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December 19, 2002

Ms. Blanca S. Bayó, Director
Division of the Commission Clerk
& Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket Nos. 981834-TP & 990321-TP Direct Testimony of Edward Fox and Jimmy R. Davis

Dear Ms. Bayó:

Enclosed for filing is the original and fifteen (15) copies of the Direct Testimony of

1. Edward Fox 13852-02
2. Jimmy R. Davis 13853-02

Copies of this have been served pursuant to the attached Certificate of Service.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning the same to this writer.

Thank you for your assistance in this matter.

Sincerely,

Susan S. Masterton

Susan S. Masterton

Enclosure

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CERTIFICATE OF SERVICE
DOCKET NO. 981834-TP & 990321-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served by U.S. Mail or Hand Delivery* this 19th day of December, 2002 to the following:

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Susan S. Masterton

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY OF

Jimmy R. Davis

Q. Please state your name, place of employment, position and business address.

A. My name is Jimmy R. Davis. I am employed by Sprint/United Management Company as a Senior Manager – Network Costing at 6450 Sprint Parkway, Overland Park, Kansas 66251. I am testifying on behalf of Sprint – Florida, Incorporated and Sprint Communications Limited Partnership (hereafter referred to as "Sprint" or the "Company").

Q. What is your educational background?

A. In 1979, I received a Bachelor of Science Degree in Civil Engineering from North Carolina State University in Raleigh, North Carolina. In 1990, I received a Master of Business Administration Degree from East Carolina University, in Greenville, North Carolina. I have also received telephony related continuing education through company sponsored technical training in Planning, Network, and Field Operations.

Q. What is your work experience?

A. In 1979, I began my career with Sprint – Carolina Telephone as a Project Engineer in the Building Engineering section of Network. After a two-year tour

in Building Engineering, I transferred to the Network Planning Department of Sprint – Carolina Telephone in Tarboro, North Carolina where I had responsibility for that Company's Capital Recovery Program. There my job functions involved statistically based mortality studies of telephone physical property, depreciation expense budgeting, property valuations, and cost studies including capital planning. From 1989 to 1993, I served as Sprint-Carolina Telephone's Technical Training Manager where I had responsibility for providing network related technical skills training to that Company's craft and lower level management employees. After a two-year assignment in the Corporate Training Organization, I was assigned, in 1995, to a Customer Services Manager Position in Jacksonville, North Carolina. There I was responsible for the turn up and maintenance of Network and Outside Plant for approximately 115,000 access lines. I was also responsible for installation and maintenance of residential and small business services including high-speed data (special) services. In 1998, I transferred to Kansas City where I continued to work in the Customer Services Organization spending the majority of that time as a Standards and Process Manager responsible for the Sprint Local Telephone Division's National Standard Methods and Procedures for Outside Plant Construction and Maintenance Operations. I then transferred to my current position in June of 2001 where I am responsible for network costing of both non-recurring and recurring charges for collocation as well as costing for non-recurring charges for connections to Sprint's network.

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

A. The purpose of my testimony is to address in part technical issue 1C along with technical issues 5 and 6 (A, B, and C) as identified on Attachment A of the Commission's Procedural Order dated November 4, 2002. Mr. Edward Fox will address technical issues 1A through 4 (also including 1C), 7 and 8 in his Direct Testimony also filed today.

Q. Have you previously testified before a state regulatory commission?

A. Yes. I have testified in Florida associated with UNE Docket 990649-TP. I have also testified in the state of Missouri.

Q. Does Sprint operate as an ALEC as well as an ILEC?

A. Yes. As discussed on page 2 of Sprint witness Edward Fox's Direct Testimony, Sprint operates as both an ALEC and an ILEC in the state of Florida.

ISSUE 1C. WHAT CANCELLATION CHARGES SHOULD APPLY IF AN ALEC CANCELS ITS REQUEST FOR COLLOCATION SPACE?

Q. How does Sprint distinguish between cancellation of a request for collocation space verses the decommissioning of a collocation space?

A. As explained by Sprint witness Edward Fox in his Direct Testimony on pages 5 and 6, cancellation of a "request" for collocation space could occur prior to the completion and acceptance of the space while decommissioning would be involved if the space has been completed and accepted. Please refer to Mr. Fox's Direct Testimony on page 5 for comments on applicable charges when a collocation request is cancelled.

Q. When an ALEC decommissions it collocation space, what charges should apply?

A. To decommission a previously completed and accepted collocation space, the ALEC should submit a new application requesting the decommissioning along with remittance for the appropriate application and project management fees.

Q. Please provide examples of the activities covered by these fees.

A. Along with processing the application itself, these fees cover activities like: engineering work associated with discontinuing DC power and cross connects serving the collocation space, work associated with updating records which represent the current use of space, work associated with updating records and documentation used to communicate the availability of collocation space, updating billing systems, and coordination with the ALEC on the removal of their equipment.

ISSUE 5. SHOULD AN ILEC BE REQUIRED TO OFFER, AT A MINIMUM, POWER IN STANDARDIZED INCREMENTS? IF SO, WHAT SHOULD THE STANDARDIZED POWER INCREMENTS BE?

Q. How is DC power sold to an ALEC for collocation?

A. There are two components to DC Power. Power consumption is the amount of DC Power, measured in amps, used on a monthly basis. DC power cable connections involve the placement and maintenance of cabling required to deliver DC power to an ALEC's collocation space.

Q. Should an ILEC be required to offer DC Power consumption in standardized increments?

A. No. ILECs should offer DC Power consumption on a load amp basis in single amp increments in an amount equal to what an ALEC needs/orders. Sprint uses "load amp" to refer to the specific power needs of the equipment using the DC power.

Q. How does load amp differ from fused amp?

A. While load amp refers to the power needs of equipment, fused amp refers to the "fused" capacity of the DC power cable connection which feeds DC power from the ILEC DC power generation equipment to the ALEC's equipment.

Q. How does Sprint size and fuse DC power cable connections?

A. Sprint sizes DC power cable based on the load amps ordered by the ALEC. DC power fuses, which come in standard sizes, are added for safety reasons. Fuse sizes exceed the amps ordered by a factor of 1.25 to 1.33.

Q. What size increments should be used for DC power cable connections?

A. Through actual cost analysis of material and labor, Sprint has found that DC power connection charges can fairly and reasonably be offered in standard increments. Sprint offers DC power cable connections for fuse sizes of 30 amps and below, for fuse sizes between 35 and 60 amps, for fuse sizes between 70 and 100 amps, and for fuse sizes between 125 and 200 amps.

Q. What is redundancy as it relates to DC power cable connections?

A. Redundancy refers to the fact that there are two leads (A and B) installed to provide DC power to telephone equipment. Each of the two leads is sized to carry the full load of DC power needed by the equipment it serves. That way, if one lead should fail, the other lead can carry the full load and keep the equipment fully powered.

Q. Does Sprint offer redundancy as part of its DC power cable connection offering?

A. Yes. Sprint's DC power cable connections provide two leads as described above. As a part of Sprint's offering, the entire load ordered by the ALEC is to be drawn on the "A" lead. The "B" lead is to be held in reserve in the event the "A" lead fails.

Q. How does redundancy affect the pricing and costing of DC power?

A. The non-recurring and recurring charges for DC power cable connections include the material, labor and maintenance for both leads; however, the charges for DC power **usage** is based on what the ALEC declares it needs on its application. This is further explained as part of Sprint's response to Issue 6A below.

ISSUE 6A. SHOULD AN ILEC'S PER AMPERE (AMP) RATE FOR THE PROVISIONING OF DC POWER TO AN ALEC'S COLLOCATION SPACE APPLY TO AMPS USED OR FUSED CAPACITY?

Q. For the purpose of billing DC power, how should an ILEC determine the quantity of power to bill for?

A. The most feasible method of billing for DC power consumption is to bill based on the amount of power the ALEC declares on its application that it needs to power

its equipment in the collocation space. This approach equates to billing on the basis of amps "used" without the added cost for the ILEC to meter or otherwise estimate power usage on a monthly basis. DC power metering, a procedure that Sprint does not perform for its own operations, would be a costly and cumbersome process, the cost of which would have to be passed on to the ALEC in the form of a higher DC power consumption rate.

Q. Why is offering of DC Power Consumption based on load amps ordered superior to "amps fused"?

A. Billing based on the number of load amps ordered by the ALEC erases any concerns the ALEC may have that it could be paying for more power than its equipment could use. This is a commonly raised issue related to fused and redundant capacity billing.

ISSUE 6B. IF POWER IS CHARGED ON A PER-AMP-USED BASIS OR ON A FUSED CAPACITY BASIS, HOW SHOULD THE CHARGE BE CALCULATED AND APPLIED?

Q: How should the charge that Sprint is recommending for DC power consumption based on load amps ordered be calculated and applied?

A: A monthly recurring charge representing the ILEC's cost to produce one load amp of DC power should be applied to load amps ordered. The cost of a load amp is

comprised of two components. The first component is the cost of the DC power plant itself, including the cost of a generator for providing backup power. The second component is the cost of the commercial AC power, which is converted to DC power within the power plant.

Power Plant Cost

The cost of the DC power plant should be determined on a TELRIC basis. That is, it should be a forward-looking cost, based on current least cost most efficient technology, equipment prices, and installation costs, and should assume that the power plant is built to satisfy all current demand for DC power. Sprint's cost methodology incorporates variable sizes and costs of power plants due to the realities of widely varying DC power requirements for different size central offices (telephone network facilities). A unit (per amp) investment is determined by dividing the total forward-looking investments in all necessary power plants by the total load (in amps) borne by those plants. A unit cost is determined by multiplying the unit investment by an annual charge factor for power equipment. The annual charge factor provides for depreciation, cost of money, income taxes, property taxes, maintenance and other recurring expenses.

Commercial AC Power Cost

The cost of commercial AC power per DC amp can be determined from the ILEC's recently paid utility bills for powering central offices, which are recorded in FCC Account 6531. The sum of the bills' total charges can be divided by the bills' total kilowatt-hours to yield an average cost per kilowatt-hour. The average cost per kilowatt-hour can then be converted by formula to an average commercial power cost per DC amp.

DC Power Cost Per Load Amp

DC power cost per load amp is determined by adding the per amp cost of the power plant to the per amp cost of commercial AC power. Last, common costs are added to the sum of the power plant and commercial AC power cost to arrive at a total cost. Common costs consist of Corporate Operations Expenses (Accts 6710 & 6720) and the annual costs of certain General Support Assets (Acct 2110).

ISSUE 6C. WHEN SHOULD AN ILEC BE ALLOWED TO BEGIN BILLING AN ALEC FOR POWER?

Q: When should the ILEC begin billing for power?

A. An ILEC should be allowed to begin billing an ALEC for power after acceptance of the collocation space, the same as for any other collocation element. On that date, the ALEC has the capability of drawing power.

Q. Why should billing begin upon acceptance of the space, rather than when the power is actually used?

A. At the time of acceptance of the collocation space, power plant capacity has in effect been placed in service for the ALEC's use. Accordingly, the ILEC is entitled to a return on the investment it has made available to the ALEC. Beginning to bill at the time the space is accepted is consistent with how the costs have been incurred.

Q: Does this conclude your testimony?

A: Yes.