

#### **Matilda Sanders**

From:Whitt, Chrystal [CC] [Chrystal.Whitt@mail.sprint.com]Sent:Monday, June 13, 2005 2:59 PMTo:Filings@psc.state.fl.usSubject:040156-TP Sprint's Post-Hearing StatementAttachments:040156 Word Version whole filing of Sprint's Post-Hearing Statement.doc

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DOCUMENT NUMBER-DATE



## ORIGINAL

June 13, 2005

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

Re: Docket No. 040156-TP

Dear Ms. Bayó:

Enclosed for filing on behalf of Sprint Communications Company Limited Partnership is Sprint's Post-hearing statement.

Copies are being served on the parties in this docket pursuant to the attached certificate of service.

If you have any questions regarding this electronic filing, please do not hesitate to call me at 850-599-1560.

Sincerely,

S/Susan S. Masterton

Susan S. Masterton

Enclosure

DOCUMENT NUMBER-CATE

FPSC-COMMISSION OF THE

#### CERTIFICATE OF SERVICE DOCKET NO. 040156-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served by electronic and U.S. Mail this 13<sup>th</sup> day of June, 2005 to the following:

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S/ Susan S. Masterton

Susan S. Masterton

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## ORIGINAL

#### **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition for Arbitration of ) Amendment Interconnection Agree- ) ments with Certain Competitive ) Local Exchange Carriers and ) Commercial Mobile Radio Service ) Providers in Florida by Verizon ) Florida, Inc. )

Docket No.: 040156-TP

Filed: June 13, 2005

#### <u>SPRINT COMMUNICATIONS COMPANY LIMITED PARTNERSHIP'S</u> <u>POST-HEARING STATEMENT</u>

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Pursuant to the Order Establishing Procedure, Order No. PSC-04-1236-PCO-TP, as amended by Order No. PSC-05-0221-PCO-TP, Sprint Communications Company Limited Partnership ("Sprint") files this Post-hearing Statement.

#### INTRODUCTION

Sprint has been negotiating with Verizon an amendment to the existing interconnection agreements for over a year in an attempt to incorporate changes in law resulting from various FCC orders that affect access to Unbundled Network Elements (UNEs). The terms and conditions being negotiated have changed significantly over the life of the negotiations due to their length and the successive FCC orders adopted during the period.

Sprint's primary focus has been to ensure that the terms of the amendment are consistent with the Telecommunication's Act and the FCC's rules. Sprint operates as both an Independent Local Exchange Company (ILEC) and Competitive Local Exchange Company (CLEC) in Florida and is therefore providing and receiving access to UNEs.

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Sprint's positions on the issues are balanced, based on reasonable interpretations of FCC rules and orders.

#### **ISSUES, POSITIONS AND DISCUSSION**

ISSUE 1: Should the Amendment include rates, terms, and conditions that do not arise from federal unbundling regulations pursuant to 47 U.S.C. sections 251 and 252, including issues asserted to arise under state law or the Bell Atlantic/GTE Merger Conditions?

**Position:** This issue has been deleted pursuant to the stipulation of the parties.

ISSUE 2: What rates, terms, and conditions regarding implementing changes in unbundling obligations or changes of law should be included in the Amendment to the parties' interconnection agreements?

**Position:** \*\*All functions being performed under the master ICA with respect to UNEs should be included in the Amendment consistent with the Federal Unbundling Rules and the new FCC TRRO Order. However, it is Sprint's position that the FCC's rules with respect to the pricing and timing of the transition period were self-effectuating commencing in March.\*\*

#### **Discussion:**

Verizon has insisted on using two amendments in negotiations which has unduly and unnecessarily complicated the effort to reach an agreement. Amendment 1 essentially removes unbundling obligations from Verizon's perspective. Amendment 2 defines Verizon's unbundling obligations as ordered in the Triennial Review Order  $(TRO)^1$  and the Triennial Review Remand Order  $(TRRO)^2$ . Each must be studied in conjunction with UNE provisions in the existing agreement(s) since they do not wholly replace the current terms, but only those impacted by the change in law events. Sprint has steadfastly refused to treat the two amendments separately insisting rather that the parties reach agreement on both simultaneously. Verizon obviously has more incentive to resolve Amendment 1 than it does Amendment 2.

Verizon has consistently proposed terms and conditions that attempt to consider potential future change in law events. This is an issue that is already addressed in the underlying interconnection agreement between the parties. Verizon is attempting to modify the change in law provisions in the underlying interconnection agreement through the negotiation of the current amendment. This provision should not be modified in this fashion for one segment of the agreement and not the whole agreement.

ISSUE 3: What obligations under federal law, if any, with respect to unbundled access to local circuit switching, including mass market and enterprise switching (including Four-Line Carve-Out switching), and tandem switching, should be included in the Amendment to the parties' interconnection agreements? Position: \*\*The terms and conditions should be consistent with the Federal Unbundling Rules and the FCC TRRO Order.\*\*

<sup>&</sup>lt;sup>1</sup> FCC 03-36, Review of the Section 251 Un bundling Obligations of Incumbent Local Exchange Carriers, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Deployment of Wireline Services Offering Advanced Telecommunications Capability, CC Dockets 01-338, 96-98, 98-147, Report and Order and Order on Remand and Further Notice of Proposed Rulemaking, Released August 21, 2003.

<sup>&</sup>lt;sup>2</sup> FCC 04-290, Unbundled Access to Network Elements, Review of the Section 251 Obligations of Incumbent Local Exchange Carriers, WC Docket 04-313 and CC Docket 01-338, Order on Remand, Released February 4, 2005.

#### **Discussion:**

The FCC eliminated access to enterprise local switching in the TRO.<sup>3</sup> It eliminated access to mass market local switching and associated elements such as shared transport in the TRRO.<sup>4</sup> The FCC also established a 12 month transition period for mass market local switching beginning March 11, 2005, grandfathering the base of customers in service prior to that time.<sup>5</sup> The rules adopted by the FCC also allow ILECs to increase the monthly recurring price of UNE-P<sup>6</sup> by \$1.00 per line.<sup>7</sup>

Verizon is vague as to specific terms supporting the provision of these services to existing customers during the transition period. It agrees to abide by the transition plans established by the FCC in the TRRO in the terms proposed in Amendment 1, section 3.1.1, without saying what the plans are or which UNEs are affected. Additional terms at section 3.5 refer to the rate increases allowed by the FCC but do not specifically state what they are or if Verizon will implement them. Verizon has been pressuring CLECs to immediately transition UNE-P lines when the FCC has clearly given CLECs 12 months to do so. Therefore, Sprint believes that it is important for the parties to agree to the transition plan that will be followed and that such plan will be consistent with what the FCC ordered in the TRRO.

<sup>&</sup>lt;sup>3</sup> 47 C.F.R. §51.319(d)(3)

<sup>&</sup>lt;sup>4</sup> 47 C.F.R. §51.319(d)(2)(i)

<sup>&</sup>lt;sup>5</sup> 47 C.F.R. §51.319(d)(2)(ii)

<sup>&</sup>lt;sup>6</sup> UNE-P or the Unbundled Network Element Platform is a combination of UNEs including NID, Loop, Local Switching, Shared transport, and other necessary elements such as tandem switching.

<sup>&</sup>lt;sup>7</sup> 47 C.F.R. §51.319(d)(2)(iii)

ISSUE 4: What obligations under federal law, if any, with respect to unbundled access to DS1 loops, unbundled DS3 loops, and unbundled dark fiber loops should be included in the Amendment to the parties' interconnection agreements?

**Position:** \*\*High Capacity loops, with the exception of Dark Fiber Loops, should remain available as UNEs, consistent with the terms and conditions of the Federal Unbundling Rules and the FCC TRRO Order. Existing Dark Fiber Loops should be transitioned to alternate arrangements consistent with the Federal Unbundling Rules and the FCC TRRO Order.\*\*

#### **Discussion:**

Sprint proposes that specific language be inserted into the agreement containing Verizon's obligation to provide access to High Capacity Loops on a prospective basis. Sprint's concerns with Issue 4 are similar as those stated immediately above for Issue 3. Verizon's proposals rely on general references regarding its obligation to provide access to high capacity UNE loops (DS1, DS3 and dark fiber) rather than specific terms. Sprint's position is that the agreement should incorporate the explicit terms and conditions under which Sprint will receive access to the UNEs in question.

Verizon has an obligation to provide access to DS1 and DS3 loops in all wire centers except those that meet the qualifications in 47 C.F.R. \$51.319(a)(4) and  $\$51.319(a)(5).^{\$}$  ILECs do not have an obligation to provide access to dark fiber loops.<sup>9</sup>

<sup>&</sup>lt;sup>8</sup> The thresholds for eliminating the ILEC unbundling obligations for UNE high capacity loops is based on the number of business lines and fiber based collocators for a particular wire center. For DS1 loops a wire center must have at least 60,000 business lines and 4 fiber based collocators to support a finding of nonimpairment. For DS3 loops a wire center must have at least 38,000 business lines and 3 fiber based collocators (see rules listed above).

<sup>&</sup>lt;sup>9</sup> 47 C.F.R. §51.319(a)(6)

The FCC established an 18 month transition for all dark fiber loops<sup>10</sup> and 12 months for DS1 and DS3<sup>11</sup> loops in the wire centers that met the thresholds as of March 11, 2005. ILECs can increase the price of the embedded based of UNE high capacity loops by 115% during the transition period.<sup>12</sup> The TRRO also established a cap on the number of DS1 and DS3 loops that a CLEC can acquire for a single building.<sup>13</sup>

The agreement should also include terms addressing how access to high capacity UNE loops will be eliminated in the future should additional Verizon wire centers meet the FCC thresholds after March 11, 2005. Sprint does not consider such events as changes in law but the application of an existing rule and therefore Sprint believes that this issue is appropriately addressed in the current amendment.

The TRRO established a process for managing the embedded base of discontinued UNEs including spelling out a defined transition timeline but the Order was not as explicit regarding future events when ILEC wire centers are reclassified. However, there are four key elements included in the FCC's process for transitioning the embedded base which Sprint believes is applicable and has incorporated in the terms that it is proposing.

First the FCC process provides the parties the opportunity to dispute the status of a wire center and resolve the dispute before the appropriate authority.<sup>14</sup> Second, the

<sup>&</sup>lt;sup>10</sup> 47 C.F.R. §51.319(a)(6)(ii)

<sup>&</sup>lt;sup>11</sup> 47 C.F.R. §51.319(a)(4)(iii) and §51.319(a)(5)(iii)

<sup>12 47</sup> C.F.R. §51.319(a)(4)(iii), §51.319(a)(5)(iii), and §51.319(a)(6)(ii)

<sup>&</sup>lt;sup>13</sup> The FCC established a cap of 10 DS1 loops per building and 1 DS3 loop per building (see 47 C.F.R. §51.319(a)(4)(ii) and §51.319(a)(5)(ii)).

<sup>&</sup>lt;sup>14</sup> The FCC described the following process in ¶234 of the TRRO: 1) The CLEC conducts an inquiry to determine if it should get access to the network element in question. 2) The CLEC self certifies to that effect as it orders the network element. 3) The ILEC must provision that order without question. 4) The ILEC challenges the CLEC request via dispute resolution procedures included in the agreement. 5) The

FCC continued to allow CLECs to order UNEs for a period of time after they received notice of the impacted wire centers. The effective date of the order (March 11, 2005) was more than one month after the order was released (February 4, 2005) and almost one month after the RBOCs filed their lists of wire centers (February 18, 2005).

Third, the FCC established a transition period for the declassified elements during which they would be converted to other arrangements. The FCC established a 12 month transition for DS1, DS3 loops and DS1 and DS3 transport. The FCC found "that the twelve-month period provides adequate time for both competitive LECs and incumbent LECs to perform the tasks necessary to an orderly transition, including decisions where to deploy, purchase, or lease facilities."<sup>15</sup> The FCC established an 18 month transition for dark fiber loop and dark fiber transport. The FCC determined that a longer period was warranted for dark fiber since ILECs do not generally offer dark fiber as a tariffed service and "because it may take time for competitive LECs to negotiate IRUs or other arrangements with incumbent or competitive carriers".<sup>16</sup> These transition periods for the embedded base began on the effective date of the order, March 11, 2005.

Finally, the FCC mitigated the impact of the transition on the ILECs by allowing for a 15% price increase during the period. The FCC stated that it believed "that the moderate price increases help ensure an orderly transition by mitigating the rate shock that could be suffered by competitive LECs if TELRIC pricing were immediately

appropriate authority resolves the dispute. The FCC proposal places the burden of filing a dispute upon the ILEC. Sprint's proposal places the burden of dispute upon the CLEC and limits the amount of time that the CLEC has to dispute the status of a wire center. Sprint's recommendation incorporates the key element of dispute resolution and Sprint believes that its recommendation is more practical in application. ILECs will be monitoring the number of business access lines and fiber based collocators in their wire centers and they have the incentive to send out notices when thresholds are passed and their unbundling obligation is further limited.

<sup>15</sup> ¶143, TRRO

<sup>16</sup>¶144, TRRO

eliminated for these network elements, while at the same time, these price increases, and the limited duration of the transition, provide some protection of the interests of the incumbent LECs in those situations where unbundling is not required." (TRRO, ¶ 145)

ISSUE 5: What obligations under federal law, if any, with respect to unbundled access to dedicated transport, including dark fiber transport, should be included in the Amendment to the parties' interconnection agreements?

**Position:** \*\*Dedicated Transport and dark fiber transport should remain as UNEs, consistent with the terms and conditions of the Federal Unbundling Rules and the FCC TRRO Order.\*\*

#### Discussion:

The issues with respect to UNE dedicated transport (DS1, DS3 and dark fiber) are identical to those stated above for Issue 4 except that the FCC criteria for wire center thresholds are different. Verizon's proposal relies on general references regarding its obligation to provide access to UNE dedicated transport (DS1, DS3 and dark fiber) rather than specific terms. Sprint's position is that the agreement should incorporate the explicit terms and conditions under which it will receive access to the UNEs in question.

Verizon has an obligation to provide access to DS1, DS3, and dark fiber dedicated transport on routes between all wire centers except those that meet the qualifications in 47 C.F.R. §51.319(e)(2)(ii)(A), §51.319(e)(2)(iii)(A), and §51.319(e)(2)(iv)(A).<sup>17</sup> The FCC established an 18 month transition for dark fiber

<sup>&</sup>lt;sup>17</sup> The thresholds for eliminating the ILEC unbundling obligations for UNE dedicated transport are based on the number of business lines or fiber based collocators for the wire centers at both ends of a particular route. For DS1 dedicated transport both wire centers must have at least 38,000 business lines or 4 fiber based collocators (Tier 1 Wire Center) to support a finding of non-impairment for that route. For DS3 and

transport<sup>18</sup> and 12 months for DS1 and DS3<sup>19</sup> dedicated transport on routes between wire centers that met the thresholds as of March 11, 2005. ILECs can increase the price of the embedded based of UNE dedicated transport by 115% during the transition period.<sup>20</sup> The TRRO also established caps on the number of DS1 and DS3 dedicated transport that a CLEC can acquire for a single route.<sup>21</sup> The terms proposed by Sprint (see below) incorporate these conditions explicitly.

## ISSUE 6: Under what conditions, if any, is Verizon permitted to re-price existing arrangements which are no longer subject to unbundling under federal law?

**Position:** \*\*Re-pricing of de-listed UNEs should follow the terms and conditions

pertaining to re-pricing and transition contained in the Federal Unbundling Rules and the

FCC TRO and TRRO Orders.\*\*

**Discussion:** See discussion for questions 3, 4 and 5.

ISSUE 7: Should Verizon be permitted to provide notice of discontinuance in

advance of the effective date of removal of unbundling requirements?

**Position:** \*\*Notice and implementation timeframes should be consistent with the requirements of the FCC TRRO Order. \*\*

<sup>20</sup> 47 C.F.R. §51.319(e)(2)(ii)(C), §51.319(e)(2)(iii)(C), and §51.319(e)(2)(iv)(B),

dark fiber dedicated transport both wire centers must have at least 24,000 business lines or 3 fiber based collocators (Tier 2 Wire Center) to support a finding of non-impairment for that route (see rules listed above). That means that ILECs do not have to provide access to DS3 or dark fiber dedicated transport if either wire center is a Tier 1 or Tier 2. Tier 3 wire centers are all other wire centers.

<sup>&</sup>lt;sup>18</sup> 47 C.F.R. §51.319(e)(2)(iv)(B)

<sup>&</sup>lt;sup>19</sup> 47 C.F.R. §51.319(e)(2)(ii)(C) and §51.319(e)(2)(iii)(C)

<sup>&</sup>lt;sup>21</sup> The FCC established a cap of 10 DS1 dedicated transport circuits per route and 12 DS3 dedicated transport circuits per route (see 47 C.F.R. §51.319(e)(2)(ii)(B) and §51.319(e)(2)(iii)(B)).

**Discussion:** Sprint has no issue with specifically addressing the discontinuance of unbundling obligations resulting from the TRO and TRRO but strenuously objects to any attempt at incorporating specifics regarding possible future impacts from orders which have not been released or even under consideration. Sprint therefore agreed that Verizon had noticed Sprint with regards to TRO and TRRO impacted UNEs. Sprint suggest that Verizon's definition of "Discontinued Facilities" should be modified to eliminate any reference to future findings of non-impairment. Sprint only agrees with the notice and transition process that it has recommended in Issues 4 and 5 above with respect to the impact of UNE availability due to the changing status of Verizon wire centers. Any other changes in Verizon's unbundling obligation resulting from an FCC order or other legal action should be incorporated into the agreement via the change in law process.

# ISSUE 8: Should Verizon be permitted to assess non-recurring charges for the disconnection of a UNE arrangement or the reconnection of service under an alternative arrangement? If so, what charges apply?

**Position: \*\*Yes, to the extent Verizon has any actual and necessary charges that** are justified. Other changes that would require actual physical arrangement work should be charged according to the Verizon tariff **\*\*** 

### ISSUE 9: What terms should be included in the Amendments' Definitions Section and how should those terms be defined?

**Position:** \*\*The definitions in both Amendments should be consistent and defined pursuant to the Federal Unbundling rules and the FCC TRO and TRRO Orders.\*\*

#### **Discussion:**

Sprint proposes the following changes to the definitions proposed by Verizon that Sprint believes more accurately reflect the FCC's Orders: Discontinued Facilities, Distribution Sub-Loop Facility, FTTP Loop, Mass Market Switching, and Sub-Loop for Multi-Unit Premises.

#### **Discontinued Facilities**

Verizon definition of the Discontinued Facilities lists Hybrid Loops as being discontinued except where the FCC has ordered it to provide access. Sprint has modified the definition consistent with the FCC rules that only the packet switching facilities, features, function, and capabilities of Hybrid Loops are discontinued.<sup>22</sup>

In addition to the characterization of Hybrid Loops, the definition of Discontinued Facilities proposed by Verizon includes a "catch all" phrase which could be used by Verizon, along with its self-effectuating language, to unilaterally take UNEs away. Sprint objects to these terms and has repeatedly informed Verizon that it would consider adding any facility to the list that Verizon is specifically concerned about. The purpose of these Amendments are to incorporate known changes in law, which is amply covered in the definition, without adding vague references which could only lead to future disputes.

#### **Distribution Sub-Loop Facility**

Verizon defines a Distribution Sub-Loop Facility as the copper portion of a Loop from its feeder/distribution interface and the Minimum Point of Entry (MPOE) at the customer premise. The FCC defines a copper sub-loop, which Sprint believes is Verizon's intent, as "a portion of a copper loop, or hybrid loop, comprised entirely of

<sup>&</sup>lt;sup>22</sup> 47 C.F.R. ¶51.319(a)(2)(i)

copper wire or copper cable that acts as a transmission facility between any point of technically feasible access in an incumbent LEC's outside plant, including inside wire owned or controlled by the incumbent LEC, and the end-user customer premises.<sup>23</sup> It further defined a point of technically feasible access as "any point in the incumbent LEC's outside plant where a technician can access the copper wire within a cable without removing a splice case. Such points include, but are not limited to, a pole or pedestal, the serving area interface, the network interface device, the minimum point of entry, any remote terminal, and the feeder/distribution interface. An incumbent LEC shall, upon a site-specific request, provide access to a copper subloop at a splice near a remote terminal.<sup>24</sup> The MPOE is the closest point to where the wiring crosses the property line or the closest practical point where the wiring enters a multiunit building<sup>25</sup> and is listed above as a point where copper sub-loops can be accessed.

The FCC's definition obviously encompasses the facilities from the MPOE to the point of demarcation,<sup>26</sup> including any inside wire owned or controlled by Verizon. The FCC's definition does not limit the point of technical feasible access to Verizon's feeder distribution interface. Sprint therefore believes the definition should be modified to be consistent with the FCC's rules. Verizon's definition could be an attempt to exempt drop facilities from sub-loop access. Drop facilities often extend from the MPOE to the NID and point of demarcation.

<sup>&</sup>lt;sup>23</sup> 47 C.F.R. §51.319(b)(1)

<sup>&</sup>lt;sup>24</sup> 47 C.F.R. §51.319(b)(1)(i)

<sup>&</sup>lt;sup>25</sup> 47 C.F.R. §68.105

 $<sup>^{26}</sup>$  A loop is defined as the facility from the ILEC central office to the point of demarcation at the end-user customer premises, including the NID and any inside wire owned or controlled by the ILEC (see 47 C.F.R. §51.319(a)). A copper sub-loop is a subset of the loop, from a point in the network to the end-user customer premises.

#### FTTP Loop

Sprint proposes the following clarifying phrase at the end of the definition proposed by Verizon. Verizon objects to the addition. <u>FTTP Loops do not include</u> <u>facilities to predominately business MDUs or enterprise customers.</u> The importance of this issue is that if the Commission agrees with Verizon's interpretation Verizon can deny access to UNE loops, including DS1 and DS3, into large office buildings served by fiber.

The FCC originally defined FTTP loops in the TRO in its discussion of mass market loops and specifically referred to them as mass market in ¶273.<sup>27</sup> The initial definition restricted the FTTP loops to residential units but was subsequently changed to "end user customer premises" in an Errata.<sup>28</sup> Sprint therefore agrees that the FTTP loop unbundling restrictions do apply to certain business customers.

In subsequent orders the FCC further extended the FTTP unbundling restrictions to FTTC (Fiber to the Curb) loops <sup>29</sup> and to FTTH loops that are serving predominately residential multi-dwelling units (MDUs).<sup>30</sup> It is important to note that in this final order the FCC clearly stated that the exemption did not apply to predominately business

<sup>&</sup>lt;sup>27</sup> ¶214-¶220 and ¶273-¶285, TRO.

<sup>&</sup>lt;sup>28</sup> FCC 03-227, Review of the Section 251 Un bundling Obligations of Incumbent Local Exchange Carriers, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Deployment of Wireline Services Offering Advanced Telecommunications Capability, CC Dockets 01-338, 96-98, 98-147, ERRATA, Released September 17, 2003.

<sup>&</sup>lt;sup>29</sup> FCC 04-248, Review of the Section 251 Un bundling Obligations of Incumbent Local Exchange Carriers, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Deployment of Wireline Services Offering Advanced Telecommunications Capability, CC Dockets 01-338, 96-98, 98-147, Order on Reconsideration, Released October 18, 2004. (FTTC Order)

<sup>&</sup>lt;sup>30</sup> FCC 04-191, Review of the Section 251 Un bundling Obligations of Incumbent Local Exchange Carriers, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Deployment of Wireline Services Offering Advanced Telecommunications Capability, CC Dockets 01-338, 96-98, 98-147, Order on Reconsideration, Released August 9, 2004. (MDU Order)

MDUs since ILECs did not need any incentive to build broadband facilities to those

locations.

Second, we conclude that tailoring FTTH relief to predominantly residential MDUs is more appropriate than a single, categorical rule covering all types of multiunit premises. A categorical rule either would retain disincentives to deploying broadband to millions of consumers contrary to the goals of section 706 or would eliminate unbundling for enterprise customers where the record shows additional investment incentives are not needed. As discussed above, we find that extending relief to predominantly residential MDUs best tailors the unbundling relief to those situations where the analysis of impairment and investment incentives indicates that such relief is appropriate. We thus reject commenters' categorical assertions that the FTTH rules should never apply in the case of any multiunit premises, or that the unbundling relief should extend to all multiunit premises. Because we can draw an administratively workable distinction between predominantly residential MDUs and other multiunit premises, we find that we can more carefully target the unbundling relief warranted by the consideration of section 706's goals.<sup>31</sup>

The additional language proposed by Sprint is fully supported by these FCC orders.

#### Mass Market Switching

Sprint recommends a minor change to Verizon's proposed language to ensure that the parties acknowledge that mass market switching includes only those end users with three or fewer lines.

## Sub-Loop for Multi-Unit Premises

The definition proposed by Verizon explicitly excludes any reference to fiber facilities, contrary to the existing FCC rules and as discussed immediately above with respect to FTTP loops. The FCC defines Sub-Loop for Multi-Unit Premises as, "The subloop for access to multiunit premises wiring is defined as any portion of the loop that it is technically feasible to access at a terminal in the incumbent LEC's outside plant at or near a multiunit premises."<sup>32</sup> Further, in listing the points where it is technically feasible

<sup>&</sup>lt;sup>31</sup> ¶8, MDU Order, footnotes omitted <sup>32</sup> 47 C.F.R. §51.319(b)(2)

to access such subloop the rules state, "A point of technically feasible access is any point in the incumbent LEC's outside plant at or near a multiunit premises where a technician can access the wire or fiber within the cable without removing a splice case to reach the wire or fiber within to access the wiring in the multiunit premises. Such points include, but are not limited to, a pole or pedestal, the network interface device, the minimum point of entry, the single point of interconnection, and the feeder/distribution interface."<sup>33</sup> The changes proposed by Sprint merely bring the terms into conformance with the FCC's rules.

Sprint also proposes to add key definitions used in the terms that Sprint proposes for Issue 4 and Issue 5 above (Business Line,<sup>34</sup> Fiber Based Collocators,<sup>35</sup> Tier 1 Wire Center,<sup>36</sup> Tier 2 Wire Center,<sup>37</sup> Tier 3 Wire Center<sup>38</sup>). The definitions should be as set forth in the FCC's rules.

ISSUE 10: Should Verizon be required to follow the change of law and/or dispute resolution provisions in existing interconnection agreements if it seeks to discontinue the provisioning of UNEs?

**Position:** \*\*Yes, change of law and dispute resolution should be carried out under the existing interconnection agreement \*\*

<sup>&</sup>lt;sup>33</sup> 47 C.F.R. §51.319(b)(i)

<sup>34 47</sup> C.F.R. §51.5

<sup>&</sup>lt;sup>35</sup> 47 C.F.R. §51.5

<sup>&</sup>lt;sup>36</sup> 47 C.F.R. §51.319(e)(3)(i)

<sup>&</sup>lt;sup>37</sup> 47 C.F.R. §51.319(e)(3)(ii)

<sup>38 47</sup> C.F.R. §51.319(e)(3)(iii)

**Discussion:** The amendment that is incorporated into the parties' agreement as a result of this proceeding should be limited to incorporating changes resulting from the TRO and TRRO. Any subsequent changes resulting from FCC orders or other legal action should be incorporated via the change of law and/or dispute resolution provisions of the existing interconnection agreement.

ISSUE 11: How should any rate increases and new charges established by the FCC in its final unbundling rules or elsewhere be implemented?

**Position:** \*\*Rate increases and new charges should be implemented in accordance with the FCC TRRO Order.\*\*

Discussion: See discussion for issues 3, 4, and 5

ISSUE 12: Should the interconnection agreements be amended to address changes arising from the TRO with respect to commingling of UNEs with wholesale services, EELs, and other combinations? If so, how?

**Position:** \*\*Yes. Commingling of UNEs and UNE combinations should be provided by Verizon to the extent required by the Federal Unbundling Rules and the FCC TRO Order. Wholesale services available for commingling should include resale services.\*\*

#### **Discussion:**

Sprint proposes a few, but important modifications to the terms proposed by Verizon in regards to the commingling of UNEs and UNE combinations with wholesale services and EELs. Verizon's terms impose unsupported restrictions. The FCC established an ILEC's obligation to commingle or allow commingling in the TRO. Commingling is the connecting of UNEs or combinations of UNEs with wholesale services, both obtained from the ILEC.<sup>39</sup> The provisions for commingling that Verizon proposes, establish two new defined terms, which Sprint believes are unnecessary, and inaccurate: "Qualifying Wholesale Service" and "Qualifying UNE".

First, the FCC adopted the concept of qualifying services in the TRO, which was later rejected by the United States Court of Appeals for the District of Columbia in USTA II.<sup>40</sup> Verizon's attempt to incorporate similar terms here for both wholesale services and UNEs, even though it may be defined separately, can lead to unnecessary confusion and should be left out. The provisions list the various wholesale service options, and clearly state that available UNEs include those that Verizon is obligated to provide pursuant to applicable law as well as any offered in a UNE tariff. This is sufficient without adding the complexity of new terms not included in the definition section of the agreement.

Second, Verizon deliberately leaves out resold services in its definition of qualifying wholesale services in direct contravention with the FCC's determination in the TRO:

As a final matter, we require that incumbent LECs permit commingling of UNEs and UNE combinations with other wholesale facilities and services, including any network elements unbundled pursuant to section 271 and any services offered for resale pursuant to section 251(c)(4) of the Act. Section 251(c)(4) places the duty on incumbent LECs "not to prohibit, and not to impose unreasonable or discriminatory conditions or limitations on" the resale of telecommunications services provided at retail to customers who are not telecommunications carriers. Any restriction that prevents commingling of UNEs (or UNE combinations) with

<sup>&</sup>lt;sup>39</sup> 47 C.F.R. §51.5

<sup>&</sup>lt;sup>40</sup> United States Telecom Association, Petitioner v. Federal Communications Commission and United States of America Respondents, No. 00-1012, Decided March 2, 2004.

resold services constitutes a limitation on both reselling the eligible service and on obtaining access to the UNE or UNE combination. We conclude that a restriction on commingling UNEs and UNE combinations with services eligible for resale is inconsistent with the section 251(c)(4) prohibition on "unreasonable . . . conditions or limitations" because it would impose additional costs on competitive LECs choosing to compete through multiple entry strategies, and because such a restriction could even require a competitive LEC to forego using efficient strategies for serving different customers and markets.<sup>41</sup>

Likewise, the modification Sprint proposes to the EELs terms is brief but important. Sprint objects to the inclusion of the phrase "**or permit the combining or commingling of**" in reference to EELs and the EELs use restriction. Sprint firmly believes that EEL use restrictions<sup>42</sup> only apply to those combinations or commingled arrangements that were ordered in a combined form and does not include combinations or commingled arrangements where Sprint does the actual combining or commingling.

An EEL is an Enhanced Extended Link. It is comprised of two primary components, a loop and dedicated transport. The two components can both be UNEs or only one can be a UNE and the other an access service (commingled EEL). When a CLEC orders an EEL it orders a combined circuit extending from an end users customers premises through the serving wire center to another central office where it terminates at the CLECs collocation cage. The CLEC is not collocated at the serving wire center. One of the primary reasons that the FCC provided for EELs was to "allow competitive LECs to reduce their collocation costs by aggregating loops at fewer collocation locations and then transporting the customer's traffic to their own switches.<sup>43</sup>

<sup>&</sup>lt;sup>41</sup> ¶584, TRO, footnotes omitted

<sup>42 47</sup> C.F.R. §51.318

<sup>&</sup>lt;sup>43</sup> ¶576, TRO

<sup>44 47</sup> C.F.R. §51.318

restrictions to stand alone UNEs, such as high-capacity loops terminated to a CLEC collocation cage even though ILECs requested it.<sup>45</sup> Verizon's proposed terms essentially have the effect of extending those use restrictions to standalone UNEs and are an attempt to impose a position that the FCC specifically rejected. When a CLEC collocates at a wire center and orders UNE loops into its collocation cage it should be able to do so and then connect it to UNE transport or special access transport without the EEL use restrictions. In such cases the CLEC does not order an EEL but standalone UNEs. In addition such an interpretation could harm the deployment of advanced services or competition for local private lines.

In an advanced service scenario a CLEC purchases a high-capacity UNE loop to an end user for the purpose of providing Internet access. The loop terminates into the collocation where the CLEC has installed equipment for the provision of advanced services. The CLEC then connects the equipment to transport leased from the ILEC, which routes the service on to other locations and ultimately the Internet. In a local private line scenario the CLEC connects two end user locations within the same local exchange using two loops terminated in separate collocations connected with dedicated transport. Applying the EEL use restrictions in such cases forces the CLEC to use these facilities for local voice services, which the CLEC may not be in the business of providing, nor should they be forced to be. Verizon's proposed restriction prevents carriers from competing for services such as these unless the provide their own transport to each and every Verizon wire center.

<sup>&</sup>lt;sup>45</sup> ¶592, TRO and fn 644, TRRO

Sprint proposes to eliminate the terms proposed by Verizon in Amendment 2 that give it the right to replace any non-compliant EEL with any service that it chooses. Sprint has every intention of ensuring that every EEL it orders meets the use criteria but should one be found to be non-compliant Sprint proposes to replace the circuit with an analogous special access arrangement, which the terms allow for. Verizon's recommended provisions put Sprint at Verizon's mercy by allowing Verizon to select any arrangement, even one not yet developed. Sprint is Verizon's customer and should be allowed to select which services it orders.

ISSUE 13: Should the interconnection agreements be amended to address changes arising from the TRO with respect to conversion of wholesale services to UNEs/UNE combinations? If so, how?

**Position:** \*\* Yes.\*\*

Discussion: See discussion in Issue 12 above.

ISSUE 14: Should the ICAs be amended to address changes, if any, arising from the TRO with respect to:

- a) Line splitting;
- b) Newly built FTTP loops;
- c) Overbuilt FTTP loops;
- d) Access to hybrid loops for the provision of broadband services;
- e) Access to hybrid loops for the provision of narrowband services;
- f) Retirement of copper loops;

- g) Line conditioning;
- h) Packet switching;
- i) Network Interface Devices (NIDs);
- j) Line sharing?

If so how?

**Position:** \*\*Yes. The amendment should explicitly address each requirement and, if there are no obligations, the item should still be addressed if the Federal Unbundling Rules and the FCC's TRO and TRRO Orders specify procedures involved with discontinuation of requirements.\*\*

**Discussion:** Sprint disagrees with Verizon's proposals with respect to issues 14(b), 14(c), and 14(d).

#### <u>14(b) Newly built FTTP, FTTH or FTTC loops and 14(c) Overbuilt FTTP, FTTH or</u> FTTC loops;

Verizon's proposed terms entitled FTTP Loops – Overbuilds that incorporate provisions for both overbuilds and new builds. Sprint's proposal extracts the terms for new builds, and incorporates them in a separate section with essentially no change to Verizon's original language. It makes no sense to Sprint to include the terms for new builds within the section entitled overbuilds, especially since the FCC's rules for the two are separate and distinct.<sup>46</sup>

The provisions offered by Verizon with respect to overbuilt FTTP loops include two significant errors. Verizon claims that if it will offer Sprint a DS0 transmission path over the FTTP facilities if it chooses to retire the existing copper or hybrid facilities and

<sup>&</sup>lt;sup>46</sup> The rules for new builds are found in 47 C.F.R. §51.319(3)(ii). The rules for over builds are included in 47 C.F.R. §51.319(3)(iii).

no other copper or hybrid facilities exist for the provision of voice grade services. The

FCC's rules on FTTP overbuilds do not limit the use of copper or hybrid loop facilities

to voice grade services:

47 C.F.R. §51.319(a)(3)

(iii) Overbuilds. An incumbent LEC is not required to provide nondiscriminatory access to fiber-to-the-home loop or a fiber-to-the-curb loop on an unbundled basis when the incumbent LEC has deployed such a loop parallel to, or in replacement of, an existing copper loop facility, except that:

(A) The incumbent LEC must maintain the existing copper loop connected to the particular customer premises after deploying the fiber-to-the-home loop or the fiber to-the-curb loop and provide nondiscriminatory access to that copper loop on an unbundled basis unless the incumbent LEC retires the copper loops pursuant to paragraph (a)(3)(iii) of this section.

(B) An incumbent LEC that maintains the existing copper loops pursuant to paragraph (a)(3)(ii)(A) of this section need not incur any expenses to ensure that the existing copper loop remains capable of transmitting signals prior to receiving a request for access pursuant to that paragraph, in which case the incumbent LEC shall restore the copper loop to serviceable condition upon request.

(C) An incumbent LEC that retires the copper loop pursuant to paragraph (a)(3)(iii) of this section shall provide nondiscriminatory access to a 64 kilobits per second transmission path capable of voice grade service over the fiber-to-the-home loop or fiber-to-the-curb loop on an unbundled basis.

(iv) Retirement of copper loops or copper subloops. Prior to retiring any copper loop or copper subloop that has been replaced with a fiber-to-the-home loop or a fiber-to-the-curb loop, an incumbent LEC must comply with:

(A) The network disclosure requirements set forth in section 251(c)(5) of the Act and in § 51.325 through § 51.335;and

(B) Any applicable state requirements.

Sprint is concerned with any implication that its use of copper or hybrid facilities is

limited to voice grade or DS0 services and therefore objects to Verizon's language.

Verizon also refuses to agree with the FCC's unambiguous designation included in the rules that the DS0 voice grade path provided over FTTP overbuild facilities will provide 64 kbps (kilobits per second) of bandwidth. Sprint can only assume that Verizon seeks to restrict the amount of bandwidth that Sprint would receive in such situations.

In addition Verizon is refusing to include terms committing it to follow the network notification requirements for retiring copper facilities in an FTTP overbuild situation even though it is included in the FCC rules listed above.

#### 14 (d) Access to hybrid loops for the provision of broadband services

The FCC rules require ILECs to provide access to Hybrid Loops for the provision of broadband services (DS1 and DS3) over Time Division Multiplexing (TDM) facilities.<sup>47</sup> Any elimination of DS1 and DS3 loop unbundling obligations established by the TRRO would equally apply to Hybrid Loops (see Issue 4 above). Sprint has therefore proposed additions to Verizon's language that recognize that fact.

## ISSUE 15: What should be the effective date of the Amendment to the parties' agreements?

**Position:** \*\*The effective date should be the date that the amendment is signed by the two parties or the date that is ordered by the Commission.\*\*

<sup>&</sup>lt;sup>47</sup> 47 C.F.R. §51.319(a)(2)(ii)

ISSUE 16: How should CLEC requests to provide narrowband services through unbundled access to a loop where the end user is served via Integrated Digital Loop Carrier (IDLC) be implemented?

**Position:** \*\*Following the current Rules, language should be added to reflect that Verizon should provide a DS0 voice-grade transmission path between the main distribution frame (or equivalent) in the end user's serving wire center and the end user's customer premises, using time division multiplexing technology.\*\*

**Discussion:** An IDLC loop is a form of hybrid loop that "is integrated directly into the switches of incumbent LECs (either directly or through another type of network equipment known as a "cross connect")".<sup>48</sup> Unbundling IDLC loops can be challenging depending upon the network arrangement. The FCC discussed a variety of methods for unbundling IDLC hybrid loops in the TRO including utilizing spare copper facilities, UDLC facilities, reconfiguring equipment, and providing access to the cross-connect equipment.<sup>49</sup> The FCC only codified two alternatives for providing narrowband services on hybrid loops, a spare copper loop or access to time division multiplexing technology (TDM):

47 C.F.R. §51.319(a)(2)

(iii) Narrowband services. When a requesting telecommunications carrier seeks access to a hybrid loop for the provision of narrowband services, the incumbent LEC may either:

(A) Provide nondiscriminatory access, on an unbundled basis, to an entire hybrid loop capable of voice-grade service (*i.e.*, equivalent to DS0 capacity), using time division multiplexing technology; or

(B) Provide nondiscriminatory access to a spare home-run copper loop serving that customer on an unbundled basis.

<sup>&</sup>lt;sup>48</sup> ¶297, TRO

<sup>49 ¶297,</sup> TRO and footnote 855

Sprint suggests that Verizon's proposed terms be modified to include the TDM option listed in the rules. This clearly makes sense, since the FCC rules for providing broadband UNE loops (DS1 and DS3) over hybrid loop facilities utilize TDM facilities. If Verizon is allowed to refuse to provide access to any TDM facilities present in an IDLC arrangement for narrowband facilities it can use the same argument to refuse to provide access to broadband UNE loops over the same facilities. If TDM facilities are present in the feeder plant serving an IDLC, which is entirely possible, Verizon should be obligated to consider that as an option when determining how to provide a narrowband UNE hybrid loop.

Issue 17: Should Verizon be subject to standard provisioning intervals or performance measurements and potential remedy payments, if any, in the underlying Agreement or elsewhere, in connection with its provision of

a) unbundled loops in response to CLEC requests for access to IDLC-served hybrid loops;

b) Commingled arrangements;

c) Conversion of access circuits to UNEs;

 d) Loops or Transport (including Dark Fiber Transport and Loops) for which Routine Network Modifications are required;

e) Batch hot cut, large job hot cut, and individual hot cut processes.

Position: \*\*Yes, if such intervals or performance measures currently are applicable.
\*\*

**Discussion:** Sprint proposes relevant terms be included in the Amendment, with respect to IDLC hybrid loops (17a), with respect to commingled arrangements (17b), and with respect to routine network modifications (17d). The provisions are consistent simply stating that performance measures do not apply if and only if the Commission has ruled in that manner. Verizon has proposed terms that stated that performance measures do not apply.

Sprint's language simply maintains any performance measures that the Commission may have established for Verizon in the past. Verizon's proposed terms would have the effect of eliminating them. Hybrid loops have been around since the Act was passed and Verizon has been provisioning UNE loops over those facilities. To the extent they have been addressed in performance measures those measures should be maintained. The individual components of a commingled arrangement (UNEs or wholesale services) could very well have applicable performance measures that should apply. For example, if Verizon has the obligation to install a DS1 UNE loops in 5 days it should meet that measure if it is installing a DS1 UNE loop on a standalone basis or in a commingled arrangement. That doesn't necessarily mean that the entire commingled arrangement is installed during that period, but the elimination of any existing performance measure would enable Verizon to extend the installation indefinitely. If facilities are not available and Verizon must make a routine network modification to provide access to a UNE it should do so within the same time frames that it does so for its own customers.

#### ISSUE 18: How should sub-loop access be provided under the TRO?

**Position:** \*\*Access should be provided by Verizon to the extent required by the Federal Unbundling Rules and the FCC's TRRO Order.\*\*

#### Discussion:

The terms and conditions proposed by Verizon restrict Sprint's access to subloops and are inconsistent with the existing FCC's rules established in the TRO. The FCC established two types of sub-loops in the TRO, copper sub-loops and sub-loops for access to multiunit premises wiring. "A copper subloop is a portion of a copper loop, or hybrid loop, comprised entirely of copper wire or copper cable that acts as a transmission facility between any point of technically feasible access in an incumbent LEC's outside plant, including inside wire owned or controlled by the incumbent LEC, and the end-user customer premises."<sup>50</sup> It further defined a point of technically feasible access as "any point in the incumbent LEC's outside plant where a technician can access the copper wire within a cable without removing a splice case. Such points include, but are not limited to, a pole or pedestal, the serving area interface, the network interface device, the minimum point of entry, any remote terminal, and the feeder/distribution interface. An incumbent LEC shall, upon a site-specific request, provide access to a copper subloop at a splice near a remote terminal."<sup>51</sup> The modifications that Sprint has proposed to Verizon's proposal simply brings Verizon's provisions in line with the FCC's rules (see Sprint discussion above regarding Distribution Sub-Loop Facility in the definition section, Issue 9).

Sub-loop for access to multiunit premises wiring is defined "as any portion of the loop that it is technically feasible to access at a terminal in the incumbent LEC's outside

<sup>50 47</sup> C.F.R. §51.319(b)(1)

<sup>&</sup>lt;sup>51</sup> 47 C.F.R. §51.319(b)(1)(i)

plant at or near a multiunit premises. One category of this subloop is inside wire, which is defined for purposes of this section as all loop plant owned or controlled by the incumbent LEC at a multiunit customer premises between the minimum point of entry as defined in § 68.105 of this chapter and the point of demarcation of the incumbent LEC's network as defined in § 68.3 of this chapter."<sup>52</sup> ILECs have an obligation to provide access "regardless of the capacity level or type of loop that the requesting telecommunications carrier seeks to provision for its customer".<sup>53</sup> The FCC defined a point of technically feasible access as "any point in the incumbent LEC's outside plant at or near a multiunit premises where a technician can access the wire or fiber within the cable without removing a splice case to reach the wire or fiber within to access the wiring in the multiunit premises. Such points include, but are not limited to, a pole or pedestal, the network interface device, the minimum point of entry, the single point of interconnection, and the feeder/distribution interface."<sup>54</sup> The terms proposed by Verizon limit sub-loop access for multiunit premises to House and Riser Cable, which excludes fiber facilities, and only extends between the Minimum Point of Entry (MPOE) and the point of demarcation.<sup>55</sup> The MPOE is the closest point to where the wiring crosses the property line or the closest practical point where the wiring enters a multiunit building.<sup>56</sup> Verizon's terms exclude facilities between the MPOE and another point of access near the multiunit premises.

<sup>&</sup>lt;sup>52</sup> 47 C.F.R. §51.319(b)(2)

<sup>&</sup>lt;sup>53</sup> 47 C.F.R. §51.319(b)(2)

<sup>54 47</sup> C.F.R. §51.319(b)(2)(i)

<sup>&</sup>lt;sup>55</sup> See definition, Amendment 2, § 4.7.19 (Sprint version)

<sup>&</sup>lt;sup>56</sup> 47 C.F.R. §68.105

Sprint therefore recommended additions to the terms proposed by Verizon to make it consistent with the FCC's rules, adding references to Sub-Loop for Multiunit Premises and Inside Wire along with House and Riser Cable.

ISSUE 19: Where Verizon collocates local circuit switching equipment (as defined by the FCC's rules) in a CLEC facility/premises, should the transmission path between that equipment and the Verizon serving wire center be treated as unbundled transport? If so, what revisions to the Amendment are needed? Position: \*\*No position \*\*

ISSUE 20: Are interconnection trunks between a Verizon wire center and a CLEC wire center, interconnection facilities under section 251(c)(2) that must be provided at TELRIC?

**Position:** \*\*Interconnection facilities included in the Amendment should be provided at cost-based rates pursuant to the Federal Unbundling Rules and paragraph 140 of the FCC TRRO.\*\*

#### **Discussion**:

The FCC eliminated entrance facilities as UNE dedicated transport in the TRRO.<sup>57</sup> Entrance facilities are the transmission facilities connecting CLEC and ILEC networks.<sup>58</sup> Transmission facilities connecting CLEC and ILEC networks are also used to exchange traffic pursuant to §251(c)(2) of the Act and are referred to as interconnection facilities. Congress established the pricing standard for interconnection

<sup>&</sup>lt;sup>57</sup> 47 C.F.R. §51.319(e)(2)(i)

<sup>&</sup>lt;sup>58</sup> ¶136, TRRO

facilities in the Act in §252(d)(2), which is the same as the cost based UNE pricing standard. CLECs are concerned that ILECs will attempt to take the FCC's decision regarding UNE entrance facilities to deny access to cost based interconnection facilities. Recognizing this, the FCC clarified in the TRRO that it did not change the cost based pricing standard for interconnection facilities.<sup>59</sup> CLECs are therefore requesting that ILECs such as Verizon acknowledge that fact when the TRRO terms are negotiated.

ISSUE 21: What obligations under federal law, if any, with respect to EELs should be included in the Amendment to the parties' interconnection agreements?

a) What information should a CLEC be required to provide to Verizon as certification to satisfy the service eligibility criteria (47 C.F.R. Sec. 51.318) of the TRO in order to (1) convert existing circuits/services to EELs or (2) order new EELs?

**Position:** \*\*All obligations and associated process contained in the Federal Unbundling Rules and the FCC TRO should be included in the Amendment.\*\*

**Discussion:** See discussion in Issue 12 above.

- b) Conversion of existing circuits/services to EELs:
  - (1) Should Verizon be prohibited from physically disconnecting, separating or physically altering the existing facilities when a CLEC requests a conversion of existing circuits/services to an EEL unless the CLEC requests such facilities alteration?

<sup>&</sup>lt;sup>59</sup> ¶140, TRRO

- (2) In the absence of a CLEC request for conversion of existing access circuits/services to UNE loops and transport combinations, what types of charges, if any, can Verizon impose?
- (3) Should EELs ordered by a CLEC prior to October 2, 2003, be required to meet the TRO's service eligibility criteria?
- (4) For conversion requests submitted by a CLEC prior to the effective date of the amendment, should CLECs be entitled to EELs/UNE pricing effective as of the date the CLEC submitted the request (but not earlier than October 2, 2003)?

**Position:** \*\*No position.\*\*

c) What are Verizon's rights to obtain audits of CLEC compliance with the service eligibility criteria in 47 C.F.R. 51.318?

**Position:** \*\*No position.\*\*

ISSUE 22: How should the Amendment reflect an obligation that Verizon perform routine network modifications necessary to permit access to loops, dedicated transport, or dark fiber transport facilities where Verizon is required to provide unbundled access to those facilities under 47 U.S.C. § 251(c)(3) and 47 C.F.R. Part 51?

**Position:** \*\*No position.\*\*

ISSUE 23: Should the parties retain their pre-Amendment rights arising under the Agreement, tariffs, and SGATs?

**Position:** \*\* No position.\*\*

ISSUE 24: Should the Amendment set forth a process to address the potential effect on the CLECs' customers' services when a UNE is discontinued?

**Position:** \*\*Yes, there should be a clear transition plan in the Amendment for delisted UNEs that protects the CLEC's customers' service.\*\*

ISSUE 25: How should the Amendment implement the FCC's service eligibility criteria for combinations and commingled facilities and services that may be required under 47 U.S.C. § 251(c)(3) and 47 C.F.R. Part 51?

**Position:** \*\*Pursuant to the rule, the service eligibility criteria for EELs only apply when one of the components is a network element.\*\*

**Discussion:** 

ISSUE 26: Should the Commission adopt the new rates specified in Verizon's Pricing Attachment on an interim basis?

**Position:** This issue has been deleted pursuant to the stipulation of the parties.

#### CONCLUSION

Rule changes such as those recently ordered by the FCC in the TRRO contain specific implementation instructions that should be incorporated. This includes both the provisions addressing the discontinuance of certain UNEs as well as those terms that define the specific transition period, how the parties interact during the transition period and ultimately the discontinuance of service. Verizon's language does not address these issues but leaves it to the parties to surmise a course of action when the situation presents itself, potentially forcing Sprint to accept terms which may not be appropriately developed when the issues arise.

Sprint objects to the terms proposed by Verizon that state that any change resulting in the declassification of a network element (that element becoming a "Discontinued Facility") and changing Verizon's unbundling obligations should be selfeffectuating and not subject to the change in law provisions of the existing interconnection agreement. These terms allow Verizon to eliminate a declassified element within 90 days of a written notice and do not provide CLECs the opportunity to dispute Verizon's claim. Sprint notes that the self effectuating terms proposed by Verizon are one-sided and address situations where its unbundling obligations are eliminated, but do not apply equally to situations where its unbundling obligations are expanded. At a minimum the terms should clearly state that the parties will negotiate the future changes in law as amendments to the interconnection agreement pursuant to the provisions contained therein and set forth a clear understanding on the implementation of the obligations under the recent FCC decisions for the transition away from those UNEs no longer available. **RESPECTFULLY SUBMITTED** this 13th day of June 2005.

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S/ Susan S. Masterton

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