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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

**DOCKET NO. 960916-TP**  
**REBUTTAL TESTIMONY**

*960916-TP*

**OF**

**C. WILLIAM STIPE III**

**ON BEHALF OF**

**AMERICAN COMMUNICATIONS SERVICES, INC.**

**September 16, 1996**

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1           **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2           **REBUTTAL TESTIMONY OF C. WILLIAM STIPE, III**

3           Q.     PLEASE STATE YOUR NAME.

4           A.     My name is C. William Stipe III.

5           Q.     ARE YOU THE SAME C. WILLIAM STIPE III THAT EARLIER  
6                 PREPARED DIRECT TESTIMONY THAT WAS FILED ON BEHALF  
7                 OF AMERICAN COMMUNICATIONS SERVICES, INC?

8           A.     Yes.

9           Q.     WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

10          A.     In this rebuttal testimony, I am responding to the issues raised in the Direct  
11                 Testimony of Robert C. Scheye on behalf of BellSouth  
12                 Telecommunications, Inc. Mr. Scheye addresses various technical aspects  
13                 regarding loop unbundling in which he strives to equate or compare  
14                 existing services with the unbundled loop element. As I discuss below,  
15                 such a comparison is inappropriate. If such comparisons with existing  
16                 services are relied upon when pricing the unbundled loop, then the rate will  
17                 necessarily be set above the element-based cost standard of the  
18                 Telecommunications Act of 1996.

19          Q.     MR. SCHEYE STATES THAT IT IS NOT TECHNICALLY FEASIBLE  
20                 TO UNBUNDLE AN INTEGRATED DIGITAL LOOP CARRIER  
21                 (IDLC). DO YOU AGREE?

1 A. It is technically feasible to allow access to some of the loops being served  
2 through an integrated digital loop carrier (IDLC). I agree that it would be  
3 preferable in most instances to "roll the service" to available copper pairs  
4 as BellSouth suggests in its alternative 1 on page 5 of his testimony, but if  
5 no other facilities are available, then it is necessary to unbundle. Otherwise  
6 ACSI and all other competitors will be denied access to those customers.

7 Q. CAN YOU EXPLAIN HOW AN IDLC MAY BE UNBUNDLED?

8 A. IDLC unbundling would require a reconfiguring of the way such systems  
9 are currently deployed and will require some additional equipment to be  
10 used. IDLC can be done with equipment BellSouth commonly installs in  
11 its offices. In the commonly used IDLC, one of the DS-1 facilities serving  
12 the IDLC could be connected through a digital facility cross connect  
13 system, usually referred to as a DACS. In the DACS, the desired  
14 unbundled loop can be groomed out and sent to a channel bank to be  
15 reconverted to an analog voice grade signal and then cross connected to  
16 ACSI's collocated facilities. BellSouth may be using this configuration to  
17 serve non-integratable services through its own IDLCs.

18 Q. HAS ACSI ASKED FOR A DETAILED RECORD OF EVERY CIRCUIT  
19 USED AS AN UNBUNDLED LOOP AS DESCRIBED IN MR.  
20 SCHEYE'S TESTIMONY ON PAGE 7?

21 A. Not at all. ACSI does not need a "design layout record." We only want

1 to know the cable and pair designation so we can intelligently handle  
2 restoration of our customer's service should that facility fail.

3 Q. WHAT IS YOUR REACTION TO BELLSOUTH DESCRIBING AN  
4 UNBUNDLED LOOP AS A CIRCUIT AS MR. SCHEYE DOES ON  
5 LINE 6, PAGE 7 AND AGAIN ON LINE 2, PAGE 10 OF HIS  
6 TESTIMONY?

7 A. My reaction is that I can only assume that BellSouth does not comprehend  
8 the concept of an unbundled loop as requested by ACSI and demanded by  
9 the FCC. An unbundled loop is clearly not a circuit until it has been  
10 connected to other equipment and made part of a service. It is ACSI's  
11 contention that BellSouth has been pricing services under the guise of  
12 offering the unbundled components which ACSI requires to provide  
13 telecommunications services to its customers. We only want the pair of  
14 wires currently used by BellSouth to provide its services, not the services  
15 themselves.

16 Q. DO YOU AGREE WITH BELLSOUTH'S STATEMENT THAT THEY  
17 DO NOT CURRENTLY OFFER A SERVICE COMPARABLE TO THE  
18 2-WIRE UNBUNDLED ISDN LOOP REQUESTED BY ACSI?

19 A. Yes. Of course they do not. They do not offer a service comparable to the  
20 2-wire unbundled analog voice grade loop requested either because an  
21 unbundled loop is not a service! That is the point here and the root of our

1           disagreement. An unbundled network element would a misnomer if it was  
2           the sale of existing services. ACSI only wants the bare bottleneck facility  
3           of the local cable pair (and pricing based thereon) and does not desire the  
4           offered special access facility, which contains features it does not need.

5           Q.    IS THE RATE PROPOSED FOR THE 2-WIRE ISDN LOOP  
6           REASONABLE?

7           A.    No. As a matter of fact, I believe it is higher than BellSouth charges for  
8           the entire ISDN service, let alone what is reasonable for the loop alone.

9           Q.    DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

10          A.    Yes.