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October 23, 2003

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

COMMISSION

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RE: <u>Docket No. 030339-TP (Allegiance Arbitration)</u>

Dear Ms. Bayo:

Enclosed are an original and fifteen copies of Allegiance Telecommunications, Inc.'s Prehearing Statement, which we ask that you file in the captioned docket.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served to the parties shown on the attached Certificate of Service.

Sincerely,

John C. Gockley

cc: All Parties of Record

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# CERTIFICATE OF SERVICE DOCKET NO. 030339-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via

UPS Overnight Delivery this 23th day of October 2003 to the following:

Adam Teitzman
Staff Counsel
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BellSouth Telecommunications, Inc. (IL) Andrew Shore/N. White/J. Meza/M. Karno c/o Ms. Nancy H. Sims 150 South Monroe Street, Suite 400 Tallahassee, FL 32301-1556 Tel. (850) 224-7798 Fax. 222-8640

Email: nancy.sims@bellsouth.com

John C, Gockley

# ORIGINAL

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In RE:		
Petition for Arbitration of Allegiance Telecommunications of Florida, Inc. with	)	Docket No.: 030339-TP
BellSouth Telecommunications, Inc. Pursuant to the Telecommunications Act of 1996	)	Filed: October 24, 2003

# PREHEARING STATEMENT OF ALLEGIANCE TELECOMMUNICATIONS OF FLORIDA, INC.

Allegiance Telecommunications of Florida, Inc. ("Allegiance'), pursuant to the Order Establishing Procedure (Order No. PSC-03-0822-PCO-TP) issued on July 16, 2003, hereby submits its Prehearing Statement in the above captioned matter.

#### A. Witnesses

Allegiance proposes to call the following witness to offer testimony on the issues in

this docket:

Witness	<u>Issue(s)</u>
Larry Strickling (Direct and Rebuttal)	2,7,8,9

Allegiance reserves the right to call additional witnesses as necessary to respond to Commission inquires not addressed in direct and rebuttal testimony and witnesses to address issues not presently designated that may be designated by the Prehearing Officer at the prehearing conference to be held in this matter.

#### **B.** Exhibits

None. Allegiance reserves the right to introduce exhibits for cross-examination, later filed testimony, impeachment, completion of discovery, or to address any new issue identified at the prehearing conference.

# C. Statement of Basic Position

After many months of negotiating the terms and conditions of a successor interconnection agreement the number of issues in dispute between Allegiance and BellSouth has been reduced to four. All of the remaining issues are matters that are properly the subject of such a comprehensive document as an interconnection agreement which is designed to address the parties rights and obligations in a very complex, business, legal and regulatory relationship. The parties simply disagree as to the terms on which these remaining issues are to be resolved. Allegiance believes that its position with respect to the open issues are reasonable and grounded in the precedent of prior interconnection agreements and relevant rulings of the FCC and this Commission. Accordingly, the Commission should accept Allegiance's position with respect to these four remaining issues.

# D. <u>Issues of Fact, Law, Policy and Allegiance Positions</u>

**Issue A:** What is the Commission's jurisdiction in this matter?

**Allegiance Position:** Jurisdiction is conferred upon the Commission by Section 252 of the Telecommunications Act of 1996.

Issue 1: <u>Dispute Resolution Jurisdiction</u> - CLOSED

Issue 2: Rates and charges for Conversion of Customers from Special Access to

# **Extended Enhanced Loops (EELs)**

Following a request by Allegiance to convert a special access arrangement to a combined loop and transport network element (EEL), when should BellSouth cease billing the special access rate and begin to bill the lower UNE rate for the EEL?

Allegiance Position: BellSouth should begin to bill the lower UNE rate for the EEL as soon as the request for such conversion is received. Conversion of a special access arrangement in this circumstance involves no physical rearrangement within BellSouth's network. It is merely a billing function to change records so that a different lower rate may be billed. It should, therefore, be recognized for purposes of billing the lower rate as soon as it is received.

Issue 3: Audits: CLOSED

Issue 4: Billing for Non-Compliant EELs: CLOSED

Issue 5: Insurance Requirements: CLOSED

Issue 6: CSR Records: CLOSED

**Issue 7: Payment Due Date** 

When should payment for service be due?

Allegiance Position: In its arbitration petition Allegiance requested payment be due thirty (30) days after bill receipt. In Mr. Strickling's direct testimony Allegiance made it known that they would accept a commitment by BellSouth to provide a bill not less than twenty days prior to the due date. Allegiance is asking for the same commitment that BellSouth has made to ITC Deltacom in a pending arbitration in Docket # 030137-TP

**Issue 8: Deposits** 

When is it appropriate to demand a security deposit, in what amount, and under what conditions should the security deposit be released?

Allegiance Position: A security deposit, if any, should not exceed an amount equal to one month of estimated billings unless a majority of billings are for services billed in arrears in which case the security deposit maximum might be increased to two months of estimated billings. Any security deposit should be returned upon a demonstration of prompt payment over a twelve month period. A posting of one month security deposit and its return upon a demonstrated history of prompt payment is consistent with the general guidence provide by the Commission in its local exchange rules.

#### **Issue 9: Back Billing**

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How far may BellSouth back bill for all services?

Allegiance Position: The ability to back bill for services should be limited to twelve months without exception. The purpose of a back billing limitation is to provide finality and a financial closure for a given period of time. It avoids unpleasant and unplanned for financial "surprises" in the budgeting and bookkeeping operations of every company. Providing exceptions to a firm and unequivocal limitation provides a disincentive to issuing accurate, complete and timely bills

# E. Stipulations

None other that those issues which have been resolved between the parties and marked "CLOSED" in this Prehearing Statement.

### F. Pending Motions

Allegiance has no pending motions.

# G. Pending Requests or Claims for Confidentiality

Allegiance has no claims pending for confidentiality

### H. Requirements that connot be complied with

None.

### I. Decisions Preempting the Commission's ability to Resolve this matter

Allegiance is not aware of any FCC or court decisions that would preempt the Commission's ability to resolve the matters at issue in this, however, the FCC's Triennial Review Order (FCC 03-36, effective October 2, 2003) impacts the disposition of Issue 2 concerning when BellSouth should bill the UNE rate for special access conversions to EELs.

# J. Objections to a witness's qualifications as an Expert

No witness has sought designation as an expert.

Dated this 23, day of October, 2003.

Allegiance Telecommunications of Florida, Inc

Jeffrey J. Binder

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