

Verizon Florida Inc.'s Responses to Staff's
Amended First Set of Interrogatories (Nos. 1-99)
Docket No. 990649B-TP
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territory. This information does not, however, include lines lost due to bypass and other technologies (e.g., wireless, cable, etc.), which are significant.

The following information is confidential.

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Line Type

Resale Lines

Unbundled Loops

Unbundled Platforms

2. How many residential lines have ALECs captured in Verizon's exchanges in Florida?

Response

Verizon cannot answer this question, as only the ALECs know how many lines they have captured in Verizon's exchanges. Below, Verizon is only able to provide information on number of resold lines, unbundled loops and platforms in its territory. This information does not, however, include lines lost due to bypass and other technologies (e.g., wireless, cable, etc.), which are significant.

The following information is confidential.

REDACTED

Line Type

Resale Lines

Unbundled Loops

Unbundled Platforms

3. Explain in detail how Verizon factored into its proposed economic lives the threat of bypass by emerging technologies such as wireless local loop technologies.

Response

As explained in the testimony of Verizon witness Sovereign, Verizon considers competitive risk, as well as technological developments, in determining depreciation inputs. Bypass, whether by wireless local loop, cable technology, or competitors' fiber and/or switches must all be considered when determining depreciation inputs. Mr. Sovereign lists ample evidence of competition for Verizon Florida in his direct testimony.

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Broadband and Cox already offer local telephone service over its cable television lines in some parts of the country. Cable modems from competitors such as AT&T Broadband, Time Warner, and Cox offer direct competition to Verizon's DSL services.

11. When does Verizon plan to no longer add any metallic cable plant in Florida?

Response

There are no plans to stop the deployment of metallic cable plant installations in Florida.

12. Please provide a percentage breakdown as of 1/1/2000 of the metallic cable facilities between interoffice, feeder, and distribution. The response should also include a detailed explanation as to how this percentage breakdown was determined.

Response

The following information is confidential.

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A. Percentage figures:

- | | | |
|----------------|----------|----------|
| • IOF | Metallic | |
| • Feeder | Metallic | |
| • Distribution | Metallic | |
| • IOF | Fiber | |
| • Feeder | Fiber | |
| • Distribution | Fiber | |
| • Total: | | 100.00 % |

B. Explanation of how percentage breakdown was determined:

1. A special study was conducted to identify metallic footage feeder and distribution in service on 1/1/2000. The source of this data was the ICGS Data Base.

- Metallic IOF facilities in Verizon Florida is **REDACTED**

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2. A special study was conducted to identify the footage of Fiber Optic Cable which was in service on 1/1/2000. The source of this data was the ICGS Data Base.

3. Available fiber optic data does not differentiate between IOF, Feeder, and Distribution. This information was developed based on a three-year average of the major Program Category (PCAT) codes associated with work orders:

- IOF (GX03) % of fiber
- Feeder (GH00) % of fiber
- Access (GH23) % of fiber

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By multiplying the Total Fiber Optic Footage from ICGS by these percentage figures, the footage associated with these categories was developed.

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4. From the footages, relative percentages were developed.

13. Please list the services that cannot be provided over copper facilities.

Response

Typically, DS3 (44.7Mb/s) and above services cannot be provided over copper. In addition, SONET type services cannot be provided over copper. But, there are other loop parameters (length, /gauge, etc.) that may require conditioning or repeaters to be installed to provide lower services (1.5Mb/s for example).

14. What are Verizon's plans for deploying ADSL or HDSL technologies?

Response

Verizon Florida objects to this interrogatory because, to the extent responsive data exists, it is proprietary and highly confidential competitive information. Verizon Florida further objects to this interrogatory on the grounds that planning information is irrelevant to selecting a cost model to determine the long run, forward-looking cost of providing unbundled network elements and is not otherwise relevant to any issue in this proceeding.

Notwithstanding the above objection, Verizon Florida responds as follows:

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The following information is confidential.

ADSL Strategy: **REDACTED**

HDSL Strategy: **REDACTED**

15. What are Verizon's plans for deploying SONET?

Response

Verizon Florida objects to this interrogatory because, to the extent responsive data exists, it is proprietary and highly confidential competitive information. Verizon Florida further objects to this interrogatory on the grounds that planning information is irrelevant to selecting a cost model to determine the long run, forward-looking cost of providing unbundled network elements and is not otherwise relevant to any issue in this proceeding.

Notwithstanding the above objection, Verizon Florida responds as follows:

The following information is confidential.

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16. How does Verizon determine when a feeder or distribution transmission facility needs to be replaced?

Response

Verizon replaces these facilities when the facilities cause excessive troubles and when an approved business case supports this replacement.

17. What is the current replacement facility for a retiring copper feeder or distribution transmission facility?

Response

This mostly depends on the needs/requirements of the area. Copper and fiber facilities are used (feeder), while copper would most likely replace like facilities in the distribution.

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18. When did Verizon begin deployment of fiber in the feeder portion of the network?

Response

Verizon began deployment of fiber in the feeder portion of the network in 1985.

19. When did Verizon begin deployment of fiber in the distribution portion of the network?

Response

Verizon began deployment of fiber in the distribution portion of the network in 1991.

20. What are Verizon's plans regarding the deployment of ATM switching?

Response

Verizon objects to this interrogatory because, to the extent responsive data exists, it is proprietary and highly confidential competitive information. Verizon further objects to this interrogatory on the grounds that planning information is irrelevant to selecting a cost model to determine the long run, forward-looking cost of providing unbundled network elements and is not otherwise relevant to any issue in this proceeding.

Notwithstanding the above objection, Verizon Florida responds as follows:

The following information is confidential.

REDACTED

21. What is Verizon's current deployment strategy for fiber cable in the feeder, interoffice, and distribution portions of the network?

Response

Verizon objects to this interrogatory because, to the extent responsive data exists, it is proprietary and highly confidential competitive information. Verizon further objects to this interrogatory on the grounds that planning information is irrelevant to selecting a cost model to determine the long run, forward-looking cost of providing

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unbundled network elements and is not otherwise relevant to any issue in this proceeding.

Notwithstanding the above objection, Verizon Florida responds as follows:

The following information is confidential.

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22. (a) Provide an exhaustive list of all competitors Verizon benchmarked its asset lives against.
- (b) Of the competitors Verizon used for benchmarking purposes, identify those who are currently involved in bankruptcy proceedings.

Response

- (a) All competitors used as benchmarks are identified in the direct testimony of Verizon witness Sovereign.
- (b) Mr. Sovereign has not completed an exhaustive survey on the financial status of the benchmarked competitors, although he is aware that both NorthPoint and Rhythms are involved in bankruptcy. Verizon notes that regardless of the financial status of a specific competitor, the competitor's assets have value and their depreciation treatment provides useful benchmarking information. For example, AT&T bought the assets of NorthPoint and WorldCom has bid for the assets of Rhythms.
23. On page 17 of Mr. Sovereign's testimony, it states that the useful life of communications and network equipment for AT&T, as reported in AT&T's 1999 annual report, ranges from 3 to 15 years.
- (a) How did AT&T develop the lives of its communications and network equipment?
- (b) Does Verizon know what kind of life AT&T is referring to in its annual report (average service life, remaining life)?

Response

Staff withdrew this question.

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Loadings are not differentiated by the size and type of fiber cable. Loadings are developed by account. Refer to the response to Interrogatory 31(b).

51. Explain what factors Verizon applied to convert historical cost data into forward-looking average costs for the projected study period.

Response

Book investment by account and by vintage year were converted to a replacement cost basis using the corresponding C. A. Turner indices.

52. What loadings used in Verizon's cost study are Florida specific?

Response

The material loadings used for the ICM-FL material table are Florida specific. Also refer to the response to Interrogatory Number 31(b) and Interrogatory Number 53.

53. For each loading factor used in Verizon's cost study that is not Florida specific, explain why not.

Response

The SS7 module contains investment for STP locations in Virginia, Indiana, and California. Verizon utilized each of these state's material loadings when developing investment for SS7 as these loadings are more representative of cost at these locales. See also the responses to Interrogatory Number 31 (d).

54. What portion of the feeder portion of the Verizon Florida network is currently fiber?

Response

The following information is confidential.

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% of the feeder portion of the Verizon Florida network was on fiber as of 1/1/2000.

55. What portion of the distribution portion of the Verizon Florida network is currently fiber?

REDACTED

Response

The following information is confidential.

REDACTED

% of the distribution portion of the Verizon Florida network is on fiber. See the response to question 12.

56. Does Verizon track or maintain data on the number of customers and the amount of revenue it has lost due to increased competition in Florida as a result of the passage of the Telecommunications Act of 1996? If so, how many customer and how much revenue did Verizon lose in the period 1996-2000?

Response

It would be impossible for Verizon to accurately track such information. For instance, Verizon does not know how many customers it would have gained, but didn't, because of competition. It also doesn't know the amount of revenue it could have received from any given customer lost to a competitor. As explained above, Verizon does maintain information on the number of resold lines, UNE loops and UNE-Ps; however, this data is reported on a line basis, not by customer, and represents only a fraction of the total lost lines since it does not include the number of lines lost due to network bypass and substitute technologies such as wireless and cable.

57. How many companies have interconnection and/or resale contracts with Verizon in Florida?

Response

As of October 12, 2001, Verizon Florida has a total of 203 agreements: 81 resale, 25 interconnection, and 97 comprehensive (combination of resale, collocation, interconnection, and/or unbundling).

58. How do interconnection and/or resale contracts affect Verizon's plant?

Response

Verizon objects to this interrogatory because it is vague, ambiguous, and overly broad. Notwithstanding this objection, Verizon responds that interconnection and /or resale contracts affect Verizon's plant by forcing Verizon to assign or dedicate

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Response

Verizon Florida has undertaken a special study to compile the current list of remotes and concentrators in the Florida service area.

The following information is Company confidential.

The list of Central Office remotes, which currently operate as remote switches is:

REDACTED

The current list of concentrators by exchange is as follows.

REDACTED

67. Identify all remotes and concentrators by exchange projected in the network in Verizon's cost model.

Response

The following information is Company confidential.

The remote switches are the following wire centers:

<u>CLLI</u>	<u>NAME</u>	<u>Switch Type</u>
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ICM-FL models DLCs in each wire center as shown below:

<u>CLLI</u>	<u>NAME</u>	<u>Number of DLCs</u>
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68. Discuss the capacity considerations of SONET rings.

Response

SONET rings are sized to accommodate the total interoffice traffic offered, both switched and non-switched.