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March 7, 2003

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

Re: Docket No. 010795-TP
Petition by Sprint Communications Company Limited Partnership for arbitration with Verizon Florida Inc. pursuant to Section 251/252 of the Telecommunications Act of 1996

AUS —
CAF —
CMP —
COM 3
CTR —
ECR —
GCL —
OPC —
MMS —
SEC 1
OTH —

Dear Ms. Bayo:

Please find enclosed for filing an original and 15 copies of Verizon Florida Inc.'s Opposition to Sprint Communications Company Limited Partnership's Motion to Resolve Disputed Language in the above matter. Service has been made as indicated on the Certificate of Service. If there are any questions concerning this filing, please contact me at (813) 483-1256.

Sincerely,

Richard Chapkis

RC:tas
Enclosures

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Sprint Communications Company Limited Partnership for Arbitration with Verizon Florida, Inc. f/k/a GTE Florida Incorporated, Pursuant to Section 252(b) of the Telecommunications Act of 1996	))))))	Docket No. 010795-TP Filed: March 7, 2003

VERIZON FLORIDA INC.'S OPPOSITION TO SPRINT COMMUNICATIONS COMPANY LIMITED PARTNERSHIP'S MOTION TO RESOLVE DISPUTED LANGUAGE

Verizon Florida Inc. ("Verizon") asks the Commission to deny the Motion of Sprint Communications Company Limited Partnership ("Sprint") to adopt Sprint's contract language ("Sprint's Motion"). As both Sprint and Verizon pointed out in their motions accompanying their competing contract submissions (filed February 28, 2003), Sprint and Verizon have been able to agree on most of the language for their new interconnection contract. The parties do not, however, agree on language concerning the definition of Local Traffic; Sprint's use of multijurisdictional trunks; and the effective date of Verizon's UNE rates set in Docket No. 990649B-TP. Verizon responds here to Sprint's proposed language on these points and renews its request for the Commission to adopt Verizon's language on these matters.

I. Definition of Local Traffic

Sprint would define as Local Traffic "all telecommunications traffic that originates and terminates within a given local calling area or mandatory expanded area service ("EAS") service area." (Sprint Motion at 3.) Under Sprint's proposal, all of this traffic would be subject to reciprocal compensation. (*Id.*)

Verizon's language states that Sprint's VAD/00- Traffic "shall be Local Traffic as provided in the Commission's Order number PSC-03-0048-FOF-TP" in this docket. (Verizon Florida Inc.'s Motion for Approval of Interconnection, Resale, Unbundling and Collocation Agreement with Sprint Communications Company Limited Partnership ("Verizon's Motion"), at

2-3.) In addition, Verizon's section 5.8 of the Interconnection Attachment to the contract sets forth the specialized compensation scheme the Commission ordered for Sprint's VAD/00-Traffic.

It is not true, as Sprint alleges (Sprint's Motion at 6), that Verizon's definition of VAD/00-Traffic in section 5.8 retains the requirement that traffic must originate and terminate on different networks. Verizon's language clearly states that VAD/00- Traffic is "originated by an end user on the Verizon network" and "terminated to an end user on the Verizon network." Verizon's language in both its Local Traffic definition and section 5.8 thus properly implements the Commission's ruling that Sprint's VAD/00- Traffic is Local Traffic, subject to reciprocal compensation, even though it does not originate and terminate on different networks.

While Verizon's definition of Local Traffic follows this Commission's ruling as to Sprint's VAD/00- Traffic—which was the focus of this docket and the Commission's Arbitration Order—Verizon's language also properly recognizes the FCC's reciprocal compensation requirements. That is, other than stating the Commission-mandated exception for Sprint's VAD/00- Traffic, Verizon's Local Traffic definition implements the FCC's requirement that reciprocal compensation is only available for traffic that originates on one party's network and terminates on the other party's network. (FCC Rule 51.701(e) ("Reciprocal Compensation"), *quoted in* Order no. PSC-03-0048-FOF-TP ("Arbitration Order"), at 8 ("'a reciprocal compensation arrangement between two carriers is one in which each of the two carriers receives compensation from the other carrier for the transport and termination on each carrier's network facilities of telecommunications traffic that originates on the network facilities of the other carrier.'")

Verizon's language implements this Commission's ruling that VAD/00- Traffic will be defined as Local Traffic, subject to reciprocal compensation, but properly recognizes that the parties cannot ignore the FCC's Rules implementing the Telecommunications Act of 1996 ("Act"). Verizon's language harmonizes, to the extent possible, this Commission's ruling with

regard to VAD/00- Traffic and the requirements of the Act, which necessarily govern this arbitration and the parties' conforming contract. Verizon thus asks the Commission to reject Sprint's unduly broad language and approve Verizon's Local Traffic definition (in "Glossary," App. A to Arts. I and II) and its section 5.8 of the Interconnection Attachment.

II. Multijurisdictional Trunks

This issue, again, focussed on Sprint's VAD/00- Traffic. Specifically, the Commission determined that:

> When Sprint demonstrates to Verizon or this Commission that its billing system can separate multi-jurisdictional traffic transported on the same facility, we find that Sprint's proposal for compensation should apply to "00-" calls that originate and terminate on Verizon's network within the same local calling area.
>
> (Arbitration Order at 23.)

Sprint's language is inconsistent with this ruling in at least four respects.

First, Sprint's proposed language would allow it to use multijurisdictional trunks for *all* traffic, not just the VAD/00- Traffic reflected in the ruling. Sprint's language is unacceptably broad; it ranges beyond the focus of this docket and the Arbitration Order.

Second, Sprint's language would allow it to use multijurisdictional trunks to carry not just traffic that terminates on Verizon's network, but "traffic that may be directed to other CLECs or ILECs serving in the same local calling area." (Sprint's Motion at 11; *see also id.* at 8, *quoting* Sprint's proposed section 2.3.4.2, prescribing compensation for VAD/00- Traffic that "does not terminate to a Verizon customer.") There is no basis in the Order for Sprint's broad interpretation. The Commission's ruling, quoted above, as well as numerous other references in the Order (*see, e.g.*, Arbitration Order at 6, 11, 14, 16, 22) address only Sprint's ability to use multijurisdictional trunks for "calls that originate and terminate on Verizon's network within the same local calling area." Nothing in the Order contemplates Sprint's use of multijurisdictional trunks to carry calls to other ILECs or CLECs.

Third, Sprint ignores the Commission's finding that Sprint may not use multijurisdictional trunks *at all*, until it "demonstrates to Verizon or this Commission that its billing system can separate multijurisdictional traffic transported on the same facility." (Arbitration Order at 23.) Sprint's language in section 2.5.2.2 (quoted at page 7 of its Motion) would allow it to use "factors" to apportion traffic "[w]hen SPRINT is not able to measure traffic." This provision is plainly contrary to the Commission's ruling that Sprint must *demonstrate* that its billing system *can* measure different jurisdictions of traffic travelling over the same facility. Sprint's language would allow it to avoid ever making this required demonstration. Under Sprint's proposal, Sprint would simply rely on "factors" to estimate jurisdiction when its billing system is "not able to measure traffic." This estimation approach, which would supplant actual traffic measurement through Sprint's billing system, is not an option under the plain language of the Commission's ruling. If Sprint's billing system cannot separate multijurisdictional traffic, then Sprint cannot use multijurisdictional trunks. The contract must reflect this ruling, and Verizon's language does so. Even if the Commission does not approve all of Verizon's language, it should affirmatively reject Sprint's proposed section 2.5.2.2 and its reference to "jurisdictional usage factors" in section 2.5.3.

Fourth, the Commission intended for the compensation for VAD/00- Traffic to "cover[] the costs that Verizon would incur" in handling this traffic. (Order at 22.) Sprint's language prescribing compensation for this traffic, however, would deny Verizon compensation for originating switching. (See Sprint Motion at 12.) The Commission intended to establish a "hybrid" compensation scheme for VAD/00- Traffic, under which Sprint would compensate Verizon for handling VAD/00- Traffic as if it were access traffic, but at TELRIC rates. In this regard, the Commission understood that "Sprint's proposal compensates Verizon for call origination and termination, which is similar to the access compensation mechanism applicable to toll traffic. However, consistent with compensation for local traffic, Sprint's proposed rates are TELRIC-based." (Order at 22.) The Commission thus intended to establish a compensation

mechanism that would include all access elements for call origination and termination, but at TELRIC-based rates. Verizon has structured its compensation proposal (in section 5.8 of the Interconnection Attachment) in exactly this manner. The Commission should adopt Verizon's compensation proposal, because it is more consistent with the Commission's compensation ruling, and the Commission's underlying intent for Verizon to recover the costs of all functions it performs in handling Sprint's VAD/00- Traffic.

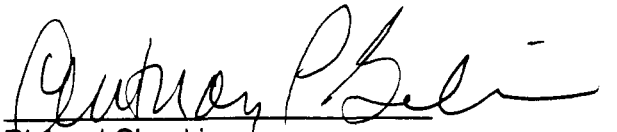
III. UNE Rates

The parties continue to disagree on language incorporating the rates resulting from this Commission's UNE rate-setting proceeding for Verizon. (Docket No. 990649B-TP, Order No. PSC-02-1574-FOF-TP, issued Nov. 15, 2002.) Sprint proposes immediate implementation of those rates, while Verizon proposes implementation "when a final, unstayed order on reconsideration of the issues associated with UNE pricing in that proceeding becomes effective."

It would make no sense to implement UNE rates now, before reconsideration has concluded, when the outcome of the reconsideration proceeding could affect the rates ultimately ordered. Verizon believes the Commission shares this view. For example, in its Motion to Dismiss or Abate Verizon's appeal of the Commission's UNE rate-setting Order, the Commission told the Florida Supreme Court that "[b]ecause the Commission's labors in the UNE pricing docket have [not] yet been completed and all controversies between Verizon and the competitors resolved through disposition of the motion for reconsideration, the Commission has not yet rendered a final order subject to appeal." (Motion to Dismiss or Abate, filed January 8, 2003, at 3.) If the Order is not final, then Verizon cannot be obligated to comply with it. The Commission should adopt Verizon's language because it is more consistent with the Commission's own view of the procedural status of Verizon's UNE proceedings.

For all the reasons discussed here and in Verizon's Motion, the Commission should adopt Verizon's proposed contract language and reject Sprint's competing language. Even if the Commission does not adopt Verizon's language in its entirety, it should still reject the specific portions of Sprint's language that relate to Verizon's points discussed here.

Respectfully submitted on March 7, 2003.

By: 

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of Verizon Florida Inc.'s Opposition to Sprint Communications Company Limited Partnership's Motion to Resolve Disputed Language in Docket No. 010795-TP were sent via U.S. mail on March 7, 2003 to:

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