



1000 Peachtree Street, N.E.  
Atlanta, GA 30309  
Telephone: (404) 629-7111  
Fax: (404) 629-7111  
Mailstop: GA 111 No. 96

Benjamin W. Fincher  
Attorney at Law

October 31, 1996

**VIA AIRBORNE**

Ms. Blanca S. Bayó  
Director, Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

(461173-TP)

In Re: Docket No. 961173-TP Petition of Sprint Communications Company Limited Partnership for Arbitration of Proposed Interconnection Agreement with GTE Florida Incorporated Pursuant to the Telecommunications Act of 1996.

Dear Ms. Bayó:

Enclosed for filing, are the original and fifteen (15) copies of the prefiled rebuttal testimonies of Michael R. Hunsucker and David E. Stahly, on behalf of Sprint Communications Company Limited Partnership in the above proceeding. We are also including a 3 1/2" diskette, in microsoft word format.

We are enclosing an extra copy of this transmittal letter. We ask that you please acknowledge receipt thereon and return to the undersigned in the enclosed self addressed stamped envelope.

All parties of record have been served in accordance with the attached Certificate of Service.

Thank you for your cooperation.

Sincerely,

Benjamin W. Fincher

BWF:lk

cc: Everett Boyd  
Parties of Record

cmu - 3  
Legal - 2  
Matilda - 2 + orig  
Sec - 1

Hunsucker 11751-96  
Stahly 11752-96


**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true and exact copy of the within and foregoing Rebuttal Testimony of David E. Stahly and Michael R. Hunsucker, Docket No. 961173-TP, on behalf of Sprint Communications Company Limited Partnership via overnight express mail (Airborne) properly addressed to the following:

Monica Barone  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Anthony P. Gillman  
GTE Florida Incorporated  
One Tampa City Center  
Tampa, FL 33601

This 31st day of October, 1996

  
Lorraine Kowalski

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

Petition of Sprint Communications Company Limited )  
Partnership for Arbitration of Proposed Interconnection) Docket No.  
Agreement with GTE Florida Incorporated Pursuant ) 961173-TP 961173-9  
to the Telecommunications Act of 1996 ) Filed November 1, 1996

Rebuttal Testimony of Michael R. Hunsucker

on Behalf of

Sprint Communications Company  
Limited Partnership

ACK \_\_\_\_\_  
AT \_\_\_\_\_  
BY \_\_\_\_\_  
DATE \_\_\_\_\_

DOCUMENT NUMBER DATE  
11751 NOV-1 1996  
FPSC-RECORDS/REPORTING

**Q. Please state your full name, title, employer and business address .**

A. My name is Michael R. Hunsucker. I am employed by Sprint/United Management Company as Director - Pricing and Tariffs. My business address is 2330 Shawnee Mission Parkway, Westwood, Kansas 66215.

**Q. Please describe you educational background, work experience and present responsibilities.**

A. I received a Bachelor of Science degree in Economics and Business Administration from King College in 1979.

I began my career with Sprint in 1979 as Staff Forecaster for Sprint/United Telephone - Southeast Group in Bristol, Tennessee and was responsible for the preparation and analyzation of access line and minutes of use forecasts. While at Southeast Group, I held various positions through 1985 primarily responsible for the preparation and analyzation of financial operations budgets, capital budgets and Part 69 cost allocation studies. In 1985, I assumed the position of Manager - Cost Allocation Procedures for Sprint/United Management Company and was responsible for the preparation and analyzation of Part 69 allocations including system support to the 17 states in which Sprint/United operated. In 1987, I transferred back to Sprint/United Telephone - Southeast Group and assumed the position of Separations Supervisor with responsibilities to direct all activities associated with jurisdictional allocations of costs as prescribed by the FCC under Parts 36 and 69. In 1988 and 1991 respectively, I assumed the positions of

Manager - Access and Toll Services and General Manager - Access Services and Jurisdictional Costs responsible for directing all regulatory activities associated with interstate and intrastate access and toll services and the development of Part 36/69 cost studies including the provision of expert testimony as required.

In my current position, Director - Pricing and Tariffs, for Sprint/United Management Company, I am responsible for the development and promotion of regulatory policy for the Sprint local exchange companies and for the coordination of regulatory policies with other Sprint business units.

**Q. Have you testified previously before state regulatory commissions?**

A. I have testified before the South Carolina Public Service Commission and the Pennsylvania Public Utility Commission.

**Q. What is the purpose of your testimony at this time ?**

A. The purpose of this testimony is to respond to several of the substantive disagreements in light of GTE's response to the Sprint Petition for arbitration.

**Q. As a preliminary matter, have GTE and Sprint engaged in further - negotiations since GTE filed its response to Sprint's arbitration?**

A. Yes, the parties met in negotiations on October 23 and 24.

Q. Are there issues raised in the GTE response that you wish to address at this time?

A. Yes.

### Operational Parity

Q. What is GTE's response to Sprint's Term Sheet Item I.E., which states that GTE "shall not discriminate against Sprint or Sprint customers and shall provide parity treatment (as compared to its own end users or other carriers) to Sprint and Sprint customers in all regards to (by way of example and not limited to) ordering, provisioning, maintenance, call completion, pricing, numbering, restoration, directory, listing, data protection, service availability, signaling, interconnection, and compensation." ?

A. GTE is quite clear in its response to Sprint's general position on nondiscrimination that it need not include itself in any determination of whether it is discriminating in the provision of services for resale and access to unbundled elements. Specifically, GTE responds that it "will provide the services it is required to offer under the Act on a nondiscriminatory manner and at the same quality standards applicable to its other customers." (emphasis added)

**Q. Are there other instances where GTE fails to acknowledge that it, as matter of competitive equity, must provide resold services, interconnection, unbundled network elements, and ancillary functions in a manner equal to that which it provides itself?**

A. Yes. In response to Sprint Term Sheet item II.A. on Interconnection - General Requirements, GTE states that "network interconnection will be provided on a nondiscriminatory basis at cost-based rates, in a timely manner and at the same quality standards applicable to its other customers." (emphasis added) Also, GTE disagrees, in response to Sprint Term Sheet item III.F.7., that Sprint should receive notice of the availability of new features at the same time as it provides notice internally so that GTE and Sprint marketing personnel have parity in network information availability. Also, in response to Sprint Term Sheet item III.A.12 wherein Sprint requests that N11 dialing either be made available Sprint or be migrated to seven digit dialing or 800 numbers so that Sprint customers have dialing parity, GTE states that it "does not intend to change N11 dialing arrangements or make N11 dialing available to Sprint." Finally, GTE proposes a number of resale restrictions beyond that set forth by the FCC in Mr. Wellmeyer's testimony, pages 52-60 that causes GTE to be advantaged in relation to all new entrants.

**Q. Do you agree with GTE's position that it need not include its own service to its own end users in determining whether the services it provides to its CLEC customers is nondiscriminatory?**

A. I do not. As was stated in Mr. Key's testimony in support of this arbitration, an ILEC's position that ignores the level of service that it provides internally to its own customers in determining whether it's policies are nondiscriminatory leaves the one market participant that possesses virtually 100% of the market today with a unique and unreasonable competitive advantage. There will be no marketplace parity until and unless there is parity among all participants in the market, including the incumbent LEC, in this case, GTE. This fundamental underpinning to determining the extent of marketplace parity must be adhered to, and I urge this Commission to adopt this principle. A favorable decision in this regard will have ramifications throughout the entire contractual agreement that will ultimately be reached between GTE and Sprint. To accept GTE's position that it not be bound by this internal parity is to ensure that CLECs will be hard pressed to achieve parity with the incumbent LEC, so long as it functions as the primary provider of essential services required for CLEC market entry.

### **Resale Prohibitions**

**Q. Do you agree with the resale prohibitions set forth by GTE in response to Sprint's arbitrations?**



A. No, I do not. In Mr. Key's direct testimony, he expressed the limited appropriate instances in which exceptions to the general statement that all retail services be made available for resale, and these exceptions generally track with that which was set forth both by the FCC<sup>1</sup> and Congress<sup>2</sup>. I would like to specifically address GTE's claim that the wholesale resale of services priced below cost constitute a further restriction that is "reasonable and nondiscriminatory." Clearly, GTE's position that it will not offer services priced below cost will effectively stifle competitive entry since virtually no residential local dial tone services would be available for resale. Sprint, with its national market focus, intends to be a full service competitive local exchange carrier to both business and residential customers in markets it chooses to enter and requires the ability to offer services to all subscribers in a given market. Lacking the ability to offer GTE's residential dial tone services on a resold basis would undermine Sprint's entire market entry initiative. For example, the current focus of Sprint's California market trial with GTE and Pacific Bell is one of resale to residential and business subscribers.

Further, even in offering below cost residential services for sale at wholesale rates (i.e., retail minus avoided cost), GTE will still receive virtually all of the contributions that it did receive as a retail subscriber, since Sprint will also be purchasing high margin vertical services from GTE, and GTE will still retain the

---

<sup>1</sup> FCC Rule Section 51.603 Subpart G (Resale)

<sup>2</sup> Telecommunications Act of 1996 -- Section 251 c (4)

access contributions that it received when the customer was a GTE customer. Additionally, the costs that are avoided in offering the service on a wholesale basis are costs that will no longer be present, so GTE should experience no margin squeeze in this regard. This Commission should act swiftly in directing that residential services are properly classified as resold services that should be offered to CLECs at wholesale rates. Clearly, this was intended by both the Act and the FCC.

### **Combining Unbundled Network Elements**

- Q. Do you agree with GTE's position that "a requesting carrier should not be permitted to purchase unbundled loop and unbundled port services in combination at unbundled service rates for the purpose of avoiding the resale rates" (Wellmeyer at p. 58, lines 14-19 and p. 59, lines 1-4)?**
- A. No I do not. While GTE witness Wellmeyer expresses confidence that the "FCC certainly did not intend to enable this sort of tariff arbitrage when they stated that the requesting carrier should be able to combine unbundled elements in any way they wish," the FCC Order speaks extensively to the point that there should be no restrictions on the manner in which requesting carriers can combine unbundled elements<sup>3</sup>. The FCC considered the positions of the parties to its proceeding and concluded explicitly that "Congress did not intend section 251 c (3) to be read to

---

<sup>3</sup> FCC First Report & Order CC Docket No. 96-98/95-185 Paragraphs 317-341

contain any requirement that carriers must own or control some of their own local exchange facilities before they can purchase and use unbundled elements to provide a telecommunications service.”<sup>4</sup> The FCC further found that “it is unnecessary to impose a limitation on the ability of carriers to enter local markets under the terms of section 251 c (3) in order to ensure that section 251 c (4) retains functional validity as a means to enter local phone markets.”<sup>5</sup> Further, based on the prices for unbundled loop and port services proposed by GTE, I do not envision a situation where Sprint would “purchase unbundled loop and unbundled port service rates for the purpose of avoiding a higher resale rate” as Mr. Wellmeyer claims (Wellmeyer at p. 58, lines 16-18). Whether a CLEC decides to purchase resold services or unbundled network elements in entirety or in combination with its own facilities will be the product of a set of very complex issues and decisions relative to market entry. GTE is simply attempting to place restrictions on the types of market entry that may occur, making a difficult and cumbersome process even more difficult and cumbersome.

---

<sup>4</sup> FCC Order at par. 328.

<sup>5</sup> FCC Order at par. 331.

## Most Favored Nations

- Q. GTE claims Sprint's position on "Most Favored Nation" is contrary to the Act. Is Sprint asking for more than what is required by the Act?**
- A. Sprint's position is contained in its contract, submitted as Exhibit 4 to the Petition for Arbitration. For convenience it is reproduced here as follows:

### XVI. OPTION TO ELECT OTHER TERMS

If, at any time while this Agreement is in effect, Company provides arrangements similar to those described herein to a third party on terms different from those available under this Agreement then Carrier may opt to adopt any individual rates, terms, and conditions offered to the third party in place of specific rates, terms, or conditions otherwise applicable under this Agreement for its own arrangements with Company regardless of volume discounts, other quantity terms, or other restrictions or provisions contained in the Agreement or tariff available to such third party.

In addition, if Company entered in an agreement (the "Other Agreement") approved by the Commission pursuant to Section 251 and/or Section 252 of the Act, and/or is subject to Order of the Commission, which provides for the provision of an interconnection, service, or unbundled element to another authorized Carrier, Company shall make available to Carrier such interconnection,

service or unbundled element on an individual element-by-element or service-by-service basis without regard to other restrictions in said agreement upon the best individual terms and conditions as those provided in the Other Agreement.

This right is referred to generally as Most Favored Nation ("MFN") or Most Favored Customer ("MFC") elsewhere in this agreement.

Notwithstanding the above provision, this agreement is subject to such changes or modifications with respect to the rates, terms or conditions contained herein as may be ordered or directed by the State Commission or the FCC in the exercise of their respective jurisdictions (whether said changes or modifications result from a rulemaking proceeding, a generic investigation or an arbitration proceeding which applies to the Company or in which the State Commission makes a generic determination) to the extent that said changes apply to all similar Company agreements. This agreement shall be modified, however, only to the extent necessary to apply said changes where Company specific data has been made available to the Parties and considered by the State Commission. Any rates, terms or conditions thus developed shall be substituted in place of those previously in effect and shall be deemed to have been effective under this Agreement as of the effective date of the order by the State Commission or the FCC, whether such action was commenced before or after the effective date of this Agreement. If any such modification renders the Agreement inoperable or creates any ambiguity or

requirement for further amendment to the Agreement, the Parties will negotiate in good faith to agree upon any necessary amendments to the Agreement.

Sprint believes its position is what was contemplated in Sec. 252(i) of the Act.

Sprint believes that the FCC conducted a thoughtful and thorough analysis of this section of the Act in its First Report and Order.<sup>6</sup> Although GTE argues that the stay imposed by the Eighth Circuit Court of Appeals renders ineffective the First Report and Order, Sprint believes that state Commissions are free to adopt positions in the First Report and Order, if based upon their own fact finding endeavors, the states conclude that the positions advocated in the Order are in the public interest.

In comments submitted to the FCC, GTE unsuccessfully advocated that requesting carriers must receive individual elements upon the same terms and conditions as those contained in the agreement, which has the effect of precluding the unbundled availability of individual elements. The FCC found and Sprint concurs that GTE's argument fails to give meaning to Congress's distinction between agreements and elements, and ignores the 1996 Act's prime goals of nondiscriminatory treatment of carriers and promotion of competition. The FCC concluded, and Sprint urges this commission to conclude, that the "same terms and conditions" that an incumbent LEC may insist upon shall relate solely to the

---

<sup>6</sup> ¶¶ 1296 - 1323.

individual interconnection, service or element being requested under section 252 (i). The FCC noted that the primary purpose of section 252 (i) was to prevent discrimination and therefore incumbent LECs should not be permitted to require as a “same” term or condition the new entrant’s agreement to terms and conditions relating to *other* [emphasis added] interconnection, services, or elements in [an] approved agreement.<sup>7</sup> GTE’s arguments were rejected by the FCC and Sprint urges that the commission also reject these arguments concerning the interpretation of Sec. 252(i).

### **Electronic Interfaces**

**Q. What does Sprint require in the area of pre-order interfaces?**

A. It is critical that Sprint be allowed to offer potential customers an ordering process which is at least as accurate and convenient as that provided by the ILEC to its own customers. To that end, Sprint must have real time access to the information required to respond to customer questions. Sprint requires real-time access to pre-order information including telephone number assignment, address verification, service availability, and verification of customer service records for "As Is" orders.

---

<sup>7</sup> Id. ¶ 1315.

Unless Sprint has the same access to this information as ILEC, Sprint will be unable to provide its customers with an ordering experience comparable with what the ILEC provides its customers.

**Q. What does Sprint require in the area of service ordering?**

A. Sprint requires an electronic interface to perform service ordering and provisioning functions including submission of orders, firm order confirmation (FOC), order completion and status notification and service errors and jeopardy's.

**Q. What does Sprint require in the area of repair and maintenance scheduling?**

A. Sprint maintains that "Sprint must have read and write access to ILECs maintenance and trouble report systems including the following systems and/or functionality : (a) trouble reporting/dispatch capability- access must be real time; (b) repair status/confirmations; maintenance/trouble report systems; and (d) mechanized line testing." (See Sprint term sheet items III.C.a,b,d). If Sprint does not have the ability to view the status of an outage or trouble situation, it will be unable to directly respond to the customer's questions if a customer calls Sprint to inquire as to the status of the outage.



**Q. What is Sprint's position on electronic system interfaces?**

A. To meet the 1/1/97 order, an interim option is to develop Network Data Mover, (NDM) across all functional areas as the interface with either EMR or EMI format. The longer term solution that Sprint would like to see as an industry standard is EDI (Electronic Data Interface). Currently work is in progress on standards for ordering unbundled services but all other functional areas are not standardized and must be negotiated.

**Q. Does GTE concur with Sprint's position in the areas of electronic interfaces?**

A. No. GTE resists the notion of electronic bonding, citing that electronic bonding is not a requirement of the Act for providing nondiscriminatory access to OSS functions. Further, in response to Sprint Term sheet item III.A.2. which speaks to the adoption of electronic interfaces, GTE states that it "will not provide on-line access to the systems themselves." While GTE has not engaged with Sprint subject matter experts with respect to detailed system interface requirements, Sprint is quite concerned from the policy statements set forth by GTE that it will not receive nondiscriminatory access to all of the various operations support systems. Therefore, in any event, Sprint further requires that this Commission mandate that Sprint and GTE abide by quality-of-service standards that track and ensure that nondiscriminatory treatment exists, both between CLECs in a given market and between Sprint and GTE. GTE opposes this in the context of this arbitration.

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

A. Yes, it does.