

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL
FILE COPY

In the matter of
KMC TELECOM, INC.,

Petition for Arbitration Pursuant to
47 U.S.C. § 252(b) of Interconnection
Rates, Terms, and Conditions with

SPRINT UNITED-CENDEL OF
FLORIDA, INC.

Docket No. 970242-11

TESTIMONY OF
TRICIA BRECKENRIDGE
ON BEHALF OF
KMC TELECOM, INC.

February 24, 1997

DOCUMENT NUMBER-DATE
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FPSC-RECORDS/REPORTING

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2
3 A. My name is Tricia Breckenridge. My business address is KMC Telecom, Inc.,
4 1580 South Milwaukee Avenue, Suite 305, Libertyville, IL 60048.

5 **Q. BY WHOM ARE YOU EMPLOYED AND WHAT ARE YOUR**
6 **RESPONSIBILITIES?**

7
8 A. I am Vice President, CAP Development for KMC Telecom, Inc.

9 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

10 A. My testimony supports KMC's petition for arbitration filed with the Florida
11 Public Service Commission ("Commission") pursuant to Section 252(b) of the 1996 Act.

12 **Q. WHAT IS YOUR UNDERSTANDING OF THE TERMS KMC**
13 **REQUESTED FROM SPRINT?**

14 A. It is my understanding that KMC requested to opt into the September 19, 1996
15 agreement signed by Sprint and MFS Communications Company Inc. It is my understanding that
16 the MFS Agreement was approved by this Commission on February 4, 1997.

17
18 **Q. IS IT YOUR UNDERSTANDING THAT CHANGES WERE MADE TO**
19 **THE MFS AGREEMENT IN THE AGREEMENT IN PRINCIPLE REACHED**
20 **BETWEEN KMC AND SPRINT?**

21 A. Yes. I understand that changes were made to reflect the fact that the KMC
22 agreement is intended to cover all areas in Florida served by Sprint, and, that based on
23 discussions between Sprint network design personnel and KMC's network design consultant,
24 changes were made to reflect differences in the proposed network designs.

25
26 **Q. WERE ANY OTHER CHANGES MADE?**

27 A. Yes, to the extent there were issues left unresolved between MFS and Sprint that
28 were later the subject of arbitration, KMC has proposed language to effectuate the Commission's

29 decision in the MFS arbitration. It is my understanding that the parties have agreed in principle
30 to such changes.

31 **Q. ON WHAT GROUNDS DOES SPRINT REFUSE TO PERMIT KMC TO**
32 **OPT INTO THE RECIPROCAL COMPENSATION TERMS OF THE MFS**
33 **AGREEMENT?**

34 **A.** It is my understanding that Sprint's position is that it is inappropriate for
35 compensation for traffic termination to be reciprocal in the circumstances that Sprint uses a
36 tandem switch and KMC, in Sprint's view, uses an end office switch. Sprint seeks to receive a
37 tandem switching compensation, in addition to the rate for end office termination and tandem
38 transport.

39 **Q. IS SPRINT'S PROPOSAL CONSISTENT WITH THE AGREEMENT**
40 **BETWEEN MFS AND SPRINT FOR RECIPROCAL TRAFFIC TERMINATION**
41 **COMPENSATION?**

42 **A.** No. As set forth in paragraph 5.4 of the MFS Agreement, MFS and Sprint agreed
43 on a blended reciprocal rate for termination for local traffic.

44 **Q. DOES THAT CONCLUDE YOUR TESTIMONY?**

45 **A.** Yes.

September 13, 1996

VIA OVERSIGHT MAIL

Mr. Daryl Kelly, President
United Telephone of Florida
555 Lake Border Drive
Apopka, Florida 32703

Re: Request for Interconnection Negotiations Pursuant to Section 251(c)(1) of the
Telecommunications Act of 1996

Dear Mr. ^{Kelly} ~~Baks~~:

I am writing to inform you that pursuant to Section 101 of the Telecommunications Act of 1996, creating new Section 251(c)(1) of the Communications Act, KMC Telecom, Inc. ("KMC") requests that United Telephone of Florida ("United") commence good faith negotiations with it to fulfill the interconnection duties in the State of Florida described in paragraphs (1) through (5) of new Section 251(b) and paragraphs (2) through (6) of new Section 251(c).

In accordance with the duties of incumbent local exchange carriers found in new Sections 251 and 252 of the Communications Act, the following arrangements are offered as a general framework from which we may commence interconnection negotiations:

1. Network Interconnection Architecture (New Section 251(c)(2))

KMC and United should establish efficient and reciprocal interconnections between their respective networks. Any interconnection established between the parties should include non-discriminatory and real-time access to databases and associated signaling necessary for call routing and completion, and this access should be provided at cost-based rates pursuant to new Section 252(d)(1).

2. Meet-Point Billing Arrangements (New Section 251(c)(2)(D))

United should extend to KMC meet-point billing arrangements, so that KMC may timely offer a common transport option to parties purchasing originating and terminating switched

access services from KMC end office switches which it utilizes to provide local exchange services.

3. Reciprocal Exchange of Traffic and Compensation (New Section 251(b)(5))

KMC and United should reciprocally exchange traffic between their networks, so as to allow the seamless and transparent completion of all intra-LATA (including "local") calls between their respective exchange service users in a given LATA.

Additionally, United should agree to route traffic through its tandem network in order to enable the efficient interchange of traffic between KMC and other local service competitors or independent LECs operating in the LATA, via the same trunk groups over which KMC and United exchange traffic in that LATA. Such transiting function should be provided at the option of KMC and the other carriers. For such traffic which KMC originates to another local competitive carrier or independent LEC, United should bill KMC a reasonable, incremental cost-based transiting charge per minute; United should be responsible for negotiating transiting compensation with the other competitors or independent LECs for traffic they originate to KMC via the United tandem. To the extent United offers a more favorable transiting charge to any other independent or competitive local service provider, United should provide that same rate to KMC.

Moreover, United should permit KMC to interconnect its network with that of another collocating telecommunications carrier at United's premises and to connect its collocated equipment to the collocated equipment of another telecommunications carrier within the same premises.

4. Ancillary Platform Arrangements

The agreement should enable KMC to offer seamless service by establishing access to all applicable ancillary platform arrangements, including the following: 9-1-1 E-9-1-1, Directory Assistance, Directory Listings and Directory Distribution, Operator Services, Information Pages Listings, Transfer of Service Announcement, Coordinated Repair Calls, Busy Line Verification and Interrupt, and maintenance of end user yellow pages advertisements. KMC must be allowed access to these platforms on non-discriminatory and cost-based terms pursuant to the pricing standards established in new Section 252(d)(1). 9-1-1 access must include: (1) appropriate trunk connections to United 9-1-1/E-9-1-1 selective routers or tandems; (2) automated procedures for loading MAN-supplied data into ALL databases; and (3) comply with all local and regional 9-1-1/E-9-1-1 plan requirements.

5. Unbundled Loops (New Section 251(c)(2),(3))

United should provide unbundled loops to KMC on cost-based terms (pursuant to new Section 252(d)(1)), along with a specific rollout plan. KMC should be allowed to access and interconnect to unbundled loops via expanded interconnection facilities. Loops should be provided at a fixed, monthly recurring, per-loop rate. All relevant quality, provisioning, maintenance and conversion intervals for unbundled loops should be comparable in all material respects to the quality and intervals United provides to its most favored end users for bundled access line services.

6. Physical Collocation (New Section 251(c)(6))

KMC requests that United provide KMC physical collocation of equipment necessary for interconnection or access to unbundled network elements at the premises of the local exchange carrier to the extent that space is available at such locations.

7. Information Sufficient for Billing and Collection (New Section 251(c)(3))

KMC requests that United provide KMC information sufficient for billing and collection of collect, 800, credit card, third party, information provider, and similar calls, on cost-based terms (pursuant to new Section 252(d)(1)). The provision of such information may entail sponsorship in the CMDS database and/or sharing of an RAO (Revenue Accounting Office) code or sponsorship of KMC to receive its own RAO code.

8. Number Portability (New Section 251(b)(2))

Until such time as permanent number portability has been fully implemented pursuant to new Section 251(b)(2), KMC and United will provide interim number portability to one another through the use of remote call forwarding ("RCF") capabilities. Interim and permanent number portability should include telephone numbers used for the provision of information services, including but not limited to "976" prefixes. The parties should commit to migrate to the statutorily required permanent number portability solution as soon as technically possible. Costs of permanent and interim number portability must be borne by all telecommunications carriers on a competitively neutral basis pursuant to new Section 251(c)(2). Access revenues should be divided pursuant to a meet point billing arrangement.

9. Access to Rights-of-Way (New Section 251(b)(4))

United should afford KMC access to its poles, ducts, conduits, and rights-of-way to the extent needed by KMC to provide local exchange services. This includes access to customer buildings, and "telephone closets," risers, and conduits within buildings. Such access should

be provided at rates, terms, and conditions consistent with the Pole Attachment Act of 1978 as amended by the Telecommunications Act of 1996 (amended 47 U.S.C. § 224).

10. Resale of Local Services (New Section 251(c)(4))

United should offer to KMC for resale, at wholesale rates as defined in new Section 252(d)(3), any telecommunications services that United provides at retail to subscribers who are not telecommunications carriers.

11. Numbering Administration (New Section 251(b)(3))

Until the date by which telecommunications numbering administration guidelines, plan, or rules are established pursuant to new Section 251(e), United should provide non-discriminatory access to telephone numbers for assignment to MAN's customers. Costs of establishing numbering administration arrangements must be borne by all telecommunications carriers on a competitively neutral basis pursuant to new Section 251(e)(2).

12. Notice of Changes (New Section 251(c)(5))

KMC requests that United advise us as to how it intends to provide reasonable public notice of any changes in the information necessary for the transmission and routing of services using United's facilities or networks, as well as any other changes that would affect the interoperability of those facilities and networks.

13. Performance Standards

KMC requests that the interconnection agreement provide performance standards for the provision by United of certain services, such as provisioning of unbundled loops and interim number portability and repair of out-of-service conditions. These standards should provide KMC with assurance that its end user customers will obtain timely provisioning of service, consistent with the provisioning that United provides to its own end users.

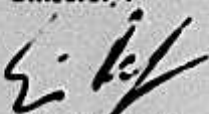
The above listing of requested arrangements is meant only to provide a basis from which to commence interconnection negotiations. KMC reserves the right to suggest additional or modified arrangements as negotiations proceed. It is the hope of KMC that a legally sufficient and mutually satisfactory agreement may be reached voluntarily between the parties. In the case that this is not achievable, however, KMC reminds United that if no agreement is reached within 135 days from the date of this letter, either party may request that the State commission enter the negotiations as arbitrator of any unresolved issues pursuant to new Section 252(b).

Mr. Dan Kelly
September 13, 1996
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In light of the need to engage in meaningful negotiations before the expiration of the 135 days provided in the new Act for voluntary negotiations, KMC requests a written response to this letter by September 30. Upon receiving your written acceptance to engage in these statutorily required negotiations, we hope to plan with you a preliminary schedule of meetings to discuss these issues in detail.

I look forward to your prompt response to our request to negotiate a comprehensive interconnection agreement pursuant to the terms specified in the Telecommunications Act of 1996. Should you have any questions as to this correspondence, please contact me at the above telephone number.

Sincerely,



Eric J. Branfman
Counsel for KMC Telecom, Inc.



2330 Shawnee Mission Parkway
Overland, KS 66204

December 10, 1996

Eric J. Brandman
Swidler & Berlin
3000 K Street, N.W.
Suite 300
Washington, DC 20007-5116

Dear Mr. Brandman:

This letter is in response to our telephone conversation of December 4, 1996. December 4, 1996 will serve as the starting date of the 135 day clock for interconnection negotiations to commence, per Section 252 of the Telecommunications Act of 1996, for the states of Illinois and North Carolina. This will make day 135 as April 18, 1997, with day 160 being May 13, 1997. With respect to the state of Florida, it was agreed that 135 day clock started on September 16, 1996, per your September 13, 1996, letter. Therefore, day 135 will be January 29, 1997, with day 160 being February 23, 1997.

With respect to the various negotiation dates, I would like to suggest that KMC Telecom, Inc. restart the clock in Florida, to be the same as Illinois and North Carolina. This will provide more time to come to a negotiated agreement in Florida.

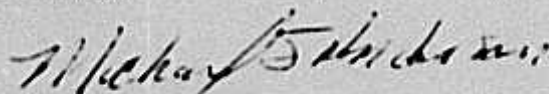
Attached is the latest draft of the Sprint Resale and Interconnection Agreement. We are recommending, in order to keep all negotiations with KMC Telecom, Inc. consistent, that the attached Agreement be used for all negotiations. Please review the attached and forward any comments directly to me.

During our conversation you indicated that KMC Telecom, Inc. would be willing to accept, in the state of Florida, the terms and conditions as set forth in the Partial Interconnection Agreement For LATA 458 between United Telephone Company of Florida and MFS Communications Company, Inc. Since the signing of this Agreement, between Sprint and MFS, Sprint has requested the Florida Public Service Commission to reject the Partial Agreement due to the stay granted by the 5th Circuit Court of Appeals, and due to the tandem switching issue where MFS would receive tandem switching payments regardless of performing the tandem switching function. Given these events, Sprint will not agree to use this Agreement, at this time, in negotiating with KMC Telecom, Inc. Again, it is recommended that we commence the negotiations based on the attached Sprint Resale and Interconnection Agreement.

The following recommendation is to provide a working frame work between Swidler & Berlin and Sprint, with respect to future interconnection negotiations. As you are aware, your firm has represented several CLECs in negotiations with Sprint. I would like to recommend that we set a meeting date, between Swidler & Berlin and Sprint, to set the ground work for future negotiations, in anticipation that your firm will be representing other CLECs who wish interconnect with Sprint. If you are in agreement with this, please indicate when you would be available to meet. The meeting can be held in Washington, D. C., Kansas City, or by a conference call, whichever you wish.

If you have any questions or comments, please feel free to contact me at your convenience. I may be reached at 913/261-2802.

Sincerely,



Michael S. Anderson
Account Manager -
Local Carrier Markets - LTD

MSA:ms

Attachment

cc: John Clayton w/o attachment
Craig Smith w/o attachment

PARTIAL INTERCONNECTION AGREEMENT FOR LATA 458

Dated as of September 19, 1996

by and between

UNITED TELEPHONE COMPANY OF FLORIDA

and

MFS COMMUNICATIONS COMPANY, INC.

5.3.1 Where available, the Parties shall employ CCIS signaling to set up calls between the Parties' Telephone Exchange Service networks. If CCIS signaling is unavailable, Multi-Frequency ("MF") signaling shall be used by the Parties.

5.3.2 The Parties shall cooperate on the exchange of Transactional Capabilities Application Part ("TCAP") messages to facilitate interoperability of CCIS-based features between their respective networks, including CLASS features and functions, to the extent each Party offers such offers such features and functions to its Customers. All CCIS signaling parameters will be provided including, without limitation, calling party number ("CPN"), originating line information ("OLI"), calling party category and charge number.

5.4 Measurement, Billing and Compensation

5.4.1 Where SS7 is deployed, each Party shall pass Calling Party Number (CPN) information on each call carried over the Traffic Exchange Trunk Groups. All calls exchanged without CPN information shall be billed as either Local Traffic or Intral ATA Toll Traffic in direct proportion to the minutes of use of calls exchanged with CPN information. Where one Party is passing CPN but the other Party is not properly recording or receiving the information, the Parties shall work cooperatively to correctly rate the traffic.

5.4.2 Reciprocal Compensation applies solely for termination of Local Traffic, including Extended Area Service (EAS) traffic, billable by Sprint or MFS which a Telephone Exchange Service Customer originates on Sprint's or MFS' network for termination on the other Party's network. The Parties shall compensate each other for termination of Local Traffic at the rate provided in Schedule 1.0, **until such time as Sprint files and the Commission approves a TELRIC study for Local Traffic compensation. The issue of compensation for transport for local call termination (between an End Office and a Tandem Switch) has not been agreed to by Sprint and MFS, therefore, this issue will be subject to further negotiations, FCC or Commission Proceedings, and/or Orders and/or Arbitration.**

5.4.3 Each Party shall compensate the other Party for transport and termination of Intral ATA Toll Traffic over the Traffic Exchange Trunk Groups pursuant to the other Party's Feature Group D tariffs in effect at the time of such termination.

5.4.4 Compensation for transport and termination of traffic which has been subject to performance of INP by one Party for the other Party pursuant to Section 11.0 shall be as specified in Section 11.5.

5.4.5 Measurement of billing minutes for Local Traffic and transited traffic provided for in Sections 5.1 and 7.5 shall be in actual conversation seconds.

6.0 TRANSMISSION AND ROUTING OF EXCHANGE ACCESS TRAFFIC