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May 25, 2001

VIA COURIER

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

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RECORDS AND REPORTING

Re: Docket No. 991220-TP (Global NAPs Arbitration with BellSouth)

Dear Ms. Bayo:

This letter is being submitted on behalf of Global NAPs, Inc., a party to the arbitration referenced above. Global NAPs and BellSouth have been working together to try to agree on final contract language, and have largely succeeded, but two points prevent us from filing a single contract today. As Global NAPs has been informed by BellSouth, Bellsouth today is filing "its" version of the contract — with which Global NAPs largely concurs. This letter sets out Global NAPs' view of how the contract should read in the few areas of remaining disagreement. We respectfully request the Commission to order the parties to adopt a final contract with Global NAPs' language, as opposed to BellSouth's.

APP _____ As an initial matter, except for the specific issues noted below, it is Global NAPs'
CAF _____ understanding that the parties agree that their contract will be based on the materials submitted
CMP _____
COM 5 by Mr. Alphonso Varner in the arbitration hearings in the Spring of 2000. In order to avoid any
CTR _____ confusion about which version of BellSouth's standard "template" agreement applies, Global
EOR _____ NAPs has discussed with BellSouth inclusion of the following agreement in our submittal letters
LEG 1 to properly reflect our intent. That language is:
OPC _____
PAI _____

RGO _____
SEC 1 The Parties intend and agree that, with the exception of Attachment 3, the main
SER _____ body of, and the various attachments to, their Agreement are and shall be the
OTH _____ same (other than purely formal changes such as inserting GNAPS' name where

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appropriate) as included in the testimony of Alphonso Varner in the parties' arbitration of this matter before the Commission during the spring of 2000, and if through inadvertence or any other cause a different version of the main agreement or any such attachment shall have been included with this Agreement as of its effective date, the Parties shall promptly correct that situation by substituting for the different version, the version actually agreed to.

This language is intended to ensure that the parties' actual contract language conforms to what was at issue in the arbitration. Global NAPs' most recent conversation with BellSouth this afternoon indicates that BellSouth is in agreement with this language, but will indicate that agreement by means of a separate letter next week.

The substantive matters where the parties still disagree are in "Attachment 3" to the main agreement. The first (and minor) issue relates to compensation for ISP-bound calling. The parties agree that under the FCC's recent ruling on this topic, BellSouth is entitled to elect to have the rates it pays for ISP-bound calls capped at the lower of \$0.0015 per minute and the rate for such calls established by the Commission, as long as the same elected rate applies to all compensable traffic the parties exchange. BellSouth is electing to take advantage of the caps in the FCC's order, and so the parties will initially (for about six months) be exchanging traffic at the rate established by the Commission for ISP-bound traffic. Thereafter, the FCC's caps become lower than the rate set by this Commission, so the FCC's caps would apply.

The sole disagreement between the parties here has to do with the definition of ISP-bound traffic in Section 5.1.2 of Attachment 3. Global NAPs believes that the definition should read, "ISP bound Traffic is defined as traffic that is directed to an Internet Service Provider." This is based directly on paragraph 1 of the FCC's recent *ISP Remand Order*.¹ BellSouth's draft, however, defines it as "traffic that originates from or is directed to or through an enhanced service provider or information service provider." Global NAPs believes that BellSouth's definition goes beyond the scope of the FCC's order. The parties are continuing to discuss this issue, but, if they cannot resolve it, Global NAPs requests that the Commission order the use of Global NAPs' proposed definition in Section 5.1.2 of Attachment 3.

The parties' other dispute has to do with physical interconnection architecture, and specifically, with Global NAPs' actual or potential obligation to establish multiple Points of Interconnection ("POIs") to receive traffic from, or send traffic to, BellSouth. The Commission is presently addressing this issue in its generic investigation. That said, the FCC's *Intercarrier Compensation NPRM* provides a clear statement of the current governing federal rules.²

¹ Intercarrier Compensation for ISP-Bound Traffic, *Order on Remand and Report and Order*, CC Dkt. Nos. 96-98 and 99-68, FCC 01-131 (rel. April 27, 2001) ("*ISP Remand Order*").

² In the Matter of Developing a Unified Intercarrier Compensation Regime, *Notice of Proposed Rulemaking*, CC Dkt. No. 01-92, FCC 01-132 (rel. April 27, 2001) ("*Intercarrier Compensation NPRM*").

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Specifically, in paragraph 70, the FCC states that, “[u]nder our current rules, *the originating telecommunications carrier bears the costs of transporting its traffic to its point of interconnection with the terminating carrier.*” And, in paragraph 72, the FCC states that, “[u]nder our current rules, *interconnecting CLECs are obligated to provide one POI per LATA.*” (Emphasis added in both cases.) In other words, to the extent that there was any doubt about what the FCC’s rules require of a CLEC such as Global NAPs with regard to establishing multiple POIs, that doubt has been extinguished by the new ruling from the FCC.³

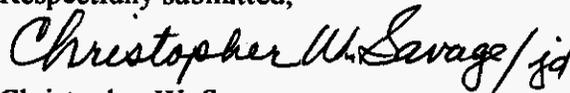
As suggested in the Commission’s order on reconsideration, Global NAPs has attempted to negotiate this issue with BellSouth — especially so in light of the FCC’s recent ruling. Unfortunately, the parties have been unable to reach agreement. Global NAPs believes that the language BellSouth supports actually turns the FCC’s rules on their head. Rather than recognizing that the originating carrier bears the burden of delivering its traffic to the terminating carrier’s POI (which, when the terminating carrier is a CLEC, would normally be a single POI in a LATA), BellSouth’s language affirmatively empowers the *originating* carrier to designate multiple POIs at which the terminating carrier must pick up the traffic, at the terminating carrier’s expense. Again, Global NAPs submits that it is impossible to conform BellSouth’s language to the FCC’s rules.

To make the parties’ positions clear, Global NAPs has attached to this letter a “redlined” version of the relevant language from the document that BellSouth will be filing today. The redlined language — that is, Global NAPs’ version — reflects the FCC’s requirements, as that agency has so recently articulated them. For this reason, Global NAPs respectfully requests that the Commission direct the parties to use Global NAPs’ version of Attachment 3.

Finally, the parties are continuing to discuss the use of fiber optics as an interconnection technology. This is reflected in Sections 1.9.1 through 1.9.6 of Attachment 3. This issue is highlighted in the redlined version as well.

Please do not hesitate to contact the undersigned if you have any questions about this matter or if I can be of any assistance.

Respectfully submitted,



Christopher W. Savage

³ Global NAPs raised this issue in arbitration and on reconsideration. On reconsideration, while the Commission did not expressly rule in Global NAPs’ favor, it stated that part of its reasoning was that “the language [Global NAPs] is concerned [with] would not preclude BellSouth from approaching interconnection with GNAPs in a manner consistent with the Act. *If, however, a problem should arise and the parties are unable to resolve it through negotiation, this issue can be addressed through either a separate complaint proceeding or through arbitration of this issue.*” Order No. PSC-01-0762-FOF-TP, Dkt. No. 991220-TP (March 26, 2001) at 16 (emphasis added).

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Counsel for **GLOBAL NAPS, INC.**

The following "legislative format" mark-up reflects the changes to the version of Attachment 3 that Global NAPs understands BellSouth to be filing with the Florida PSC on May 25, 2001, that Global NAPs believes to be appropriate in light of the recent FCC rulings affecting the matters that were discussed in arbitration between the parties. Global NAPs requests that the Florida PSC adopt the language as shown below, as opposed to the language suggested by BellSouth.

1. Network Interconnection

All negotiated rates, terms and conditions set forth in this Attachment pertain to the provision of network interconnection.

1.1 Interconnection is available to both Parties through: (1) delivery of a Party's facilities to a collocation arrangement or Fiber Meet arrangement as defined in this Agreement; or (2) interconnection via purchase of facilities from the other Party. Interconnection may be provided by the Parties at any other technically feasible point. Requests to BellSouth for interconnection at other points may be made through the Bona Fide Request/New Business Request process set out in General Terms and Conditions.

1.2 As of the effective date hereof, the Parties are exchanging traffic in the Miami LATA by means of a single Point of Interface located at the location of Global NAPs' switch in Miami. For the Miami LATA, this single Point of Interface shall be the Point of Interface between the Parties for the duration of this Agreement, unless by mutual agreement the Parties decide to establish one or more additional Points of Interface in that LATA. For all other Florida LATAs, a minimum of one Point of Interface shall be established in each LATA in which GNAPS originates, terminates, or exchanges traffic and interconnects with BellSouth. The location of the initial Point of Interface shall be established at a point on Global NAPs' network reasonably designated by Global NAPs. In selecting the initial Point of Interface in such other LATAs, Global NAPs will act in good faith and select the point on its network in that LATA that is most efficient for both Parties, consistent with the obligation of each interconnecting carrier, under the rules of the FCC, to deliver its originating traffic, at its expense, to the network of the carrier terminating the traffic. The parties may by mutual agreement decide to establish one or more additional Points of Interface in any other LATA. Each Party shall be responsible for engineering and maintaining the network on its side of the Point of Interface. Global NAPs' designation of the initial Point of Interface on its network in LATAs other than Miami will be by written notice to BellSouth. If BellSouth believes that Global NAPs' designated initial Point of Interface is unreasonably distant from BellSouth's network facilities, the Parties shall negotiate in good faith for not less than 30 calendar days of the date of the written notice from Global NAPs. If the negotiations do not result in agreement, either Party may submit the dispute to the Florida PSC for resolution in accordance with the terms of this Agreement and applicable rules and rulings of the FCC.

~~GNAPS must establish, at a minimum, a single Point of Presence, Interface, and Interconnection with BellSouth within the LATA for the delivery of GNAPS's originated local and intraLATA toll traffic and for the receipt and delivery of transit traffic. If GNAPS chooses to interconnect at a single Point of Interconnection within a LATA, the interconnection must be at a BellSouth Access~~

~~Tandem. Furthermore, GNAPS must establish Points of Interconnection at all BellSouth access and local tandems where GNAPS NXXs are "homed."~~

1.3 Additional Points of Interface in a particular LATA may be established by mutual agreement of the Parties. Absent mutual agreement, the Party originating traffic to the other Party shall be responsible for delivering its traffic to the other Party at an already-established Point of Interface.

1.4 Either Party may request establishment of an additional Point of Interface in any LATA. Upon written notification from the Party requesting the establishment of an additional Point of Interface, the receiving Party has 45 calendar days to analyze, respond to, and negotiate in good faith the establishment of and location of such Point of Interface, in light of each Party's responsibility under the FCC's rules to deliver its own originated traffic to the network of the other Party. If the Parties cannot agree on the establishment of an additional Point of Interface, then either Party may utilize the dispute resolution procedures set forth in the General Terms and Conditions of this Agreement.

1.5 A "Homing" arrangement is defined by a "Final" Trunk Group between the BellSouth Tandem and GNAPS End Office switch. A "Final" Trunk Group is the last choice telecommunications path between the Tandem and End Office switch. It is GNAPS's responsibility to enter its own NPA/NXX access and/or local tandem "homing" arrangements into the national Local Exchange Routing Guide (LERG).

1.5.1 In order for GNAPS to home its NPA/NXX(s) on a BellSouth Tandem, GNAPS's NPA/NXX(s) must be assigned to an Exchange Rate Center Area served by that BellSouth Tandem and as specified by BellSouth. The specified association between BellSouth Tandems and Exchange Rate Center Areas is defined in the Local Exchange Routing Guide (LERG) as it is revised from time to time.

1.6 A Point of Presence (POP) is the physical location (a structure where the environmental, power, air conditioning, etc. specifications for a Party's terminating equipment can be met) at which a Party establishes itself for obtaining access to the other Party's network. The POP is the physical location within which the Point of Interfaces occur.

1.7 A Point of Interface is the physical telecommunications interface between BellSouth and GNAPS's interconnection functions. It establishes the technical interface and point of operational responsibility. The primary function of the Point of Interface is to serve as the terminus for the interconnection service. The Point of Interface has the following main characteristics:

1.7.1 It is a cross-connect point to allow connection, disconnection, transfer or restoration of service.

1.7.2 It is a point where BellSouth and GNAPS can verify and maintain specific performance objectives.

1.7.3 It is specified according to the interface offered in the tariff or local interconnection agreement (for example: for DS1 service the FCC # 1 tariff specifies that the interface meets the technical specifications detailed in Generic Requirements GR-342-CORE, Issue 1, December 1995.)

1.7.4 The Parties provide their own equipment (CPE) to interface with the DS0, DS1, DS3, STS1 and/or OCn circuits on the customer premises.

1.8 The Point of Interconnection is the point at which the originating Party delivers its originated traffic to the terminating Party's first point of switching on the terminating Party's common (shared) network for call transport and termination. Points of Interconnection are available at either Access Tandems, Local Tandems, or End Offices as described in this Agreement. GNAPS's requested Point of Interconnection will also be used for the receipt and delivery of transit traffic at BellSouth Access and Local Tandems. Points of Interconnection established at the BellSouth Local Tandem apply only to GNAPS-originated local and local originating and terminating transit traffic.

~~1.6 GNAPS, at its option, shall establish Points of Presence and Points of Interface for the delivery of its originated local and intra-LATA toll traffic to BellSouth. The Point of Interface may not necessarily be established at the Point of Interconnection.~~

~~1.7 BellSouth, at its option, shall designate the Points of Presence and Points of Interface for the delivery of its originated local and intra-LATA toll traffic to GNAPS for call transport and termination by GNAPS. The Point of Interface may not necessarily be established at the Point of Interconnection.~~

[Section 1.8 intentionally omitted from this material]

1.9 Fiber Meet

1.9.1 Fiber Meet is an interconnection arrangement whereby the Parties physically interconnect their networks via an optical fiber interface (as opposed to an electrical interface) at which one Party's facilities, provisioning, and maintenance responsibility begins and the other Party's responsibility ends (i.e. Point of Interface). The Parties agree to use Fiber Meet interconnection at all Points of Interface unless a good faith technical analysis, concurred in by both Parties, indicates that the use of a Fiber Meet is not feasible.

1.9.2 ~~For Fiber Meets, If GNAPS elects to interconnect with BellSouth pursuant to a Fiber Meet, GNAPS and BellSouth shall jointly engineer and operate a Synchronous Optical Network ("SONET") transmission system by which they shall interconnect their transmission and routing of local traffic via a Local Channel facility at either the DS0, DS1, or DS3 level. The Parties shall work jointly to determine the specific transmission system. However, GNAPS's SONET transmission must be compatible with BellSouth's equipment in the BellSouth Interconnection Wire Center. The same vendor's equipment and software version must be used, and the Data Communications Channel (DCC) must be turned off.~~

1.9.3 BellSouth shall, wholly at its own expense, procure, install and maintain the agreed upon SONET equipment in the BellSouth Interconnection Wire Center ("BIWC").

1.9.4 GNAPS shall, wholly at its own expense, procure, install and maintain the agreed upon SONET equipment in the GNAPS Interconnection Wire Center ("GNAPS Wire Center").

1.9.5 The Point of Interface for a Fiber Meet shall be a Point of Interface designated by GNAPS in each LATA in accordance with Sections 1.2 and 1.4 above. BellSouth shall ~~designate a Point of Interface outside the BIWC as a Fiber Meet point, and shall~~ make all necessary preparations to receive, and to allow and enable GNAPS to deliver, fiber optic facilities at into the Point of Interface with sufficient spare length to reach the fusion splice point at the Point of Interface. BellSouth shall, wholly at its own expense, procure, install, and maintain the fusion splicing point in the Point of Interface. A Common Language Location Identification ("CLLI") code will be established for each Point of Interface. The code established must be a building type code. All orders shall originate from the Point of Interface (i.e., Point of Interface to GNAPS, Point of Interface to BellSouth).

1.9.6 GNAPS shall deliver and maintain such strands wholly at its own expense. In cases where the Fiber Meet is located in a GNAPS facility, then upon verbal request by BellSouth, GNAPS shall allow BellSouth access to the Fiber Meet entry point for maintenance purposes as promptly as possible. In cases where the Fiber Meet is located in or on a BellSouth facility, then upon ~~Upon~~ verbal request by GNAPS, BellSouth shall allow GNAPS access to the Fiber Meet entry point for maintenance purposes as promptly as possible.

1.9.7 The Parties shall jointly coordinate and undertake maintenance of the SONET transmission system. Each Party shall be responsible for maintaining the components of their own SONET transmission system.

1.9.8 Each Party will be responsible for (i) providing its own transport facilities to the Fiber Meet, and (ii) the cost to build-out its facilities to such Fiber Meet.

1.9.9 Neither Party shall charge the other for its portion of the Fiber Meet facility used exclusively for non-transit local traffic (i.e. the Local Channel). Charges incurred for other services including dedicated transport facilities to the Point of Interconnection if applicable will apply. Charges for Switched and Special Access Services shall be billed in accordance with the applicable Access Service tariff (i.e. the BellSouth Interstate or Intrastate Access Services Tariff).

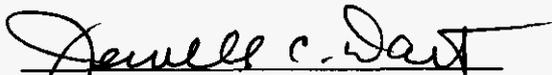
[Remainder of Attachment 3 not included]

CERTIFICATE OF SERVICE
Docket No. 991220-TP

I hereby certify that a true and correct copy of the foregoing was served via first-class mail this 25th Day of May, 2001, to the following:

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