

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Sprint
Communications Company Limited
Partnership d/b/a Sprint for
arbitration with BellSouth
Telecommunications, Inc.,
concerning interconnection
rates, terms, and conditions,
pursuant to the Federal
Telecommunications Act of 1996.

DOCKET NO. 961150-TP
ORDER NO. PSC-97-0714-FOF-TP
ISSUED: June 17, 1997

The following Commissioners participated in the disposition of
this matter:

JOE GARCIA
DIANE K. KIESLING

ORDER ON ARBITRATION AGREEMENT BETWEEN
SPRINT COMMUNICATIONS COMPANY LIMITED PARTNERSHIP D/B/A/ SPRINT
AND BELL SOUTH TELECOMMUNICATIONS, INC.

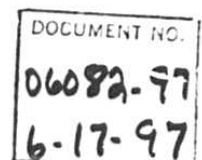
BY THE COMMISSION:

I. BACKGROUND

Part II of the Telecommunications Act of 1996 (Act) sets forth provisions controlling the development of competitive markets in the telecommunications industry. Section 251 of the Act regards interconnection with the incumbent local exchange carrier and Section 252 sets forth the procedures for negotiation, arbitration, and approval of agreements.

Section 252(b) addresses agreements arrived at through compulsory arbitration. Specifically, Section 252(b)(1) states:

(1) Arbitration. - During the period from the 135th to 160th day (inclusive) after the date on which an incumbent local exchange carrier receives a request for negotiation under this section, the carrier or any other party to the negotiation may petition a State commission to arbitrate any open issues.



Section 252(b)(4)(C) states that the State commission shall resolve each issue set forth in the petition and response, if any, by imposing the appropriate conditions as required. This section requires this Commission to conclude the resolution of any unresolved issues not later than 9 months after the date on which the local exchange carrier received the request under this section.

On April 15, 1996, Sprint Communications Company Limited Partnership d\b\ a Sprint (Sprint), formally requested negotiations with BellSouth Telecommunications, Inc. (BellSouth), under Section 251 of the Act. On September 20, 1996, Sprint filed a Petition for Arbitration under the Telecommunications Act of 1996.

By the date of the hearing, December 3, 1996, Sprint and BellSouth had reached agreement resolving most of the issues in Sprint's arbitration petition. On February 3, 1997, we issued Order No. PSC-97-0122-FOF-TP which memorialized our decisions on the unresolved issues in the proceeding. BellSouth filed a Motion for Reconsideration of our Order on February 18, 1997. Specifically, BellSouth requested us to reconsider our decision on access to customer service records under a blanket letter of authorization. Sprint filed a response to BellSouth's Motion on February 26, 1997. On May 5, 1997, we denied BellSouth's Motion for Reconsideration by Order No. PSC-97-0509-FOF-TP.

On March 3, 1997, Sprint filed a Motion for Extension of Time to file a signed arbitrated agreement. On April 7, 1997, we granted the Motion by Order No. PSC-97-0382-FOF-TP. On April 30, 1997, Sprint filed its proposed language and rationale regarding the unresolved and disputed portions of the Sprint and BellSouth arbitrated agreement. BellSouth filed its version of the agreement on April 30, 1997. Our decision on the Agreement is set forth below.

II. THE AGREEMENT

A. In General

Upon review, except for the sections discussed below, the parties have agreed to the language in all sections of the arbitrated Agreement. Section 252(e)(2)(B) states that the Commission can only reject an arbitrated agreement if it finds that the agreement does not meet the requirements of Section 251, including the regulations prescribed by the FCC pursuant to section 251, or the standards set forth in subsection (d) of Section 251 of the Act. We have reviewed the language Sprint and BellSouth have agreed to for compliance with the Act and the FCC's rules and orders and believe the language conforms with their requirements.

Accordingly, we approve the language Sprint and BellSouth have submitted and agreed upon in their arbitrated Agreement.

B. Provisions in Dispute and Not Considered in the Arbitration Proceeding

The parties to this proceeding have not agreed to language in the sections identified in Table A. Upon review, we did not consider the issues identified in Table A during the arbitration proceeding. Therefore, we do not believe it is appropriate to establish language for these sections at this time. Accordingly, these sections shall not be included in the final Agreement.

TABLE A

Part	Section	Description
General Terms and Conditions	12.4	Performance Measurement - Pricing for Higher Level Service Requested by Sprint
General Terms and Conditions	15	Dispute Resolution - Procedures for handling disputes
Part IV	36.1	Pricing - Unbundled Network Elements
Attachment 7	3.1	Usage Data Specifications
Attachment 7	6.4.2	Unbillable Compensation - Definition of Unbillable

C. Section 28.6.3 (Local Services Resale - Service Functions)

Upon review, except for the time period for providing a Form Order Confirmation, the parties essentially agree on the language to be included in the agreement for this section.

1. Sprint's Proposed Language and Rationale

BellSouth will provide Sprint with interactive direct order entry no later than March 31, 1997. Until this capability is available, BellSouth agrees to establish the Local Carrier Service Center ("LCSC") as the SPOC for order entry. Orders will be received at the LCSC via the

EDI interface. BellSouth agrees to enter the Service Order promptly on receipt and provide Firm Order Confirmation ("FOC") within four (4) hours of receipt of a correct Local Service Request. For services requiring a manual FOC, BellSouth will provide the FOC within 24 hours of receipt of a correct LSR.

Sprint believes that while 24 hours for completion of FOCs may be realistic in a manual environment, it is excessive in an electronic environment. Sprint states that BellSouth has agreed in Section 23.3 of the General Terms and Conditions to provide Sprint with at least the capability to provide a Sprint customer with the same quality as BellSouth provides its own customers in connection with all Local Services. Sprint believes that because BellSouth will not commit to a shorter FOC interval where electronic interfaces are utilized, Sprint will not be able to provide its end users with the same quality as BellSouth provides its own customers.

Sprint asserts that the technical capabilities of the EDI interface will likely provide intervals measured in seconds or minutes not in hours. Sprint believes BellSouth is attempting to establish an excessive time limit for FOC compliance in order to ensure that it will not receive complaints for lack of timely processing of FOCs.

Finally, Sprint believes that BellSouth's position is inconsistent on this issue. Sprint states that Attachment 12, Performance Measurements, Section 2, provisioning DMOQs, page 4, identifies the interval for Firm Order Confirmation with an electronic interface as 4 hours.

2. BellSouth's Proposed Language and Rationale

BellSouth will provide Sprint with interactive direct order entry no later than March 31, 1997. Until this capability is available, BellSouth agrees to establish the Local Carrier Service Center ("LCSC") as the SPOC for order entry. Orders will be received at the LCSC via the EDI interface. BellSouth agrees to enter the Service Order promptly on receipt and provide Firm Order Confirmation ("FOC") within 24 hours of receipt of a correct Local Service Request. BellSouth agrees to make best efforts to reduce the FOC time interval during the term of this Agreement.

BellSouth asserts that as the Commission knows, BellSouth is in the process of deploying the newly developed ordering interfaces for new entrants such as Sprint. BellSouth states that it is able

to commit to providing a Firm Order Confirmation ("FOC") within 24 hours of receipt of a correct Local Service Request and to utilize best efforts to continually reduce the FOC time interval during the term of the Agreement. BellSouth states that it cannot at present, however, commit to a 4 hour FOC.

Upon consideration, we believe this section is directly related to the issue regarding Performance Measures which we arbitrated. We note, however, that we did not specifically adopt any performance standards when we made our initial decision. Instead, we adopted a policy requiring BellSouth to provide services for resale and access to unbundled network elements to Sprint, that are at least equal in quality to those which it provides to itself and/or its affiliates, subsidiaries, or any other party. We ordered the parties to jointly develop and implement specific processes and standards that would ensure that Sprint receives services for resale, interconnection, and unbundled network elements that are equal in quality to those that BellSouth provides itself.

Sprint may request performance measures it believes are necessary to compete with BellSouth. We agree with Sprint that once electronic interfaces are introduced by BellSouth that it should be possible for BellSouth to provide a Firm Order Confirmation considerably sooner than 24 hours as proposed by BellSouth. As Sprint has pointed out, BellSouth has agreed to provide a FOC within 4 hours, 99% of the time, when using an electronic interface and within 24 hours, 99% of the time, when using manual entry. Based on the foregoing, we find that the parties shall Sprint's language in the arbitrated agreement. We note that we did not establish a price for the performance measures being requested. Therefore, if the parties are unable to negotiate a price for the specific request, we would expect the parties to file an arbitration request with the Commission on the pricing issue.

D. Section 2.4 (Provision of Customer Usage Data)

1. Sprint's Proposed Language and Rationale

BellSouth shall transmit CDRs to Sprint within forty-eight hours of recording. If more than .01% of the calls are more than two days old, BellSouth shall pay to Sprint an amount equivalent to the interest on the value of the calls greater than two days old. Interest shall be calculated in accordance with Section 15 or Attachment 6 of this Agreement.

Sprint believes that BellSouth's proposed interval of five days for providing daily usage is excessive and in all likelihood not at parity with the internal processes BellSouth currently utilizes. Sprint believes that 48 hours should be sufficient in most instances with the possible exception of holidays that occur on a weekend (e.g., Mother's day), in which instances an interval of 72 hours is readily achievable.

According to Sprint, there is an understanding within the telecommunications industry that the older the message being billed, the greater the likelihood there is for consumer dissatisfaction, as well as increased uncollectibles.

2. BellSouth's Proposed Language and Rationale

BellSouth proposes to delete this section. According to BellSouth, this issue was not specifically addressed by Sprint in its arbitration petition nor in the arbitration proceeding itself. BellSouth states that the AT&T agreement does not contain any similar provision. BellSouth argues that Sprint should not be able to raise new issues for the Commission's consideration at this stage in the proceeding.

BellSouth asserts that the customer data records at issue are those recordings that occur at the end office switch for all of the customers served by that switch. BellSouth states that it must collect all of the records, sort the records, process the records and then send those records to the appropriate local exchange company for billing. The furnishing of such records to other companies is similar to the Centralized Message Distribution System (CMDS) utilized today by local exchange companies to exchange alternatively billed messages. The nationwide industry standard for the exchange of CMDS-type records is 95% of usage delivered within 6 days. The 48 hour time period proposed by Sprint is not reasonable.

Upon consideration, we find that the parties shall include the following language in the arbitrated agreement:

BellSouth shall transmit CDRs to Sprint within
forty-eight hours of recording.

We disagree with BellSouth that the language contained in this section was not arbitrated by the Commission. On the contrary, the language proposed by Sprint was addressed in Issue 6 and Issue 7 in our original decision in this arbitration proceeding. Specifically, the first sentence proposed by Sprint was addressed in Issue 6. We decided in Issue 6, and as discussed above, to

allow the parties to work together to determine the appropriate performance standards. We believe Sprint may request any performance measure it deems necessary to compete with BellSouth. Accordingly, we find that the first sentence of Sprint's proposed language shall be included in the arbitrated agreement. If the parties are unable to negotiate a price for the specific request, we would expect the parties to file an arbitration request with the Commission specifically on the pricing issue.

As for the second and third sentences being proposed by Sprint, we determined that we do not have authority to arbitrate provisions for breach of the standards; and thus, declined to arbitrate provisions for indemnification or liquidated damages in the agreement between Sprint and BellSouth. See Order No. PSC-97-0122-FOF-TP. Accordingly, the second and third sentences proposed by Sprint shall not be included in the arbitrated agreement between Sprint and BellSouth.

E. SIGNED AGREEMENT

Upon consideration, we find that Sprint and BellSouth shall file a signed arbitration agreement that incorporates the language we have approved herein within 14 days of the issuance of this Order. If the signed agreement is timely submitted and comports with our Orders in this docket, an administrative Order shall be issued acknowledging that a signed agreement has been filed. Further, if the signed agreement comports with our Orders, the agreement shall be deemed approved on the date the administrative Order is issued.

It is, therefore,

ORDERED by the Florida Public Service Commission that each and all of the specific findings herein are approved in every respect. It is further

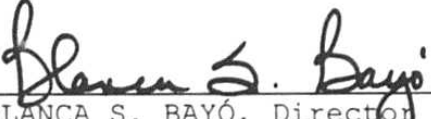
ORDERED that the arbitrated Agreement between Sprint Communications Company Limited Partnership d/b/a Sprint and BellSouth Telecommunications, Inc. is approved to the extent outlined in the body of this Order. It is further

ORDERED that Sprint and BellSouth shall file a signed arbitration Agreement that incorporates the language we have approved herein within 14 days of the issuance of this Order. It is further

ORDERED that this docket shall remain open.

ORDER NO. PSC-97-0714-FOF-TP
DOCKET NO. 961150-TP
PAGE 8

By ORDER of the Florida Public Service Commission, this 17th
day of June, 1997.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

MMB

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review in Federal district court pursuant to the Federal Telecommunications Act of 1996, 47 U.S.C. § 252(e)(6).