

HOPPING GREEN SAMS & SMITH
PROFESSIONAL ASSOCIATION
ATTORNEYS AND COUNSELORS

ORIGINAL

JAMES S. ALVES
BRIAN H. BIBEAU
KATHLEEN BLIZZARD
ELIZABETH C. BOWMAN
RICHARD S. BRIGHTMAN
PETER C. CUNNINGHAM
RALPH A. DeMEO
THOMAS M. DeROSE
WILLIAM H. GREEN
WADE L. HOPPING
FRANK E. MATTHEWS
RICHARD D. MELSON
ANGELA R. MORRISON
GARY V. PERKO
MICHAEL P. PETROVICH
DAVID L. POWELL
WILLIAM D. PRESTON
CAROLYN S. RAEPPLE
DOUGLAS S. ROBERTS
GARY P. SAMS
ROBERT P. SMITH
CHERYL G. STUART

123 SOUTH CALHOUN STREET
POST OFFICE BOX 6526
TALLAHASSEE, FLORIDA 32314
(850) 222-7500
FAX (850) 224-8551
FAX (850) 425-3415

KEVIN B. COVINGTON
RANDOLPH M. GIDDINGS
KIMBERLY A. GRIPPA
GARY K. HUNTER, JR.
JONATHAN T. JOHNSON
ROBERT A. MANNING
W. STEVE SYKES
T. KENT WETHERELL, II
OF COUNSEL
W. ROBERT FOKES

Writer's Direct Dial No.
(904) 425-2313

December 9, 1997

Ms. Blanca S. Bayó
Director, Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850


Re: Dockets Nos. 960833-TP, 960846-TP, 960747-TP & 971140-TP

Dear Ms. Bayó:

Enclosed for filing on behalf of MCI Telecommunications Corporation and MCI metro Access Transmission Services, Inc., in the above dockets, are the original and 15 copies of MCI's Prehearing Statement.

By copy of this letter, this document has been provided to the parties on the attached service list.

Very truly yours,



Richard D. Melson

RDM/clp
Enclosures
cc: Parties of Record

prehearing statement in accordance with the requirements of Order Nos. PSC-97-1303-PCO-TP.

A. Known Witnesses. MCI has prefiled the testimony of the following witnesses, who are being sponsored jointly with AT&T:

<u>Witness</u>	<u>Testimony</u>	<u>Issues</u>
Don J. Wood (joint with AT&T)	Rebuttal	1
Thomas Hyde (joint with AT&T)	Rebuttal	1, 2

In addition, AT&T has filed the direct and rebuttal testimony of a number of witnesses who are being sponsored jointly with MCI. Please refer to AT&T's prehearing statement for a listing of these witnesses and the issues they address.

B. Known Exhibits. MCI has prefiled the following exhibits. MCI reserves the right to use additional exhibits for purposes of cross-examination.

<u>Witness</u>	<u>Exhibit</u>	<u>Description</u>
Don J. Wood (joint with AT&T)	DJW-1	Resume
	DJW-2	Florida Loop Cost Deaveraging Factors

In addition, AT&T has filed the direct and rebuttal exhibits for a number of witnesses who are being sponsored by jointly with MCI. Please refer to AT&T's prehearing statement for a listing of these exhibits.

C. Basic Position. The purpose of this proceeding is to set permanent recurring and nonrecurring rates for a number of unbundled network elements for which the Commission set only

interim rates in prior arbitrations. The rates established in this proceeding must comply with the cost standards contained in Section 252(d)(1) of the Telecommunications Act of 1996. This cost standard requires that rates be set on a forward-looking basis and that rates be geographically deaveraged. The cost studies submitted by BellSouth in this proceeding overstate the forward looking costs of the elements covered by those studies, include backward looking (embedded costs) that cannot properly be recovered through UNE rates, and fail to geographically deaverage the rates for the loop elements.

The rates for the various elements should be established as follows:

(1) the recurring and nonrecurring rates for physical and virtual collocation should be set in accordance with the Collocation Cost Model sponsored by MCI and AT&T;

(2) the nonrecurring rates for other unbundled network elements, and combinations of unbundled network elements, should be set in accordance with the Non-Recurring Cost Model sponsored by MCI & AT&T; and

(3) the recurring rates for other network elements should be set taking into account the changes and adjustments to BellSouth's cost studies proposed by MCI's and AT&T's witnesses in these proceedings and, in the case of loops, should be geographically deaveraged on a wire center basis.

D-F. Issues. MCI's position on the issues that have been

identified in the Order Establishing Procedure are as follows:

Issue 1: What are the appropriate permanent recurring and non-recurring rates for the following unbundled network elements:

- (a) Network interface device (NID);
- (b) 2-wire/4-wire Loop Distribution;
- (c) Virtual collocation;
- (d) Physical collocation;
- (e) Directory Assistance;
- (f) Dedicated transport (Nonrecurring only)
- (g) 4-wire analog port;
- (h) 2-wire ADSL-compatible loop; and
- (i) 2-wire/4-wire HDSL-compatible loop?

MCI: The Commission should use (i) the Collocation Cost Model sponsored by MCI & AT&T as the bases for setting recurring and non-recurring rates for virtual and physical collocation, (ii) the Non-Recurring Cost Model sponsored by MCI & AT&T as the basis for setting the non-recurring rates for the remaining network elements; and (iii) the adjusted recurring rates for other elements supported by the testimony of MCI & AT&T witnesses. These appropriate rates for all elements are summarized in Mr. Ellison's exhibits.

Issue 2. What is the appropriate non-recurring charge for each of the following combinations of network elements for migration of an existing BellSouth customer?

[MCI understands that the Commission intends to consider this issue in a separate hearing to be set for a later date. Without prejudice to MCI's right to revise its position in that future proceeding, MCI's position at this time is set forth below.]

MCI: In setting the non-recurring charges for loop and port combinations for migration of existing BellSouth customers, the Commission must take into account that the loop and port are combined in BellSouth's network today, and no physical work is required to provide the elements in that existing combination. The Commission should use the Non-Recurring Cost Model sponsored by MCI & AT&T as the basis for setting the non-recurring charges for these combinations of unbundled network elements.


G. Stipulations. There are no stipulations between MCI and BellSouth at this time.

H. Pending Motions. MCI has no pending motions at this time.

I. Requirements of Order on Procedure. MCI believes that this prehearing statement complies with all the requirements of the Order on Procedure.

RESPECTFULLY SUBMITTED this 9th day of December, 1997.

HOPPING GREEN SAMS & SMITH, P.A.

By: 
Richard D. Melson
Post Office Box 6526
123 South Calhoun Street
Tallahassee, FL 32314
904/222-7500

and

Thomas K. Bond
MCI TELECOMMUNICATIONS CORP.
780 Johnson Ferry Road, Ste. 700
Atlanta, GA 30342

Attorneys for MCI
Telecommunications Corporation

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing was furnished to the following parties by U.S. Mail or hand delivery(**) this 9th day of December, 1997.

Monica Barone **
Division of Legal Services
FL Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Tracy Hatch **
Mike Tye
AT&T
101 N. Monroe St., Ste. 700
Tallahassee, FL 32301

Nancy White **
c/o Nancy Sims
BellSouth Telecommunications
150 South Monroe St., Ste. 400
Tallahassee, FL 32301

Floyd R. Self **
Messer Caparello & Self, P.A.
215 S. Monroe St., Ste. 701
Tallahassee, FL 32301

Mark Logan **
Bryant Miller
201 South Monroe St.
Tallahassee, FL 32301

Patrick K. Wiggins **
Wiggins & Villacorta
501 East Tennessee St.
Tallahassee, Florida 32302

Norman H. Horton, Jr. **
Messer Caparello & Self, P.A.
215 South Monroe St., Ste. 701
Tallahassee, FL 32301

Steve Brown
Intermedia Communications Inc.
3625 Queen Palm Drive
Tampa, FL 33610-1309

James C. Falvey
Am. Communications Srvs. Inc.
131 National Business Parkway
Suite 100
Annapolis Junction, MD 20701

Brian Sulmonetti, Director
Regulatory Affairs
WorldCom, Inc.
1515 South Federal Highway
Suite 400
Boca Raton, FL 33432

Brad Mutschelknaus
Kelly Drye & Warren, L.L.P.
1200 19th St., N.W.
Suite 500
Washington, D.C. 20036

Steve Brown
Intermedia Communications, Inc.
3625 Queen Palm Drive
Tampa, FL 33610-1309



Attorney