### AUSLEY & MCMULLEN

ATTORNEYS AND COUNSELORS AT LAW

227 SOUTH CALHOUN STREET P.O. BOX 391 (ZIP 32302) TALLAHASSEE, FLORIDA 32301 (850) 224-9115 FAX (850) 222-7560



April 14, 2003

#### VIA HAND DELIVERY

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

> Docket No. 981834-TP and 990321-TP Re:

Dear Ms. Bayo:

Enclosed for filing in the above dockets are the original and fifteen (15) copies of ALLTEL Communications, Inc.'s:

- 1. Answers to Staff's First Set of Interrogatories (public version) and
- 2. Response to Staff's First Request for Production of Documents.

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,

Jeffry Wahlen

JJW/jh Enclosures

All Parties of Record (w/encls.) cc:

PECEIVED & FILED

0343 | APR 148

BUREAU OF RECORDS FPSC-COMMISSION CLERK

DOCUMENT NUMBER - DATE

AUS

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Competitive Carriers for Commission action to support local competition in BellSouth Telecommunications, Inc 's service territory

In re: Petition of ACI Corp d/b/a Accelerated Connections, Inc. for generic investigation to ensure that BellSouth Telecommunications, Inc., Sprint-Florida, Incorporated, and GTE Florida Incorporated comply with obligation to provide alternative local exchange carriers with flexible, timely, and cost-efficient physical collocation.

-- DOCKET NO. 981834-TP

DOCKET NO. 990321-TP FILED: April 14, 2003

ALLTEL COMMUNICATIONS, INC.'S
RESPONSE TO STAFF'S FIRST
REQUEST FOR PRODUCTION OF DOCUMENTS

Pursuant to Rule 25-22.034, Florida Administrative Code, and Rule 1.350, Florida Rule of Civil Procedure, ALLTEL Communications, Inc. ("ALLTEL" or the "Company"), by and through undersigned counsel, responds as follows to Staff's First Request for Production of Documents. ALLTEL Communications, Inc. was granted leave to intervene in this docket by Order No. PSC-99-2152-PCO-TP on November 3, 1999.

#### **REQUESTS FOR PRODUCTION**

1. Produce all documents furnished or provided by ALLTEL Communications Services, Inc. or on ALLTEL Communications Services, Inc.'s behalf to its shareholders, accountants, auditors, creditors, or to stock analysts referring or relating to the lives, net salvage values, or depreciation rates used by ALLTEL Communications Services, Inc. for depreciation purposes.

#### Response:

ALLTEL Communications, Inc. has not provided any documents to shareholders, accountants, creditors or stock analysts referring or relating to the lives, net salvage

values or depreciation rates used by ALLTEL However, ALLTEL Communications, Inc. will file on April 14, 2003 a schedule showing the lives and net salvage values used for internal accounting purposes with the Division of Commission Clerk pursuant to a Notice of Intent to Request Confidential Classification.

DATED this 4 day of April, 2003

J. Jeffry Wahlen Ausley & McMullen Post Office Box 391

Tallahassee, FL 32302

Telephone: (850) 425-5471 Facsimile: (850) 222-7560

jwahlen@ausley.com

Attorneys for ALLTEL Communications, Inc.

#### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true copy of the foregoing has been furnished by U. S. Mail or hand delivery (\*) this

day of A , , 2003, to the following:

Beth Keating \*
Division of Legal Services
Florida Public Service Comm.
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

AT& T Virginia C. Tate 1200 Peachtree Street, N.E., Suite 8100 Atlanta, GA 30309

CompTel
Terry Monroe/Genevieve Morelli
1900 M Street, NW, Suite 800
Washington, DC 20036

Florida Cable Telecommunications Assoc., Inc. Michael A. Gross 246 E. 6<sup>th</sup> Avenue, Suit 100 Tallahassee. FL 32303

Florida Digital Network, Inc. Matthew Feil, Esquire 390 North Orange Avenue, Suite 2000 Orlando, FL 32801

Hopping Law Firm Richard Melson/Gabriel Nieto P. O. Box 6526 Tallahassee, FL 32314

ITC^DeltaCom Ms. Nanette S. Edwards 4092 South Memorial Parkway Huntsville, AL 35802-4343

KMC Telecom, Inc. Mr. John D. McLaughlin, Jr. 1755 North Brown Road Lawrenceville, GA 30043-8119

Lockheed Martin IMS
Anita L. Fourcard
Communications Industry Services

AT&T Ms. Lisa A. Riley 1200 Peachtree Street, N.E., Ste. 8066 Atlanta, GA 30309-3523

BellSouth Telecommunications, Inc. Nancy B. White/E. Earl Edenfield, Jr. c/o Ms. Nancy H. Sims 150 South Monroe Street, Suite 400 Tallahassee, FL 32301-1556

Covad Communications Company Mr. Charles E. Watkins 1230 Peachtree Street, NE, 19<sup>th</sup> Floor Atlanta, GA 30309-3574

Florida Competitive Carriers Assoc. c/o McWhirter Law Firm Vicki Kaufman 117 S. Gadsden Street Tallahassee, FL 32301

Florida Public Telecommunications Association, Inc. Mr. David Tobin c/o Tobin & Reyes 7251 West Palmetto Park Road, #205 Boca Raton, FL 33433-0656

Howell & Fisher Robert Waldschmidt Court Square Building 300 James Robertson Parkway Nashville, TN 37201-1107

Intermedia Communications, Inc.
Ms. Donna C.McNulty
1203 Governors Square Blvd., Suite 201
Tallahassee, FL 32301-2960

Kentucky Public Service Commission Deborah Eversole, General Counsel P. O. Box 615 Frankfort, KY 40602

MCI WorldCom Communications, Inc. Ms. Donna C. McNulty 1203 Governors Square Blvd., Suite 201 1200 K Street N.W. Washington, DC 20005

MCImetro Access Transmission Services LLC Ms. Donna C. McNulty 1203 Governors Square Blvd., Suite 201 Tallahassee, FL 32301-2960

MediaOne Florida Telecommunications, Inc. c/o Laura L. Gallagher Laura L. Gallagher, P.A. 101 E. College Avenue, Suite 302 Tallahassee, FL 32301

Mpower Communications Corp. Mr. Richard Heatter 175 Sully's Trail, Suite 300 Pittsford, NY 14534-4558

Network Telephone Corporation Brent E. McMahan 815 South Palafox Street Pensacola, FL 32501-5937

Rutledge Law Firm Kenneth Hoffman P O. Box 551 Tallahassee, FL 32302-0551

Sprint Communications Company/ Limited Partnership Susan S. Masterton/Charles J. Rehwinkel P O Box 2214 MC: FLTLHO0107 Tallahassee, FL 32316-2214

Supra Telecommunications & Information Systems, Inc. Mark E. Buechele 2620 S.W. 27<sup>th</sup> Avenue Miami, FL 33133

Telecommunications Resellers Assoc. Andrew Isar c/o Miller Isar, Inc. 7901 Skansie Avenue, Suite 240 Gig Harbor, WA 98335

Time Warner Telecom Ms. Carolyn Marek Regulatory Affairs, Southeast Region 233 Bramerton Court Franklin, TN 37069 Tallahassee, FL 32301-2960

McWhirter Law Firm Joseph McGlothlin/Vicki Kaufman 117 S Gadsden Street Tallahassee, FL 32301

Messer law Firm Floyd R. Self/Tracy Hatch P. O. Box 1876 Tallahassee, FL 32301-1876

Network Access Solutions Corporation Mr. Don Sussman Three Dulles Tech Center 13650 Dulles Technology Drive Herndon, VA 20171-4602

Pennington Law Firm
Peter Dunbar/Barbara Auger/Marc Dunbar
P. O. Box 10095
Tallahassee, FL 32301

Shook, Hardy & Bacon LLP Rodney L. Joyce 600 14<sup>th</sup> Street, N.W., Suite 800 Washington, DC 20005-2004

Sprint-Florida, Incorporated Mr. F. B. (Ben) Poag P. O. Box 2214 (MC FLTLHO0107) Tallahassee, FL 32316-2214

TCG South Florida Ms. Lisa A. Riley 1200 Peachtree Street, N.E., Ste. 8026 Atlanta, GA 30309-3579

Time Warner Telecom 2301 Lucien Way, Suite 300 Maitland, FL 32751

U.S. Department of Justice/ Telecom Task Force Anu Seam Antitrust Division 1401 H Street N.W., Ste. 8000 Washington, DC 20530 Verizon Florida, Inc. Mr. Richard Chapkis 201 N. Franklin Street, FLTC0007 Tampa, FL 33602

Verizon Select Services, Inc. Kimberly Caswell P O. Box 110 FLTC0007 Tampa, FL 33601-0110 Verizon Florida, Inc. Ms. Michelle A. Robinson c/o Mr. David Christian 106 East College Avenue, Suite 810 Tallahassee, FL 32301-7704

Wilmer Law Firm C Ronis/D. McCuaig/J. Frankel 2445 M Street, N.W. Washington, DC 20037-1420

Attorney

h:\jjw\all\981834\rsp stf 1st pod.doc

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Competitive Carriers for Commission action to support local competition in BellSouth Telecommunications, Inc.'s service territory

In re: Petition of ACI Corp. d/b/a Accelerated Connections, Inc. for generic investigation to ensure that BellSouth Telecommunications, Inc., Sprint-Florida, Incorporated, and GTE Florida Incorporated comply with obligation to provide alternative local exchange carriers with flexible, timely, and cost-efficient physical collocation.

**DOCKET NO. 981834-TP** 

DOCKET NO. 990321-TP FILED: April 14, 2003

# ALLTEL COMMUNICATIONS, INC.'S ANSWERS (PUBLIC VERSION) TO STAFF'S FIRST SET OF INTERROGATORIES

ALLTEL Communications, Inc. ("ALLTEL" or the "Company"), pursuant to Rule 25-22.034, Florida Administrative Code, and Florida Rule of Civil Procedure 1.340, hereby provides the following answers to Staff's First Set of Interrogatories, served on March 25, 2003 ("Staff's First Set"). ALLTEL Communications, Inc. was granted leave to intervene in this docket by Order No. PSC-99-2152-PCO-TP on November 3, 1999. Bettye J. Willis, Manager – State Government Affairs, provided the answers to these interrogatories.

ALLTEL DOCKET NOS. 981834-TP, 990321-TP STAFF'S FIRST SET INTERROGATORY NO. 1 PAGE 1 OF 1

1. Does ALLTEL Communications Services, Inc. provide telephone exchange service in the State of Florida? If yes, describe with particularity the network ALLTEL Communications Services, Inc. uses to provide such service in Florida.

Response: Yes. ALLTEL Communications, Inc's core switching fabric is done with a Lucent 5ESS switch located in Jacksonville at our facility. ALLTEL has Zone Access Nodes that are switch remotes off the 5ESS collocated at BellSouth switch locations. (Zone purchased the Access Node product from Northern Telecom) These Access Nodes connect to our host 5ESS via Bell South OC48 Sonnet Ring, which we lease from Bell South. Bell South provides the cable loop that carries dial tone from our Access Node to the customer premise.

We also offer T1 PRI and T1 trunking to customers. This service is provided from our 5ESS switch and is sent over the Bell South OC48 ring and Bell South exchange cable to the customer. Bell South provides maintenance on the OC48 ring and it's exchange cable.

2

ALLTEL
DOCKET NO. 981834-TP, 990321-TP
STAFF'S FIRST SET
INTERROGATORY NO. 2
PAGE 1 OF 1

- 2. If ALLTEL Communications Services, Inc. owns or operates any switches that it uses to provide telephone exchange service in the State of Florida,
  - a. Please describe the type of switch (e.g., digital electronic, analog electronic, ATM) ALLTEL Communications Services, Inc. uses or operates to provide telephone exchange service in Florida.
  - b. Please provide the depreciation lives by category of equipment used by ALLTEL Communications Services, Inc. for its switches, including the extent to which such lives vary depending upon the type of switch involved (e.g., digital, analog, ATM, etc.). In answering this Interrogatory, please identify all documents referring or relating to the lives used by ALLTEL Communications Services, Inc. for depreciation purposes for the switches it owns or operates to provide telephone exchange service in Florida.

#### Response:

- A Lucent 5ESS digital switch is used to provide service to our CLEC customers in Florida. Subtending Zone digital access nodes are remotes in collocated facilities.
- b. For the digital switch described in 2a. above, the depreciation life is [CONFIDENTIAL] months using the Straight Line Depreciation method.

ALLTEL DOCKET NO. 981834-TP, 990321-TP STAFF'S FIRST SET INTERROGATORY NO. 3 PAGE 1 OF 1

3. Does ALLTEL Communications Services, Inc. own or operate any cable that it uses to provide telephone exchange service in the State of Florida? If yes, please describe the type of cable in place (e.g., fiber cable, coaxial cable, metallic cable, hybrid/coaxial cable, etc.).

Response:

Calls connecting to ALLTEL's network use ALLTEL's fiber network. All other calls terminating or originating to the 5ESS switch use the Sonnet OC48 ring ALLTEL leases from Bell South.

ALLTEL DOCKET NO. 981834-TP, 990321-TP STAFF'S FIRST SET INTERROGATORY NO. 4 PAGE 1 OF 1

4. Please provide the lives and salvage values ALLTEL Communications Services, Inc. uses for depreciation purposes for the cable it owns or operates to provide telephone exchange service in Florida, including the extent to which such lives vary depending upon the type of cable (e.g., fiber cable, metallic cable, coaxial cable, hybrid/coaxial cable, etc.). In answering this Interrogatory, please identify all documents referring or relating to the lives used by ALLTEL Communications Services, Inc. for depreciation purposes for the cable it owns or operates to provide telephone exchange service in Florida.

<u>Response</u>: The depreciation life of the Fiber Optic Ring used by ALLTEL Communications, Inc. in the provision of telephone exchange service in Florida is [CONFIDENTIAL] months using the Straight Line Depreciation Method with a net salvage value of [CONFIDENTIAL].

ALLTEL DOCKET NO. 981834-TP, 990321-TP STAFF'S FIRST SET INTERROGATORY NO. 5 PAGE 1 OF 1

5. Does ALLTEL Communications Services, Inc. own or operate any digital circuit equipment that it uses to provide telephone exchange service in the State of Florida? If yes, please describe the type of digital circuit equipment in place (e.g., carrier, optical, amplification, signaling).

#### Response:

Yes. ALLTEL Communications, Inc. offers a "bundled packaged" T1 that can comprise switched and non-switched elements. This T1 can offer POTS, trunking, and Internet connectivity. The bandwidth from the different entities is combined through a Carrier Access Navigator located at our switch facility and sent to the customer's premise over the leased OC48 Sonnet ring and exchange cable facilities provided by Bell South.

ALLTEL DOCKET NO. 981834-TP, 990321-TP STAFF'S FIRST SET INTERROGATORY NO. 6 PAGE 1 OF 1

6. Please provide the lives and salvage values ALLTEL Communications Services, Inc. uses for depreciation purposes for the circuit equipment it owns or operates to provide telephone exchange service in Florida, including the extent to which such lives vary depending upon the type of circuit (e.g., digital, optical, amplification, signaling). In answering this Interrogatory, please identify all documents referring or relating to the lives used by ALLTEL Communications Services, Inc. for depreciation purposes for the circuit it owns or operates to provide telephone exchange service in Florida.

#### Response:

The depreciable value of circuit equipment is included in the switch account. Thus, refer to the response to Interrogatory No. 2.b.

ALLTEL DOCKET NO. 981834-TP, 990321-TP STAFF'S FIRST SET INTERROGATORY NO. 7 PAGE 1 OF 1

7. Please provide the lives and salvage values ALLTEL Communications Services, Inc. uses for depreciation purposes for the buildings it owns and uses to provide telephone exchange service in Florida. In answering this Interrogatory, please identify all documents referring or relating to the lives used by ALLTEL Communications Services, Inc. for depreciation purposes for the buildings it owns and uses to provide telephone exchange service in Florida.

Response: ALLTEL does not own any buildings used for the purpose of providing telephone exchange service in Florida.

ALLTEL DOCKET NO. 981834-TP, 990321-TP STAFF'S FIRST SET INTERROGATORY NO. 8 PAGE 1 OF 1

# 8. How does ALLTEL Communications Services, Inc. determine the lives and salvage values for its equipment?

#### Response:

Depreciable lives and salvage values are based on the average estimated useful lives for the equipment comprising each asset classification or account. These lives are determined by input from the Engineering groups as to the life expectancy of the equipment, and comparisons of those lives to the useful lives being used by other companies in the industry.

ALLTEL DOCKET NO. 981834-TP, 990321-TP STAFF'S FIRST SET INTERROGATORY NO. 9 PAGE 1 OF 1

9. Verizon FL asserts through the testimony of Allen E. Sovereign that the depreciation lives and net salvage values it uses for financial reporting purposes should be used as the depreciation inputs in the collocation cost study. Does ALLTEL Communications Services, Inc. agree with Verizon? If not, please explain in detail why the depreciation lives and salvage values used by Verizon for financial reporting purposes are not appropriate to use in Verizon's cost study for collocation recurring rates.

Response: ALLTEL has formed no opinion on the depreciation inputs in Verizon's collocation cost study.

ALLTEL DOCKET NO. 981834-TP, 990321-TP STAFF'S FIRST SET INTERROGATORY NO. 10 PAGE 1 OF 1

10. Do the lives used by ALLTEL Communications Services, Inc. for depreciation purposes depict remaining lives, average service lives, or tax lives?

Response: The lives used by ALLTEL for depreciation purposes depict average service lives.

# **AFFIDAVIT**

# STATE OF ARKANSAS COUNTY OF PULASKI

BEFORE ME, the undersigned authority, personally appeared BETTYE J. WILLIS, who deposed and said that she is the Manager – State Government Affairs and that ALLTEL Communications, Inc.'s answers to Staff's First Set of Interrogatories, Nos. 1 through 10, are correct to the best of her information and belief.

DATED this 14 day of April, 2003.

BETTYEY WILLIS

The foregoing instrument was acknowledged before me this ///s day of April, 2003, by BETTYB J. WILLIS, who is personally known to me.

SOLDTANA SOL

My Commission Expires: 9/1/10

Notary

printed name

Title, Rank, Serial No., etc.

Milwell (1804 consist, dos