transiting GTEFL's access tandem which does not go to a GTEFL end office. Collocation is not a "service" and GTEFL's tariffs do not support cross-connects between two entities collocated in a GTEFL wire center (Menard Direct, p. 4). If GTEFL is mandated to provide cross connects, MFS' half-charge proposal should not be adopted. Instead, the tariffed elements that are in the tariff should be charged (T. 1092).

Issue 4: What are the appropriate technical and financial requirements for the exchange of intraLATA 800 traffic which originates from the MFS customer and terminates to an 800 number served by or through GTEFL?

GTEFL Position: This issue has been fully stipulated between GTEFL and MFS and should not be decided by the Commission. Rather, this issue shall be controlled by the terms and conditions set forth in the GTEFL/MFS agreement which was approved by the Commission before evidence was taken in this docket. See Exhibit 4.

Issues 5a and 5b: What are the appropriate technical arrangements for the interconnection of the MFS network to GTEFL's 911 provisioning network such that the MFS customers are ensured the same level of 911 service as they would receive as a customer of GTEFL? What procedures should be in place for the timely exchange and updating of MFS customer information for inclusion in appropriate E911 databases?

GTEFL Position: These issues have been fully stipulated between GTEFL and MFS and should not be decided by the Commission. Rather, this issue shall be controlled by the terms and conditions set forth in the GTEFL/MFS agreement which was approved by the Commission before evidence was taken in this docket. See Exhibit 4.

Issue 6: What are the appropriate technical and financial requirements for operator-handled traffic flowing between MFS and GTEFL, including busy line verification and emergency interrupt services?

GTEFL Position: This issue has been fully stipulated between GTEFL and MFS and should not be decided by the Commission. Rather, this issue shall be controlled by the terms and conditions set forth in the GTEFL/MFS agreement which was approved by the Commission before evidence was taken in this docket. See Exhibit 4.

Issue 7: What are the appropriate arrangements for the provision of directory assistance services and data between MFS and GTEFL?

GTEFL Position: This issue has been fully stipulated between GTEFL and MFS and should not be decided by the Commission. Rather, this issue shall be controlled by the terms and conditions set forth in the GTEFL/MFS agreement which was approved by the Commission before evidence was taken in this docket. See Exhibit 4.

Issue 8: Under what terms and conditions should GTEFL be required to list MFS customers in its white and yellow pages directories and to publish and distribute these directories to the customers of MFS?

GTEFL Position: This issue has been fully stipulated between GTEFL and MFS and should not be decided by the Commission. Rather, this issue shall be controlled by

the terms and conditions set forth in the GTEFL/MFS agreement which was approved by the Commission before evidence was taken in this docket. See Exhibit 4.

Issue 9: What are the appropriate arrangements for the provision of billing and collection services between MFS and GTEFL, including billing and clearing credit card, collect, third party and audiotext calls?

GTEFL Position: This issue has been fully stipulated between GTEFL and MFS and should not be decided by the Commission. Rather, this issue shall be controlled by the terms and conditions set forth in the GTEFL/MFS agreement which was approved by the Commission before evidence was taken in this docket. See Exhibit 4.

Issue 10: What arrangements are necessary to ensure the provision of CLASS/LASS services between MFS' and GTEFL's networks?

GTEFL Position: This issue has been fully stipulated between GTEFL and MFS and should not be decided by the Commission. Rather, this issue shall be controlled by the terms and conditions set forth in the GTEFL/MFS agreement which was approved by the Commission before evidence was taken in this docket. See Exhibit 4.

Issue 11: What are the appropriate arrangements for physical interconnection between MFS and GTEFL, including trunking and signaling arrangements?

GTEFL Position: This issue has been fully stipulated between GTEFL and MFS and should not be decided by the Commission. Rather, this issue shall be controlled by the terms and conditions set forth in the GTEFL/MFS agreement which was approved by the Commission before evidence was taken in this docket. See Exhibit 4.

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 MFS?

GTEFL Position: This issue has been fully stipulated between GTEFL and MFS and should not be decided by the Commission. Rather, this issue shall be controlled by the terms and conditions set forth in the GTEFL/MFS agreement which was approved by the Commission before evidence was taken in this docket. See Exhibit 4.

Issue 13: What arrangements, if any, are necessary to address other operational issues?

GTEFL Position: GTEFL believes that any other operational issues that may arise are best resolved through ongoing negotiations with MFS.

Issue 14: What arrangements, if any, are appropriate for the assignment of NXX codes to MFS?

GTEFL Position: This issue has been fully stipulated between GTEFL and MFS and should not be decided by the Commission. Rather, this issue shall be controlled by the terms and conditions set forth in the GTEFL/MFS agreement which was approved by the Commission before evidence was taken in this docket. See Exhibit 4.

Issue 15: To what extent are the non-petitioning parties that actively participate in this proceeding bound by the Commission's decision in this docket as it relates to Sprint-United/Centel and GTEFL?

GTEFL Summary of Position: ** Although GTEFL contends that legislature intended that LECs would negotiate individual contracts with individual ALECS,

intervening (although non-petitioning ALECs would be precluded from relitigating the same issues under the doctrine of res judicata. That doctrine applies to subsequent administrative hearings in which identical parties litigate the same issues previously litigated. **

GTEFL Position: GTEFL contends that legislature intended that LECs would negotiate individual contracts with individual ALECS. As such, as long as the LECs do not unreasonably discriminate against ALECs, they could enter agreements containing potentially different rates, terms and conditions, depending upon the particular needs of the ALEC. Thus, the non-petitioning parties would not necessarily be bound by the rates approved in this docket.

However, intervening (although non-petitioning) ALECs would be precluded from relitigating the same issues under the doctrine of res judicata. That doctrine applies to subsequent administrative hearings in which identical parties litigate the same issues previously litigated. See e.g., Thomson v. Department of Environmental Regulation, 511 So.2d 989 (Fla. 1987). Thus, although non-petitioning parties would still have the right to negotiate interconnection and resale agreements regardless of the outcome of this proceeding, they would not be permitted to relitigate the same issues against the same party at some point in the future (assuming no material change in circumstances). Non-petitioning parties should not be entitled to two bites of the apple on the same issue.

If those parties lose an issue, they may not raise the same issue a later time merely by filing a petition.

Respectfully submitted on March 22, 1996.

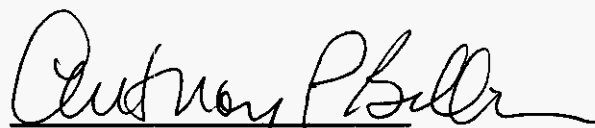
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of the Post-Hearing Brief of GTE Florida Incorporated in Docket No. 950985-TP were sent via U.S. mail on March 22, 1996 to the parties on the attached list.


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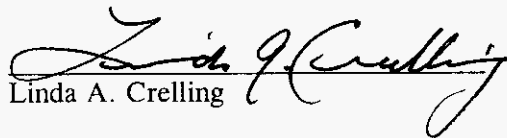
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