

**MINUTES OF SEPTEMBER 6, 2002**

**COMMISSION CONFERENCE**

**COMMENCED:** 9:30 a.m.

**ADJOURNED:** 10:25 a.m.

**COMMISSIONERS PARTICIPATING:** Chairman Jaber  
Commissioner Deason  
Commissioner Palecki

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1 Docket No. 990649A-TP - Investigation into pricing of unbundled network elements (BellSouth track). (Deferred from June 13, 2002 Special Commission Conference; revised recommendation filed.)

Critical Date(s): None

Commissioners Assigned: Jaber, Deason, Palecki  
Prehearing Officer: Jaber

Staff: CMP: Marsh, Bloom, Davis, Dowds, King  
ECR: Lee  
GCL: Knight, B. Keating

ISSUE 1(a): Are the loop cost studies submitted in BellSouth's 120-day filing compliant with Order No. PSC-01-1181-FOF-TP?

RECOMMENDATION: Yes. On balance, staff believes that with the adjustments recommended in this issue, the loop cost study submitted in BellSouth's 120-day filing complies with Order No. PSC-01-1181-FOF-TP.

DECISION: The recommendation was approved.

ISSUE 1(b): Should BellSouth's loop rates or rate structure previously approved in Order No. PSC-01-2051-FOF-TP be modified? If so, to what extent, if any, should the rates or rate structure be modified?

RECOMMENDATION: Yes. Staff recommends adoption of the rates contained in Appendix A of staff's August 26, 2002 memorandum, which reflect modifications to the 120-day filing outlined in Issue 1(a).

DECISION: The recommendation was approved.

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ISSUE 2(a): Are the ADUF and ODUF cost studies submitted in BellSouth's 120-day compliance filing appropriate?

ISSUE 2(b): Should BellSouth's ADUF and ODUF rates or rate structure previously approved in Order No. PSC-01-2051-FOF-TP be modified? If so, to what extent, if any, should the rates or rate structure be modified?

RECOMMENDATION: BellSouth should be allowed to recover the cost of providing DUF services through specified rates. Accordingly, it was appropriate for BellSouth to file a cost study in support of those rates. Staff recommends that the DUF cost studies submitted in BellSouth's 120-day compliance filing are appropriate with certain adjustments. First, the cost study should be adjusted to remove costs for software development which have already been amortized. Second, the cost study should be adjusted to reflect BellSouth's actual growth experience in DUF messages. The existing DUF rates should be modified to reflect these adjustments. The resulting rates are shown in Table 2-4 of staff's August 26, 2002 memorandum.

DECISION: The recommendation was approved.

ISSUE 3(a): Is the UCL-ND loop cost study submitted in BellSouth's 120-day filing compliant with Order No. PSC-01-1181-FOF-TP?

ISSUE 3(b): What modifications, if any, are appropriate and what should the rates be?

RECOMMENDATION: The UCL-ND cost study submitted by BellSouth appears to comply with the Commission's directives in Order No. PSC-01-1181-FOF-TP. If the Commission concludes in Issue 1(b) that changes in BellSouth's loop rates and rate structure should be made based on the bottoms-up study, the rates for the various UCL-ND elements are those shown in Appendix A of staff's August 26, 2002 memorandum. If the Commission concludes in Issue 1 (b) that

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1	<p>Docket No. 990649A-TP - Investigation into pricing of unbundled network elements (BellSouth track). (Deferred from June 13, 2002 Special Commission Conference; revised recommendation filed.)</p> <p>(Continued from previous page)</p> <p>BellSouth's loop rates and rate structure should not be modified, the rates for the various UCL-ND elements should be those found in Table 3-1 of staff's memorandum, which use loading factors.</p> <p><u>DECISION</u>: The recommendation was approved.</p> <p><u>ISSUE 4(a)</u>: What revisions, if any, should be made to NIDs in both the BSTLM and the stand-alone NID cost study?</p> <p><u>ISSUE 4(b)</u>: To what extent, if any, should the rates or rate structure be modified?</p> <p><u>RECOMMENDATION</u>: Staff recommends that the stand-alone NID rates be adjusted to include exempt materials. The appropriate rates for the stand-alone NID are those found in Table 4-1 of staff's August 26, 2002 memorandum. No adjustment should be made to the cost considered in the BSTLM for the NID provisioned with the loop. The appropriate rates for the NID provisioned with the loop are those rates ordered by the Commission in Order No. PSC-01-2051-FOF-TP.</p> <p><u>DECISION</u>: The recommendation was approved.</p>

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ISSUE 5(a): What is a "hybrid copper/fiber xDSL-capable loop" offering, and is it technically feasible for BellSouth to provide it?

RECOMMENDATION: A "hybrid copper/fiber xDSL-capable loop" is a configuration that allows an ALEC to provide xDSL services to its customers that are served off of a BellSouth digital loop carrier remote terminal (DLC RT). Such a configuration is technically feasible and consists of, at a minimum, copper loop facilities between an end user and the RT, a Digital Subscriber Line Access Multiplexer (DSLAM) located at the RT, and feeder facilities between the RT and the central office.

DECISION: The recommendation was approved.

ISSUE 5(b): Is BellSouth's cost study contained in the 120-day compliance filing for the "hybrid copper/fiber xDSL-capable loop" offering appropriate?

RECOMMENDATION: Yes. However, staff recommends that BellSouth not be required to unbundle either DSLAMs located in remote terminals, or packet switches located in its central offices.

DECISION: The recommendation was approved.

ISSUE 5(c): What should the rate structure and rates be?

RECOMMENDATION: If staff's recommendation in Issue 5(b) is approved, this issue becomes moot, as rates need not be established for a hybrid copper/fiber xDSL-capable loop. If staff's recommendation in Issue 5(b) is denied in part and the Commission orders BellSouth to unbundle its DSLAMs located in remote terminals, and BellSouth's "bottoms-up" loop studies are used to set rates, then BellSouth's "bottoms-up" cost study should be the basis for the rates and rate design, subject to any adjustments to the loop

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studies approved in Issue 1(a). If staff's recommendation in Issue 5(b) is denied and the Commission orders BellSouth to unbundle its DSLAMs located in remote terminals and packet switches located in central offices, and BellSouth's "bottoms-up" loop studies are used to set rates, then BellSouth should be required to refile its "bottoms-up" cost studies with the following modifications: (1) determine the cost of sharing subloop feeder from the RT to the central office, instead of requiring an ALEC to obtain a dedicated DS1 subloop feeder; (2) determine the cost of providing access to a DSLAM at a port at a time; and (3) determine the cost of using a BellSouth packet switch at the central office to break out an ALEC's packets and deliver them to the ALEC's collocation facility.

If staff's recommendation in Issue 5(b) is denied in part and the Commission orders BellSouth to unbundle its DSLAMs located in remote terminals, and BellSouth's "bottoms-up" loop studies are not used to set rates, then: (1) the subloop distribution rate should be that rate contained in Order No. PSC-01-2051-FOF-TP; and (2) BellSouth should refile its DSLAM cost study and its cost study for a fiber-only DS1 subloop feeder to comport with the "tops-down" approach accepted in Order No. PSC-01-1181-FOF-TP. If staff's recommendation in Issue 5(b) is denied, and the Commission orders BellSouth to unbundle its DSLAMs located in remote terminals and packet switches located in central offices, and BellSouth's "bottoms-up" loop studies are not used to set rates, then BellSouth should be required to refile its cost studies based on the "tops-down" approach accepted in Order No. PSC-01-1181-FOF-TP with the following modifications: (1) determine the cost of sharing subloop feeder from the RT to the central office, instead of requiring an ALEC to obtain a dedicated DS1 subloop feeder; (2) determine the cost of providing access to a DSLAM a port at a time; and (3) determine the cost of using a BellSouth

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1	<p>Docket No. 990649A-TP - Investigation into pricing of unbundled network elements (BellSouth track). (Deferred from June 13, 2002 Special Commission Conference; revised recommendation filed.)</p> <p>(Continued from previous page)</p> <p><u>ISSUE 8</u>: Should this Docket be closed?</p> <p><u>RECOMMENDATION</u>: Yes. If the Commission approves staff's recommendations in Issues 1-7, this track of this Docket may be closed (Docket No. 990649A-TP) after the time for filing an appeal has expired.</p> <p><u>DECISION</u>: The recommendation was approved with the modification that the approved rates shall become effective when existing interconnection agreements are amended to incorporate the approved rates and those agreements become effective.</p> <p>Commissioners participating: Jaber, Deason, Palecki</p>

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Docket No. 020948-TP - Emergency petition for waiver of Rule 25-4.118, F.A.C., Carrier Selection Requirements, and Rule 25-4.113, F.A.C., Refusal or Discontinuance of Service, and to become conditional carrier for certain local business customers due to termination of service by Adelphia Business Solutions Investment, LLC (holder of ALEC Certificate No. 6056), Adelphia Business Solutions Investment East, LLC (holder of ALEC Certificate No. 8045), and Adelphia Business Solutions of Jacksonville, Inc. (holder of AAV/ALEC Certificate No. 2973), by Sprint-Florida, Incorporated.

Critical Date(s): 9/23/02 (Termination of service.)

Commissioners Assigned: Jaber, Deason, Palecki  
Prehearing Officer: Jaber

Staff: CMP: Pruitt  
GCL: Fordham

ISSUE 1: Should the Commission grant the emergency petition of Sprint-Florida, Incorporated for a waiver of Rules 25-4.118 and 25-4.113, Florida Administrative Code?

RECOMMENDATION: Yes. Staff recommends that the Commission grant Sprint's emergency petition for a waiver in this instance.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order.

DECISION: The recommendations were approved with the addition of language to staff's analysis in Issue 1, that Adelphia be ordered to provide to Sprint a customer contact list, including customer name, billing address and telephone number, subject to protective agreement, by the close of business on September 10, 2002.

Commissioners participating: Jaber, Deason, Palecki