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August 10, 2001

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

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Re: Docket No. 000075-TP

Dear Ms. Bayo:

Enclosed herewith for filing in the above-referenced docket are the following documents:

- 1. Original and fifteen copies of the Joint Posthearing Brief of A&T Communications of the Southern States, Inc., TCG South Florida and MediaOne Florida Telecommunications, Inc.; 0976D-01
2. Original and fifteen copies of the Joint Posthearing Brief of Global NAPS, US LEC of Florida, Inc., MCI WorldCom, e.spire Communications, Inc., Time Warner of Florida, LP, Florida Cable Telecommunications Association, Inc., the Florida Competitive Carriers Association, KMC Telecom, Inc., KMC Telecom II, Inc. and KMC Telecom III, Inc.; 09761-01
3. Original and fifteen copies of the Joint Brief of Allegiance Telecom of Florida, Inc. and Level 3 Communications, LLC; and 09762-01
4. A disk in Word Perfect 6.0 containing a copy of the Briefs.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the copy to me.

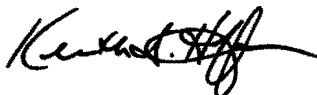
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Thank you for your assistance with this filing.

Sincerely,

A handwritten signature in black ink, appearing to read "Kenneth A. Hoffman". The signature is fluid and cursive, with a prominent loop at the end.

Kenneth A. Hoffman

KAH/rl
Enclosures
cc: All Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into appropriate)
methods to compensate carriers for)
exchange of traffic subject to Section 251)
of the Telecommunications Act of 1996.)
_____)

Docket No. 000075-TP
(Phase II)

Filed: August 10, 2001

**JOINT POSTHEARING BRIEF OF AT&T COMMUNICATIONS OF THE
SOUTHERN STATES, INC., TCG OF SOUTH FLORIDA, AND
MEDIAONE FLORIDA TELECOMMUNICATIONS, INC.**

AT&T Communications of the Southern States, Inc. ("AT&T"), TCG of South Florida ("TCG") and MediaOne Florida Telecommunications, Inc. ("MediaOne"), through their undersigned counsel, and pursuant to Rule 28-106.215, Florida Administrative Code, and Order No. PSC-00-2229-PCO-TP issued November 22, 2000, Order No. PSC-00-2350-PCO-TP issued December 7, 2000, Order No. PSC-00-2452-PCO-TP issued December 22, 2000, and Order No. PSC-01-0632-PCO-TP issued March 15, 2001, and Order No. PSC-01-1362-PHO-TP issued June 22, 2001, hereby file their Joint Posthearing Brief.

Statement of Basic Position

AT&T, TCG and MediaOne adopt the Statement of Basic Position set forth in the Joint Posthearing Brief filed by Global NAPS, Inc. ("Global NAPS"), US LEC of Florida, Inc. ("US LEC"), MCI WorldCom ("MCI"), e.spire Communications, Inc. ("e.spire"), Time Warner Telecom of Florida, L.P. ("Time Warner"), Florida Cable Telecommunications Association, Inc. ("FCTA") The Florida Competitive Carriers Association ("FCCA"), and KMC Telecom, Inc., KMC Telecom II, Inc. and KMC Telecom III, Inc. (collectively "KMC").

DOCUMENT NUMBER-DATE

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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 or termination of traffic subject to Section 251 of the Act?

AT&T, TCG and MediaOne: *Under Section 364.162(1), Florida Statutes, the Commission has jurisdiction to establish rates, terms and conditions for interconnection and for transport and termination of local traffic. Such rates, terms and conditions must comply with the requirements of Sections 251 and 252 of the Act and applicable FCC rules.*

AT&T, TCG and MediaOne adopt the discussion and arguments set forth in the Joint Posthearing Brief filed by Global NAPS, US LEC, MCI, e.spire, Time Warner, FCTA, FCCA and KMC.

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

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

AT&T, TCG and MediaOne: *An ALEC is entitled to be compensated at the ILEC's tandem interconnection rate if either (i) its switch serves a geographic area comparable to the ILEC's local tandem switch, or (ii) it provides similar functionality to that provided by the ILEC's local tandem.*

AT&T, TCG and MediaOne adopt the discussion and arguments set forth in the Joint Posthearing Brief filed by Global NAPS, US LEC, MCI, e.spire, Time Warner, FCTA, FCCA and KMC.

(b) Under either a one-prong or two-prong test, what is "similar functionality?"

AT&T, TCG and MediaOne: *A "similar functionality" test would be met if, for example, an ALEC switch aggregates traffic over a wide geographic area and performs other measurement and recording functions. Similar functionality does not require trunk-to-trunk switching.*

AT&T, TCG and MediaOne adopt the discussion and arguments set forth in the Joint Posthearing Brief filed by Global NAPS, US LEC, MCI, e.spire, Time Warner, FCTA, FCCA and

KMC.

(c) Under either a one-prong or two-prong test, what is "comparable geographic area?"

AT&T, TCG and MediaOne: *An ALEC switch serves a "comparable geographic area" to an ILEC local tandem switch if the ILEC uses a tandem switch to serve the rate centers associated with the NPA/NXXs that the ALEC has opened in its switch for the origination and termination of local traffic.*

AT&T, TCG and MediaOne adopt the discussion and arguments set forth in the Joint Posthearing Brief filed by Global NAPS, US LEC, MCI, e.spire, Time Warner, FCTA, FCCA and KMC.

Issue 13: How should a "local calling area" be defined, for purposes of determining the applicability of reciprocal compensation?

AT&T, TCG and MediaOne: *ALECs should be allowed to establish their own local calling areas which may or may not be the same as the ILECs.*

AT&T, TCG and MediaOne adopt the discussion and arguments set forth in the Joint Posthearing Brief filed by Global NAPS, US LEC, MCI, e.spire, Time Warner, FCTA, FCCA and KMC.

Issue 14: a) What are the responsibilities of an originating local carrier to transport its traffic to another local carrier?

AT&T, TCG and MediaOne: *An ILEC must allow a requesting ALEC to interconnect at any technically feasible point, including the option to interconnect at a single point of interconnection per LATA. Once a point of interconnection is established, each carrier is responsible for delivering originating traffic to the point of interconnection.*

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

AT&T, TCG and MediaOne: *FCC rules and orders preclude an originating carrier from charging a terminating carrier for the cost of switching and transporting traffic originated on its network to the point of interconnection. These rules also require the originating carrier to compensate the terminating carrier for transport and termination of such traffic through the payment

of intercarrier compensation.*

Issue 14 concerns the question of who should pay for the cost of an ILEC's local telecommunications traffic. The question itself should compel the answer. Basic fairness, as well as the law, require that each ILEC should be responsible for the cost of its own traffic, whether that traffic is from one ILEC customer to another, or from an ILEC customer to an ALEC customer. Just as ALECs bear the cost of getting their traffic to ILEC switches, the ILECs should bear equivalent financial responsibility for getting their traffic to an ALEC switch or switches within a LATA. Rather than bear financial responsibility for its own traffic, however, BellSouth and Verizon would have the Commission declare that, in certain circumstances, they are not responsible for all of the costs of getting calls from its customers to ALEC customers. (Tr. 37, 122, 124) The Commission should reject this effort by BellSouth and Verizon to abdicate their financial responsibility.¹

BellSouth and Verizon would have the Commission believe that there are no rules or regulations that resolve this issue. That is simply and patently incorrect. The law provides that each carrier should be financially responsible for all of the costs of transporting its own originating traffic to the terminating carrier's network. Indeed, based on the law, resolution of this issue *should* be simple. Under the law, BellSouth and Verizon may not charge ALECs for the cost of local calls that originate on their network. Period. None of the arguments raised by BellSouth or Verizon refute the plain and simple fact that the law must dictate the outcome of this proceeding.

BellSouth also is incorrect in portraying this issue as one "caused" by ALECs as a result of their local network designs. (Ruscilli, Tr. 44, 141) This issue arises because the ILEC networks and

¹It appears from pre-filed testimony that Sprint supports the ALEC position on this issue.

ALEC networks are configured differently, yet still must interconnect to serve a similar geographic base of customers. The issue of financial responsibility for the ILECs' own calls is thus not "caused" by ALECs. Indeed, it is entirely inappropriate to look at this issue from the perspective of either the ILEC or the ALEC networks. It is the interconnection of all networks that should be the focus of this issue. (Tr. 143-44) The very fact that BellSouth portrays this issue as "caused" by ALECs demonstrates that the BellSouth and Verizon proposals are inherently biased. The Commission should reject their approach and should adopt the only proposal that is neutral with respect to network architecture and design. Only the ALEC proposal--that each party (regardless of network design) is responsible for all of the costs of its own originating traffic--meets this requirement.

A. AS A MATTER OF LAW, THE COMMISSION MUST REJECT THE BELLSOUTH AND VERIZON PROPOSAL

There is an abundance of legal authority which supports the ALEC position on this issue. First, there is legal authority which specifically states that BellSouth and Verizon cannot charge ALECs for the cost of telecommunications traffic that originates on the ILECs' networks. The Act and FCC regulations both require each carrier to bear financial responsibility for the cost of transporting its own originating traffic. These provisions also require mutual and reciprocal recovery of costs associated with transport and termination of calls originating on another carrier's network. The FCC's regulations clearly and specifically provide that BellSouth and Verizon may not charge ALECs for any of the costs of transporting their own originating traffic.

Second, statutory, regulatory, and judicial law prevents BellSouth and Verizon from interfering with the rights of ALECs to choose points of interconnection. The Act and FCC regulations unequivocally provide that ALECs have the legal right to determine where they will

interconnect with BellSouth and Verizon, both for purposes of where ALECs will terminate their originating traffic and for purposes of where BellSouth and Verizon must deliver their originating traffic to ALECs. This statutory right is meaningful, however, *only if* the allocation of financial responsibility for transporting traffic corresponds to the interconnection points chosen by ALECs.

1. BellSouth and Verizon are prohibited from charging ALECs for calls that originate on the ILECs' networks

Congress and the FCC have both established that the financial consequences of interconnection must be mutual and reciprocal. Section 252(d)(2)(A) of the Act provides:

[A] state commission shall not consider the terms and conditions for reciprocal compensation to be just and reasonable unless ... such terms and conditions provide for the mutual and reciprocal recovery by each carrier of costs associated with the transport and termination on each carrier's network facilities of calls that originate on the network facilities of the other carrier.

47 U.S.C. § 252(d)(2)(A). Under this provision of the Act, the originating carrier continues to collect and keep local revenues, and, where an ALEC is used to terminate the call (because the terminating customer obtains service from a competing local provider), the Act establishes reciprocal compensation to compensate the terminating carrier for its costs of transport and termination. The Act, however, does not alter the long-standing economic model for interconnection, under which the *originating carrier* collects local revenues and is responsible for *all* of the costs of originating, transporting and terminating its own traffic.

Consistent with this obligation, 47 C.F.R. § 51.703(b) unequivocally provides that “[a] LEC may not assess charges on any other telecommunications carrier for telecommunications traffic that

originates on the LEC's network." (Tr. 144)² The FCC clearly adopted this rule to foster competition and to prevent the ILECs from doing precisely what they are trying to do in this case:

Because an incumbent LEC currently serves virtually all subscribers in its local serving area, an incumbent LEC has little economic incentive to assist new entrants in their efforts to secure a greater share of that market. An incumbent LEC also has the ability to act on its incentive to discourage entry and robust competition by not interconnecting its network with the new entrant's network or by insisting on supracompetitive prices or other unreasonable conditions for terminating calls from the entrant's customers to the incumbent LEC's subscribers.³

Rule 51.703(b), in no uncertain terms, prohibits BellSouth and Verizon from charging ALECs for calls from ILEC customers to ALEC customers.

There is no question that the calls at issue originate on the ILEC's networks. (Tr. 144) Moreover, the calls in question are definitely telecommunications traffic. 47 C.F.R. § 51.701(b)(1) essentially defines telecommunications traffic as all traffic other than interstate and intrastate exchange access, and certain other forms of traffic which are not at issue here. The calls in question are certainly telecommunications traffic, and, more specifically, local telecommunications traffic. Indeed, BellSouth never denies that the calls in question are local telecommunications traffic which originate on BellSouth's network. (Tr. 144) In short, BellSouth never denies that the calls in question fall within the prohibition of Rule 51.703(b). Essentially, BellSouth would thus have the

²The rule originally referred to "local telecommunications traffic," but "local" was deleted by the FCC in its April 27, 2001 order addressing compensation for ISP-bound traffic. *See In re: Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Order on Remand and Report and Order*, FCC 01-131, CC Dockets 96-98 and 99-68, rel. April 27, 2001 ("*ISP Remand Order*").

³First Report and Order, *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Interconnection between Local Exchange Carriers and Commercial Mobile Radio Service Providers*, FCC 96-325; CC Docket Nos. 96-98, 95-185 ¶ 10 (Aug. 8, 1996) ("*Local Competition Order*").

Commission sanction what the FCC has already told BellSouth it may not do. The BellSouth proposal is illegal, and the Commission must reject it.

The FCC has addressed the application of Rule 51.703(b) in an adjudicatory proceeding. In *TSR Wireless, LLC, et. al., v. U.S. West*, File Nos. E-98-13, et. al., FCC 00-194 (June 21, 2000) (appeal filed *sub nom, Qwest Corp. v. FCC*, Docket No. 00-1376 (D.C. Cir. Aug. 17, 2000)) (“*TSR Wireless*”), several paging carriers alleged that US West and other ILECs had improperly imposed charges for facilities used to deliver LEC-originated traffic. The paging carriers based their complaint on 47 C.F.R. § 51.703(b) and sought an order from the FCC prohibiting the ILECs from charging for dedicated and shared transmission facilities used to deliver LEC-originated traffic. The FCC agreed with the paging carriers. In its Order, the FCC determined that “any LEC efforts to continue charging [the paging carriers] or other carriers for delivery of such [LEC-originated] traffic would be unjust and unreasonable.” *Id.* ¶ 29. The FCC concluded that FCC “rules prohibit [the ILECs] from charging for facilities used to deliver LEC-originated traffic [to the paging carriers.]” *Id.* ¶ 25.

The FCC also recently addressed this issue in its Memorandum and Order, *Joint Application by SBC Communications Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services, Inc. d/b/a Southwestern Bell Long Distance for Provision of In-region, interLATA Services in Kansas and Oklahoma*, FCC 01-29, CC Docket No. 00-217 (January 22, 2001) (“*SBC Kansas & Oklahoma Order*”). In its *SBC Kansas and Oklahoma Order*, the FCC was presented with the issue of the incumbent effectively denying “a competing carrier the right to select a single point of interconnection by *improperly* shifting to competing carriers inflated transport and switching costs associated with such a [single point of interconnection] arrangement.” *Id.* ¶ 233. The issue before the FCC was thus the same issue in this proceeding, and SBC took the same

position before the FCC that BellSouth has presented in this proceeding. Although the issue was one of future compliance, the FCC nonetheless cautioned SWBT “from taking what appears to be an expansive and out of context interpretation of findings we made in our *SWBT Texas Order* concerning its obligation to deliver traffic to a competitive LEC’s point of interconnection.” *SBC Kansas and Oklahoma Order* ¶ 235. In particular, the FCC confirmed that its decision allowing an ALEC to designate a single point of interconnection did not in any way “change an incumbent LEC’s reciprocal compensation obligations under our current rules.” *Id.*

In its *SBC Kansas and Oklahoma Order*, the FCC specifically referenced the very same rule it addressed in *TSR Wireless* (47 C.F.R. §§ 51.703(b)), which “preclude[s] an incumbent LEC from charging carriers for local traffic that originates on the incumbent LEC’s network.” *Id.* The FCC also specifically referenced its *TSR Wireless* decision. *Id.* n. 698. Although the manner in which the issue presented itself did not cause the FCC to issue a declaratory ruling (Tr. 152), the *SBC Kansas & Oklahoma Order* provides additional FCC guidance supporting the conclusion that the Commission must reject the BellSouth proposal on this issue.

More recently, the FCC confirmed the application of its Rule 51.703(b) in its April 27, 2001, Notice of Proposed Rulemaking.⁴ In its *Intercarrier Compensation NPRM*, the FCC reiterated that “an ILEC must allow a requesting telecommunications carrier to interconnect at any technically feasible point, including the option to interconnect a single POI per LATA.” *Intercarrier Compensation NPRM* ¶ 112. More specifically, once again referencing its *TSR Wireless* decision and its *SBC Kansas and Oklahoma Order*, the FCC confirmed that its “current reciprocal

⁴See *In the Matter of Developing a Unified Intercarrier Compensation Regime*, Notice of Proposed Rulemaking, FCC 01-132, CC Docket No. 01-92, rel. April 27, 2001, ¶105 (“*Intercarrier Compensation NPRM*”).

compensation rules preclude an ILEC from charging carriers for local traffic that originates on the ILEC's network." *Id.* (Tr. 75) In short, not once, not twice, but three times the FCC has confirmed that its rules preclude BellSouth and Verizon from charging ALECs for the cost of local traffic that originates on BellSouth's network. It is hard to fathom how much clearer the FCC would have to be or how many more times the FCC would have to remind BellSouth and Verizon of the FCC's rules before BellSouth would cease its efforts to have this Commission sanction a proposal that violates those rules.

It is particularly telling that BellSouth never directly addresses Rule 51.703(b) in its testimony. Rather than address the rule itself, BellSouth merely raises a diversionary assault on the *TSR Wireless* decision. BellSouth contorts the result of that decision to suggest a construction of Rule 51.703(b) that alleviates BellSouth's financial responsibility for all of its own local traffic. In its *SBC Kansas and Oklahoma Order* and its *Intercarrier Compensation NPRM*, however, the FCC specifically referenced both 47 C.F.R. §§ 51.703(b) *and* its *TSR Wireless* decision in warning SWBT against "taking what appears to be an expansive and out of context interpretation of findings we made in our *SWBT Texas Order* concerning its obligation to deliver traffic to a competitive LEC's point of interconnection." *SBC Kansas and Oklahoma Order* ¶ 235. Of course, that "expansive and out of context interpretation" is the very same interpretation that BellSouth would have the Commission now endorse.

Moreover, even the construction of Rule 51.703(b) and the *TSR Wireless* decision suggested by BellSouth fails to support its position on this issue. In order to support its interpretation of Rule 51.703(b), BellSouth relies on the fact that the phrase "local telecommunications traffic" in Rule 51.703(b) (which was deleted by the FCC in its April 27, 2001, *ISP Remand Order*) is defined to include calls that originate and terminate in a local service area approved by the Commission. 47

C.F.R. § 701(b)(1). BellSouth concludes that the decision in *TSR Wireless* -- that an ILEC may not charge for CMRS calls that originate and terminate in the same MTA - - means that for non-CMRS calls, BellSouth is obligated only to deliver at no charge those calls that originate and terminate in, **and never leave**, the same BellSouth local calling area. (Tr. 78-79, 146) The Commission should reject this contortion of the FCC's rules.

The FCC made no such pronouncement in its *TSR Wireless* decision. Neither the scope of the local calling area (*i.e.* the MTA), nor telecommunications traffic traveling outside that local calling area were at issue in *TSR Wireless*. Simply put, the FCC in *TSR Wireless* made no pronouncement that the scope of Rule 51.703(b) is in any way limited to calls that originate and terminate in, **but never leave** the boundaries of a local calling area. The FCC simply reinforced that Rule 51.703(b) prohibits an ILEC from charging for any local telecommunications traffic that originates on its network.

Moreover, BellSouth's deviation from the plain words of Rule 51.703(b) is unsupported by the rule itself or any other legal authority. Neither the rule or the definition of telecommunications traffic say that traffic is telecommunications traffic "unless it travels outside the BellSouth basic local service area in which it originates and terminates." (Tr. 149) Had the FCC wanted to limit the rule, it could have done so by including the limitation advocated by BellSouth. Under Rule 51.703(b), BellSouth may not charge ALECs for any portion of the cost of the traffic at issue.

In addition, the MTA discussed in *TSR Wireless* is equivalent to the local service area of wireless carriers, not ILECs. (Tr. 146) Thus, under BellSouth's interpretation of *TSR Wireless*, it is an ALEC's local calling area which defines the scope of BellSouth's obligation to transport its own traffic to the ALEC for termination. Since ALECs can define their local calling areas to include an entire LATA, (Tr. 109, 116, 147), by BellSouth's own construction of *TSR Wireless*, BellSouth

is obligated to transport its own traffic to any point in a LATA for termination by an ALEC. (Tr. 147-148)

Finally, even if BellSouth is correct in its interpretation of Rule 51.703(b), that interpretation is *not* what BellSouth has proposed to the Commission in this proceeding. What BellSouth wants the Commission to hold is that BellSouth is only responsible for the cost of calls that originate and terminate in, and never leave, the same BellSouth *basic* local calling area. (Tr. 153) A basic local calling area, however, is not the same as a local calling area, and there is a reason that BellSouth offers no law or analysis in support of its proposition that its responsibilities are limited to calls that originate and terminate in and never leave the same basic local calling areas. Simply put, there is none.

The Commission has already determined that BellSouth's proposal is contrary to law. In its June 28, 2001, Final Order on Arbitration in the AT&T arbitration, the Commission determined that it is "uncontested that an ALEC has the right to establish a single POI per LATA for the mutual exchange of telecommunications traffic."⁵ Further, the Commission agreed with AT&T that there is "an unbroken chain of decisions that give competitive LECs the unequivocal right to determine where their networks will interconnect with the incumbent's network." *Id.* The Commission also agreed with AT&T's interpretations of 47 C.F.R. § 51.703(b) and with AT&T's interpretation of the FCC's rule prohibiting ILECs from requiring ALECs to interconnect in multiple local calling areas. *Id.* at 44. The Commission further found nothing in the record of the proceeding to support a finding that the BellSouth proposal provided for mutual and reciprocal recovery by each carrier of their

⁵Final Order on Arbitration, *In re: Petition by AT&T Communications of the Southern States, Inc. d/b/a AT&T for Arbitration of Certain Terms and Conditions of a Proposed Agreement with BellSouth Telecommunications, Inc. Pursuant to 47 U.S.C. Section 252*, Docket No. 000731, Order No. FPSC-01-1402-FOF-TP at 43 (June 28, 2001).

respective costs as required by the Act. *Id.* at 45. The Commission concluded that AT&T should be permitted to designate a single POI per LATA “with both parties assuming financial responsibility for bringing traffic to the AT&T-designated interconnection point.” *Id.* at 46. The record of this proceeding is substantially the same as the record in the AT&T arbitration. (Tr. 136) The law is certainly the same. Accordingly, there is no reasonable basis for the Commission to reach any decision in this proceeding other than the decision it reached in the AT&T arbitration.

The Commission also addressed this issue in its June 18, 2001, Final Order on Petition for Arbitration in the Level 3 arbitration. The Commission there held that “[a] competitive LEC has the authority to designate the point or points of interconnection on an incumbent’s network for the mutual exchange of traffic nothing in the record of this proceeding that gives BellSouth the option of designating its own POIs, either in a LATA or in local calling areas within a LATA.”⁶ The Commission specifically found that the position advocated by BellSouth “requires an assumption of authority by an incumbent not specifically granted by the FCC.” *Id.* at 12. The Commission concluded that “the FCC’s orders, rules, and decisions vest in competitive local exchange companies the right to designate interconnection points for the mutual exchange of telecommunications traffic. Further we find nothing in the record granting BellSouth the authority to designate separate interconnection points for its originating traffic.” *Id.* at 12-13. Notably, the Commission’s decision in the Level 3 arbitration is based squarely on the law, and that law has not changed since the decision was issued. Accordingly, consistent with its prior decisions in the Level 3 and AT&T arbitrations, the Commission should reject the BellSouth and Verizon positions in this proceeding

⁶Final Order on Petition for Arbitration *In re: Petition by Level 3 Communications, LLC for Arbitration of Certain Terms and Conditions of a Proposed Agreement wit BellSouth Telecommunications, Inc.*, Docket No. 000907-TP, Order No. PSC-01-0806-FOF-TP at 10 (March 27, 2001). (Tr. 136-37)

as contrary to the law.⁷

More recently, the Georgia Public Service Commission also rejected the BellSouth and Verizon positions. In a proceeding virtually the same as this one, with substantially the same parties and record, on July 23, 2001, the Georgia Public Service Commission unanimously adopted the recommendation of its Staff that requesting carriers have the right to designate the network point of interconnection at any technically feasible point and that BellSouth is obligated to pay for the transport to get calls originated on its network to the POI designated by an ALEC.⁸ This Commission should adopt a position consistent with the position adopted in Georgia.

Other commissions have reached similar results. The Indiana Commission reached a similar conclusion when it determined the allocation of financial responsibility for facilities necessary to deliver originating traffic to the interconnection point.⁹ The Indiana Commission adopted AT&T's position and required that each party be financially responsible for ensuring that sufficient facilities are in place to deliver traffic originating on its network to the top of the other party's network, and for bearing the cost of providing those facilities. *Id.* at 28. Justifying its decision on fairness grounds, the commission found that "it is not equitable for one party to provide all of the facilities (or a disproportionate amount of such facilities) for both parties' traffic." *Id.* The commission held:

⁷Moreover, in the Level 3 arbitration, the Commission found, notwithstanding the law, that BellSouth presented no evidence to support its assertion of unfair burden or additional costs associated with compliance with the law. BellSouth admitted that it also presented no such evidence in this proceeding. (Tr. at 137-38)

⁸Georgia Public Service Commission, Generic Docket No. 13542.

⁹Decision, *Petition for Arbitration of a Interconnection Rates, Terms and Conditions and Related Arrangements with Indiana Bell Telephone Company, Inc., d/b/a Ameritech Indiana Pursuant to Section 252(b) of the Telecommunications Act of 1996*, Case No. 40571-INT-03, p. 27-28 (IURC Nov. 20, 2000) ("*Indiana Order*").

“The fundamental concept of AT&T’s model for equitable interconnection is that the originating carrier bears the financial responsibility for the origination and termination of its traffic. Ameritech Indiana’s interconnection proposal is not reciprocal and would shift a portion of its interconnection costs to AT&T.” *Id.*¹⁰

Purely as a matter of law, BellSouth and Verizon bear financial responsibility for all the costs of their own local traffic, and are prohibited from charging ALECs for any of the costs of those calls.¹¹ The Act and FCC regulations specifically prohibit shifting the costs of transport for originating traffic. The ILEC interconnection proposal would violate this requirement by shifting to ALECs a substantial portion of the costs of transporting the ILECs’ own traffic. BellSouth and Verizon should not be permitted to use the Commission to approve what the FCC has already told the ILECs they may not do. The ILEC proposal is illegal, and the Commission is legally prohibited from adopting that proposal.

¹⁰See also Arbitration Award, *Petition for Arbitration to Establish an Interconnection Agreement Between Two AT&T subsidiaries, AT&T Comm’ns of Wisconsin, Inc. and TCG Milwaukee and Wisconsin Bell, Inc., (d/b/a Ameritech Wisconsin)* at 37, O5-MA-120 (Oct. 12, 2000); Michigan Public Service Commission Order at 9, *AT&T Comm’ns of Michigan Inc. and TCG Detroit’s Petition for Arbitration*, Case No. U-12465 (November 20, 2000).

¹¹Relying on ¶ 199 of the *Local Competition Order*, BellSouth argues that it should not be required to bear any financial consequences of AT&T’s network structure and that ALECs must bear the additional costs of their requested form of interconnection. (Ruscilli, Tr. 46-47, 80-81, 129-30.) BellSouth’s cost, however, is only a factor where BellSouth can establish that the competing carrier “purposely structur[ed] its point(s) of interconnection to maximize the cost to the ILEC or to otherwise gain an unfair competitive advantage.” *U. S. West Comm’ns, Inc. v. Jennings*, 46 F. Supp. 2d 1004, 1021 (D. Ariz. 1999). BellSouth has made no such showing. Moreover, Paragraph 199 of the FCC’s *Local Competition Order* refers to the physical costs of interconnection under § 252(d)(1) of the Act, not the charges for transport and termination of traffic under § 252(d)(2) of the Act. (Tr. 130, 131.) Indeed, ¶ 199 generally concerns the technical feasibility of interconnection, rather than financial responsibility. (Tr. 131)

2. ALECs are Entitled to Choose One Interconnection Point Per LATA as a Matter of Law

The configurations of ALEC networks and ILEC network lie at the heart of this issue. If ALECs had replicated the ILEC networks in Florida, there would be no dispute. ALECs and ILECs would have the same number of switches and could interconnect at each switch location. ALECs, however, are not required to replicate the ILEC networks in Florida, nor would Florida customers best be served if every other ALEC was required to replicate the ILECs' networks.

Moreover, this issue does not arise because ALECs have chosen to design their networks in some unique or complicated manner. Rather, it arises from the fact that the ILEC networks and the ALEC networks are configured differently, yet still must still interconnect to serve a similar geographic base of customers. Because of those differences, if an ALEC designates a single point of interconnection in a LATA, it is possible that a call from a BellSouth customer in a BellSouth basic local calling area to an ALEC customer in that same basic local calling area will have to travel outside the basic local calling area to the point of interconnection before it reaches the ALEC switch and ultimately the ALEC customer. This possibility reflects the different network configurations deployed by ALECs and ILECs, and, in particular, the different emphasis on the number and location of switches.

This difference in design should be a difference without a distinction as far as selection of points of interconnection and financial responsibility are concerned. Just as ALECs have agreed to pay all of the costs of getting calls from its customers to ILEC customers, the ILECs should pay all of the costs of getting calls from their customers to ALEC customers, no matter where the customers are and no matter where the point of interconnection is. In addition, the fact that a call from an ILEC customer to an ALEC customer may have to travel outside the ILEC's basic local calling area should

not in any way undermine the ALEC's legal right to designate a single point of interconnection in a LATA.

In effect, however, that is precisely what the ILEC proposal does. The ILECs do not dispute that ALECs have the right to interconnect with the ILEC networks at a single point within each LATA. (Ruscilli, Tr. 36, 119). The ILEC position, however, is that they nonetheless should have the unilateral and arbitrary right to designate where their financial responsibilities for transporting traffic from their own customers will end. The ILECs contend that in certain circumstances they are not responsible for all of the costs associated with transporting their traffic beyond an arbitrary and unspecified point in each of their basic local calling areas. In particular, for calls from customers in a BellSouth basic local calling area to ALEC customers in that same basic local calling area which must travel outside the basic local calling area to get to the point of interconnection, BellSouth would have the Commission declare that BellSouth bears no financial responsibility for the cost of getting those calls from some unspecified and arbitrary point in the basic local calling areas to the point of interconnection. According to BellSouth, in those circumstances, the ALEC would be responsible for the costs of the facilities needed to transport *BellSouth's own traffic* from the BellSouth basic local calling area to the point of interconnection. Under the ILEC proposal, the ability of ALECs to interconnect at a single point in a LATA would be meaningless, because the ILECs would require ALECs to pay the difference between the cost of that single point of interconnection and the cost of multiple points of interconnection in each ILEC basic local calling area. The ILEC proposal also would eliminate an ALEC's right to determine the point at which it will *exchange* traffic with an ILEC, by conferring upon the ILEC a unilateral right to determine the point at which it will hand off its originating traffic to the ALEC. Notwithstanding the ILECs' stated acceptance of a single point of interconnection in each LATA, the ILEC proposal has the practical,

and certainly the economic effect of requiring ALECs to have a physical point of interconnection in every basic local calling area in Florida.

Section 251(c)(2) of the Act imposes upon the ILEC:

The duty to provide, for the facilities and equipment of any requesting telecommunications carrier, interconnection with the local exchange carrier's network –

(A) for the transmission and routing of telephone exchange service and exchange access;

(B) *at any technically feasible point within the carrier's network;*

47 U.S.C. § 251(c)(2)(emphasis added); (*see also* Ruscilli, Tr. 37, 118). In its *Local Competition Order*, the FCC stated that section 251(c)(2) “allows *competing carriers* to choose the most efficient points at which to exchange traffic with incumbent LECs, thereby lowering the competing carriers’ costs of, among other things, transport and termination of traffic.” *Local Competition Order* ¶ 172; *see also* ¶ 220 n. 464 and Tr. 118.

The FCC has consistently applied the Act and its regulations to prevent incumbent LECs from increasing costs by requiring multiple points of interconnection. In its order approving SWBT’s application for interLATA authority in Texas, the FCC made clear that this provision gives competing local providers the option to interconnect at as few as one technically feasible point within each LATA.¹² As the FCC explained:

New entrants may select the most efficient points at which to

¹²Memorandum Report and Order, *Application by SBC Communications Inc., Southwestern Bell Telephone Company, And Southwestern Bell Communications Services, Inc. d/b/a Southwestern Bell Long Distance Pursuant to Section 271 of the Telecommunications Act of 1996 To Provide In-Region, InterLATA Services In Texas*, CC No. 00-65, ¶ 78 (rel. June 30, 2000) (hereinafter “*Texas 271 Order*”).

exchange traffic with incumbent LECs, thereby lowering the competing carriers' cost of, among other things, transport and termination.

Id. The FCC was very specific:

Section 251, and our implementing rules, require an incumbent LEC to allow a competitive LEC to interconnect at any technically feasible point. This means that a competitive LEC has the option to interconnect at only one technically feasible point in each LATA.

Id. (citing *Local Competition Order* ¶¶ 172, 209). As a result of this decision, AT&T is not required to bear the financial cost of any SWBT originated calls in Texas. That financial responsibility rests solely with SWBT.

The FCC also was very clear in its *Local Competition Order* that ALECs have the right to determine the points at which they will **exchange** traffic with ILECs. *Local Competition Order* ¶¶ 172, 209 n. 464; (Tr. 218, 317-18) An “exchange” necessarily implies a two-way process. Thus, under FCC rules, ALECs clearly have the right to determine **both** the point at which they will hand off their originating traffic to the ILECs **and** the point at which the ILECs will hand off their traffic to ALECs. The FCC’s rules are designed to confer greater rights to ALECs than the ILECs with respect to the ability to choose points of interconnection. (Tr. 317-18) The ILECs would eliminate those rights by having the Commission transfer to the ILECs the right to determine the point at which the ILECs will hand off their traffic to ALECs.

The FCC has found the right of a competing carrier to choose the point of interconnection, and conversely the unlawfulness of any attempts by incumbents to dictate points of interconnection, sufficiently clear and compelling to intervene in court reviews of interconnection disputes. For example, in an interconnection dispute in Oregon, the FCC intervened as *amicus curiae* and urged the court to reject US West’s argument that the Act requires a competing carrier to “interconnect in

the same local exchange in which it intends to provide local service.”¹³ The FCC stated:

Nothing in the 1996 Act or binding FCC regulations requires a new entrant to interconnect at multiple locations within a single LATA. Indeed, such a requirement could be so costly to new entrants that it would thwart the Act’s fundamental goal of opening local markets to competition.

Id. at 20. The FCC based its argument on both statutory and policy grounds.

Several federal district courts also have rejected as inconsistent with Section 251(c)(2) any efforts to require competing carriers to establish points of interconnection in each local calling area. *See, e.g., US West Communications, Inc., v. Minnesota Public Utilities Commission, et al.*, No. 97-913 ADMAJB, slip op. at 33-34 (D. Minn. 1999) (rejecting US West’s argument that section 251(c)(2) requires at least one point of interconnection in each local calling exchange served by US West). A district court in Colorado reversed a state commission’s order that an ALEC must establish an interconnection point in every local calling area. *U.S. West Communications, Inc. v. Hix, et al.*, No. C97-D-152, (D. Colo., June 23, 2000). The Colorado court held that under the Act and the FCC regulations, “it is the CLEC’s choice, subject to technical feasibility, to determine the most efficient number of interconnection points, and the location of those points.” *Id.* at 3.

Similarly, in Washington, the district court affirmed the state commission’s determination that AT&T may establish a single interconnection point within each LATA and rejected US West’s contention that an ALEC must have an interconnection point in every local calling area in which it offers service. *US West Communications v. AT&T Communications of the Pacific Northwest, Inc., et al.*, No. C97-1320R, 1998 U.S. Dist. LEXIS 22361 at *26 (W.D. Wa. July 21, 1998). The

¹³Memorandum of the Federal Communications Commission as Amicus Curiae, at 20-21, *US West Communications Inc., v. AT&T Communications of the Pacific Northwest, Inc., et al.* (No. CV 97-1575-JE) (D. Or. 1998).

Washington court based its decision on purely statutory grounds, finding appropriate the commission's refusal to "consider the cost of a single interconnection point per LATA because '[a] determination of technical feasibility does not include consideration of economic, accounting, [or] billing . . . concerns.'" *Id.* at *27. *Accord U S West Communications, Inc. v. MFS Intelenet, Inc.*, No. C97-222WD, 1998 WL 350588, at 3 (W.D. Wa. 1998), *aff'd* by the Ninth Circuit in *U. S. West Communications v. MFS Intelenet, Inc.*, 193 F.3d 1112 (9th Cir. 1999) ("The agency correctly applied the Act when it limited its review to the technical feasibility of the LATA connection approved in the agreement.").

Numerous state commissions that have considered this issue in the context of AT&T's arbitrations have rejected the ILEC's position and ruled in favor of AT&T on this issue. For example, in California, the state commission considered both statutory and policy grounds when deciding to adopt AT&T's proposal.¹⁴ The commission approved the arbitrator's findings that AT&T could save on its interconnection costs if it was not required to interconnect at each Pacific Bell end office. *Id.* at 13. The commission found that "AT&T is in the best position to analyze its traffic volumes and decide, in specific circumstances, whether it is more economical to interconnect at the tandem or end office." *Id.* At AT&T's request, the commission set default points of interconnection at AT&T's switch and Pacific Bell's tandem switch. *Id.*¹⁵

¹⁴Opinion, *Application of AT&T Communications of California, Inc. (U 5002 C), et al., for Arbitration of an Interconnection Agreement with Pacific Bell Telephone Company Pursuant to Section 252(b) of the Telecommunications Act of 1996*, No. 00-01-022, p. 13 (CA PUC Aug. 3, 2000).

¹⁵*See also* Order Addressing and Affirming Arbitrator's Decision, *In the Matter of the Petition of TCG Kansas City, Inc. for Compulsory Arbitration of Unresolved Issues with Southwestern Bell Telephone Company Pursuant to Section 252 of the Telecommunications Act of 1996*, p. 9 (Aug. 7, 2000); Decision of Arbitration Panel, *AT&T Comm'ns of Michigan, Inc. and TCG Detroit's Petition for Arbitration*, Case No. U-12465 (Oct. 18, 2000). (The Michigan Public Service Commission affirmed this portion of the Arbitration Panel's Decision by Order

Although the ILECs on the one hand accept an ALEC's legal right to designate a single interconnection point per LATA (Tr. 118-19), the compensation elements of their proposal essentially eliminate that right. The ILECs have proposed forcing ALECs to be financially responsible for picking up ILEC traffic at some arbitrary and unspecified point in each ILEC basic local calling area and transporting that traffic to the point of interconnection in the LATA. This proposal would render an ALEC's chosen interconnection points meaningless; an ALEC derives no benefit from its right to designate interconnection points unless they serve their intended purpose of delineating the boundaries of the ALEC's network responsibility. By agreeing that ALECs may interconnect at a single point in a LATA, the ILECs know full well that they offer nothing more than the sleeves out of their own vests. By also requiring ALECs to pay the cost of transporting the ILEC's own traffic from the boundaries of their basic local calling areas to the point of interconnection designated by the ALEC, the ILECs, would, *in effect*, require ALECs to construct a point of interconnection in each ILEC basic local calling area.

It is a hollow gesture to allow ALECs to designate a single point of interconnection and then require ALECs to pay the difference of the cost of that single point of interconnection and the cost of multiple points of interconnection in every ILEC basic local calling area. (Tr. 12) The ILEC proposal would effectively eliminate the right of ALECs to designate a single point of interconnection, because it would force ALECs to pay the ILECs *as if* ALECs were required to establish multiple points of interconnection in all of the ILECs' basic local calling areas. It would be plainly contrary to the objectives set forth by the FCC to allow an ALEC to interconnect at a single point, but then require that ALEC to pay the incumbent carrier for transport facilities as if the ALEC were required to interconnect at multiple points. Any such decision would render

dated November 20, 2000).

meaningless the ALEC's ability to interconnect at a single point in a LATA.

B. Basic Fairness and Sound Public Policy Compel Rejection of the ILEC Proposal

The ALECs have proposed equivalent interconnection points, which would require each party to bear financial responsibility for delivering its originating traffic to a comparable entry point into the other's network. The benefits of the ALEC proposal thus include its reciprocal nature – each party bears the equivalent financial burden of transporting its own traffic through its network to the top level of the other network and of terminating traffic from the top level of its own network to the appropriate customer. The ALEC proposal is, in the words of the Indiana commission, “consistent with federal law and good telecommunications policy.” *Indiana Order* at 20. Commissions in Kansas, California, Texas and Wisconsin have agreed that the comparable top-level points proposed by the ALECs are the fair and equitable interconnection points for each carrier.

Under the ALEC proposal, neither party is required to transport traffic within the other's network, and each party retains control of its own network. Under the ALEC proposal, there is no cost-shifting and no requirement to bear the cost of the embedded network. Most importantly, under the ALEC proposal, the costs associated with each party's inefficiencies rest appropriately upon the party who incurred those costs, thus providing incentives for efficiency-enhancing change. Only the ALEC proposal is neutral to the design of each party's network. (Schell, Tr. 955, 956, 982-983, 994) Only the ALEC proposal promotes the kind of pro-competitive progress contemplated by the FCC and the Act.

On the other hand, far from comparable or fair obligations, the ILECs propose points of interconnection that are skewed to their benefit for both originating and terminating traffic. (Schell, Tr. 966-967) Such inequitable favorable treatment of the incumbents confounds the pro-competitive purposes of the Act. While requiring ALECs to deliver all of their calls to the appropriate ILEC

switch, the ILECs will not agree to deliver all of their calls to the ALEC switches. (Tr. 122) Instead, the ILECs would have the Commission declare that the ILECs may choose an arbitrary point in each of their basic local calling areas at which the ILECs may shift responsibility for the cost of their own traffic to ALECs.

The ILEC position is thus inconsistent with their rallying cry of “fundamental fairness.” To the contrary, the ILEC proposal is biased and unfair. (Schell, Tr. 966-67) It is important to remember that the costs in dispute are the costs of *the ILECs’ own traffic*. (Ruscilli, Tr. 37) Just as ALECs agree to bear responsibility for all of the costs of their own traffic, and just as the ILECs bear responsibility for all of the costs of calls from one ILEC customer to another, fundamental fairness requires that the ILECs should bear responsibility for all of the costs of all calls from their customers to ALEC customers.

The ILECs propose an arrangement that benefits the ILECs, but restricts competition and hinders the advancement of telephony technology. If the ILEC proposal is adopted, ALECs would be responsible for all of the costs of getting all of their calls from their customers to the ILECs’ customers. Additionally, for ILEC originated traffic, the ILECs disregard ALEC-designated interconnection points, proposing instead that the ILECs would deliver their traffic only to some arbitrary and unspecified point in each of their basic local calling areas. The ILECs would then require ALECs to bear the cost of transporting the ILECs’ traffic from each basic local calling area within the ILECs’ networks to the ALEC’s interconnection points. Thus, under the ILEC proposal, ALECs must come to each ILEC basic local calling areas to get the ILECs’ traffic, *and* ALECs bear financial responsibility for transporting their own traffic all the way to the ILECs’ switches.

Under the ILEC proposal, ALECs would not merely pick up ILEC traffic at their chosen interconnection point, as the Act and the FCC contemplate; rather, ALECs would actually have to

transport the ILECs' own traffic within the ILECs' networks and would incur all the attendant inefficiencies and costs of the ILECs' networks. ALEC efforts to compete using an efficient, technologically-advanced network would be hampered by this required subsidy of the ILECs' embedded architecture. (Schell, Tr. 963-64, 968-69) This resulting arrangement would perpetuate and compound inefficiencies, because the ILECs would have no incentive to improve or update their networks.

If ALECs are forced to take financial responsibility for transporting the ILECs' own traffic within their networks, ALECs will be forced either to build or lease network facilities they would not otherwise need to provide service in Florida. ALECs and Florida customers would thus be unable to benefit from the efficiencies of modern network technology and design. (Schell, Tr. 963-964) Furthermore, the ILEC proposal would create two classes of customers: those who reside in the same ILEC basic local calling area as the ALEC switch, and those who do not. (Schell, Tr. 140-41) The ILEC proposal would discourage ALECs from serving the latter class of customers. "[P]enalizing [an ALEC] for its efficiently configured network architecture defeats the letter of § 252(d)(2)(A) and the spirit of the Act by eliminating any incentive to make economically efficient interconnection decisions." See *U.S. West Communications, Inc. v. Washington Utilities and Transportation Commission*, 2001 WL 740573, ___ F.3d ___, Case No. 98-36013 (9th Cir. July 3, 2001).

Notably, under its prior contracts with ALECs, BellSouth voluntarily agreed to bear the cost of such traffic. (Tr. 128-29, 131-32) The ILEC proposal thus represents a major shift in financial burdens. (Tr. 128-29, 131-32) Only now, more than five years after passage of the Act, is BellSouth claiming that fundamental fairness requires that some of the cost of its own traffic be shifted to ALECs. The ALEC proposal maintains the status quo. (Tr. 994) The ILEC proposal would simply

impose even more costs that ALECs will have to bear and more hurdles they will have to overcome in trying to compete with the ILECs to provide local telephone service in Florida.

The ALECs have proposed an approach that is equitable for all parties – an *equivalent* interconnection approach. Under the ALEC proposal, each party is reciprocally responsible for delivering its originating traffic to an equivalent entry point on the other party’s network. As numerous courts and commissions have agreed, the ALEC interconnection proposal is consistent with the law, and it advances the pro-competitive policies of the Act. Accordingly, the Commission should reject the ILEC proposal, and should adopt the ALEC proposal.¹⁶

Issue 15: **a) Under what conditions, if any, may carriers assign telephone numbers to end users physically located outside the rate center in which the telephone is homed?**

AT&T, TCG and MediaOne: *Carriers should be allowed to assign telephone numbers to end users physically located outside the rate center in which the telephone is homed anytime the carrier deems appropriate.*

b) Should the carrier compensation mechanism for calls to these telephone numbers be based upon the physical location of the customer, the rate center to which the telephone number is homed, or some other criterion?

AT&T, TCG and MediaOne: *Reciprocal compensation obligations should apply without regard to whether the physical location of the called customer is located within the originating rate center of the ILEC. The appropriate method to determine whether such traffic is local is to compare the calling and called parties NPA/NXXs.*

AT&T, TCG and Mediaone adopt the discussion and arguments set forth in the Joint Posthearing Brief filed by Global NAPS, US LEC, MCI, e.spire, Time Warner, FCTA, FCCA and

¹⁶ BellSouth also suggests an “alternative proposal.” (Ruscilli, Tr. 85-88, 112-13, 123) Forcing ALECs to adopt that proposal, however, would still violate FCC rules, since it still allows BellSouth to charge ALECs for telecommunications traffic that originates on BellSouth’s network. That BellSouth’s alternative proposal might be *less* illegal, less inefficient, or less inequitable than BellSouth’s original proposal is no reason for the Commission to adopt it.

KMC.

Issue 16(a): What is the definition of Internet Protocol (IP) Telephony?

AT&T, TCG and MediaOne: *Because it is a nascent, emerging technology, there is no single consensus definition of IP Telephony.*

Issue 16(b): What carrier-to-carrier mechanism, if any, should apply to IP Telephony?

AT&T, TCG and MediaOne: *Neither the state of the development of this technology nor the state of the evidentiary record in this proceeding supports an attempt by the Commission to answer Issue 16(b) at this time.*

AT&T, TCG and Mediaone adopt the discussion and arguments set forth in the Joint Posthearing Brief filed by Global NAPS, US LEC, MCI, e.spire, Time Warner, FCTA, FCCA and KMC.

Issue 17: Should the Commission establish compensation mechanisms governing the transport and delivery or termination of traffic subject to Section 251 of the 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?

AT&T, TCG and MediaOne: *Yes. The Commission should establish "default" symmetrical compensation rates based on the ILEC's costs that will apply unless an ALEC can establish that its own costs are greater. Such rates have been set for BellSouth in the UNE cost docket (Docket No. 990640-TP) and should be set for Verizon and Sprint in the upcoming phase of that docket.*

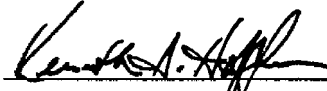
AT&T, TCG and Mediaone adopt the discussion and arguments set forth in the Joint Posthearing Brief filed by Global NAPS, US LEC, MCI, e.spire, Time Warner, FCTA, FCCA and KMC.

Issue 18: How should the policies established in this docket be implemented?

AT&T, TCG and MediaOne: *The Commission should, in a separate proceeding, establish cost based symmetrical reciprocal compensation rates available to parties unable to negotiate mutually acceptable rates. The Commission should also establish expedited procedures for implementation of the decisions made in this docket, including expedited resolution of disputes regarding any required amendments to their agreements.*

AT&T, TCG and Mediaone adopt the discussion and arguments set forth in the Joint Posthearing Brief filed by Global NAPS, US LEC, MCI, e.spire, Time Warner, FCTA, FCCA and KMC.

Respectfully submitted,



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