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FLORIDA PUBLIC SERVICE COMMISSION
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MEMORANDUM

JUNE 12, 1997

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF COMMUNICATIONS (GREER) *576 RRT*
DIVISION OF LEGAL SERVICES (BROWN) *WLB*

RE: DOCKET NO. ~~960838~~ - REQUEST FOR APPROVAL OF SUPPLEMENTAL ADDENDUM TO INTERCONNECTION AGREEMENT NEGOTIATED BY MFS COMMUNICATIONS COMPANY, INC. AND UNITED TELEPHONE COMPANY OF FLORIDA.

AGENDA: JUNE 24, 1997 - REGULAR AGENDA - PARTIES MAY PARTICIPATE

CRITICAL DATES: COMMISSION MUST APPROVE OR DENY BY 7/9/97 PER TELECOMMUNICATIONS ACT OF 1996

SPECIAL INSTRUCTIONS: S:\PSC\CMU\WP\960838TP.RCM

CASE BACKGROUND

On November 7, 1996, MFS Communications Company, Inc. (MFS) and United Telephone Company of Florida (Sprint) filed a request for approval of a partial interconnection agreement (Docket No. 961333-TP). The partial agreement was a two-year agreement governing the relationship between the companies regarding interconnection, local and toll call termination, number portability, unbundling, access to 911/E911 services, and white page directory listings and directory distribution. On February 28, 1997, the Commission issued Order No. PSC-97-0240-FOF-TL approving the partial interconnection agreement.

The parties were not able to reach agreement in the partial interconnection agreement for the following areas.

1. Compensation for Call Termination
2. Unbundled Loop Prices (Interim)
3. Cross Connect Rates
4. Information Services Traffic

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Commission issued Order No. PSC-96-1532-FOF-TP resolving the issues that were arbitrated.

On December 31, 1996, MFS filed a motion for reconsideration of the arbitration order (Order No. PSC-96-1532-FOF-TL). On January 10, 1997, Sprint filed a response to MFS' motion for reconsideration. The Commission issued Order No. PSC-97-0274-FOF-TP on March 11, 1997, denying MFS's motion for reconsideration.

On April 10, 1997, the parties filed a supplemental addendum to the partial interconnection agreement approved in February 1997 that incorporates the areas that were addressed in the arbitration proceeding. This recommendation addresses the proposed supplemental addendum to the partial interconnection agreement approved in Docket No. 961333-TP.

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DISCUSSION OF ISSUES

ISSUE 1: Should the Commission approve the supplemental addendum to the interconnection agreement between MFS and Sprint approved in Docket No. 961333-TP?

RECOMMENDATION: Yes. The Commission should approve the supplemental addendum. The Commission should require MFS and Sprint to file any subsequent supplements or modifications to their agreement for Commission review under the provisions of 47 U.S.C. § 252(e). (Greer)

STAFF ANALYSIS: As stated in the Case Background, MFS and Sprint are seeking approval of the supplemental addendum (Attachment A) to the interconnection agreement approved in Docket No. 961333-TP, pursuant to the federal Telecommunications Act of 1996 (the Act). Both the Act and revised Chapter 364, Florida Statutes, encourage parties to enter into negotiated agreements to bring about local exchange competition as quickly as possible. If the parties reach a negotiated agreement, under 47 U.S.C. § 252(e), the agreement is to be filed with the state commission for approval. 47 U.S.C. § 252(a)(1) requires that "the agreement shall include a detailed schedule of itemized charges for interconnection and each service or network element included in the agreement." Under 47 U.S.C. § 252(e)(4), the state commission must approve or reject the agreement within 90 days after submission, or the agreement shall be deemed approved.

The supplemental addendum incorporates language addressing the following four areas:

1. Compensation for Call Termination
2. Unbundled Loop Prices (Interim)
3. Cross Connect Rates
4. Information Services Traffic

Staff has reviewed the MFS and Sprint supplemental addendum to the interconnection agreement approved in Docket No. 961333-TP for compliance with the Act. Staff believes that the addendum comports with the Act and recommends approval of the proposed agreement.

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ISSUE 2: Should Docket No. 960838-TP be closed?

RECOMMENDATION: Yes, with the adoption of staff's recommendation in Issue 1, and issuance of the Commission's order approving the supplemental addendum to the agreement, Docket No. 960838-TP should be closed. (Brown)

SUPPLEMENTAL ADDENDUM

This Supplemental Addendum ("Addendum") is entered into and effective as of this 10th day of April, 1997, to reflect and incorporate the conclusions contained in the Florida Public Service Commission's Order No. PSC 96-1532-FOF-TP, dated December 16, 1996, ("December Order"), as subsequently affirmed in the Commission's Order No. PSC 97-0274-FOF-TP, dated March 11, 1997, to the negotiated Partial Interconnection Agreement for LATA 458, dated September 19, 1996, by and between United Teleport one Company of Florida and MFS Communications Company, Inc. ("Agreement").

Section I: Compensation for Call Termination

Pursuant to the December Order, as affirmed by the March Order, United may charge MFS a transport element for MFS traffic terminated by United via a United Tandem switch, to account for the transport between the United Tandem and End Office. Given that the Commission did not determine a transport rate in either the December Order or the March Order, the Parties agree for this sole element to employ on an interim basis the transport element rate of \$0.000255/mou determined by the Commission in its Order No. PSC-97-0294-FOF-TP, dated March 14, 1997, in the MCI Arbitration case. The transport element rate of \$0.000255 shall remain in effect until the Commission adopts a permanent rate as contemplated by the Agreement and the December Order.

Section II: Unbundled Loop Prices (Interim)

Pursuant to the December Order, as affirmed by the March Order, the interim loop rates identified in the Agreement shall apply on a non-geographically deaveraged basis. For purposes of convenience only, the interim rates by loop type are listed below:

Analog 2W	\$13.68
BRI-ISDN	\$13.68
ADSL 2W	\$13.68
HDSL 2W	\$13.68
Analog 4W	\$23.94
HDSL 4W	\$23.94

Section III: Cross Connect Rates

The following cross connect rates adopted by the Commission in the December Order shall apply:

DS-0	\$ 0.68
DS-1	\$ 3.18
DS-3	\$16.75

Section IV: Information Services Traffic

For the purposes of rating of end user calls to Information Service Providers ("ISP"), the Parties agree that each will provide the other, upon request, rating information for ISP calls. The requesting party will then bill its end user for the ISP call. Neither party may deduct or retain for itself any portion of the amounts due an ISP unless that party has a written, properly executed contractual agreement with said ISP specifying the appropriate charge to be deducted or retained. To the extent that the providing party incurs any additional costs as a result of providing such ISP call rating information to the requesting party, nothing in this paragraph shall preclude the providing party from recovering those costs through incremental charges to the requesting party.

DOCUMENT NUMBER-DATE

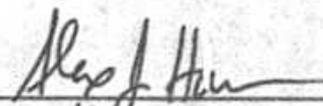
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IN WITNESS WHEREOF, the Parties hereto have caused this Supplemental Addendum to be executed as of this 10th day of April, 1997.

MFS Communications Company, Inc.

United Telephone Company of Florida

By: 
Printed: Alex J. Harris
Title: Vice President

By: 
Printed: Jerry Johns
Title: VP - Int'l & External Relations