

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Investigation into pricing of)
unbundled network elements)

Docket No. 990649-TP
Filed: August 22, 2000

MOTION FOR LEAVE TO FILE
PREHEARING STATEMENT ONE DAY LATE

Supra Telecommunications & Information Systems, Inc., by and through its undersigned counsel, hereby moves the Commission for leave to file the prehearing statement in this proceeding one day late, and as grounds therefore states:

1. Supra Telecom's, Tallahassee office experienced email outage on August 21, 2000, therefore, prohibiting the prehearing statement to be electronically sent to the Tallahassee office to be printed, copied and mailed out in time to meet the 5:00 p.m. filing deadline.
2. In spite of this difficulty, Supra made every effort to get the prehearing statement filed on the due date of August 21, 2000. Supra Telecom acknowledges that the parties have been furnished a copy of the prehearing statement via email, through our Miami office.
3. Supra filed its prehearing statement with the Commission on August 22, 2000.
4. Supra respectfully submits that no party will be prejudiced by the Commission granting this request.
5. The due date for filing the prehearing statement is a procedural matter in which the Commission has the discretion to grant Supra's request.

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FPSC-RECORDS REPORTING

Wherefore, Supra respectfully requests the Commission to grant it leave to file its Prehearing Statement one day late.

Respectfully submitted, this 22th day of August, 2000.



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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

_____)
In Re: Investigation)
Into Pricing Of Unbundled)
Network Elements)
_____)

Docket No. 990649-TP

Dated: August 21, 2000

**PREHEARING STATEMENT OF SUPRA
TELECOMMUNICATIONS & INFORMATION SYSTEMS, INC.**

SUPRA TELECOMMUNICATIONS & INFORMATION SYSTEMS, INC. ("Supra Telecom"), by and through its undersigned counsel and pursuant to this Commission's Second Revised Order On Procedure (Order No. PSC-00-0540-PCO-TP), issued on March 16, 1999, hereby files and serves this its Prehearing Statement for the portion of the above-styled matter set for hearing in September 2000, and in support thereof states as follows:

A. WITNESSES

Supra Telecom proposes to call the following witness to offer testimony on the issues set for hearing in this docket in September, 2000:

<u>Witness</u>	<u>Issue(s)</u>
(a) David Nilson (Rebuttal)	1, 2(a), 2(b), 3(a), 3(b) 4(a), 4(b), 10, 11, 12

Supra Telecom also reserves the right to call additional witnesses, witnesses to respond to Commission inquiries not addressed in direct or rebuttal testimony, witnesses to address issues not presently designated that may be designated by the Prehearing Officer at the prehearing conference to be held on August 28, 2000. Supra Telecom reserves the right to supplement this list if necessary.

B. EXHIBITS

(a) David Nilson: None at this time

Supra Telecom reserves the right to file exhibits to any testimony that may be filed under the circumstances identified in Section "A" above. Supra Telecom also reserves the right to introduce exhibits produced by Supra Telecom in response to any request for production made by the Commission Staff and other parties to this proceeding. Supra Telecom also reserves the right to introduce exhibits for cross-examination, impeachment and/or for any other purpose authorized by the applicable Florida Rules of Evidence and Rules of this Commission.

C. SUPRA TELECOM'S STATEMENT OF BASIC POSITION

The Commission's goal in this proceeding is to establish rates for unbundled network elements and interconnection that are "just and reasonable" within the meaning of Section 252(d) of the Telecommunications Act of 1996. Although some questions have been raised regarding the methodology of pricing as a result of the recent decision of the United States Court of Appeals for the Eighth Circuit in *Iowa Utilities Board vs. F.C.C.*, Case No. 96-3321 (8th Cir., July 18, 2000), Supra Telecom is of the opinion that this Commission can still render a valid decision on the pricing of unbundled network elements based upon the information set forth in the record.

D. SUPRA TELECOM'S POSITION ON THE ISSUES (FACT\LAW\POLICY)

Issue 1: What factors should the Commission consider in establishing rates and charges for UNEs (including deaveraged UNEs and UNE combinations)?

Supra Telecom's Position On Issue 1:

Under the TELRIC model and the FCC's previous pricing rules this Commission should only consider a forward-looking network design based upon the most efficient technology currently

available. Under the Iowa Utilities Board case, current costs are also now relevant as long as the existing equipment is being depreciated. Thereafter, an ILEC must invest in the most efficient equipment and design available. There should be no non-recurring costs when such costs will never be incurred; such as conversions of service "as is." Finally, network upgrades, such as line-conditioning, should be amortized over the life of the asset.

Issue 2: (a) What is the appropriate methodology to deaverage UNEs and what is the appropriate rate structure for deaveraged UNEs? (b) For which of the following UNEs should the Commission set deaveraged rates? (1) loops (all); (2) local switching; (3) interoffice transport (dedicated and shared); (4) other (including combinations).

Supra Telecom's Position On Issue 2:

The appropriate methodology for deaveraging UNEs is one that attempts to accurately assess the true potential cost of the UNE utilizing the TELRIC model assumptions. Loops should be deaveraged based upon categories of loop length. Local switching need not be deaveraged, while shared and dedicated transport should be priced per distance and usage of trunk capacity. Considerations and price reductions should also be given for line sharing; including line sharing using Digitally Added Main Lines.

Issue 3: (a) What are xDSL capable loops? (b) Should a cost study for xDSL-capable loops make distinctions based on loop length and/or the particular DSL technology to be deployed?

Supra Telecom's Position On Issue 3:

xDSL capable loops are copper loops with no load coils, and in some instances no bridge taps. The length of xDSL capable loops should not be arbitrarily set at any distance since some equipment can provision service up to 33,000 feet. Loops should be priced based upon length with line conditioning being amortized over the economic life of the loop. Different classes or grades of

xDSL capable loops can be specified based upon loop length and modulation capability.

Issue 4: (a) Which subloop elements, if any, should be unbundled in this proceeding, and how should prices be set? (b) How should access to such subloop elements be provided, and how should prices be set?

Supra Telecom's Position On Issue 4:

All subloops and elements should be unbundled on an dedicated and shared use basis. For dedicated use, the unbundled subloop price should based upon categories of loop lengths. For shared use, subloop costs should be further reduced by the proportion of channels available for use on the subloop. For dedicated ports, ALECs should pay the amortized cost of the port on a recurring charge basis. For shared ports, each carrier should pay the pro-rata cost of the amortized port based upon the percentage of their customers being served by that port.

Issue 7: What are the appropriate assumptions and inputs for the following items to be used in the forward-looking recurring UNE cost studies? (a) network design (including customer location assumptions); (e) structure sharing; (f) structure costs; (g) fill factors; (h) manholes; (i) fiber cable (material and placement costs); (j) copper cable (material and placement costs); (k) drops; (l) network interface devices; (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 variables; (s) loadings; (t) expenses; (u) common costs; (v) other.

Supra Telecom's Position On Issue 7:

Supra Telecom has no opinion on these issues at this time, but reserves the right to cross-exam witnesses on these issues at the hearing and to take a position on these issues at a later date.

Issue 8: What are the appropriate assumptions and inputs for the following items to be used in the forward-looking non-recurring UNE cost studies? (a) network design; (b) OSS design; (c) labor rates; (d) required activities; (e) mix of manual versus electronic activities; (f) other.

Supra Telecom's Position On Issue 8:

Supra Telecom has no opinion on these issues at this time, but reserves the right to cross-exam witnesses on these issues at the hearing and to take a position on these issues at a later date.

Issue 9: (a) What are the appropriate recurring rates (averaged or deaveraged as the case may be) and non-recurring charges for each of the following UNEs? (1) 2-wire voice grade loop; (2) 4-wire analog loop; (3) 2-wire ISDN/IDSL loop; (4) 2-wire xDSL-capable loop; (5) 4-wire xDSL-capable loop; (6) 4-wire 56 kbps loop; (7) 4-wire 64 kbps loop; (8) DS-1 loop; (9) high capacity loops (DS3 and above); (10) dark fiber loop; (11) subloop elements (to the extent required by the Commission in Issue 4); (12) network interface devices; (13) circuit switching (where required); (14) packet switching (where required); (15) shared interoffice transmission; (16) dedicated interoffice transmission; (17) dark fiber interoffice facilities; (18) signaling networks and call-related databases; (19) OS/DA (where required).

Supra Telecom's Position On Issue 9:

Supra Telecom is unable to render an opinion on these issues at this time, but reserves the right to cross-exam witnesses on these issues at the hearing and to take a position on these issues at a later date.

Issue 10: What is the appropriate rate, if any, for customized routing?

Supra Telecom's Position On Issue 10:

The only charge for customized routing (above transport costs) should be the average cost of labor to program the customized route.

Issue 11: What is the appropriate rate, if any, for line conditioning, and in what situations should the rate apply?

Supra Telecom's Position On Issue 11:

Line conditioning involves removing load coils and bridge taps. Load coils and bridge taps are not required for modern switches and/or for forward-looking loops; and thus should not be a recoverable cost. If found to be recoverable, this cost should be treated as a network upgrade, and recovered as a recurring rate amortized over the remaining life of the loop being conditioned. Since

bridge taps were installed for BellSouth's flexibility in provisioning service, these costs should already be included in the cost of providing new service and thus should not be charged to the ALEC.

Issue 12: Without deciding the situations in which such combinations are required, what are the appropriate recurring and non-recurring rates for the following UNE combinations: "UNE platform" consisting of: loop (all), local (including packet, where required) switching (with signaling), and dedicated and shared transport (through and including local termination); "extended links," consisting of: (1) loop, DSO/1 multiplexing, DS1 interoffice transport; (2) DS1 loop, DS1 interoffice transport; (3) DS1 loop, DS1/3 multiplexing, DS3 interoffice transport.

Supra Telecom's Position On Issue 12:

For an existing service, the cost of a "UNE Platform" should be the combined individual cost of each UNE comprising the platform, and nothing more. For new service, the only additional charge should be the same charge assessed for new resale service, and nothing more. For an existing connection, the cost of "Extended Links" should be the combined individual cost of each UNE comprising the extended link, and nothing more.

E. STIPULATIONS

No stipulations of issues exist other than the ones previously jointly filed in these proceedings and otherwise already adopted by this Commission.

F. PENDING MOTIONS

Supra Telecom's Motion For Leave To File Supra Telecom's Rebuttal Testimony One Day Late.

G. OTHER MATTERS AND/OR REQUIREMENTS

None at this time.

WHEREFORE SUPRA TELECOMMUNICATIONS & INFORMATION SYSTEMS,

INC. hereby submits this its Prehearing Statement.

Respectfully submitted, this 21st day of August, 2000.

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Mark Buchele / smc

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was sent via U.S. Mail and E-Mail this 21st day of August, 2000, to the parties listed below:

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