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December 8, 1995

VIA FEDERAL EXPRESS

Mrs. Blanca S. Bayo
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32

**ORIGINAL
FILE COPY**

Re: Docket No. 950985-TP

Dear Mrs. Bayo:

Enclosed for filing, in accordance with the Order Establishing Procedure in the above-referenced docket, please find an original and fifteen (15) copies of the Prehearing Statement of Teleport Communications Group Inc. ("TCG"). Also enclosed is a disk copy formatted for Word Perfect 6.1, entitled "prestm2.tcg".

Please date-stamp the extra copy of this transmittal letter and return it to me in the self-addressed, stamped envelope as an acknowledgment of filing.

Thank you for your assistance with this filing.

Very truly yours,

Jodie Donovan-May
Jodie Donovan-May

cc: Attached Service List via next-day express mail
Kenneth A. Hoffman, Esq.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by next day express mail, this 8th day of December 1995 to the following:

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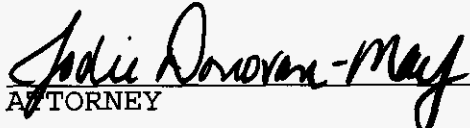
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

FILED
DEC 11 1995

| | | |
|--|---|------------|
| Resolution of Petition(s) to establish |) | |
| nondiscriminatory rates, terms, and |) | |
| conditions for interconnection |) | |
| involving local exchange companies |) | Docket No. |
| and alternative local exchange |) | 950985-TP |
| companies pursuant to Section 364.162, |) | |
| Florida Statutes |) | |

PREHEARING STATEMENT OF TELEPORT COMMUNICATIONS GROUP INC.

Pursuant to Rule 25-22.038(3), Florida Administrative Code, and Order No. PSC-95-1421-PCO-TP Regarding Further Proceedings, Teleport Communications Group Inc., on behalf of its affiliate, TCG South Florida (collectively "TCG" or "Teleport"), by and through its undersigned counsel, hereby submits its Prehearing Statement to the Florida Public Service Commission ("Commission") in the above captioned docket.

As a certificated alternative local exchange carrier ("ALEC") in Florida, TCG requires technically and operationally feasible and economically viable interconnection arrangements with BellSouth in order to ensure seamless integration of the companies' networks. Consistent with statutory mandate, TCG and BellSouth Telecommunications Inc. ("BellSouth" or "Southern Bell") negotiated such arrangements in good faith and entered into a stipulation in this proceeding which incorporates settlement positions between the two parties in the universal service proceeding in Docket No. 950696-TP. Under the terms of this stipulation, the interconnection rate and terms which the parties agreed to are contingent upon approval by the Commission of BellSouth's proposed interim universal service mechanism,

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identified as "Alternative 1" in Docket No. 950696-TP.¹

Therefore, should the stipulation be rendered void, TCG's positions on the issues are set out in this prehearing statement.²

A. WITNESSES

TCG will sponsor Paul Kouroupas as its witness in this proceeding. Mr. Kouroupas will present direct and rebuttal testimony on behalf of TCG and will address all issues.

TCG also reserves the right to call additional rebuttal witnesses and witnesses to respond to Commission inquiries not addressed in direct and rebuttal testimony.

B. EXHIBITS

| <u>Witness</u> | <u>Document Indicator</u> | <u>Title of Exhibit</u> |
|----------------|---------------------------|---|
| Paul Kouroupas | PK1 | August 7, 1995 letter from Mr. Kouroupas to Mr. Scheye re: Interconnection Negotiations |
| | PK2 | August 24, 1995 letter from Ms. Montano to Ms. Detlefs re: Directory Listings |
| | PK3 | August 31, 1995 letter |

¹ The Commission issued a stay of TCG's Petition in this docket pending the finality of the stipulation between TCG and BellSouth. Order No. PSC-95-1300-PCO-TP, issued Oct. 20, 1995.

² On September 29, 1995, TCG filed its original prehearing statement addressing the ten issues the Commission designated in TCG's Petition case. For ease of reference, TCG includes herein the information it provided in that statement and also sets forth its position on the four new issues the Commission designated for all Petitioners in Order No. PSC-95-1421-PCO-TP.

from Ms. Montano to Mr.
Scheye re: IXC
Connectivity

PK4 August 31, 1995 letter
from Ms. Montano to Mr.
Scheye re: 976/Audiotext
Calls

PK5 August 31, 1995 letter
from Ms. Montano to Mr.
Scheye re: Meet Point
Arrangements

PK6 The Economics of
Interconnection by Gerald
W. Brock, April 1995

C. BASIC POSITION

TCG requests that the Commission implement a reciprocal compensation arrangement for the exchange of local traffic between BellSouth and TCG based on a bill and keep mechanism, thereby allowing each carrier to fund its own interconnection costs. TCG recommends that this arrangement be implemented for a start up period of not less than nine months during which carriers will measure traffic to detect any imbalance. At the end of the start up period, TCG and BellSouth can continue to operate pursuant to bill and keep. If, however, they believe traffic to be sufficiently out of balance such that a cash-specific mutual compensation arrangement would be more cost effective than a bill and keep mechanism, taking into account billing and measurement costs, they will continue operations under a cost-based, flat rate structured arrangement, as described below. In addition, both carriers will reimburse each other to reflect any traffic imbalances that occurred during the

nine month period, thereby ensuring that no carrier is harmed by the arrangement.

TCG proposes a capacity-based, flat-rated port arrangement, should the Commission not implement bill and keep or should the carriers choose not to continue to operate under bill and keep after the start up period. Such an arrangement will fairly compensate each carrier for the costs they incur to terminate the other's traffic.

TCG has also described in detail the technical arrangements it seeks with BellSouth and requests that the Commission direct BellSouth to implement these arrangements with TCG and to continue the cooperative practices and procedures necessary to carry them out.

D. STATEMENT OF ALL QUESTIONS OF FACT, LAW AND POLICY

Issue 1: What is (are) the appropriate interconnection rate structure, interconnection rate(s), or other arrangements for the exchange of local and toll traffic between Teleport and Southern Bell?

Bill and keep is an appropriate mechanism for a specified period, of at least nine months, during which TCG is in the start up phase of its operations. Then, if the carriers so require, they should exchange both local and toll traffic at a cost-based, flat rate, charged per DS1 port.

Issue 2: Should Southern Bell tariff the interconnection rate(s) or other arrangements?

Southern Bell should tariff its interconnection rate and other technical interconnection arrangements.

Issue 3: What are the appropriate technical and financial billing arrangements which should govern

interconnection between TCG and BellSouth for the delivery of calls originated and/or terminated from carriers not directly connected to TCG's network?

To facilitate delivery from/to carriers not directly connected to TCG, BellSouth should establish a meet point trunking and billing arrangement with TCG which apportions access revenues derived from third party carriers in accordance with Ordering and Billing Forum (OBF) guidelines.

Issue 4: What are the appropriate technical and financial requirements for the exchange of intraLATA 800 traffic which originates from a TCG customer and terminates to an 800 number served by BellSouth?

To facilitate the delivery of intraLATA 800 traffic to BellSouth, BellSouth should compensate TCG for the origination of 800 traffic pursuant to TCG's originating switched access charges. If TCG elects to provide 800 services, it will reciprocate this arrangement.

Issue 5(a): What are the appropriate technical arrangements for the interconnection of TCG's network to BellSouth's 911 provisioning network such that TCG's customers are ensured the same level of 911 service as they would receive as a customer of BellSouth?

TCG will translate basic 911 calls to the appropriate emergency answering position directory number, as provided by BellSouth, and route the call to BellSouth at the appropriate tandem or end office. When a municipality converts to E911 service, TCG will connect Feature Group D trunks to the appropriate E911 primary and secondary tandems, and forward 911 calls to the appropriate tandem, with ANI. BellSouth should provide the appropriate homing arrangements.

Issue 5(b): What procedures should be in place for the timely exchange and updating of TCG customer information for inclusion in appropriate E911 databases?

TCG will provide daily updates to the E911 database.

BellSouth will work cooperatively with TCG to define record layouts, media requirements and other procedures. To the extent that BellSouth is compensated by the municipalities to maintain the E911 databases, BellSouth should share revenues associated with TCG's customers.

Issue 6: What are the appropriate technical requirements for operator traffic flowing between TCG's operator services provider and BellSouth's operator services provider including busy line verification and emergency interrupt services?

TCG and BellSouth should provide each other with busy line verification and emergency interrupt services pursuant to tariffed rates.

Issue 7: Under what terms and conditions should BellSouth be required to list TCG's customers in its directory assistance database?

BellSouth should include TCG's customers in its directory assistance database at no charge in return for securing the value of TCG's customer list towards its universal listing of all users of the public switched network.

Issue 8: Under what terms and conditions should BellSouth be required to list TCG's customers in its universal white and yellow pages directories and to publish and distribute these directories to TCG's customers?

BellSouth should provide the following to TCG at no charge in return for securing the value of TCG's customer list:

(1) print TCG's listings in its white and yellow pages;

(2) distribute its directories to TCG's customers; (3) recycle TCG's customers' directories.

Issue 9: What arrangements are necessary to ensure that TCG can bill and clear credit card, collect, third party calls and audiotext calls?

TCG and BellSouth should bill and clear intraLATA credit card, collect and third party calls (calls where the recording company is different from the billing company) through Centralized Message Distribution Service (CMDS) provided by BellSouth.

Issue 10: What arrangements are necessary to ensure the provision of CLASS/LASS services between TCG's and BellSouth's interconnected networks?

TCG and BellSouth should provide LEC-to-LEC Common Channel Signalling to one another, where available and including all signalling parameters, for all traffic in order to enable full interoperability of CLASS features and functions.

Issue 11: What are the appropriate arrangements for physical interconnection between respective ALECs and Southern Bell, including trunking and signalling arrangements?

The inter-carrier network in place between TCG and BellSouth must consist of two-way trunk groups with Feature Group D technical characteristics and full SS7 signalling capabilities. Each carrier will purchase one DS1 capacity port at the end office or tandem level of the network for each two way trunk group.

Issue 12: To the extent not addressed in the number portability docket, Docket No. 950737-TP, what are the appropriate financial and operational arrangements for interexchange calls terminated to a number that has been "ported" to the respective ALECs?

ALECs that receive a call forwarded under an interim number portability arrangement must receive all access charges associated with the "ported" number.

Issue 13: What arrangements, if any, are necessary to address other operational issues?

The primary operational issues have been specifically addressed in the preceding issues. The Commission must direct BellSouth to cooperate with the respective ALECs in resolving other operational issues as they arise.

Issue 14: What arrangements, if any, are appropriate for the assignment of NXX codes to the respective ALECs?

Until the Federal Communications Commission ("FCC") orders number administration to be transferred from BellSouth to an independent third party, as contemplated in FCC Docket No. 92-237, BellSouth should assign numbers to ALECs under the existing guidelines and without charge.

E. STIPULATED ISSUES

As indicated above, TCG and BellSouth have a stipulation pending regarding all issues in this proceeding. The stipulation is contingent upon the outcome in Docket No. 950696-TP.

F. PENDING MOTIONS

TCG has no pending motions.

G. OTHER REQUIREMENTS

TCG is not aware at this time of any requirements set forth in the Order Establishing Procedure or in the Order regarding

Further Proceedings with which it cannot comply.

Respectfully submitted,

TELEPORT COMMUNICATIONS GROUP



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Dated: December 11, 1995