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BellSouth Telecommunications, Inc.  
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November 9, 2004

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

**Re: Docket No.: 040301-TP  
Petition of Supra Telecommunications and Information Systems, Inc. for  
Arbitration with BellSouth Telecommunications, Inc.**

Dear Ms. Bayó:

Enclosed is the Prehearing Statement of BellSouth Telecommunications, Inc.,  
which we ask that you file in the captioned docket.

Copies have been served to the parties shown on the attached Certificate of  
Service.

Sincerely,



E. Earl Edenfield, Jr.



Enclosure

cc: All Parties of Record  
Marshall M. Criser III  
Nancy B. White  
R. Douglas Lackey

**CERTIFICATE OF SERVICE**  
**Docket No. 040301-TP**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Electronic Mail and U.S. Mail this 9<sup>th</sup> day of November, 2004 to the following:


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**To receive discovery related material only**

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E. Earl Edenfield, Jr.

*Kip Edenfield*

**(+) Signed Protective Agreement**

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In Re: Petition of Supra ) Telecommunications and Information ) Systems, Inc. for arbitration ) With BellSouth Telecommunications, Inc. ) _____ )	Docket No.: 040301-TP  Filed: November 9, 2004
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**PREHEARING STATEMENT OF BELL SOUTH TELECOMMUNICATIONS, INC.**

BellSouth Telecommunications, Inc. ("BellSouth"), in compliance with the Revised Order Establishing Procedure (Order No. PSC-04-0959-PCO-TP) issued on October 1, 2004, hereby submits its Prehearing Statement for Docket No. 040301-TP.

**A. Witnesses**

BellSouth proposes to call the following witness to offer testimony on the issues in this docket:

<b><u>Witness</u></b>	<b><u>Issue(s)</u></b>
D. Daonne Caldwell (Direct and Rebuttal)	1, 2, 3, 4
Kenneth L. Ainsworth (Direct and Rebuttal)	1, 2, 3, 4

BellSouth reserves the right to call additional witnesses, witnesses to respond to Commission inquiries 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 on November 19, 2004. BellSouth has listed the witnesses for whom BellSouth believes testimony will be filed, but reserves the right to supplement that list if necessary.

## **B. Exhibits**

### **Kenneth L. Ainsworth (Direct):**

KLA-1 Provisioning Process Flow Chart

### **D. Daonne Caldwell (Rebuttal)**

DDC-1 Dispatch/Non-Dispatch Cost Analysis

BellSouth reserves the right to file exhibits to any testimony that may be filed under the circumstances identified in Section “A” above. BellSouth also reserves the right to introduce exhibits for cross-examination, impeachment, or any other purpose authorized by the applicable Florida Rules of Evidence and Rules of this Commission.

## **C. Statement of Basic Position**

Each of the individually numbered issues in this docket represent a specific dispute regarding the Interconnection Agreement between BellSouth and Supra and the prices for certain network elements Supra seeks to purchase from BellSouth. As to each of these issues, BellSouth’s positions are the more consistent with the 1996 Act, the pertinent rulings of the FCC and the rules of this Commission. Therefore, the Commission should sustain each of BellSouth’s positions.

## **D. BellSouth’s Position on the Issues**

**Issue 1:** **Under the parties’ existing interconnection agreement, what nonrecurring rate, if any, applies for a hot-cut from UNE-P to UNE-L, where the lines being converted are served by copper or UDLC, for (a) SL1 loops and (b) SL2 loops?**

**Position:** The Commission has already set non-recurring rates that apply to conversions from UNE-P to UNE-L, retail to UNE-L, and resale to UNE-L. Those rates were set in the Commission’s UNE docket and the Covad Arbitration docket. Each of the three rates that

comprise the charges for conversions (OSS charge; SL-1 or SL-2 loop rate; collocation cross-connect charge) are found in the Interconnection Agreement between BellSouth and Supra and are applicable when Supra converts a line to a UNE-L, irrespective of the underlying type of facility used (*i.e.*, copper, UDLC or IDLC). Supra either participated, or could have requested to participate, in the dockets in which the rates were set. Therefore, Supra is simply trying (improperly) to collaterally attack lawful rates of the Commission that have been incorporated into the parties' Interconnection Agreement.

**Issue 2:** Under the parties' existing interconnection agreement, what nonrecurring rate, if any, applies for a hot-cut from UNE-P to UNE-L, where the lines being converted are not served by copper or UDLC, for (a) SL1 loops and (b) SL2 loops?

**Position:** The Commission has already set non-recurring rates that apply to conversions from UNE-P to UNE-L, retail to UNE-L, and resale to UNE-L. Those rates were set in the Commission's UNE docket and the Covad Arbitration docket. Each of the three rates that comprise the charges for conversions (OSS charge; SL-1 or SL-2 loop rate; collocation cross-connect charge) are found in the Interconnection Agreement between BellSouth and Supra and are applicable when Supra converts a line to a UNE-L, irrespective of the underlying type of facility used (*i.e.*, copper, UDLC or IDLC). Supra either participated, or could have requested to participate, in the dockets in which the rates were set. Therefore, Supra is simply trying (improperly) to collaterally attack lawful rates of the Commission that have been incorporated into the parties' Interconnection Agreement.

**Issue 3:** Should a new nonrecurring rate be created that applies for a hot-cut from UNE-P to UNE-L, where the lines being converted are served by copper or UDLC, for (a) SL1 loops and (b) SL2 loops? If so, what should such nonrecurring rates be?

**Position:** No. The current rates that comprise the components of a conversion (OSS charge; SL-1 or SL-2 loop rate; collocation cross-connect charge) have all been set in the context of generic dockets wherein all CLECs were given the opportunity to participate. Specifically, the OSS charge and the SL-1 / SL-2 loop rates were set in the Commission's Generic UNE Docket and the collocation cross-connect charge was recently set in the Commission's Generic Collocation Docket, which modified the previous rate set by the Commission in the Covad Arbitration. Of particular importance, is the fact that the SL-1 / SL-2 loop rates were established using a blended rate of probabilities of whether a dispatch would be required. This blended rate insures that conversions are affordable for all CLECs, irrespective of the underlying facilities (*i.e.*, copper, UDLC or IDLC) used to serve the end-user customer. Supra's suggestion that the conversion rate be bifurcated into dispatch (IDLC) and non-dispatch (copper and UDLC) will result in a rate structure that will be a disincentive for CLECs to compete for customers that are served via any facility that will require a dispatch to convert, as such a conversion will be significantly higher than the current rate. Such a distinction will harm competition in Florida, not stimulate it; thus, the Commission should not modify the current rates.

**Issue 4:** **Should a new nonrecurring rate be created that applies for a hot-cut from UNE-P to UNE-L, where the lines being converted are not served by copper or UDLC, for (a) SL1 loops and (b) SL2 loops? If so, what should such nonrecurring rates be?**

**Position:** No. The current rates that comprise the components of a conversion (OSS charge; SL-1 or SL-2 loop rate; collocation cross-connect charge) have all been set in the context of generic dockets wherein all CLECs were given the opportunity to participate. Specifically, the OSS charge and the SL-1 / SL-2 loop rates were set in the Commission's Generic UNE Docket and the collocation cross-connect charge was recently set in the Commission's Generic

Collocation Docket, which modified the previous rate set by the Commission in the Covad Arbitration. Of particular importance, is the fact that the SL-1 / SL-2 loop rates were established using a blended rate of probabilities of whether a dispatch would be required. This blended rate insures that conversions are affordable for all CLECs, irrespective of the underlying facilities (*i.e.*, copper, UDLC or IDLC) used to serve the end-user customer. Supra's suggestion that the conversion rate be bifurcated into dispatch (IDLC) and non-dispatch (copper and UDLC) will result in a rate structure that will be a disincentive for CLECs to compete for customers that are served via any facility that will require a dispatch to convert, as such a conversion will be significantly higher than the current rate. Such a distinction will harm competition in Florida, not stimulate it; thus, the Commission should not modify the current rates.

**E. Stipulations**

None.

**F. Pending Motions and Requests for Confidentiality**

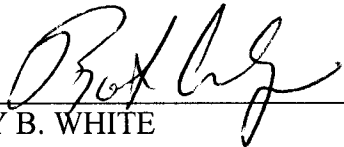
BellSouth's Request for Specified Confidential Classification dated October 6, 2004.

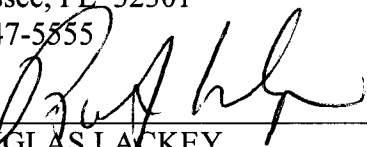
BellSouth's Request for Specified Confidential Classification dated October 28, 2004.

BellSouth's Request for Specified Confidential Classification to be filed November 10, 2004.

Respectfully submitted this 9th day of November, 2004.

BELLSOUTH TELECOMMUNICATIONS, INC.

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