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RECORDS AND
REPORTING

April 19, 2001

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

Re: Docket No. 000075-TP (Phase II) Rebuttal Testimony of
Michael R. Hunsucker

Dear Ms. Bayó:

Enclosed for filing is the original and fifteen (15) copies of Sprint 's
Rebuttal Testimony of Michael R. Hunsucker in Docket No. 000075-TP
(Phase II).

Please acknowledge receipt and filing of the above by stamping the
duplicate copy of this letter and returning the same to this writer.

Sincerely,

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1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **REBUTTAL TESTIMONY**

3 **OF**

4 **MICHAEL R. HUNSUCKER**

5
6 **Q. Please state your name and business address.**

7
8 A. My name is Michael R. Hunsucker. I am Director-
9 Regulatory Policy, for Sprint Corporation. My business
10 address is 6360 Sprint Parkway, Overland Park, Kansas
11 66251.

12
13 **Q. Are you the same Michael R. Hunsucker that filed direct**
14 **testimony in Phase II of this proceeding?**

15
16 A. Yes, I am.

17
18 **Q. What is the purpose of your testimony?**

19
20 A. The purpose of my testimony is to provide rebuttal
21 testimony on behalf of Sprint Corporation to the
22 testimonies of Verizon witness Edward C. Beauvais, PH.D.
23 and BellSouth witness John Ruscilli.

1 ISSUE 13 : Pursuant to the Act and FCC's rules and orders:

2 (a) Under what conditions, if any, is an ALEC entitled
3 to be compensated at the ILEC's tandem
4 interconnection rate?

5 (b) What is "similar functionality?"

6 (c) What is "comparable geographic area?"

7
8 Q. Both Verizon (Direct Testimony of Edward C. Beauvais,
9 PH.D., page 6, lines 6-12) and BellSouth (Direct
10 Testimony of John Ruscilli, page 6, lines 24-25 and page
11 7, lines 1-3) opine that the FCC's rules require ALECs to
12 meet a two-prong test of providing "similar
13 functionality" and serving a "comparable geographic area"
14 in order to receive reciprocal compensation at the ILEC
15 tandem interconnection rate. Do you agree that the FCC
16 requires an ALEC to meet a two-prong test?

17
18 A. No, I do not. The FCC promulgated two separate and
19 distinct rules related to an ALECs ability to bill the
20 tandem interconnection rate on a symmetrical basis on
21 ILEC originated traffic. As I stated in my direct
22 testimony, ALECs are entitled to the tandem
23 interconnection rate if 1) their switch provides a
24 tandem-equivalent function under FCC Rule 51.701(c) or 2)
25 their switch serves a "comparable geographic area"

1 consistent with FCC Rule 51.711(a)(3). There is nothing
2 in the FCC's First Report and Order, in Docket 96-98,
3 that provides any linkage requiring an ALEC to meet a
4 two-prong test.

5
6 BellSouth points to the language in paragraph 1090 of the
7 First Report and Order as justification for the two-prong
8 test. There is simply no language in the text of the
9 paragraph that provides the purported linkage that
10 BellSouth asserts. BellSouth is correct in their
11 assessment that the FCC was concerned about the
12 "additional costs" of transporting and terminating a call
13 and the FCC conferred to the states the authority to
14 establish transport and termination rates based on
15 whether the "traffic is routed through a tandem switch or
16 directly to the end office." (First Report and Order,
17 paragraph 1090). Additionally, in the same paragraph,
18 the FCC required that states "**shall** (emphasis added) also
19 consider whether new technologies... perform functions
20 similar to those performed by an incumbent LEC's tandem
21 switch...". Thus, the result of this finding was the
22 establishment of FCC Rule 51.701(c) which provides for
23 the ability of an ALEC to receive compensation at the
24 tandem interconnection rate if their switch is equivalent
25 to an ILEC's tandem.

1 The FCC further stated that "Where the interconnecting
2 carrier's switch serves a geographic area comparable to
3 that served by the incumbent LEC's tandem switch, the
4 appropriate proxy for the interconnecting carrier's
5 additional costs is the LEC tandem interconnection rate."
6 Clearly, this statement, as codified, in FCC Rule
7 51.711(a)(3) does not require an equivalent facility
8 demonstration by the ALEC. Thus, it is eminently clear
9 that the FCC requires an either/or standard, not a two-
10 prong standard as advanced by BellSouth and Verizon. Had
11 the FCC intended a two-prong standard, they would have
12 provided direct linkage in the text of the order and
13 their rules.

14
15 **ISSUE 13 : How should a "local calling area" be defined, for**
16 **purposes of determining the applicability of reciprocal**
17 **compensation?**

18
19 Q. BellSouth (Direct Testimony of John Ruscilli, page 12,
20 lines 12-22) suggests that "local calling area" should be
21 "defined as mutually agreed to by the parties...". Do you
22 believe that the definition of "local calling area" is
23 best left to the negotiation process?

24

1 A. No, I do not. Based on Sprint's experiences, both as an
2 ILEC and an ALEC, this is one of the most contentious
3 areas of the negotiation process. Sprint believes that
4 the industry is best served by the Commission adoption of
5 a minimum standard for the definition of a "local calling
6 area". As I stated in my direct testimony, Sprint
7 believes that the "local calling area" should be based on
8 the ILEC's local calling scope, including any non-
9 optional or mandatory EAS. This definition would be used
10 to define what is local versus non-local for reciprocal
11 compensation purposes only. This is not intended to
12 place any restrictions on an ALECs ability to define its
13 own retail local calling area for pricing its services to
14 its end users. This definition would be limited to the
15 application of reciprocal compensation for the
16 termination and transport of local traffic.

17

18 **ISSUE 14 :**

19 (a) What are the responsibilities of an originating local
20 carrier to transport its traffic to another local
21 carrier?

22 (b) For each responsibility identified in part (a), what
23 form of compensation, if any, should apply?

24

1 Q. BellSouth (Direct Testimony of John Ruscilli, page 14,
2 lines 4-5) states that "BellSouth agrees that ALECs can
3 choose to interconnect with BellSouth's network at any
4 technically feasible point in the LATA." Is this
5 statement consistent with Sprint's position on the
6 establishment of points of interconnection by an ALEC?

7

8 A. Yes, it is. Sprint has long advocated that the ALEC has
9 the right to establish the POI on the ILEC's network for
10 the mutual exchange of traffic. However, it should be
11 noted that BellSouth stops short of saying "for the
12 mutual exchange of traffic" which Sprint urges the
13 Commission to reaffirm in this proceeding.

14

15 Q. If there is at least some agreement on the ALEC's right
16 to establish the point of interconnection, what is the
17 issue in this proceeding?

18

19 A. The issue is who bears the financial responsibility for
20 the transport costs from the ILEC local calling area to
21 the ALEC point of interconnection if the ALEC has chosen
22 not to establish a physical point of interconnection in
23 every ILEC local calling area. BellSouth argues that
24 this cost should be the sole responsibility of the ALEC

1 while Sprint has, in the past, argued that the cost
2 should be the sole responsibility of the ILEC.

3

4 **Q. Has BellSouth filed more recent testimony in any other**
5 **state relative to who should be financially responsible**
6 **for the transport costs between the ILEC local calling**
7 **area and the ALEC point of interconnection?**

8

9 A. Yes, they have. On April 3, 2001, BellSouth filed the
10 direct testimony of Cynthia K. Cox before the Georgia
11 Public Service Commission in Docket No. 13542-U, where
12 they proposed a methodology for the establishment of
13 additional points of interconnection between ILECs and
14 ALECs. The practical result of their proposal was a
15 sharing of the transport costs between the ILEC and the
16 ALEC. The following is their Georgia proposal which,
17 according to Ms. Cox's testimony, is based on current
18 contract language between BellSouth and an undisclosed
19 ALEC :

20

21 *"Pursuant to the provisions of this Attachment, the*
22 *location of the initial Interconnection Point in a*
23 *given LATA shall be established by mutual agreement*
24 *of the Parties. If the Parties are unable to agree*
25 *to a mutual initial Interconnection Point, each*

1 Party, as originating Party, may establish a single
2 Interconnection Point in the LATA for the delivery
3 of its originated Local Traffic, ISP-bound Traffic,
4 and IntraLATA Toll Traffic to the other Party for
5 call transport and termination by the terminating
6 Party. When the Parties mutually agree to utilize
7 two-way interconnection trunk groups for the
8 exchange of Local Traffic, ISP-bound Traffic and
9 IntraLATA Toll Traffic between each other, the
10 Parties shall mutually agree to the location of
11 Interconnection Point(s).

12
13 Additional Interconnection Points in a particular
14 LATA may be established by mutual agreement of the
15 Parties. Absent mutual agreement, in order to
16 establish additional Interconnection Points in a
17 LATA, the traffic between CLEC-1 and BellSouth at
18 the proposed additional Interconnection Point must
19 exceed 8.9 million minutes of Local Traffic or ISP-
20 bound Traffic per month for three consecutive months
21 during the busy hour. Additionally, any end office
22 to be designated as an Interconnection Point must be
23 more than 20 miles from an existing Interconnection
24 Point. BellSouth will not designate an
25 Interconnection Point at a Central Office where

1 *physical or virtual collocation space or BellSouth*
2 *fiber connectivity is not available, and BellSouth*
3 *will not designate more than one Interconnection*
4 *Point per local calling area unless such local*
5 *calling area exceeds sixty (60) miles in any one*
6 *direction, in which case additional Interconnection*
7 *Points may only be established in that local calling*
8 *area pursuant to the other criteria set forth in*
9 *this section.*

11 **Q. Have you reviewed BellSouth's proposal, as filed in**
12 **Georgia?**

13
14 **A.** Yes, I have. Sprint has reviewed the BellSouth proposal,
15 as well as continuing to review Sprint's previously
16 stated position on this issue, to determine if there is
17 an equitable solution from both an ILEC and an ALEC
18 perspective. Sprint believes that the BellSouth proposal
19 in Georgia provides a substantive step in the right
20 direction, although Sprint would propose two
21 modifications to their proposal.

22
23 First, the proposal, as written, provides that the
24 initial point of interconnection be mutually agreed to by
25 the parties. Sprint asserts that the right of

1 establishing the initial point of interconnection for the
2 **mutual** exchange of traffic belongs to the ALEC and that
3 mutual agreement is not required. Sprint is not opposed
4 to the negotiation of a mutually acceptable initial point
5 of interconnection, however, the right to make the final
6 decision is an ALEC right, as confirmed by the Act and
7 the FCC's rules.

8
9 Secondly, Sprint is concerned that the current proposal
10 could require multiple points of interconnection within a
11 single local calling area, if the second point of
12 interconnection exceeds 60 miles in any one direction.
13 Sprint asserts that this provision should be deleted and
14 replaced with language that ensures that there is no
15 requirement to interconnect at more than one point in any
16 local calling area.

17
18 Sprint believes that the BellSouth proposal, coupled with
19 the Sprint proposed modifications, provide a reasonable
20 compromise that Sprint can accept, both as an ILEC and an
21 ALEC in Florida. The following provides a summary of
22 when the ILEC is financially responsible for the
23 transport costs and when the ALEC is financially
24 responsible for the transport costs under the Sprint-
25 modified BellSouth proposal.

1 The ILEC would be responsible for the transport costs
2 between the originating local calling area and the ALEC
3 point of interconnection when: 1) the traffic is less
4 than 8.9 million minutes of use per month, regardless of
5 the distance between the two locations, or 2) when the
6 traffic is greater than 8.9 million minutes of use per
7 month, and the distance between the two locations is less
8 than 20 miles and not in the same local calling area, or
9 3) when the point of interconnection is located in the
10 same local calling area, regardless of the level of
11 traffic.

12
13 The ALEC would be financially responsible for the
14 transport costs between the local calling area and the
15 ALEC point of interconnection when the relevant traffic
16 is greater than 8.9 million minutes of use per month and
17 the distance between the local calling area and the point
18 of interconnection is greater than 20 miles and not
19 located in the same local calling area.

20
21 This proposal only requires ILECs to be financially
22 responsible for the transport when the volumes and the
23 distances between the two locations are relatively small.
24 This provides adequate protection to the ILEC to ensure
25 that they do not have to haul the traffic significant

1 distances, if the ALEC has chosen to deploy one switch
2 per state or on some other limited basis. Thus, when
3 additional points of interconnection are established, the
4 ILEC retains the responsibility for the provisioning of
5 the facilities; however, the CLEC is financially
6 responsible for the transport costs consistent with the
7 aforementioned requirements.

8

9 **Q. Verizon, throughout the testimony of Terry Haynes,**
10 **expresses its concern over the financial responsibility**
11 **of the transport costs. In your opinion, does this**
12 **proposal adequately address their concerns as well?**

13

14 **A.** Yes, it does. As stated above, ILECs are generally
15 concerned about incurring the financial burdens of
16 providing transport potentially throughout the state or
17 where ALECs have chosen to deploy switches on a limited
18 basis. The above proposal, coupled with Sprint's
19 proposed modifications, adequately addresses the concerns
20 of both BellSouth and Verizon. Sprint urges the
21 Commission to adopt the BellSouth proposal with the
22 Sprint proposed modifications.

23

24 **Q. Does this conclude your testimony?**

25

1 A. Yes, it does.

2

CERTIFICATE OF SERVICE
DOCKET NO. 000075-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served by U.S. Mail this 19th day of April, 2001 to the following:

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