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August 25, 2000

VIA FEDERAL EXPRESS

Blanca S. Bayo, Director
Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Re: Docket No. 990649-TP

Dear Ms. Bayo:

Enclosed please find an original and fifteen (15) copies of the Revised Rebuttal Testimony of Mark Stacey and Eric McPeak on behalf of Broadslate Networks, Inc, Cleartel Communications, Inc, and Florida Digital Network, Inc. ("The Coalition") for filing in the above referenced proceeding, Docket No. 990649-TP. Also enclosed is a diskette containing the testimonies and exhibits in Microsoft Word and MS Excel formats. Please date stamp and return the extra copy to us in the enclosed self-addressed, postage paid envelope.

Please feel free to contact me if you have any questions or require further information.

Sincerely,

Robert Ridings
Michael Sloan
Counsel for The Coalition

Enclosures

cc:

Service List

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was furnished via first class mail on the following parties on this 25th day of August, 2000.

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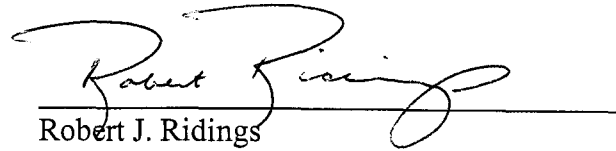
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Robert J. Ridings

1 **I. Witness Introduction and Purpose of Testimony**
2

3 **Q. Please state your name and business address for the record.**

4 A. My name is Mark Stacy. My business address is as follows: QSI Consulting,
5 Inc., 5300 Meadowbrook Drive, Cheyenne, Wyoming 82009.
6

7 **Q. Are you the same Mark Stacy who filed testimony previously in this**
8 **docket?**

9 A. Yes, I am.
10

11 **Q. What is the purpose of your testimony in this proceeding?**

12 A. The purpose of my testimony in this proceeding is to address revisions BellSouth
13 has made to its cost model filed in this docket.
14

15 **Q. Did BellSouth make any significant changes to its cost models?**

16 A. Yes. Although BellSouth made several changes, the only one which impacts the
17 revisions I proposed earlier is the change to the Gross Receipts Tax Factor used
18 in the calculation of rates.
19

20 **Q. Did BellSouth's revisions impact the rates you initially recommended in**
21 **this proceeding?**

22 A. Yes. I have incorporated the change to the Gross Receipts Factor, and
23 recalculated my recommended rates to reflect BellSouth's revision (see attached
24 revised exhibits). My recommended rates are compared to BellSouth's originally
25 proposed rates and summarized below.

III. Recommended Unbundled Copper Loop and Intrabuilding Cable

Nonrecurring Rates

TABLE 1

ELEMENT	BellSouth Proposed Rate		Recommended Rate	
	First	Addi- onal	First	Addi- onal
2-Wire Copper Loop				
Installation				
2-Wire Copper Loop - Short	\$300.38	\$192.38	\$21.90	\$13.62
2-Wire Copper Loop - Long	\$192.33	\$109.17	\$35.10	\$10.18

Table 2

ELEMENT	BellSouth Proposed Rate		Recommended Rate	
	First	Addi- onal	First	Addi- onal
4-Wire Copper Loop				
Installation				
4-Wire Copper Loop - Short	\$355.69	\$239.97	\$48.22	\$32.76
4-Wire Copper Loop - Long	\$247.63	\$156.76	\$20.64	\$12.85

Table 3

ELEMENT	BellSouth Proposed Rate		Recommended Rate	
	First	Addi- onal	First	Addi- onal
2-Wire Copper Loop				
Disconnect				
2-Wire Copper Loop - Short	\$155.44	\$35.51	\$0.92	\$0.40
2-Wire Copper Loop - Long	\$155.44	\$35.51	\$0.93	\$0.40

1

2 Table 4

ELEMENT	BellSouth Proposed Rate		Recommended Rate	
	First	Addi- onal	First	Addi- onal
4-Wire Copper Loop				
Disconnect				
4-Wire Copper Loop - Short	\$171.55	\$40.07	\$0.94	\$0.40
4-Wire Copper Loop - Long	\$171.55	\$40.07	\$0.94	\$0.40

4

5 Table 5

ELEMENT	BellSouth Proposed Rate		Recommended Rate
	First	Addi- onal	Per Line
Intrabuilding Network Cable			
INC			
A.2.14 - 2-Wire INC	\$135.45	\$38.08	\$5.37
A.2.14 - 2-Wire INC - Disconnect	\$118.59	\$19.63	\$0.99
A.2.15 - 4-Wire INC	\$175.67	\$51.88	\$6.97
A.2.15 - 4-Wire INC - Disconnect	\$125.06	\$20.03	\$1.42

7

8 Table 6

ELEMENT	BellSouth Proposed Rate	Recommended Rate
	NRC	NRC
Unbundled Subloop Elements		
A.2.19 - Per Building Equipment Room - CLEC Facility Set-Up	\$402.70	\$8.03
A.2.20 - Per Building Equipment Room - Per 25 Pair Panel Set-Up	\$158.23	\$4.02

10

11 Q. Does this conclude your testimony?

12 A. Yes, it does.

13

14

Florida
 A.13.1 2-Wire Copper Loop - short

Nonrecurring Cost

<u>Description</u>	<u>Disconnect - First</u>			<u>Disconnect - Additional</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>
Nonrecurring Cost Development Reports	\$0.8634	\$0.0000	\$0.8634	\$0.3716	\$0.0000	\$0.3716
OTHER EXPENSES:						
Total Cost	<u>\$0.8634</u>	<u>\$0.0000</u>	<u>\$0.8634</u>	<u>\$0.3716</u>	<u>\$0.0000</u>	<u>\$0.3716</u>
Gross Receipts Tax Factor			X <u>1.001713</u>			X <u>1.001713</u>
Cost (Including Gross Receipts Tax)			<u>\$0.8648</u>			<u>\$0.3722</u>
Common Cost Factor			X <u>1.0624</u>			X <u>1.0624</u>
Economic Cost			<u>\$0.9188</u>			<u>\$0.3955</u>

Florida
 A.13.7 2-Wire Copper Loop - long

Nonrecurring Cost

<u>Description</u>	<u>Installation - First</u>			<u>Installation - Additional</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>
Nonrecurring Cost Development Reports	\$32.9846	\$0.0000	\$32.9846	\$9.5697	\$0.0000	\$9.5697
OTHER EXPENSES:						
Total Cost	<u>\$32.9846</u>	<u>\$0.0000</u>	<u>\$32.9846</u>	<u>\$9.5697</u>	<u>\$0.0000</u>	<u>\$9.5697</u>
Gross Receipts Tax Factor			X <u>1.001713</u>			X <u>1.001713</u>
Cost (Including Gross Receipts Tax)			<u>\$33.0411</u>			<u>\$9.5861</u>
Common Cost Factor			X <u>1.0624</u>			X <u>1.0624</u>
Economic Cost			<u>\$35.1029</u>			<u>\$10.1843</u>

Florida
 A.14.1 4-Wire Copper Loop - short

Nonrecurring Cost

<u>Description</u>	<u>Installation - First</u>			<u>Installation - Additional</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>
Nonrecurring Cost Development Reports	\$45.3118	\$0.0000	\$45.3118	\$30.7822	\$0.0000	\$30.7822
OTHER EXPENSES:						
Total Cost	<u>\$45.3118</u>	<u>\$0.0000</u>	<u>\$45.3118</u>	<u>\$30.7822</u>	<u>\$0.0000</u>	<u>\$30.7822</u>
Gross Receipts Tax Factor			X 1.001713			X 1.001713
Cost (Including Gross Receipts Tax)			<u>\$45.3895</u>			<u>\$30.8349</u>
Common Cost Factor			X 1.0624			X 1.0624
Economic Cost			<u>\$48.2218</u>			<u>\$32.7590</u>

Florida
 A.14.1 4-Wire Copper Loop - short

Nonrecurring Cost

<u>Description</u>	<u>Disconnect - First</u>			<u>Disconnect - Additional</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>
Nonrecurring Cost Development Reports	\$0.8810	\$0.0000	\$0.8810	\$0.3792	\$0.0000	\$0.3792
OTHER EXPENSES:						
Total Cost	<u>\$0.8810</u>	<u>\$0.0000</u>	<u>\$0.8810</u>	<u>\$0.3792</u>	<u>\$0.0000</u>	<u>\$0.3792</u>
Gross Receipts Tax Factor			X 1.001713			X 1.001713
Cost (Including Gross Receipts Tax)			<u>\$0.8825</u>			<u>\$0.3799</u>
Common Cost Factor			X 1.0624			X 1.0624
Economic Cost			<u>\$0.9376</u>			<u>\$0.4036</u>

Florida
 A.14.7 4-Wire Copper Loop - long

Nonrecurring Cost

<u>Description</u>	<u>Installation - First</u>			<u>Installation - Additional</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>
Nonrecurring Cost Development Reports	\$19.3977	\$0.0000	\$19.3977	\$12.0769	\$0.0000	\$12.0769
OTHER EXPENSES:						
Total Cost	<u>\$19.3977</u>	<u>\$0.0000</u>	<u>\$19.3977</u>	<u>\$12.0769</u>	<u>\$0.0000</u>	<u>\$12.0769</u>
Gross Receipts Tax Factor			X <u>1.001713</u>			X <u>1.001713</u>
Cost (Including Gross Receipts Tax)			<u>\$19.4309</u>			<u>\$12.0976</u>
Common Cost Factor			X <u>1.0624</u>			X <u>1.0624</u>
Economic Cost			<u>\$20.6434</u>			<u>\$12.8525</u>

Florida
 A.2.14 2-Wire Intrabuilding Network Cable (INC)

Nonrecurring Cost

<u>Description</u>	<u>Installation - First</u>			<u>Installation - Additional</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>
Nonrecurring Cost Development Reports	\$5.0491	\$0.0000	\$5.0491	\$1.4215	\$0.0000	\$1.4215
OTHER EXPENSES:						
Total Cost	<u>\$5.0491</u>	<u>\$0.0000</u>	<u>\$5.0491</u>	<u>\$1.4215</u>	<u>\$0.0000</u>	<u>\$1.4215</u>
Gross Receipts Tax Factor			X 1.001713			X 1.001713
Cost (Including Gross Receipts Tax)			<u>\$5.0578</u>			<u>\$1.4239</u>
Common Cost Factor			X 1.0624			X 1.0624
Economic Cost			<u>\$5.3734</u>			<u>\$1.5128</u>

Florida
 A.2.15 4-Wire Intra-building Network Cable (INC)

Nonrecurring Cost

<u>Description</u>	<u>Installation - First</u>			<u>Installation - Additional</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>
Nonrecurring Cost Development Reports	\$6.5472	\$0.0000	\$6.5472	\$1.9346	\$0.0000	\$1.9346
OTHER EXPENSES:						
Total Cost	<u>\$6.5472</u>	<u>\$0.0000</u>	<u>\$6.5472</u>	<u>\$1.9346</u>	<u>\$0.0000</u>	<u>\$1.9346</u>
Gross Receipts Tax Factor			X 1.001713			X 1.001713
Cost (Including Gross Receipts Tax)			<u>\$6.5584</u>			<u>\$1.9379</u>
Common Cost Factor			X 1.0624			X 1.0624
Economic Cost			<u>\$6.9677</u>			<u>\$2.0589</u>

Florida
 A.2.14 2-Wire Intrabuilding Network Cable (INC)

Nonrecurring Cost

<u>Description</u>	<u>Disconnect - First</u>			<u>Disconnect - Additional</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>
Nonrecurring Cost Development Reports	\$0.9311	\$0.0000	\$0.9311	\$0.4518	\$0.0000	\$0.4518
OTHER EXPENSES:						
Total Cost	<u>\$0.9311</u>	<u>\$0.0000</u>	<u>\$0.9311</u>	<u>\$0.4518</u>	<u>\$0.0000</u>	<u>\$0.4518</u>
Gross Receipts Tax Factor			X 1.001713			X 1.001713
Cost (Including Gross Receipts Tax)			<u>\$0.9327</u>			<u>\$0.4525</u>
Common Cost Factor			X 1.0624			X 1.0624
Economic Cost			<u>\$0.9909</u>			<u>\$0.4808</u>

Florida
 A.2.15 4-Wire Intra-building Network Cable (INC)

Nonrecurring Cost

<u>Description</u>	<u>Disconnect - First</u>			<u>Disconnect - Additional</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>
Nonrecurring Cost Development Reports	\$1.3368	\$0.0000	\$1.3368	\$0.4610	\$0.0000	\$0.4610
OTHER EXPENSES:						
Total Cost	<u>\$1.3368</u>	<u>\$0.0000</u>	<u>\$1.3368</u>	<u>\$0.4610</u>	<u>\$0.0000</u>	<u>\$0.4610</u>
Gross Receipts Tax Factor			X 1.001713			X 1.001713
Cost (Including Gross Receipts Tax)			<u>\$1.3390</u>			<u>\$0.4618</u>
Common Cost Factor			X 1.0624			X 1.0624
Economic Cost			<u>\$1.4226</u>			<u>\$0.4906</u>

Florida
A.2.19 Sub-Loop - Per Building Equipment Room - CLEC Feeder Facility
Set-Up

Nonrecurring Cost - Installation

<u>Description</u>	<u>Direct</u> <u>Cost</u>	<u>Shared</u> <u>Cost</u>	<u>TELRIC</u>
Nonrecurring Cost Development Reports	\$7.5415	\$0.0000	\$7.5415
 OTHER EXPENSES:			
Total Cost	<u>\$7.5415</u>	<u>\$0.0000</u>	<u>\$7.5415</u>
Gross Receipts Tax Factor			X <u>1.001713</u>
Cost (Including Gross Receipts Tax)			<u>\$7.5544</u>
Common Cost Factor			X <u>1.0624</u>
Economic Cost			<u>\$8.0258</u>

Florida

A.2.20 Sub-Loop - Per Building Equipment Room - Per 25 Pair Panel Set-Up

Nonrecurring Cost - Installation

<u>Description</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>
Nonrecurring Cost Development Reports	\$1.2765	\$0.0000	\$1.2765
OTHER EXPENSES:			
PANEL MATERIAL COSTS	<u>\$2.4971</u>	<u>\$0.0000</u>	<u>\$2.4971</u>
Total Cost	<u>\$3.7736</u>	<u>\$0.0000</u>	<u>\$3.7736</u>
Gross Receipts Tax Factor			X <u>1.001713</u>
Cost (Including Gross Receipts Tax)			<u>\$3.7800</u>
Common Cost Factor			X <u>1.0624</u>
Economic Cost			<u>\$4.0159</u>