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May 31, 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) Prehearing Statement  
Of Sprint

Dear Ms. Bayó:

Enclosed for filing is the original and fifteen (15) copies including a  
diskette of Sprint 's Prehearing Statement 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,

Susan S. Masterton

DOCUMENT NUMBER - DATE

06868 MAY 31 2001

FPSC-RECORDS/REPORTING

CERTIFICATE OF SERVICE  
DOCKET NO. 000075-TP (Phase II)

I HEREBY CERTIFY that a true and correct copy of the foregoing was served by U.S. Mail this 31th day of May, 2001 to the following:

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c/o Nancy H. Sims  
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*Susan S. Masterton*  

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*Susan S. Masterton*

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Investigation into	)	DOCKET NO. 000075-TP
Appropriate Methods to	)	
Compensate Carriers for	)	Filed: May 31, 2001
Exchange of Traffic Subject to	)	
Section 251 of the	)	
Telecommunications Act of 1996	)	
_____	)	

**SPRINT'S PREHEARING STATEMENT**

Pursuant to Orders Establishing Procedure (Order No. PSC-00-229-PCO-TP, Order No. PSC-00-2350-PCO-TP and Order No. PSC-00-2452-PCO-TP) Sprint-Florida, Incorporated and Sprint Communications Company Limited Partnership (collectively, "Sprint") file this Prehearing Statement in Phase II of this proceeding:

A. **WITNESSES:** Sprint proposes to call the following witnesses to offer testimony in this docket:

**WITNESS:**

Michael R. Hunsucker  
(Direct and Rebuttal)

**ISSUES:**

10-17

Sprint has listed the witnesses for whom Sprint believes testimony will be filed, but reserves the right to supplement that list if necessary.

B. **EXHIBITS:** Sprint has filed no exhibits at this time, but reserves the right to file exhibits if necessary and to introduce exhibits for cross-examination, impeachments, or

any other purpose authorized by the applicable Florida Rules of Evidence and Rules of this Commission.

C. **BASIC POSITION:** The Commission has jurisdiction to specify the rates, terms and conditions governing compensation for transport and delivery of local traffic pursuant to federal and state law. The Commission should follow the reciprocal compensation procedures already established by the FCC. Sprint's positions on the specific issues in this docket are consistent with the Telecommunications Act and the FCC's rules and regulations adopted pursuant to the Act. Therefore, the Commission should adopt Sprint's position on each of these issues.

D-G. **ISSUES AND POSITIONS:**

**ISSUE 10: Pursuant to the Telecommunications Act of 1996 (Act), the FCC's rules and orders, and Florida Statutes, what is the Commission's jurisdiction to specify the rates, terms and conditions governing compensation for transport and delivery of traffic subject to section 251 of the Act? (Legal Issue)**

**Position:** The FCC has jurisdiction to establish rules governing the rates, terms and conditions for the transport and termination of local traffic, pursuant to the Act and U.S. Supreme Court decisions interpreting the Act. The Commission has the jurisdiction to implement the FCC rules and apply any FCC-required methodologies in establishing the actual rates, terms and conditions for the transport and termination of local traffic. The only limitation imposed on state commissions by the FCC is that their actions must not conflict with the federal rules.

The Commission also has jurisdiction under sections 364.161 and 364.162, Florida Statutes, to arbitrate disputes relating to negotiations by telecommunications companies to

establish the rates, terms and conditions of interconnection and the unbundling of network elements.

**ISSUE 11: What types of local network architecture are currently employed by ILECs and ALECs, and how does a carrier's past, preset, and forecasted traffic volumes affect its choice of architectures? (Informational Issue)**

**Position:** Much of what drives Sprint ILEC's local network architectural decisions today is the need for additional ports for trunks and Pair Gains. Sprint's ALEC network architecture is based on forecasted traffic.

**ISSUE 12: Pursuant to the Act and FCC's rules and orders:**

- (a) Under what conditions, if any, is an ALEC entitled to be compensated at the ILEC's tandem interconnection rate?
- (b) What is "similar functionality?"
- (c) What is "comparable geographic area?"

**Position:** (a) There are two scenarios in which the FCC rules afford ALECs compensation at the ILEC's tandem interconnection rate: 1) when the ALEC switch utilizes a tandem or "equivalent facility" under FCC Rule 51.701 (c); and 2) when the ALEC switch serves a "comparable geographic area" consistent with FCC Rule 51.711 (a) (3).

(b) Sprint contends that an ALEC switch performs "functions similar to those performed by an incumbent LEC's tandem switch" if the switch is capable of trunk to trunk connectivity and has the necessary software activated in the switch to perform the actual tandem function.

(c) Sprint maintains that the ALEC must in fact hold itself out to serve customers in the geographic area served by the ILEC tandem absent any technical feasibility limitations, in order to satisfy the "comparable geographic area" criteria found in Rule 51.711(a). Sprint does not believe that "comparable" means identical, but rather similar. IN that light, Sprint suggests that

the Commission not adopt a specific metric, but rather, resolve any dispute on a case-by-case basis.

**ISSUE 13: How should a “local calling area” be defined, for purposes of determining the applicability of reciprocal compensation?**

**Position:** The ILEC’s local calling scope, including mandatory EAS, should define that appropriate local calling scope for reciprocal compensation purposes for wireline carriers. This should not affect the ability of the ALEC to designate its own flat-rated calling scope for its retail services provided to its end users customers.

**ISSUE 14: (a) What are the responsibilities of an originating local carrier to transport its traffic to another local carrier?  
(b) For each responsibility identified in part (a), what form of compensation, if any, should apply?**

**Position:** (a) It is the responsibility of the originating carrier to transport its traffic to the Point of Interconnection (POI) where it will be delivered to the terminating carrier. The ALEC has the right to designate the location of this POI for both the receipt and delivery of local traffic with the ILEC at any technically feasible location within the ILEC’s network.

(b) BellSouth has proposed a compensation mechanism that assigns responsibility between the ILEC and the ALEC based on a combination of the minutes of traffic transported and the distance between the local calling area and the ALEC’s point of interconnection. Sprint has proposed modifications to BellSouth’s proposal that clarify that the ALEC has the right to determine the point of interconnection and that no more than one point of interconnection per local calling area may be required. Sprint believes that the BellSouth proposal, coupled with the



Sprint proposed modifications, provide a reasonable compromise that Sprint can accept, both as an ILEC and an ALEC in Florida.

**ISSUE 15:** (a) Under what conditions, if any, should carriers be permitted to assign NPA/NXX codes to end users outside the rate center in which the NPA/NXX is homed?

(b) Should the intercarrier compensation mechanism for calls to these NPA/NXXs be based upon the physical location of the customer, the rate center to which the NPA/NXX is homed, or some other criterion?

**Position:** (a) Carriers should be permitted to assign NPA/NXX codes to end users outside the rate center in which the NPA/NXX is homed.

(b) It should be the responsibility of the originating carrier to deliver its traffic to the rate center in which the NPA/NXX is homed.

**ISSUE 16:** (a) What is the definition of Internet Protocol (IP) telephony?

(b) How should IP telephony be compensated?

**Position:** (a) Paragraph 84 of the FCC's April 1998 USF Order (FCC-98-67) defines IP telephony services as services that "enable real-time voice transmission using Internet protocols." IP telephony services may be generally classified into one of three categories: computer-to-computer, phone-to-phone and computer-to-phone.

In the case of computer-to-computer IP telephony, the FCC has ruled that the Internet service provider is providing "information services" that are not "telecommunications to its subscribers." With phone-to-phone IP telephony, the IP telephony provider simply creates a virtual transmission path between points on the public switched network over a packet-switched IP network. Computer-to-phone IP telephony provides the same functionality as phone-to-phone IP telephony. While some circuit switches that are evolving into packet switches using ATM or

IP to transmit voice and data, service provided by this equipment should not be considered IP Telephony and should be treated like circuit-switched telephony is treated today.

(b) Computer-to-computer IP telephone routed through an Internet Service Provider is information services not local telecommunications services. All other IP telephony traffic should be subject to the same compensation mechanisms as voice traffic.

**ISSUE 17: Should the Commission establish compensation mechanisms governing the transport and delivery of traffic subject to Section 251 of Act to be used in the absence of the parties reaching an agreement or negotiating a compensation mechanism? If so, what should be the mechanism?**

**Position:** Yes. The Commission should follow the reciprocal compensation procedures already established by the FCC.

H. **STIPULATIONS:** None.

I. **PENDING MOTIONS:** Sprint has no motions pending at this time.

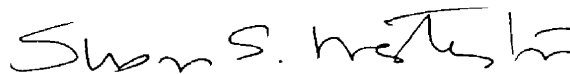
J. **COMPLIANCE WITH ORDER ON PREHEARING PROCEDURE:** Sprint does not know of any requirement of the Order on Prehearing Procedure with which it cannot comply.

K. **DECISIONS THAT MAY IMPACT COMMISSION'S RESOLUTION OF ISSUES:**

The FCC's recently issued its Order on ISP reciprocal compensation, Federal Communications Commission's Order on Remand and Report and Order, FCC 01-131, *In the matter of Implementation of the Local Competition Provisions of the*

*Telecommunications Act of 1996; Intercarrier Compensation for ISP-Bound Traffic*, CC Docket Nos. 96-98, 99-68 (released April 27, 2001). In addition, the FCC has issued a Notice of Proposed Rulemaking to address intercarrier compensation issues generally, *Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92.

**RESPECTFULLY SUBMITTED** this 31st day of May 2001.



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