

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

**In re: Investigation into Pricing of  
Unbundled Network Elements**

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**Docket No 990649-TP**

**REVISED REBUTTAL TESTIMONY OF**

**Eric McPeak**

**ON BEHALF OF**

**Broadslate Networks, Inc., Cleartel Communications, Inc.,  
and Florida Digital Network, Inc.**

**("The Coalition")**

**August 28, 2000**

DOCUMENT NUMBER-DATE

**10610 AUG 28 8**

FPSC-RECORDS/REPORTING

1           **I. Witness Introduction and Purpose of Testimony**  
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3           **Q.     Please state your name and business address for the record.**

4           A.     My name is Eric McPeak. My business address is as follows: QSI Consulting,  
5                 111 East Spring St, El Dorado Springs, MO 64744.

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

9           A.     Yes, I am.

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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, which includes Excel input files that are used for  
14                 inputs into the BellSouth TELRIC Calculator Version 2.4 filed in this docket.

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16          **Q.     Did you use the BellSouth TELRIC Calculator to calculate the rates that are**  
17                 **included in your initial Direct Testimony filed in this proceeding.**

18          A.     Yes I did.

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

22          A.     Yes, Due to the fact that BellSouth has made revisions to the Gross Receipts  
23                 Tax Factor included in the BellSouth TELRIC Calculator, this ultimately has an  
24                 effect on all of the rates calculated in this proceeding.

25

1 **Q. Are there other changes that BellSouth has made to their cost models that**  
2 **change the rates that you have proposed in this proceeding?**

3 A. No. BellSouth has made additional changes in the cost models that I do not use  
4 in my analysis to calculate rates.

5  
6 **Q. BellSouth has added additional rate elements for Loop Modification for Sub**  
7 **Loop applications (Elements A.17.5 and A.17.6). Will you be addressing**  
8 **these newly filed rate elements?**

9 A. No I will not. My original method of calculating Loop Modification Costs can also  
10 be applied to Loop Modifications that would take place in Sub Loop applications.

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12 **II. Loop Modification Recommended Rates**

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14 **Q. Please provide a table including the Revised Recommend Rates that you**  
15 **propose for Loop Modification in this proceeding.**

16 A.

<b>Cost Element</b>	<b>Description</b>	<b>Non-Recurring Cost</b>	<b>Reference</b>
A.17.1	Unbundled Loop Modification Load Coil/Equip. Removal Short	\$ 9.68	Exhibit EM_1
A.17.2	Unbundled Loop Mod. Load Coil Removal - Long	\$ 31.67	Exhibit EM_2
A.17.3	Unbundled Loop Mod. Bridge Tap Removal	\$ 7.75	Exhibit EM_3
A.17.4	Unbundled Loop Mod. Additive	\$ 16.57	Exhibit EM_4

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1       **Q.     Does this conclude your testimony?**

2       **A.     Yes, it does.**

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A.17.1 Unbundled Loop Modification - Load Coil / Equipment Removal - short

Exhibit EM\_1

Nonrecurring Cost - Installation

<u>Description</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>
Nonrecurring Cost Development Reports	\$9.1005	\$0.0000	\$9.1005
OTHER EXPENSES:			
Total Cost	<u>\$9.1005</u>	<u>\$0.0000</u>	<u>\$9.1005</u>
Gross Receipts Tax Factor			X <u>1.001713</u>
Cost (Including Gross Receipts Tax)			<u>\$9.1160</u>
Common Cost Factor			X <u>1.0624</u>
Economic Cost			<u>\$9.6849</u>

**Florida**  
**A.17.2 Unbundled Loop Modification - Load Coil / Equipment Removal - long - First and Additional**  
**Exhibit EM\_2**

**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	\$29.7569	\$0.0000	\$29.7569	\$0.0000	\$0.0000	\$0.0000
OTHER EXPENSES:						
Total Cost	<u>\$29.7569</u>	<u>\$0.0000</u>	<u>\$29.7569</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
Gross Receipts Tax Factor			X 1.001713			X 1.001713
Cost (Including Gross Receipts Tax)			<u>\$29.8079</u>			<u>\$0.0000</u>
Common Cost Factor			X 1.0624			X 1.0624
Economic Cost			<u>\$31.6679</u>			<u>\$0.0000</u>

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A.17.3 Unbundled Loop Modification - Bridged Tap Removal

Exhibit\_EM3

Nonrecurring Cost - Installation

<u>Description</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>TELRIC</u>
Nonrecurring Cost Development Reports	\$7.2833	\$0.0000	\$7.2833
OTHER EXPENSES:			
Total Cost	<u>\$7.2833</u>	<u>\$0.0000</u>	<u>\$7.2833</u>
Gross Receipts Tax Factor			X <u>1.001713</u>
Cost (Including Gross Receipts Tax)			<u>\$7.2958</u>
Common Cost Factor			X <u>1.0624</u>
Economic Cost			<u>\$7.7510</u>

**Florida**  
**A.17.4 Unbundled Loop Modification - Additive**  
**Exhibit EM\_4**

**Nonrecurring Cost**

<b><u>Description</u></b>	<b><u>Installation - First</u></b>			<b><u>Installation - Additional</u></b>		
	<b><u>Direct Cost</u></b>	<b><u>Shared Cost</u></b>	<b><u>TELRIC</u></b>	<b><u>Direct Cost</u></b>	<b><u>Shared Cost</u></b>	<b><u>TELRIC</u></b>
Nonrecurring Cost Development Reports	\$15.5758	\$0.0000	\$15.5758		\$0.0000	\$0.0000
OTHER EXPENSES:						
Total Cost	<u>\$15.5758</u>	<u>\$0.0000</u>	<u>\$15.5758</u>	<u>          </u>	<u>\$0.0000</u>	<u>\$0.0000</u>
Gross Receipts Tax Factor			X 1.001713			X 1.001713
Cost (Including Gross Receipts Tax)			<u>\$15.6025</u>			<u>\$0.0000</u>
Common Cost Factor			X 1.0624			X 1.0624
Economic Cost			<u>\$16.5761</u>			<u>\$0.0000</u>