

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.

DOCKET NO. 981834-TP

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. 990321-TP

OCTOBER 10, 2003

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STAFF'S AMENDED PREHEARING STATEMENT

Pursuant to Order No. PSC-02-1513-PCO-TP, issued November 4, 2002, revised by Order No. PSC-03-0288-PCO-TP, issued March 4, 2003 and Order No. PSC-03-0776-PCO-TP, issued July 1, 2003, the Staff of the Florida Public Service Commission files its Amended Prehearing Statement.

<u>a. All Known Witnesses</u>	<u>Issues</u>
Rowland L. Curry	9A-B
David J. Gabel	9A-B
Pete Lester (Rebuttal)	9B
Patricia S. Lee (Rebuttal)	9B

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b. All Known Exhibits

- Exhibit RLC-1 - Resume of Rowland Curry
- Exhibit RLC-2 - BellSouth Power Construction for Collocation; Cost per Ampere
- Exhibit DJG-1 - Curriculum Vitae of Dr. David J. Gabel
- Exhibit DJG-2 - Workpapers - Sprint Shared Support and Growth Space Factor Calculations
- Exhibit DJG-3 - Application Time Work Processing Estimates
- Exhibit DJG-4 - Project Engineering Work Time Estimates
- Exhibit PL-1 - Calculation of Cost of Equity and Proxy Group of Companies
- Exhibit PL-2 - Market Value of Equity for RBOCs
- Exhibit PL-3 - Weighted Average Cost of Capital for Verizon
- Exhibit PSL-1 - Society of Depreciation Professional; Forecasting
- Exhibit PSL-2 - Percent Fiber in Feeder
- Exhibit PSL-3 - Fiber as Percent of Household Lines
- Exhibit PSL-4 - Comparison of Life Inputs and Salvage Values
- Exhibit PSL-5 - Depreciation Ranges Adopted in CC Docket No. 98-137 - December 17, 1999

c. Staff's Statement of Basic Position

Staff Position: Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary

positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

Testifying Staff Position: For each ILEC the Commission should establish collocation rate elements associated with the following general categories: Physical Collocation, Virtual Collocation, Adjacent Collocation, and Remote Terminal Collocation. Rates should be established that are consistent with the FCC's TELRIC pricing methodology and the previous decisions of the Florida Public Service Commission. Accordingly, the Commission should adopt the recommendations of Dr. David Gabel and Mr. Rowland Curry regarding the efficient, forward-looking provision of the following collocation elements: floor space, collocation applications and engineering fees, security, collocation cages, premise space reports, cross connects, power, and grounding.

d. Staff's Position on the Issues

ISSUE 9A: For which collocation elements should rates be set for each ILEC?

STAFF POSITION: Staff has no position at this time.

STAFF WITNESS POSITION: For each ILEC the Commission should establish collocation rate elements associated with the following general categories: Physical Collocation, Virtual Collocation, Adjacent Collocation, and Remote Terminal Collocation. (Gabel, Curry)

ISSUE 9B: For those collocation elements for which rates should be set, what is the proper rate and the appropriate application of those rates?

STAFF POSITION: Staff has no position at this time.

STAFF WITNESSES POSITION: Rates should be established that are consistent with the FCC's TELRIC pricing methodology and the previous decisions of the Florida Public Service Commission. Accordingly, the Commission should adopt the recommendations of Dr. David Gabel and Mr. Rowland Curry regarding the efficient, forward-

looking provision of the following collocation elements: floor space, collocation applications and engineering fees, security, collocation cages, premise space reports, cross connects, power, and grounding. (Gabel, Curry)

As for the appropriate depreciation life and salvage value inputs to use in this proceeding for Verizon, these are expressed in EXH PSL-4 provided by Ms. Patricia Lee. Furthermore, for pricing Verizon Florida's collocation services, the Commission should reject Verizon's proposed cost of capital input, as well as its recommended risk premium, and instead use 11.12% as the cost of capital input as recommended by Mr. Pete Lester. This 11.12% cost of capital reflects the risks associated with a competitive market. (Lee, Lester)

ISSUE 10: What are the appropriate definitions, and associated terms and conditions for the collocation elements to be determined by the Commission?

STAFF POSITION: Staff has no position at this time.

e. Pending Motions

None.

f. Pending Confidentiality Claims or Requests

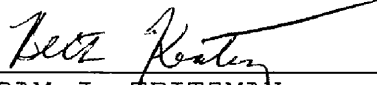
None.

g. Compliance with Order Nos. PSC-02-1513-PCO-TP, PSC-03-0288-PCO-TP and Order No. PSC-03-0776-PCO-TP

Staff has complied with all requirements of the Order Establishing Procedure and Orders Modifying Procedure entered in this docket.

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2003. Respectfully submitted this 10th day of October.



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OCTOBER 10, 2003

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that one true and correct copy of Staff's **Amended** Prehearing Statement has been furnished by electronic mail and U.S. Mail this 10th day of October, 2003, to the following:

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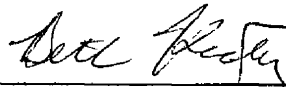
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