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September 14, 1998

ORIGINAL

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**BY HAND DELIVERY**

Ms. Blanca Bayo, Director  
Division of Records and Reporting  
Room 110, Easley Building  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

Re: Docket No. 980696-TP

Dear Ms. Bayo:

Enclosed for filing is the Prehearing Statement of e.spire Communications, Inc

Although this statement was due September 10, 1998, since e.spire is not presenting a witness or testimony, no party will be prejudiced by accepting this statement at this time

Sincerely,

  
Norman H. Horton, Jr.

- ACK \_\_\_\_\_
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- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CH NHH:dle
- CI Enclosure
- CTD \_\_\_\_\_
- EA \_\_\_\_\_
- LI 2
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**10042 SEP 14 88**  
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Determination of Cost of Basic Local  
Telecommunications Services )

Docket No. 980696-TP  
Filed September 10, 1998

PREHEARING STATEMENT OF  
e.spire COMMUNICATIONS, INC.

American Communications Services, Inc. - Jacksonville, Inc., d/b/a e.spire™  
Communications, Inc. ("e.spire"), through undersigned counsel, submits this prehearing statement

A. APPEARANCES

Norman H. Horton, Jr.  
Messer, Caparello & Self, P.A.  
Post Office Box 1876  
Tallahassee, FL 32302-1876

On behalf of e.spire Communications, Inc.

B. WITNESSES

e.spire does not intend to call any witnesses, but reserves the right to call witnesses, if necessary, as may be required by upon completion of discovery, or if any new issues are identified at the prehearing conference.

C. EXHIBITS

e.spire does not intend to present any exhibits, but reserves the right to introduce exhibits, if necessary, as may be required by cross examination, later filed testimony, completion of discovery, or new issues identified at the prehearing conference

D. BASIC POSITION

In determining the cost of basic local telecommunications service for purposes of universal service support, the Commission should consider all services so as not to create a need when one does not exist

## E. ISSUES AND POSITIONS

**ISSUE 1:** What is the definition of the basic local telecommunications service referred to in Section 364.025(4)(b), Florida Statutes?

ecspire's Position: All services that are typically considered basic local services should be included in the definition.

**ISSUE 2:** For purposes of determining the cost of basic local telecommunications service appropriate for establishing a permanent universal service mechanism, what is the appropriate cost proxy model to determine the total forward-looking cost of providing basic local telecommunications service pursuant to Section 364.025(4)(b), Florida Statutes?

ecspire's Position: No position at this time

**ISSUE 3:** For purposes of determining the cost of basic local telecommunications service appropriate for establishing a permanent universal service mechanism, should the total forward-looking cost of basic local telecommunications service pursuant to Section 364.025(4)(b), Florida Statutes, be determined by a cost proxy model on a basis smaller than a wire center? If so, on what basis should it be determined?

ecspire's Position: No position at this time

**ISSUE 4:** For purposes of determining the cost of basic local telecommunications service appropriate for establishing a permanent universal service mechanism, for each of the following categories what input values to

the cost proxy model identified in Issue 2 are appropriate for each Florida LEC?

- (a) Depreciation rates
- (b) Cost of money
- (c) Tax rates
- (d) Supporting structures
- (e) Structure sharing factors
- (f) Fill factors
- (g) Manholes
- (h) Fiber cable costs
- (i) Copper cable costs
- (j) Drops
- (k) Network interface devices
- (l) Outside plant mix
- (m) Digital loop carrier costs
- (n) Terminal costs
- (o) Switching costs and associated variables
- (p) Traffic data
- (q) Signaling system costs
- (r) Transport system costs and associated variable
- (s) Expenses
- (t) Other inputs

espire's Position: No position at this time

**ISSUE 5(a):** For purposes of determining the cost of basic local telecommunications service appropriate for establishing a permanent universal service mechanism, for which Florida local exchange companies must the cost of basic local telecommunications service be determined using the cost proxy model identified in Issue 2?

espire's Position: No position at this time

**ISSUE 5(b): For each of the LECs identified in (a), what cost results from using the input values identified in Issue 5 in the cost proxy model identified in Issue 2?**

e.spire's Position: No position at this time.

**ISSUE 6(a): For purposes of determining the cost of basic local telecommunications service appropriate for establishing a permanent universal service mechanism, should the cost of basic local telecommunications service for each of the LECs that serve fewer than 100,000 access lines be computed using the cost proxy model identified in Issue 2 with the input values identified in Issue 4?**

e.spire's Position: No position at this time.

**ISSUE 6(b): If yes, for each of the LECs that serve fewer than 100,000 access lines, what cost results from using the input values identified in Issue 4 in the cost proxy model identified in Issue 2?**

e.spire's Position: No position at this time.

**ISSUE 6(c): If not, for each of the Florida LECs that serve fewer than 100,000 access lines, what approach should be employed to determine the cost of basic local telecommunications service and what is the resulting cost?**

e.spire's Position: No position at this time.

**F. PENDING MOTIONS FILED BY e.spire COMMUNICATIONS, INC.**

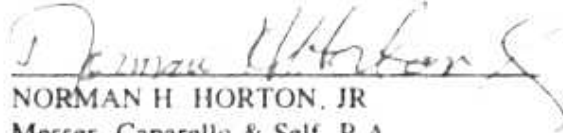
e.spire has no pending motions.

**G. REQUIREMENTS THAT CANNOT BE COMPLIED WITH**

e.spire is not aware of any such requirements at this time

Dated this 10th day of September, 1998.

Respectfully submitted,



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Attorneys for e.spire™ Communications, Inc

### CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Empire Communications, Inc.'s Prehearing Statement in Docket No 980696-TP has been furnished by Hand Delivery (\*) and/or U.S. Mail to the following parties of record this 14th day of September, 1998.

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