

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2
3 **DIRECT TESTIMONY OF**

4
5 **KENNETH J. FARNAN**

6
7 **Q. Please state your name and address.**

8
9 **A. My name is Kenneth J. Farnan. My business address is 6860 West 115th**
10 **Street, Overland Park, Kansas 66251.**

11
12 **Q. By whom are you employed and in what capacity?**

13
14 **A. I am presently employed as Senior Manager – Carrier Billing for Sprint Corporation. I**
15 **am responsible for managing the access billing function, including the processing of**
16 **the Carrier Access Support System (CASS) billing platform. The CASS platform is**
17 **utilized by Sprint to bill for intercarrier compensation. In addition to ongoing**
18 **operation of the CASS billing platform, I am responsible for evaluating the impact of**
19 **potential changes to CASS to support ongoing carrier billing requirements.**

20
21 **Q. Please provide you're educational and work background.**

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23 **A. I have a Bachelors Degree in Accounting from Missouri Western State College in St.**
24 **Joseph, MO. I have been employed with Sprint Corporation since 1979 in various**

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1 Finance functions including Corporate Audit, Corporate Tax, Billing Services and
2 Billing Operations.

3

4 **Q. What is the purpose of your testimony?**

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6 The purpose of my testimony is to identify and describe the significant billing related
7 impacts associated with recording, rating and billing for traffic if the originating
8 carrier's local calling area is used to determine intercarrier compensation. My
9 testimony provides supplemental information to the testimony of Sprint witness Mike
10 Maples on issue 5: How should AT&T and Sprint define Local Calling Area for the
11 purposes of their interconnection agreement?

12

13 **Q. How does Sprint record traffic originated from a CLEC and terminated to a**
14 **Sprint customer?**

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16 **A.** Once the carrier orders service with Sprint and trunking has been establish, direct
17 carried terminating traffic is recorded at the switch.

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19 **Q. What information is contained on those records?**

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21 **A.** The records are in standard Telcordia EMI format. Key fields include; originating 10-
22 digit number, terminating 10-digit number, CIC, connect time, carrier connect time,
23 duration for connect time and duration for carrier connect time.

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25

1 **Q. How does Sprint identify terminating traffic that is local versus access?**

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3 **A.** Sprint maintains tables which are used to identify local calls. These tables include the
4 originating and terminating NPA-NXX's that comprise the local calling area defined
5 by Sprint. Every originating NPA-NXX (point) in the local area is 'mapped' to every
6 possible terminating NPA-NXX (point) in the same local calling area. A message is
7 identified as local if the originating and terminating NPA-NXX's in the message
8 match the information in these 'point-to-point' tables. The jurisdiction for access
9 messages is determined by comparing the originating and terminating NPA-NXX's to
10 information from the Telcordia Toll Point Terminating Master (TPTM).

11

12 **Q. If an AT&T local calling area different from Sprint's local calling area is used to**
13 **determine traffic terminated to Sprint that is local vs. access, what changes would**
14 **Sprint have to make to its recording, rating and billing processes and systems to**
15 **apply appropriate compensation to the traffic?**

16

17 **A.** Supporting local calling areas that differ from those already established by Sprint
18 would require establishing and maintaining unique local calling area tables for every
19 carrier who terminates traffic to Sprint and has established a different local calling
20 area than Sprint's. As described above, this would require Sprint to load and maintain
21 all possible combinations of originating to terminating NPA-NXX's in the defined
22 local calling area. In addition, Sprint would be required to load and maintain NPA-
23 NXX combinations for all facilities-based carriers in the local calling area(s) in the
24 event that Sprint's tandem would be used to terminate the originating carrier's
25 message to a non-Sprint Carrier (transit). In these situations, Sprint is obligated to

1 identify the jurisdiction of the messages transiting Sprint's tandems, so all carriers'
2 NPA-NXX points in the local calling area(s) would need to be included on these tables
3 to ensure the proper jurisdiction.
4

5 **Q. Can you discuss the costs and timeframes associated with such changes?**

6

7 **A.** Sprint estimates that it will be required to spend approximately \$3.5 million to design,
8 code, test and implement these requirements. Further, Sprint estimates that this will
9 result in increased costs of approximately \$12 million to support computer storage of
10 the voluminous tables that would be required to identify the appropriate jurisdiction of
11 traffic completed under this arrangement. Also, Sprint estimates a one-time set-up
12 expense of approximately \$10,000 per carrier who adopts a local calling area differing
13 from Sprint's. It would take approximately 12 to 14 months to implement this
14 solution within Sprint's systems.
15

16 **Q. Does this conclude your testimony?**

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18 **A.** Yes, it does.
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