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February 20, 1998

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

Re: Docket No. 971140-TL

Dear Ms. Bayó:

Enclosed herein for filing on behalf of MCI
Telecommunications Corporation and MCI Metro Access Transmission
Services, Inc. (collectively MCI), are the original and 15 copies
of the MCI's Prehearing Statement.

By copy of this letter these documents have been provided to
the parties on the attached service list.

Very truly yours,

Richard D. Melson

- ACK
- AFA
- APP
- CAF
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FPSC-RECORDS/REPORTING

In re: Motions of AT&T)
 Communications of the Southern)
 States, Inc. and MCI)
 Telecommunications Corporation and)
 MCImetro Access Transmission)
 Services, Inc. to compel BellSouth)
 Telecommunications, Inc. to comply)
 with Order PSC-96-1579-FOF-TP and)
 to set non-recurring charges for)
 combinations of network elements)
 with BellSouth Telecommunications,)
 Inc, pursuant to their agreement.)
 _____)

Docket No. 971140-TP

Filed: February 20, 1998

MCI'S PREHEARING STATEMENT

MCI Telecommunications Corporation and MCImetro Access Transmission Services, Inc. (collectively referred to as MCI) hereby file their prehearing statement in accordance with the requirements of Order No. PSC-98-0090-PCO-TP.

A. Known Witnesses. MCI has prefiled the testimony of the following witnesses:

- Chip Parker - Direct and Rebuttal
- Tom Hyde - Direct and Rebuttal
- Ron Martinez - Rebuttal only
- Joe Gillan - Rebuttal only (jointly with AT&T)

B. Known Exhibits. MCI has prefiled the following exhibits. MCI reserves the right to use additional exhibits for purposes of cross-examination.

<u>Witness</u>	<u>Exhibit</u>	<u>Description</u>
Chip Parker	CP-1	MCI/BST Interconnection Agreement (too voluminous to copy)
	CP-2	Excerpts from MCI/BST Interconnection Agreement
Tom Hyde	TAH-1	Nonrecurring Cost Development-2-wire analog loop and port;
	TAH-2	Nonrecurring Cost Development-4-wire analog loop and port
	TAH-3	Nonrecurring Cost Development-2-wire ISDN loop and port
	TAH-4	Nonrecurring Cost Development-4-wire DS1 and port
Ron Martinez	RM-1	Letter from BST dated 1/31/97 and Excerpts from Draft Interconnection Agreement

C. Basic Position. The MCI/BellSouth Interconnection Agreement (the "Agreement") directly and unambiguously decides the issues in this case. The Agreement specifically gives MCI the right to order UNE combinations and specifically obligates BellSouth to provide such combinations. The Agreement prohibits BellSouth from disconnecting elements ordered in combination and prohibits BellSouth from charging a glue charge for combining elements. The Agreement specifies how the prices for combinations of UNEs are determined - the price for UNE combinations is the price of the individual UNEs minus duplicate charges and charges for services not needed. The Agreement makes

no distinction between different types of combinations for purposes of this pricing. When MCI orders migrations of existing BellSouth customers to loop/port combinations, almost all of the charges contained in the nonrecurring charges for the stand-alone UNEs are duplicate charges and charges for services not needed. Finally, the Agreement specifically requires BellSouth to provide usage data to MCI.

D.-F. Issues. MCI's positions on the issues that have been identified in the Order Establishing Procedure are as follows:

Issue 1(a): Does the BellSouth-MCI Interconnection Agreement specify how prices will be determined for combinations of unbundled network elements that do not recreate an existing BellSouth retail telecommunications service?

MCI: Yes, the Agreement does specify how the prices for combinations of UNEs will be determined. The Agreement makes no distinction between combinations which allegedly recreate an existing BellSouth retail telecommunications service and those that do not.

1(b): Does the BellSouth-MCI Interconnection Agreement specify how prices will be determined for combinations of unbundled network elements that do recreate an existing BellSouth retail telecommunications service?

MCI: Yes, the Agreement does specify how the prices for combinations of UNEs will be determined. The Agreement makes no distinction between combinations which allegedly recreate an existing BellSouth retail telecommunications service and those that do not.

Issue 2: If the answer to either part or both parts of Issue 1 is yes, how is the price(s) determined?

MCI: The price for a UNE combination is the sum of the stand-alone prices of the network elements which make up the combination. The Agreement recognizes, however, that this combined price may include duplicate charges and charges for services which are not needed when the elements are combined. Therefore, MCI is entitled to request, and BellSouth is obligated to provide, prices for combinations which do not include duplicate charges or charges for services not needed when the elements are combined. The appropriate method for determining this combination price would be to remove from the stand-alone UNE prices all duplicate charges and all charges for services which are not need when the elements are combined.

Issue 3: If the answer to either part or both parts of Issue #1 is no, how should the price(s) be determined?

MCI: Since the answer to both parts of Issue #1 is yes, this Issue is not applicable.

4(a): Does the BellSouth-AT&T Interconnection Agreement specify how prices will be determined for combinations of unbundled network elements that do not recreate an existing BellSouth retail telecommunications service?

MCI: No position.

4(b): Does the BellSouth-AT&T Interconnection Agreement specify how prices will be determined for combinations of unbundled network elements that do recreate an existing BellSouth retail telecommunications service?

MCI: No position.

Issue 5: If the answer to either part or both parts of Issue #4 is yes, how is the price(s) determined?

MCI: No position.

Issue 6: If the answer to either part or both parts of Issue #4 is no, how should the price(s) be determined?

MCI: No position.

Issue 7: What standards should be used to identify what combinations of unbundled network elements recreate existing BellSouth retail services?

MCI: There is no need to identify any standards since the Agreement makes no distinction between combinations which allegedly recreate a BellSouth retail service and those that do not. Further, an ALEC service using UNE combinations never recreates a BellSouth retail service. Finally, the only circumstance that the Commission ever expressed a concern about was using all BellSouth UNEs to recreate a complete BellSouth retail service. Clearly, no complete BellSouth retail service can be created using just a loop/port combination. In any event, the Eighth Circuit Court of Appeals has specifically rejected the ILECs' resale argument and has affirmed the right of ALECs to provide complete telecommunications services using all BellSouth UNEs.

Issue 8: What is the appropriate non-recurring charge for each of the following combinations of network elements for migration of an existing BellSouth customer;

- a. 2-wire analog loop and port;
- b. 2-wire ISDN loop and port;
- c. 4-wire analog loop and port; and
- d. 4-wire DS1 and port?

MCI: The appropriate non-recurring charges are as follows:

(a) 2-Wire Analog	-First	\$ 1.6755
	-Additional	\$ 1.3598
(b) 4-Wire Analog	-First	\$ 1.6389
	-Additional	\$ 1.3232
(c) 2-Wire ISDN	-First	\$ 3.8319
	-Additional	\$ 3.5162
(d) DS-1	-First	\$ 32.6134
	-Additional	\$ 32.0454

Issue 9: Does the BellSouth-MCIm interconnection agreement require BellSouth to record and provide MCIm with switched access usage data necessary to bill interexchange carriers when MCIm provides service using unbundled local switching purchased from BellSouth either on a stand-alone basis or in combination with other unbundled network elements?

MCI: Yes. BellSouth is required to record the usage data and send it to MCI in the appropriate format.

Issue 10: Does the AT&T-BellSouth interconnection agreement require BellSouth to record and provide AT&T with detail usage data for switched access service, local exchange service and long distance service necessary for AT&T to bill customers when AT&T provides service using unbundled network elements either alone or in combination?

MCI: No position.

G. Stipulations. There are no stipulations between MCI and any party at this time.

H. Pending_____. MCI has no pending motions at this time.

I. Requirements of Order on Procedure. MCI believes that this prehearing statement complies with all the requirements of the Order on Procedure.

RESPECTFULLY SUBMITTED this 20th day of February, 1998.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing was furnished to the following parties by hand delivery this 20th day of February, 1998.

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Richard D. [unclear]

ATTORNEY