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Law/External Affairs

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September 25, 2001

Ms. Blanca S. Bayó, Director Division of the Commission Clerk & Administrative Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Docket No. 011177-TP Sprint's Answers, Direct Testimony of Michael R. Hunsucker and Direct Testimony of John Clayton with Exhibits

Dear Ms. Bayó:

Enclosed for filing is the original and fifteen (15) copies of :

- 1. Answer of Sprint-Florida, Incorporated
- 2. Direct Testimony of Michael R. Hunsucker
- 3. Direct Testimony of John Clayton with Exhibits

Copies of this Notice have been served pursuant to the attached Certificate of Service. Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning the same to this writer.

Thank you for your assistance in this matter.

Sincerely,

and a Khazae

Susan S. Masterton

Enclosure

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Complaint of MCImetro Access Transmission) Services LLC against Sprint-Florida, Incorporated) for improper attempt to terminate interconnection) agreement, request for interim relief, and request) for expedited processing.) Docket No. 011177-TP

Filed: September 25, 2001

ANSWER OF SPRINT-FLORIDA, INCORPORATED

Sprint-Florida, Incorporated ("Sprint"), pursuant to Order No. PSC-01-1886-PCO-TP, hereby files its Answer in response to the Complaint filed by MCImetro Access Transmission Services LLC ("MCI") in this docket. (Pursuant to that Order, Sprint's Direct Testimony of John Clayton and Michael R. Hunsucker are also filed today and accompany this Answer.) Sprint states as follows:

Respondent is:

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Sprint-Florida, Incorporated 555 Lake Border Drive Apopka, FL 32703

Respondent is represented by:

Susan S. Masterton 1313 Blairstone Road P.O. Box 2214 Tallahassee, FL 32316-2214 850-599-1560 (Telephone) 850-878-0777 (Fax) susan.masterton@mail.sprint.com

Service may be made at the above location.

ANSWER

1. Sprint is without sufficient information to admit or deny Paragraph 1 of the Complaint.

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- 2. Paragraph 2 of the Complaint is admitted.
- 3. Sprint admits Paragraph 3 in so far as the cited statutes and rules speak for themselves.
- 4. Paragraph 4 is admitted.
- 5. Paragraph 5 of the Complaint is admitted in so far as the Act and the decisions of the court speak for themselves.
- 6. Paragraph 6 of the Complaint is denied. Sprint believes that the ultimate dispute between the parties is whether the change of law provisions in the Parties' Interconnection Agreement (hereinafter "Agreement") mandated that the parties negotiate in good faith to amend the Agreement to reflect conflicting regulatory and judicial decisions enacted since the execution of the agreement and whether MCI breached the agreement by refusing to negotiate these amendments upon Sprint's request . (The Direct Testimonies of John Clayton and Michael R. Hunsucker detail the actions of the parties and the applicable federal and state regulatory and judicial decisions that Sprint asserts necessitate renegotiation.)
- 7. Paragraph 7 is admitted in so far as the terms of the Agreement speak for themselves.In all other respects, Paragraph 7 is denied.
- Paragraph 8 is admitted in so far as the terms of the Agreement speak for themselves.
 Sprint admits that it sent the letters identified by MCI in Paragraph 8.
- 9. Paragraph 9 is admitted in so far as the terms of the Agreement speak for themselves. In all other respects, paragraph 9 is denied. Sprint specifically disputes MCI's assertions as to when a contract provision "conflicts with" the law, pursuant to the terms of the Agreement and the intent of the Parties at the time the Agreement was

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executed. (The Direct Testimonies of John Clayton and Michael R. Hunsucker explain in detail Sprint's interpretation of the meaning of "conflict" in the context of the Agreement and the intent of the parties in adopting the change of law provisions.)

- 10. Paragraph 10 is admitted in so far as the terms of the Agreement speak for themselves In all other respects, Paragraph 10 is denied.
- 11. Paragraph 11 is admitted in so far as the terms of the Agreement speak for themselves. In all other respects, Paragraph 11 is denied.
- 12. Paragraph 12 is admitted.
- 13. Sprint admits that MCI sent a letter to Sprint on May 31, 2001 in response to Sprint's May 24, 2001 letter. Sprint denies the characterization of MCI's response as set forth in Paragraph 13. Sprint interpreted MCI's May 31, 2001 letter as a refusal to negotiate any provisions of the agreement based on the change of law provisions.
- 14. Paragraph 14 is admitted.
- 15. Paragraph 15 is denied, in that Sprint never received the June 22, 2001 letter referenced by MCI and has reason to believe that this letter was never sent to Sprint by MCI. (The Direct Testimony of John Clayton provides a more detailed discussion of the alleged June 22, 2001 letter.)
- 16. Paragraph 16 of the Complaint is admitted.
- 17. Paragraph 17 of the Complaint is admitted.
- 18. Paragraph 18 of the Complaint is admitted in so far as it describes the actions taken by Sprint pursuant to its notice of termination of the agreement. In all other respects, Paragraph 18 is denied.

- 19. Paragraph 19 is denied, in that Sprint confirmed its verbal commitment to resume processing orders for 90 days in a September 5, 2001 letter to MCI attached as an exhibit to John Clayton's Direct Testimony and previously filed in this docket under separate cover by MCI on September 10, 2001 and attached to Sprint's letter in response to MCI's request for expedited procedures filed on September 11, 2001.
- 20. Paragraph 20 of the Complaint is denied. Sprint disputes several issues of material fact, including that a letter was sent by MCI on June 22, 2001 in response to Sprint's June 21, 2001 notice of termination and opportunity to cure breach and including MCI's interpretation of the parties intent regarding the applicability of the change of law provisions. Sprint disputes MCI's position on Issues 1 and 2. (Sprint's position on these issues is set forth in detail on the Direct Testimonies of John Clayton and Michael R. Hunsucker.)

In addition, Sprint believes that at least one additional issue must be addressed to fully resolve the complaint, that is, are certain provisions of the contract: a) in conflict with decisions of the FCC or the Commission promulgated subsequent to the execution of the agreement, or b) rendered insufficiently clear to be effectuated as a result of subsequent invalidation of rules or orders of the FCC that were in effect at the time the agreement was entered into?. The Commission's procedural order in this docket has identified this issue as Issue 3. (While not specifically stated, Sprint interprets Issue 3 to include conflicts with orders of a court with appropriate jurisdiction, in conformance with the actual language found in Part A, Section 2.2 of the Agreement.)

result of subsequent invalidation of rules or orders of the FCC that were in effect at the time the agreement was entered into?. The Commission's procedural order in this docket has identified this issue as Issue 3.

- 21. Paragraph 21 is denied. The need for interim relief has been mooted by Sprint's September 5, 2001 letter committing to continue to provision existing service and process new orders for a 90-day period.
- 22. Paragraph 22 is denied.
- 23. Paragraph 23 is denied.
- 24. Paragraph 24 is denied. The only expedited procedures that Sprint has been able to discover are embodied in a Staff Memorandum to Commission Chairman Jacob's assistant, Melissa Butler, dated May 1, 2001. To the best of Sprint's knowledge, this procedure never formally was adopted by the Commission. In addition, to the best of Sprint's knowledge, this process was never made publicly available prior to MCI's filing of this Complaint. Sprint was unaware of the Memorandum and the proposed expedited procedures until requesting a copy of the referenced Memorandum from Commission Staff subsequent to being served with MCI's Complaint.

In addition, Sprint denies that the three criteria proposed in the Memorandum for expedited processing have been met, in that Sprint disputes the actions taken by MCI (rightly or wrongly) under the agreement. Specifically, Sprint disputes that MCI ever sent the June 22, 2001 letter in response to Sprint notice of breach to Sprint. Sprint has no record of receiving the letter.

25. Paragraph 25 is denied. However, Sprint supports an expedited process for resolving this Complaint and will endeavor to comply with the expedited procedures and

timeframes set forth in Order No. PSC-01-1886-PCO-TP, issued by the Commission Chairman on September 21, 2001.

26. Paragraph 26 is admitted. Sprint, also, is willing to mediate this dispute before one or more members of the Commission staff during the pendency of this process.

WHEREFORE, in light of the above, Sprint respectively requests that the Commission deny the Complaint of MCI and deny the relief sought therein. In addition, Sprint requests that the Commission adopt Sprint's positions on the issues as set forth in Sprint's September 11, 2001 letter and in the Direct Testimony of John Clayton and Michael R. Hunsucker and the Affidavit of William E. Cheek filed today. The Commission should find that MCI has breached the Agreement by failing to negotiate those provisions that are in conflict with regulatory or judicial decisions rendered subsequent to the execution of the agreement and that the Agreement was properly terminated by Sprint and is no longer valid.

RESPECTFULLY SUBMITTED this 25th day of September 2001.

~ a Kharaa

Susan S. Masterton P.O. Box 2214 Tallahassee, FL 32316-2214 850-599-1560 850-878-0777 (fax)

ATTORNEY FOR SPRINT