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RECORDS AND
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June 14, 1999

VIA HAND DELIVERY

Ms. Blanco Bayo, Director
 Division of Records and Reporting
 Room 110, Easley Building
 Florida Public Service Commission
 2540 Shumard Oak Blvd.
 Tallahassee, FL 32399-0850

Re: Docket No. 990149-TP

Dear Ms. Bayo:

Enclosed are an original and 15 copies of the Prehearing Statement of MediaOne Telecommunications, Inc. Please file this document 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 on the parties shown on the attached certificate of service.

Please do not hesitate to contact me if you have any questions.

Very truly yours,



William B. Graham

- AFA _____
- APP _____
- CAF _____
- SMU King _____
- STR _____
- EAG _____
- LEG _____
- MAS _____
- DPC _____
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WBG/ktc
 Encls.
 cc: Susan Keesen
 Jim Campbell
 Nancy White
 Lee Fordham

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ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by MediaOne
Florida Telecommunications, Inc.
for arbitration of an
interconnection agreement with
BellSouth Telecommunications,
Inc. pursuant to Section 252(b)
of the Telecommunications Act of
1996.

DOCKET NO. 990149-TP

DATED: June 14, 1999

PREHEARING STATEMENT OF
MEDIAONE FLORIDA TELECOMMUNICATIONS, INC.

MediaOne Florida Telecommunications, Inc. ("MediaOne") files its prehearing statement pursuant to Order No. PSC-99-0716-PCO-TP issued by the Florida Public Service Commission ("Commission") on April 15, 1999. MediaOne's prehearing statement is as follows:

A. Witnesses

Greg Beveridge (Direct & Rebuttal)

Mr. Beveridge will discuss the proposal advocated by BellSouth Telecommunications, Inc. ("BellSouth") in its interconnection negotiations with MediaOne for the provision of unbundled network terminating wire ("UNTW") in multiple dwelling unit buildings ("MDU"). Mr. Beveridge will describe the problems created by BellSouth's proposal and will present MediaOne's UNTW proposal.

Gary Lane (Direct & Rebuttal)

Mr. Lane will present an overview of MediaOne and its operations in the State of Florida. He will also describe the impact of BellSouth's position regarding UNTW; CNAM database queries; the need for additional performance measurements in the interconnection agreement; the need for performance incentives in the interconnection

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agreement; the need for expanded audit provisions in the interconnection agreement; the need for reciprocal compensation for ISP traffic and the pricing of CNAM database access.

Jim Maher (Rebuttal)

Mr. Maher will present testimony on the pricing of CNAM database queries.

MediaOne reserves the right to call additional witnesses to respond to Commission inquiries or address issues not presently known, but which may be uncovered at the prehearing conference to be held on Tuesday, June 22, 1999.

B. Exhibits

Greg Beveridge	GB-1	Order approving interconnection, unbundling and resale agreement between BellSouth Telecommunications, Inc. and Comcast Telephony Communications of Florida, Inc. Docket No. 971407-TP, Order No. PSC-98-0209-FOF-TP, issued: February 4, 1998.
	GB-2	Unbundled Network Terminating Wire: MediaOne information package.
	GB-3	Alternative contract language for NTW proposed by BellSouth.
	GB-4	Wiring closet scenario proposed by BellSouth.
	GB-5	MediaOne's UNTW proposal
	GB-6	Composite photographic exhibit: Network Interface Device ("NID") with wall jack; telephone wall jack; wall jack exposed; customer access within the NID; NID

exposed; tests access to Telco line; typical telephone equipment room (wiring closet); "66" cross connect block; punch down tool for placing and lifting wires on a cross connect block.

- GB-7 Model: Network Interface Device ("NID") with wall jack.
- GB-8 Model: Type "66" cross-connect blocks with wiring attached.
- GB-9 First Report and Order in CC Docket No. 96-98 (August 8, 1996).
- Gary Lane GL-1 Proposed interconnection agreement with attachments.
- Jim Maher JM-1 CC Docket No. 91-281, 10 FCC Rcd. 11700, Para. 131.
- JM-2 CC Docket No. 96-149, 11 FCC Rcd. 21905, Para. 107.

MediaOne has not yet prepared any other exhibits, but reserves the right to introduce additional exhibits at the hearing, especially discovery responses by BellSouth, for cross-examination, impeachment or any other purpose authorized by the applicable Florida Rules of Evidence and Rules of this Commission.

C. Basic Position

MediaOne and BellSouth conducted a series of negotiations for interconnection. The purpose of the negotiations was to complete an interconnection agreement to replace the previous stipulation and agreement entered into by the parties. The parties did not reach agreement on all issues and MediaOne is seeking arbitration of the unresolved issues described below.

MediaOne believes that dial-up calls placed to Internet Service Providers ("ISPs") should be treated as "local traffic" for purposes of the interconnection agreement. They should be so classified because a call to an ISP is placed using a local telephone number and uses local network facilities in the same manner as a local call. Calls which originate from or terminate to ISPs should be included in the reciprocal compensation arrangement contained in the interconnection agreement.

The Commission should determine that calling name ("CNAM") data base queries are unbundled network elements, the price of which must be based on cost, be non-discriminatory and may include a reasonable profit. The \$.01/query pricing being proposed by BellSouth is not cost based.

In order to allow MediaOne to have appropriate access to Network Terminating Wire ("NTW") in Multiple Dwelling Units ("MDU") BellSouth should be required to terminate its Network Distribution Facilities into an MDU on one cross-connect facility, and its NTW on a separate cross-connect facility accessible to all LECS serving the MDU. Because a telephone company cannot impose a charge for the use of inside wiring, BellSouth should not be permitted to charge MediaOne for access to NTW.

Performance incentive payments are necessary under the arbitration agreement in order to motivate compliance with performance measurements. Monetary incentives are effective

enforcement mechanisms and should be specific to each of the performance measures.

D., E., F. Specific Positions

All of the issues identified for resolution in this proceeding are mixed questions of fact, law, and policy. MediaOne's specific positions on these issues are set forth below.

Issue 1: Should the audit provisions in the parties interconnection agreement include auditing of services other than billing?

MediaOne Position: This issue has been resolved by the parties.

Issue 2: Should calls originated from or terminated to Internet Service Providers ("ISPs") be defined as local traffic for purposes of the MediaOne/BellSouth Interconnection Agreement?

MediaOne Position: Dial-up calls to ISPs should be treated as local traffic, for purposes of reciprocal compensation, because a call to an ISP is placed using a local telephone number and such calls use local network facilities just as any local call. The functions performed in terminating a local to an ISP are not different from those terminating to any other local call between an in user of BellSouth and an in user of MediaOne.

Issue 3: Should calls that originate from or terminate to ISPs be included in the reciprocal compensation arrangement of the Interconnection Agreement?

MediaOne Position: Dial-up calls to ISPs should be treated as local traffic and should be included in the reciprocal compensation arrangement because a call to an ISP is placed using a local telephone number and utilizes local network facilities just as any local call. The functions performed in terminating a local call to an ISP are not different from those performed in terminating any other local call between an end user of BellSouth and an end user of MediaOne.

Issue 4: What is the appropriate price for calling name ("CNAM") database queries?

MediaOne Position: The Commission should determine that CNAM database queries are an unbundled network element. By law, pricing for unbundled network elements must be based on cost, be non-discriminatory, and may include a reasonable profit. MediaOne does not believe that the \$.016/query pricing being proposed by BellSouth is cost based and further believes that the Commission should require BellSouth to prove how this price was determined and that it is cost based.

Issue 5: What is the appropriate manner for MediaOne to have access to Network Terminating Wire ("NTW") in multiple dwelling units ("MDU")?

MediaOne Position: The Commission should determine that, to the extent BellSouth retains ownership and control of NTW, it will be treated as an unbundled network element, which BellSouth must provide

on a nondiscriminatory basis. To accomplish this, BellSouth should terminate its Network Distribution Facilities into a MDU on one cross-connect facility and its NTW on a separate cross-connect facility that would be accessible to all LECs serving the MDU. Each LEC, including BellSouth, would provision service to a specific unit by connecting its cross-connect to the NTW cross connect. This would enable all LECs to have identical access to NTW in accordance with state and federal law.

Issue 6: What is the appropriate demarcation point for BellSouth's network facilities serving multiple dwelling units?

MediaOne Position: MediaOne believes the demarcation point in an MDU should be placed at the minimum point of entry (MPOE) as that term is defined in the FCC's rules. In this proceeding, however, MediaOne takes no position on this subject.

Issue 7: What, if anything, should BellSouth be permitted to charge MediaOne for access to NTW?

MediaOne Position: So long as BellSouth retains ownership and control of NTW, MediaOne believes it should be priced as an unbundled network element; that is, it should be priced at cost, as prescribed by the rules of the Commission and the FCC. If the Commission were to order BellSouth to move the demarcation point to the MPOE, NTW would become inside wire. At that point, MediaOne believes it would no longer be obligated to pay BellSouth anything for access to NTW. Telephone companies are precluded from imposing a charge for the use

of inside wiring. Moving the demarcation point does not transfer ownership of inside wiring. There are already procedures in place under which carriers recover the costs of inside wiring. Carriers are not entitled to additional compensation for such wiring.

Issue 8: How many call paths should BellSouth be required to provide to MediaOne, at no cost to MediaOne, for customers who are porting telephone numbers through interim number portability?

MediaOne Position: This issue has been resolved by the parties.

Issue 9: What rate, if any, should BellSouth be allowed to charge for additional call paths provided to MediaOne for customers who are porting telephone numbers through interim number portability.

MediaOne Position: This issue has been resolved by the parties.

Issue 10: In implementing Local Number Portability ("LNP") should BellSouth and/or MediaOne be required to notify the Number Portability Administration Center (NPAC") of the date upon which BellSouth will cut-over MediaOne customer numbers at the MediaOne requested time concurrent with BellSouth's return of a Firm Order Commitment ("FOC") to MediaOne?

MediaOne Position: This issue has been resolved by the parties.

Issue 11: Should BellSouth be required to provide a point of contact to intervene in the execution of LNP orders when changes or supplements are necessary for customer-related reasons, and, if so, what charge, if any, should apply"

MediaOne Position: This issue has been resolved by the parties.

Issue 12: What, if any, performance measurements are appropriate with respect to the provision of stand-alone LNP for MediaOne?

MediaOne Position: This issue has been resolved by the parties.

Issue 13: Should the Florida Public Service Commission arbitrate performance incentive payments and/or liquidated damages for purposes of the MediaOne/BellSouth Interconnection Agreement" If so, what performance incentive payments and/or liquidated damage amounts are appropriate, and in what circumstances?

MediaOne Position: The Commission should arbitrate performance incentive payments and/or liquidated damages. Without performance incentive payments to motivate compliance with performance measurements, BellSouth has no inducement to comply with the performance measurements and is free to ignore them. The performance payments should be designed to deter BellSouth from engaging in conduct that suppresses competition. Monetary incentives are the only effective enforcement mechanism in this case. The performance incentive payments should be specific to each of the performance measures and should vary depending on the severity of the non-compliance by BellSouth.

G. Stipulations

Issues numbers 1, 8, 9, 10, 11, and 12 have been settled by the parties.

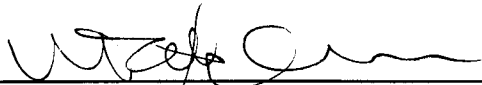
H. Pending Motions

There are no pending motions at this time. MediaOne anticipates the possible need for filing a motion to compel discovery by BellSouth and a request for certain MediaOne employees to appear as qualified representatives of MediaOne.

I. Requirements that Cannot be Complied With

There are no requirements in Order Number PSC-99-0716-PCO-TP with which MediaOne cannot comply.

Respectfully submitted this 14th day of June, 1999.



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Attorney for MediaOne Florida
Telecommunications, Inc.


CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing filing has been furnished by U.S. Mail to:

J. Phillip Carver
c/o Nancy White
BellSouth Telecommunications, Inc.
150 South Monroe Street
Room 400
Tallahassee, FL 32399

Lee Fordham, Esq.
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

this 14th day of June, 1999.



William B. Graham, Esq.