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April 5, 1996

Ms. Blanca Bayo, Director
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Florida Public Service Commission
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BY HAND DELIVERY

Re: Docket No. 950984-TP

Dear Ms. Bayo:

Enclosed for filing is an original and fifteen copies LDDS WorldCom's Posthearing Brief in the above-referenced docket. Also enclosed is a 3 1/2" diskette in WordPerfect 6.1 format.

Please indicate receipt of this document by stamping the enclosed extra copy of this letter.

Your attention to this filing is appreciated.

Sincerely,

Norman H. Horton
Norman H. Horton

- ACK
- AFA _____
- APP _____
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- JR _____
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- cc: Mr. Brian Sulmonetti
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04007 APR-5 96
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Resolution of Petitions)
to Establish Nondiscriminatory)
Rates, Terms, and Conditions)
for Resale Involving Local)
Exchange Companies and)
Alternative Local Exchange)
Companies)

Docket No.950984-TP
Filed: April 5, 1996

**POSTHEARING BRIEF OF
LDDS WORLDCOM COMMUNICATIONS**

WORLDCOM, INC. d/b/a LDDS WORLDCOM COMMUNICATIONS ("LDDS
WORLDCOM"), pursuant to Rule 25-22.056, Florida Administrative
Code, and Order No. PSC-96-0137-PCO-TP, respectfully submits the
following Posthearing Brief to the Florida Public Service
Commission.

I. BASIC POSITION

The Commission should recognize that the creation of end-to-
end wholesale network arrangements are paramount to the development
of meaningful local competition. Thus, in approving the pending
requests, the Commission should recognize that other carriers may
have different unbundling and resale requirements that would
necessitate different entry arrangements.

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II. ISSUES AND POSITIONS

Issue 1: 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)?

SUMMARY OF POSITION: *The requested unbundling and resale requests should be granted. However, in approving these requests, the Commission should recognize that because each competitor's service requirements may be different, the unbundled network elements approved in this proceeding may be insufficient or inappropriate for other competitors.*

ANALYSIS AND ARGUMENT: In this proceeding MFS-FL and GTEFL have reached an agreement on the elements to be provided and on technical arrangements. (Tr. 18; Exh. 3.) On the other hand, MFS-FL and Sprint United/Centel have not entered into any agreement, although Sprint expressed willingness to work with carriers and reach agreements. (Tr. 501; 516; 525; 568.)

While there may be differences in the technical unbundling requirements and needs among the various ALECs because of each carriers' unique circumstance, there is no doubt that unbundling of the local exchange network is critical to encouraging competition. It is not possible for an ALEC to duplicate the LEC network nor

should it be expected. Tr. 148. Without effective unbundling, new entrants will be precluded from providing the same quality of service as LECs and any growth in competition will be stifled. Tr. 309.

It is also important to recognize that the Telecommunications Act of 1995, passed subsequent to the first series of hearings in this docket, would require LEC's to provide unbundled network elements in a manner that allows ALEC's to configure or combine the various elements in any fashion so as to offer telecommunications services. The federal legislation defines a network element broadly enough with respect to the unbundling obligations of the LEC that it is clear that the intent is to enable entrants to provide competing services.

In determining the elements to be available on an unbundled basis, as well as the technical arrangements for each element, the concern of the Commission should be to insure that competition is encouraged. If the LEC is permitted to "control" or limit how elements are unbundled, new entrants will be severely restricted and the objective of competition will not be attained.

Issue 2: What are the appropriate technical arrangements for each such unbundled element?

SUMMARY OF POSITION: *The technical arrangements requested should be approved.*

ANALYSIS AND ARGUMENT: See Issue No. 1.

Issue 3: What are the appropriate financial arrangements for each such unbundled element?

SUMMARY OF POSITION: *The pricing of the unbundled elements should be based on the direct economic cost of the network element purchased.*

ANALYSIS AND ARGUMENT: While the parties have been able to resolve some of the technical issues surrounding unbundling – there has been no agreement on the price for unbundled elements. As the Commission has recognized “it is critical to set rates for unbundled elements as accurately as possible.” Order No. PSC-96-0444-FOF-TP, p. 15. Both Sprint and GTEFL propose pricing using special access rates. However, as Dr. Cornell points out this creates a price squeeze and reduces efficiency. Tr. 237. With the rates suggested by the LECs there would be no competition; no entry. To encourage competition, the Commission should set rates at direct economic cost. Tr. 234.

This would also be consistent with the Telecommunications Act which requires that prices for unbundled network elements be based

on the cost of providing the network element, with cost being economic cost. As encouraged by Dr. Cornell, this will promote competition and it is this which is the objective.

Issue 4: What arrangements, if any, are necessary to address other operational issues?

SUMMARY OF POSITION: *The Commission should recognize that other carriers may have different unbundling and resale requirements that may require further proceedings. At a minimum, the Commission should direct the LECs to provide nondiscriminatory automated operational support mechanisms to facilitate the purchase of all network elements of the local network.*

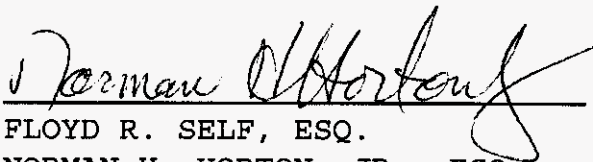
ANALYSIS AND ARGUMENT: The request and proposals presented in this docket do not necessarily meet the needs of these petitioners in the future nor may they meet the needs of future competitors. Accordingly, the Commission should recognize that this current proceeding may not be the only time this subject is addressed. For example, in the interexchange market, customers are able to switch carriers easily through an automated PIC (primary interexchange carrier) change process. If consumers are to have the same chance to take advantage of competitive choices in local service providers, then the same automated and nondiscriminatory

mechanisms must promptly be put in place that will effectively allow new entrants using LEC unbundled network components to quickly and automatically extend service to all customers, and to do so in the kinds of volumes seen in the competitive interexchange market today.

ISSUE NO. 5: 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?

This issue has already been resolved.

Dated this 5th day of April, 1996.



FLOYD R. SELF, ESQ.
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Attorneys for LDDS WorldCom, Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Posthearing Brief of LDDS WorldCom Communications in Docket No. 950984-TP has been furnished by Hand Delivery (*) and/or U. S. Mail on this 5th day of April, 1996 to the following parties of record:

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