

FLORIDA PUBLIC SERVICE COMMISSION
Capital Circle Office Center • 2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RECEIVED
FEB 26 1998
11:05
FPSC - Records/Reporting

M E M O R A N D U M

February 26, 1998

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF COMMUNICATIONS (NORTON) *ubn RMT*
DIVISION OF LEGAL SERVICES (COX) *WPC MCB*

RE: DOCKET NOS. 960847-TP, 960980-TP - PETITIONS BY AT&T COMMUNICATIONS OF THE SOUTHERN STATES, INC., MCI TELECOMMUNICATIONS CORPORATION AND MCI METRO ACCESS TRANSMISSION SERVICES, INC., FOR ARBITRATION OF CERTAIN TERMS AND CONDITIONS OF A PROPOSED AGREEMENT WITH GTE FLORIDA, INCORPORATED CONCERNING INTERCONNECTION AND RESALE UNDER THE TELECOMMUNICATIONS ACT OF 1996

AGENDA: MARCH 10, 1998 - REGULAR AGENDA - PARTIES MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: S:\PSC\CMU\WP\960847TP.RCM

CASE BACKGROUND

On March 11, 1996, AT&T Communications of the Southern States (AT&T) requested that GTE Florida Incorporated (GTEFL) begin negotiations for an interconnection agreement pursuant to 47 U.S.C. 252 of the Telecommunications Act of 1996 (the Act). On August 16, 1996, AT&T filed a petition for arbitration of unresolved issues pursuant to Section 252 of the Act.

On April 3, 1996, MCI Telecommunications Corporation and MCI Metro Access Transmission Services, Inc. (collectively MCI) requested that GTEFL begin negotiations. On August 28, 1996, MCI filed its petition for arbitration WITH GTEFL, and also filed a motion to consolidate its arbitration proceeding WITH the

DOCUMENT NUMBER-DATE

02644 FEB 26 98

FPSC-RECORDS/REPORTING

DN 960847-TP, 960980-TP
FEBRUARY 26, 1998

AT&T/GTEFL arbitration proceeding. Docket No. 960980-TP was established for MCI's petition. On September 13, 1996, MCI's motion to consolidate was granted by Order No. PSC-96-1152-PCO-TP.

On October 14-16, 1996, the Commission conducted an evidentiary hearing for the consolidated dockets. In Order No. PSC-97-0064-FOF-TP, the Commission set forth its decision on the issues addressed by the parties in four main subject areas: network elements; resale; transport and termination; and implementation matters. Although permanent rates were established for the majority of elements requested by AT&T and MCI, the Commission established interim rates for certain elements where there was insufficient information with which to set permanent rates. Order No. PSC-97-0064-FOF-TP required, among other things, that GTEFL file new cost studies for these elements. Further hearings were scheduled to address these matters. AT&T and MCI have now notified this Commission that they do not require immediate use of the remaining elements, and have requested that these dockets be closed.

DN 960847-TP, 960980-TP
FEBRUARY 26, 1998

DISCUSSION OF ISSUES

ISSUE 1: Should Docket Nos. 960847-TP and 960980-TP be closed?

STAFF RECOMMENDATION: Yes, these dockets should be closed.

STAFF ANALYSIS: By separate letters dated January 30, 1998, MCI and AT&T notified staff that they do not presently require the remaining unbundled network elements (UNEs) for which interim rates were set in Order No. PSC-97-0064-FOF-TP in this docket. (See attached.) In order not to tie up the resources of the Commission and the parties involved, the companies have requested that these proceedings be terminated. In their letters, AT&T and MCI stated that when they need any of those UNEs, they will negotiate with GTEFL. If the parties are unable to reach agreement, they may request that the Commission resolve the dispute. Both AT&T and MCI also stated that GTEFL has agreed to this procedure and to closing these dockets.

The remaining elements in this case are Directory Assistance and Operator Systems; 911 Service; two sub-loop elements, loop feeder and loop distribution; four-wire analog ports; and Advanced Intelligent Network (AIN) capabilities. Permanent rates were set for all other requested elements in the original arbitration proceedings.

If the parties request that the Commission resolve a dispute with respect to any of these elements prior to the effective date of the companies' next interconnection agreements with GTEFL, that request will not be considered a new arbitration. Rather, it would be considered a dispute arising from the current arbitrated agreement, and it would not be subject to the timeframes set forth in Section 252 of the Act. Staff considers this to be important - that is, had any ensuing dispute involved a new arbitration, we would have recommended completing this one. By requesting that this docket be closed, the parties are willing to have any subsequent ratesetting handled as a dispute rather than an arbitration, should the occasion arise. Based on this and our discussions with all the parties, staff concludes that the prudent course of action would be to close these dockets as requested.



MCI Telecommunications
Corporation

Law & Public Policy
780 Johnson Ferry Road
Suite 700
Atlanta, GA 30342
404 843 6383
FAX 404 250 5992

January 30, 1988

Robin Norton
Will Cox
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0872

Re: Petition by MCI Telecommunications Corporation and MCI Metro Access Transmission Services, Inc., for arbitration of certain terms and conditions of a proposed agreement with GTE Florida Incorporated concerning resale and interconnection under the Telecommunications Act of 1996, Docket No. 960980-TP.

Dear Ms Norton and Mr. Cox

As you know, the above-described matter is currently pending before the Commission to set permanent rates for a limited number of unbundled network elements. Although MCI will need rates for such elements in the future, it does not need rates for these limited elements at this time. In order to avoid tying up the resource of both MCI and GTE, as well as those of the Commission, when the need for such rates is not imminent, MCI is requesting that the Commission not set such rates at this time and close the docket in this matter.

When MCI determines that it needs rates for these elements, MCI will attempt to negotiate such rates with GTE. In the event that negotiations are unsuccessful, MCI reserves its right to petition the Commission to determine the appropriate rates for these elements. I have discussed this proposed procedure with GTE's counsel Kim Caswell and am authorized to represent that GTE agrees with this procedure. When and if such a petition is filed, the Commission may open the matter as a new docket. I am authorized to represent, however, that GTE has agreed that such a petition should not be construed as a new request for arbitration under the federal act.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in black ink that reads "Thomas K. Bond". The signature is written in a cursive style with a large, sweeping flourish at the end.

Thomas K. Bond

cc: Mrs. Blanca S. Bayo
Director, Division of Records and Reporting

Kim Caswell
GTE Florida Incorporated



Tracy Hatch
Attorney

January 30, 1998

Suite 700
101 N. Monroe St.
Tallahassee, FL 32301
904 425-6364
FAX: 904 425-6361

Ms. Robin Norton
Mr. William Cox, Esq.
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

RECEIVED

FEB 03 1998

CMU

Re: Docket No. 960847-TP Petition of AT&T Communications of the Southern States, Inc. for arbitration of certain terms and conditions of a proposed agreement with GTE Florida Incorporated concerning interconnection and resale under the Telecommunications Act of 1996.

Dear: Ms. Norton
Mr. Cox

As you know, the above referenced proceeding is currently scheduled for hearing before the Commission to establish permanent rates for a limited number of elements. Although AT&T will require these elements at a future time, they are not currently needed for AT&T's activities in GTE's territory. To avoid consuming AT&T's, GTE's and the Commission's resources to obtain permanent prices for elements that are not currently needed, AT&T believes that it would be more efficient for all the parties to terminate the existing proceeding and close the above referenced docket.

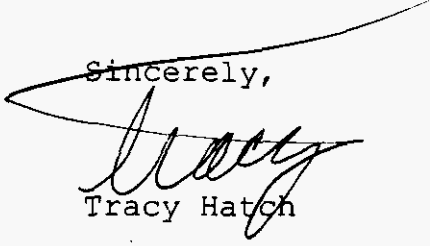
At the time that AT&T determines an impending need for the elements left at issue, AT&T will negotiate with GTE for the appropriate prices for such elements in accordance with the provisions of Paragraph 6 of Attachment 14 to the GTE/AT&T Interconnection Agreement. If interim rates are set pursuant to Paragraph 6 of Attachment 14, it is understood that either party may petition the Commission to set permanent rates in accordance with the provisions of Paragraph 11.2 of Attachment 1 to the GTE/AT&T Interconnection Agreement. It is also understood that terminating the current proceeding in the above referenced docket will not be construed as an admission that the permanent rates already set by the

Commission in the AT&T/GTE arbitration proceeding are the appropriate final rates.

I have discussed the proposed procedure with counsel for GTE and am authorized to represent that GTE concurs in the procedure discussed above.

If you have any questions, please do not hesitate to call me at (850) 425-6364.

Sincerely,



Tracy Hatch

cc. All parties of record