

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Global NAPs, Inc. for arbitration pursuant to 47 U.S.C. 252(b) of interconnection rates, terms and conditions with ALLTEL Florida, Inc.

DOCKET NO. 011354-TP
ORDER NO. PSC-03-0151-PHO-TP
ISSUED: January 29, 2003

Pursuant to Notice and in accordance with Rule 28-106.209, Florida Administrative Code, a Prehearing Conference was held on January 6, 2003, in Tallahassee, Florida, before Commissioner Braulio L. Baez, as Prehearing Officer.

APPEARANCES:

JON C. MOYLE, JR., Esquire, and CATHY SELLERS, Esquire, Moyle, Flanigan, Katz, Raymond and Sheehan, P.A., 118 North Gadsden Street, Tallahassee, Florida 32301; and JAMES R. J. SCHELTEMA, Global NAPs, Inc., 5042 Durham Road West, Columbia, Maryland 21044-1445
On behalf of Global NAPs, Inc.

J. JEFFRY WAHLEN, Esquire, Ausley & McMullen, Post Office Box 391 Tallahassee, Florida 32302; and STEPHEN T. REFSELL, Esquire, ALLTEL Corporate Services, Inc. One Allied Drive, Little Rock, Arkansas 72202
On behalf of ALLTEL Florida, Inc. ("ALLTEL").

WAYNE D. KNIGHT, Esquire, and ADAM J. TEITZMAN, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Commission.

PREHEARING ORDER AND AMENDING ORDER ESTABLISHING PROCEDURE

I. CONDUCT OF PROCEEDINGS

Pursuant to Rule 28-106.211, Florida Administrative Code, this Order is issued to prevent delay and to promote the just, speedy, and inexpensive determination of all aspects of this case.

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II. CASE BACKGROUND

On October 10, 2001, Global NAPs, Inc. (GNAPS or Global) petitioned the Commission to arbitrate certain unresolved terms and conditions of an interconnection agreement with ALLTEL Florida, Inc. (ALLTEL). ALLTEL filed a response and the matter has been set for hearing.

III. PROCEDURE FOR HANDLING CONFIDENTIAL INFORMATION

A. Any information provided pursuant to a discovery request for which proprietary confidential business information status is requested shall be treated by the Commission and the parties as confidential. The information shall be exempt from Section 119.07(1), Florida Statutes, pending a formal ruling on such request by the Commission, or upon the return of the information to the person providing the information. If no determination of confidentiality has been made and the information has not been used in the proceeding, it shall be returned expeditiously to the person providing the information. If a determination of confidentiality has been made and the information was not entered into the record of the proceeding, it shall be returned to the person providing the information within the time periods set forth in Section 364.183, Florida Statutes.

B. It is the policy of the Florida Public Service Commission that all Commission hearings be open to the public at all times. The Commission also recognizes its obligation pursuant to Section 364.183, Florida Statutes, to protect proprietary confidential business information from disclosure outside the proceeding.

1. Any party intending to utilize confidential documents at hearing for which no ruling has been made, must be prepared to present their justifications at hearing, so that a ruling can be made at hearing.

2. In the event it becomes necessary to use confidential information during the hearing, the following procedures will be observed:

- a) Any party wishing to use any proprietary confidential business information, as that term is

defined in Section 364.183, Florida Statutes, shall notify the Prehearing Officer and all parties of record by the time of the Prehearing Conference, or if not known at that time, no later than seven (7) days prior to the beginning of the hearing. The notice shall include a procedure to assure that the confidential nature of the information is preserved as required by statute.

- b) Failure of any party to comply with 1) above shall be grounds to deny the party the opportunity to present evidence which is proprietary confidential business information.
- c) When confidential information is used in the hearing, parties must have copies for the Commissioners, necessary staff, and the Court Reporter, in envelopes clearly marked with the nature of the contents. Any party wishing to examine the confidential material that is not subject to an order granting confidentiality shall be provided a copy in the same fashion as provided to the Commissioners, subject to execution of any appropriate protective agreement with the owner of the material.
- d) Counsel and witnesses are cautioned to avoid verbalizing confidential information in such a way that would compromise the confidential information. Therefore, confidential information should be presented by written exhibit when reasonably possible to do so.
- e) At the conclusion of that portion of the hearing that involves confidential information, all copies of confidential exhibits shall be returned to the proffering party. If a confidential exhibit has been admitted into evidence, the copy provided to the Court Reporter shall be retained in the Division of the Commission Clerk and Administrative Services's confidential files.

IV. POST-HEARING PROCEDURES

Each party shall file a post-hearing statement of issues and positions. A summary of each position of no more than 50 words, set off with asterisks, shall be included in that statement. If a party's position has not changed since the issuance of the prehearing order, the post-hearing statement may simply restate the prehearing position; however, if the prehearing position is longer than 50 words, it must be reduced to no more than 50 words. If a party fails to file a post-hearing statement, that party shall have waived all issues and may be dismissed from the proceeding.

Pursuant to Rule 28-106.215, Florida Administrative Code, a party's proposed findings of fact and conclusions of law, if any, statement of issues and positions, and brief, shall together total no more than 40 pages, and shall be filed at the same time.

V. PREFILED TESTIMONY AND EXHIBITS; WITNESSES

Testimony of all witnesses to be sponsored by the parties has been prefiled. All testimony which has been prefiled in this case will be inserted into the record as though read after the witness has taken the stand and affirmed the correctness of the testimony and associated exhibits. All testimony remains subject to appropriate objections. Each witness will have the opportunity to orally summarize his or her testimony at the time he or she takes the stand. Summaries of testimony shall be limited to five minutes. Upon insertion of a witness' testimony, exhibits appended thereto may be marked for identification. After all parties and Staff have had the opportunity to object and cross-examine, the exhibit may be moved into the record. All other exhibits may be similarly identified and entered into the record at the appropriate time during the hearing.

Witnesses are reminded that, on cross-examination, responses to questions calling for a simple yes or no answer shall be so answered first, after which the witness may explain his or her answer.

The Commission frequently administers the testimonial oath to more than one witness at a time. Therefore, when a witness takes

the stand to testify, the attorney calling the witness is directed to ask the witness to affirm whether he or she has been sworn.

VI. ORDER OF WITNESSES

<u>Witness</u>	<u>Proffered By</u>	<u>Issues #</u>
<u>Direct and Rebuttal</u>		
Dr. Lee L. Selwyn	Global NAPs	All
William J. Rooney	Global NAPs	All
Alfred Busbee	ALLTEL	All

VII. BASIC POSITIONS

Global NAPs: ALLTEL proposes burdensome terms and conditions which are designed to (1) retain its monopoly revenue streams (2) preclude economically viable competition and (3) deny consumers deserved benefits. It does so under the guise of claiming "rural exemption," but continuation of such classification only insures ALLTEL of its insular status in spite of the congressional mandate to "promote" competition.

In contrast to other jurisdictions, such as New York, where the Commission found that Global's competitive FX offering via non-geographically correlated NXXs can provide real alternatives and competitive benefits, especially to those in rural areas, ALLTEL proposes that its Florida consumers remain its loyal, and exclusive, subjects. ALLTEL's fiefdom should not be allowed to continue, but instead, should be opened to competition just as other Florida ILEC's service territories have been opened. ALLTEL's claim that it is a small carrier is belied by its capitalization. ALLTEL should be properly viewed as a part of a national telecommunications conglomerate, rather than an isolated independent.

ALLTEL:

ALLTEL is a "rural telephone company" within the meaning of §251(f)(1) of the 1996 Telecommunications Act ("Act") and meets the separate definition of a "fewer than 2 percent" rural carrier under §251(f)(2). Rural Telephone Companies and "rural carriers" are granted special status under the Act in that they are exempt from, or can seek a suspension or modification of, the general interconnection and unbundling requirements applicable to large incumbent local exchange carriers. This is the first time this Commission has considered a case that involves either a "rural exemption" or a rural carrier petition for a "rural suspension or modification" available under the Act.

ALLTEL provides local telephone exchange services in five small, noncontiguous local calling areas in LATA 452 and two in LATA 454. Most of these noncontiguous local exchange areas serve fewer than 10,725 subscribers and several serve less than 3,000. LATA 452 surrounds Jacksonville, but ALLTEL is not the ILEC in Jacksonville and LATA 454 surrounds Gainesville and Ocala, but ALLTEL is not the ILEC in Gainesville or Ocala. In both LATAs a larger geographic area is located outside ALLTEL's local calling areas than is located inside them. As a smaller rural carrier, ALLTEL does not own its own LATA tandem in either LATA, but subtends the BellSouth LATA tandem in a few isolated instances.

These characteristics make interconnection under the general terms and conditions applicable to large ILECs with ubiquitous networks unduly economically burdensome. Nevertheless, GNAPS seeks to have ALLTEL interconnect on terms and conditions applicable to large ILECs. ALLTEL has proposed language in a draft interconnection agreement that is consistent with the Act generally and with the Act's "rural" provisions (i.e., Section 251 (f)(1) and (2)) specifically. The Commission should resolve this case by adopting ALLTEL's positions on

the issues set forth below and approving the agreement language proposed by ALLTEL.

STAFF: Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions.

VIII. ISSUES AND POSITIONS

ISSUE 1(a): Should ALLTEL be required to establish an Interconnection Point outside of its network?

POSITIONS:

Global NAPs: The issue is not whether or not ALLTEL should be required to interconnect at more than one point in a LATA with ALLTEL outside of its network, but is perhaps best understood as (1) whether an interconnection with ALLTEL when made outside of its serving area is sufficient for exchanging traffic, and (2) is Global required to interconnect at more than one point in a LATA in which ALLTEL provides service.

When ALLTEL uses BellSouth tandem and/or transport facilities, Global should be able to interconnect with it at any technically feasible point on these facilities. A likely point of interconnection, for example, might be the BellSouth tandem. Although ALLTEL does not own such facilities, it has made such facilities an integral part of its network. This is similarly the case when Global leases facilities from other carriers. Although leased fiber routes are not owned by Global in the strict sense, these leased facilities are considered to be part of the Global network. As such, ownership, per se, should not be a determining factor when ALLTEL uses other carrier's facilities. These

facilities may indeed be the most efficient point of interconnection available between the two carriers and should not be rejected on the basis of title to the facilities when ALLTEL has constructive ownership.

Global NAPS should not be required to provide more than one point of interconnection per LATA. Any order to the contrary would be inconsistent with 47 U.S.C. §251(c)(2) and 47 C.F.R. 51.305(a)(2). Global NAPS should not be required to provide more than one point of interconnection per LATA. Each carrier should be financially responsible for carriage of traffic on its respective side of this/these point(s) of interconnection.

ALLTEL:

No. Requiring an Interconnection Point outside of any ILEC's network, whether it is a large urban ILEC or a small rural ILEC, would be inconsistent with federal law (47 C.F.R. §51.305(a)(2) and §251(c)(2)(B) of the Act) and with the Commission's Order on Reciprocal Compensation (No. PSC-02-1248-FOF-TP), which states on page 25 that the POI should be at a "location on an incumbent's network within a LATA."

STAFF:

Staff has no position at this time.

ISSUE 1(b): If ALLTEL should be required to establish an Interconnection Point outside of its network, should ALLTEL be exempt from this requirement pursuant to §251(f)(1) of the Telecommunications Act of 1996, or should this requirement be suspended or modified pursuant to §251(f)(2)?

POSITIONS:

Global NAPS: The Rural Exemption should be modified or suspended in order to accommodate efficient interconnection between the parties. Efficient interconnection facilitates the exchange of traffic and promotes competition, consistent with the goals of the Act. Such competition is especially needed in ALLTEL's

service territories where there appears to be a lack of competitive pressures with the consequence that customers are denied choice and lower prices that the advent of competition can provide.

ALLTEL: Yes. ALLTEL is a "rural telephone company" within the meaning of §251(f)(1) of the Act and meets the separate definition of a "fewer than 2 percent" rural carrier under §251(f)(2). Requiring ALLTEL to establish an IP outside of its network would require ALLTEL to build or lease facilities beyond its network and would be unduly economically burdensome; therefore, ALLTEL should be exempt from any such requirement or any such requirement should be suspended or modified to require all IPs be within ALLTEL's network.

STAFF: Staff has no position at this time.

ISSUE 1(c): If ALLTEL is required to establish an Interconnection Point outside of its network, should each Party be responsible for the costs associated with transporting traffic to the interconnection point or points outside of ALLTEL's network on each party's respective side of the Interconnection Point?

POSITIONS:

Global NAPs: Each carrier should be financially responsible for carriage of traffic on its respective side of this/these point(s) of interconnection. This is consistent with 47 C.F.R. 51.703(b) and this Commission's interpretation of federal law as determined in Docket 00005-TP.

ALLTEL: No. ALLTEL's network contains noncontiguous exchanges within the same LATA. If GNAPS chooses to establish an IP outside of ALLTEL's network, GNAPS should be responsible for the costs of transporting traffic to the IP from each and every one of ALLTEL's noncontiguous exchanges within the LATA from which GNAPS seeks originating local traffic.

STAFF: Staff has no position at this time.

ISSUE 1(d): If each party should be responsible for the costs associated with transporting traffic to the interconnection point or points outside of ALLTEL's network, should ALLTEL be exempt from this requirement pursuant to §251(f)(1), or should this requirement be suspended or modified pursuant to §251(f)(2)?

POSITIONS:

Global NAPS: The Rural Exemption should be modified or suspended in order to accommodate efficient interconnection between the parties. Efficient interconnection facilitates the exchange of traffic and promotes competition, consistent with the goals of the Act. Such competition is especially needed in ALLTEL's service territories where there appears to be a lack of competitive pressures with the consequence that customers are denied choice and lower prices that the advent of competition can provide.

ALLTEL: Yes. ALLTEL is a "rural telephone company" within the meaning of §251(f)(1) of the Act and meets the separate definition of a "fewer than 2 percent" rural carrier under §251(f)(2). Given the noncontiguous nature of ALLTEL's network within the LATAs it serves, making ALLTEL pay to transport calls to a single IP outside ALLTEL's network would be unduly economically burdensome for ALLTEL; therefore, ALLTEL should be exempt from any such requirement or any such requirement should be suspended or modified.

STAFF: Staff has no position at this time.

ISSUE 2(a): Should ALLTEL be required to establish a single Interconnection Point at G NAP's designation within ALLTEL's network within a LATA?

POSITIONS:

Global NAPs: Global NAPs should not be required to provide more than one point of interconnection per LATA. Any order to the contrary would be inconsistent with 47 U.S.C. § 251 (c)(2) and 47 C.F.R. 51.305(a)(2). Global would also direct the Commission's attention to the recent decision by the FCC's Wireline Bureau for interpretation of federal law concerning this issue. See ¶52 of the Memorandum Order and Opinion, *Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc. and For Expedited Arbitration*, CC Docket No. 00-218; *Petition of Cox Virginia Telecom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc. and For Arbitration*, CC Docket No. 00-249; *Petition of AT&T Comminations of Virginia, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc.*, CC Docket No. 00-218, DA 02-1731 (Re. July 17, 2002) ("Virginia Order").

ALLTEL: No. ALLTEL's network contains several noncontiguous local exchanges within the same LATA, and such noncontiguous local exchanges are not interconnected with its other such noncontiguous local exchanges by a tandem or other interoffice transport. ALLTEL should only be required to establish a single Interconnection Point within each of ALLTEL's noncontiguous local exchange networks within a LATA.

STAFF: Staff has no position at this time.

ISSUE 2(b): If ALLTEL should be required to establish a single Interconnection Point at GNAP's designation within ALLTEL's network within a LATA, should ALLTEL be exempt from this requirement pursuant to §251(f)(1), or should this requirement be suspended or modified pursuant to §251(f)(2)?

POSITIONS:

Global NAPS: The Rural Exemption should be modified or suspended in order to accommodate efficient interconnection between the parties. Efficient interconnection facilitates the exchange of traffic and promotes competition, consistent with the goals of the Act. Such competition is especially needed in ALLTEL's service territories where there appears to be a lack of competitive pressures with the consequence that customers are denied choice and lower prices that the advent of competition can provide.

ALLTEL: Yes. ALLTEL is a "rural telephone company" within the meaning of §251(f)(1) of the Act and meets the separate definition of a "fewer than 2 percent" rural carrier under §251(f)(2). ALLTEL's network contains several noncontiguous local exchanges within the same LATA, and such noncontiguous local exchanges are not interconnected with its other such noncontiguous local exchanges by a tandem or other interoffice transport. Requiring ALLTEL to establish a single IP on one its noncontiguous exchange networks within a LATA to serve all of ALLTEL's other noncontiguous exchanges within that LATA would be unduly economically burdensome for ALLTEL; therefore, ALLTEL should be exempt from any such requirement or any such requirement should be suspended or modified.

STAFF: Staff has no position at this time.

ISSUE 2(c): If ALLTEL is required to establish a single Interconnection Point at GNAP's designation within ALLTEL's network within a LATA, should each Party be responsible for the costs associated with transporting traffic to the interconnection point or points on each party's respective side of the Interconnection Point?

POSITIONS:

Global NAPs: Each carrier should be financially responsible for carriage of traffic on its respective side of this/these point(s) of interconnection. This is consistent with 47 C.F.R. 51.703(b) and this Commission's interpretation of federal law as determined in Docket 00005-TP.

ALLTEL: No. ALLTEL's network contains noncontiguous exchanges within the same LATA. If GNAPS chooses to establish a single IP somewhere on one of ALLTEL's noncontiguous networks within a LATA, rather than one IP in each of ALLTEL's noncontiguous exchanges in the LATA, GNAPS should be responsible for the costs of transporting traffic from each and every one of ALLTEL's other noncontiguous exchanges within the LATA to the single IP.

STAFF: Staff has no position at this time.

ISSUE 2(d): If each party should be responsible for the costs associated with transporting traffic to the interconnection point or points within ALLTEL's network within a LATA, should ALLTEL be exempt from this requirement pursuant to §251(f)(1), or should this requirement be suspended or modified pursuant to §251(f)(2)?

POSITIONS:

Global NAPs: The Rural Exemption should be modified or suspended in order to accommodate efficient interconnection between the parties. Efficient interconnection facilitates the exchange of traffic and promotes competition, consistent with the goals of the Act. Such competition is especially needed in ALLTEL's service territories where there appears to be a lack of competitive pressures with the consequence

that customers are denied choice and lower prices that the advent of competition can provide.

ALLTEL: Yes. ALLTEL is a "rural telephone company" within the meaning of §251(f)(1) of the Act and meets the separate definition of a "fewer than 2 percent" rural carrier under §251(f)(2). Requiring ALLTEL to pay the transport costs associated with connecting all of its noncontiguous exchanges in a LATA to one IP within one of its other noncontiguous local exchange networks within the LATA would be unduly economically burdensome for ALLTEL; therefore, ALLTEL should be exempt from any such requirement or any such requirement should be suspended or modified.

STAFF: Staff has no position at this time.

ISSUE 3(a): Should ALLTEL's local calling area boundaries be the basis for distinguishing between when reciprocal compensation (i.e., local) versus exchange access compensation (intraLATA switched access) apply?

POSITIONS:

Global NAPs: Global NAPs should not have its retail local calling areas limited by ALLTEL's retail or wholesale local calling areas. Instead, the size of local calling areas should be subject to competition. In order to effect such competition and eliminate economic constraints related to the ILEC's local calling area definitions, all intra-LATA traffic exchanged between GNAPs and ALLTEL should be treated as cost-based "local" compensation under §251(b)(5), and should not be subject to intrastate access charges. (Although Global NAPs submitted a prehearing statement, the issues there do not reflect the issues to be submitted for arbitration, as agreed to by the parties. Global NAPs indicated that clarification would be forthcoming, but as yet none has been received.)

ALLTEL: Yes. The Commission's decision on the local calling area in Docket No. 000075-TP (Phase IIA) is inconsistent with law and should be reconsidered for the reasons outlined in Exhibit AB-1 (i.e., the decision (i) is contrary to the Act and the FCC's rules implementing the Act because it allows compensation that is not truly reciprocal and ignores the distinction between local and access traffic, (ii) is contrary to Florida law because it modifies the state access charge regime in a manner exceeding the Commission's jurisdiction, (iii) enables and encourages regulatory arbitrage, (iv) creates anticompetitive effects, and (v) ignores the massive administrative problems that would result).

STAFF: Staff has no position at this time.

ISSUE 3(b): If ALLTEL's local calling area boundaries should not be the basis for distinguishing between when reciprocal compensation (i.e., local) versus exchange access compensation (intraLATA switched access) applies, should ALLTEL be exempt from this requirement pursuant to §251(f)(1), or should this requirement be suspended or modified pursuant to §251(f)(2)?

POSITIONS:

Global NAPs: The Rural Exemption should be modified or suspended in order to promote competition, consistent with the goals of the Act. Such competition is especially needed in ALLTEL's service territories where there appears to be a lack of competitive pressures with the consequence that customers are denied choice and lower prices that the advent of competition can provide.

ALLTEL: Yes. ALLTEL is a "rural telephone company" within the meaning of §251(f)(1) of the Act and meets the separate definition of a "fewer than 2 percent" rural carrier under §251(f)(2). Even if the Commission declines to reconsider the default definition of "local calling area" applicable to large ILECs, the financial analysis presented by

ALLTEL shows that adopting a local calling area different than ALLTEL's local calling boundaries would be unduly economically burdensome for ALLTEL and would threaten its ability to meet its universal service obligations. Therefore, ALLTEL should be exempt from a contrary requirement or a contrary requirement should be suspended or modified.

STAFF: Staff has no position at this time.

ISSUE 4(a): Should GNAPs be able to assign to its customers NXX codes that are rate centered in a central office switch serving a local calling area which is outside that in which the customer is located?

POSITIONS:

Global NAPs: Global NAPs should be allowed to use an assignment of NXX codes to provide competitive FX service because there is no longer a nexus necessary between an assignment of NXX codes and geography.

ALLTEL: No. Doing so would be tantamount to declaring an entire LATA local for purposes of reciprocal compensation purposes. This should be rejected for the same five reasons given above in regard to Issue 3(a). GNAPs should be required to rate center an NXX in each exchange in which it plans to provide service and to pay the appropriate exchange access charges when it originates or terminates toll traffic.

STAFF: Staff has no position at this time.

ISSUE 4(b): If GNAPs should be able to assign to its customers NXX codes that are rate centered in a central office switch serving a local calling area which is outside that in which the customer is located, should ALLTEL be exempt from this requirement pursuant to §251(f)(1), or should any aspects of this requirement be suspended or modified pursuant to §251(f)(2)?

POSITIONS:

Global NAPs: The Rural Exemption should be modified or suspended in order to promote competition, consistent with the goals of the Act. Such competition is especially needed in ALLTEL's service territories where there appears to be a lack of competitive pressures with the consequence that customers are denied choice and lower prices that the advent of competition can provide. The provision of service through non geographically correlated NXX codes is a method by which Global can provide competitive FX service with ALLTEL.

ALLTEL: Yes. ALLTEL is a "rural telephone company" within the meaning of §251(f)(1) of the Act and meets the separate definition of a "fewer than 2 percent" rural carrier under §251(f)(2). Such a requirement would be unduly economically burdensome for ALLTEL; therefore, ALLTEL should be exempt from any such requirement or any such requirement should be suspended or modified.

STAFF: Staff has no position at this time.

ISSUE 5: Should explicit language be included in the agreement which specifically provides for renegotiations if there is a change in the law regarding whether ISP-bound calls are local traffic and subject to reciprocal compensation under 47 U.S.C. §251(b)(5)?

POSITIONS:

Global NAPs: ALLTEL should provide for a reservation of rights by the parties pending the anticipated decision from the remanded ISP decision by the FCC. The

distinction between this issue and changes in law generally is the knowledge that the FCC is currently revisiting the issue.

ALLTEL: No. The parties have already agreed upon compensation terms and conditions for local traffic, including ISP-bound calls, consistent with current law and have already agreed upon "Intervening Law" language to provide for renegotiations, if necessary, should the law change with respect to any provision of the agreement, including local traffic compensation and ISP-bound calls. Additional language would be redundant and is unnecessary.

STAFF: Staff has no position at this time.

ISSUE 6: Should explicit language as proposed by GNAPs be included with respect to "litigation costs" and "penalties"?

POSITIONS:

Global NAPs: Yes. There is no reason to not include specific language with respect to litigation costs and penalties. This is common among contracting parties and will tend to reduce the desire of parties to litigate. Instead, the provisions will provide an incentive to negotiate differences in contract interpretation and application or various provisions.

ALLTEL: No. The parties (a) have already agreed upon express language in the interconnection agreement indicating that it shall be governed by applicable federal and state law and (b) have already agreed upon express language to resolve all disputes arising out of the agreement by submission to state commission arbitration as an alternative to litigation, including express language requiring that the parties bear their own costs unless the state commission rules otherwise. Additional express language with respect to "litigation costs" and "penalties" is either redundant to the

expressly agreed upon liability, indemnity, damage and dispute resolution provisions or is inconsistent therewith.

STAFF: Staff has no position at this time.

IX. EXHIBIT LIST

<u>Witness</u>	<u>Proffered By</u>	<u>I.D. No.</u>	<u>Description</u>
Selwyn	Global NAPs	_____	T e c h n i c a l Qualifications and Professional Experience
		(LLS - 1)	
		_____	"The Triumph of Light", Scientific American, (January, 2001)
		(LLS - 2)	
		_____	W o r k p a p e r s S u p p o r t i n g Transport Distance a n d C o s t Calculations
		(LLS - 3)	
		_____	E f f i c i e n t InterCarrier Compensation Mechanisms for the E m e r g i n g Competitive Environment (August, 2001)
		(LLS - 4)	

<u>Witness</u>	<u>Proffered By</u>	<u>I.D. No.</u>	<u>Description</u>
Busbee	ALLTEL	<u> </u> (AB - 1)	Motion of Verizon Florida Inc. and ALLTEL Florida Inc. for Partial Reconsideration and, in the Alternative, Motion for Stay Pending Appeal in Docket No. 000075-TP

Parties and Staff reserve the right to identify additional exhibits for the purpose of cross-examination.

X. PROPOSED STIPULATIONS

There are no proposed stipulations at this time.

XI. PENDING MOTIONS

There are no pending motions at this time.

XII. PENDING CONFIDENTIALITY MATTERS

There are no pending confidentiality matters at this time.

XIII. DECISIONS THAT MAY IMPACT COMMISSION'S RESOLUTION OF ISSUES

GNAPS filed a statement that all intercarrier compensation issues regarding information access traffic have been declared to be subject to the sole and exclusive jurisdiction of the Federal Communications Commission. It further states that it will provide legal argument(s) in its brief regarding the extent that other federal and state law impact the ability of this agency to make a decision, or in any way be determined to be relevant legal authority to the issues before us.

XIV. RULINGS

Upon consideration, the Motion for Qualified Representative to Appear on Behalf of Global NAPs, Inc., requesting that James R. J. Scheltema be authorized to appear on behalf of GNAPs, is granted. Likewise, the Motion for Qualified Representative to Appear on Behalf of ALLTEL Florida, Inc., requesting that Stephen Refsell be authorized to appear on behalf of ALLTEL, is also granted.

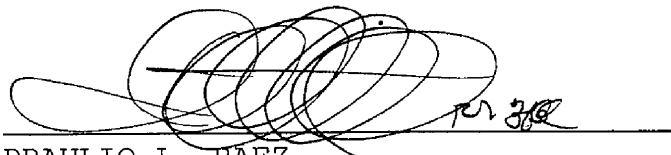
It is important that the decisions reached in this matter be the product of deliberations based upon as complete a record as is possible. I believe the interest of Florida citizens will be best served by allowing additional time for the parties and our staff to complete discovery in a timely manner. As such, the hearing in this docket shall be continued until July 25, 2003. Correspondingly, unless authorized by the Prehearing Officer for good cause shown, all discovery shall be completed by Friday, July 18, 2003.

Opening statements, if any, shall not exceed ten minutes per party.

It is therefore,

ORDERED by Commissioner Braulio L. Baez, as Prehearing Officer, that this Prehearing Order shall govern the conduct of these proceedings as set forth above unless modified by the Commission.

By ORDER of Commissioner Braulio L. Baez, as Prehearing Officer, this 29th Day of January, 2003.


BRAULIO L. BAEZ
Commissioner and Prehearing Officer

(S E A L)

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code, if issued by a Prehearing Officer; (2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or (3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of the Commission Clerk and Administrative Services, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.