

AUSLEY & McMULLEN

ATTORNEYS AND COUNSELORS AT LAW

227 SOUTH CALHOUN STREET
P.O. BOX 391 (ZIP 32302)
TALLAHASSEE, FLORIDA 32301
(904) 224-9115 FAX (904) 222-7560

March 4, 1997

ORIGINAL
FILE COPY

BY HAND DELIVERY

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

Re: Docket No. 970114-TP

Dear Ms. Bayo:

Enclosed are the original and fifteen (15) copies of Sprint-Florida, Inc.'s Direct Testimony of Marcheta M. Maatsch.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning the same to this writer.

Thank you for your assistance in this matter.

Sincerely,



John P. Fohn

- ACK _____
- AFA _____ All Parties of Record
- APP _____
- CAF _____
- CMU Norton
- CTR _____
- EAG _____
- LEG 2
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- OPC _____
- RCH _____
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970114-TP

CERTIFICATE OF SERVICE

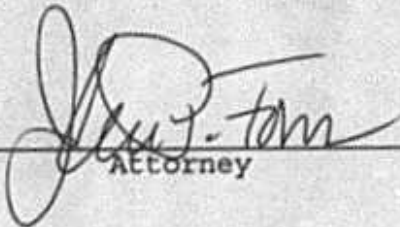
M.M. Maatsch

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U. S. Mail or hand delivery (*) this 4th day of March, 1997, to the following:

Beth Culpepper *
Staff Counsel
Division of Legal Services
Florida Public Service Comm.
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Floyd R. Self *
Norman H. Horton, Jr.
Gwen G. Jacobs
Messer, Caparello & Self, P.A.
P. O. Box 1876
Tallahassee, FL 32302-1876

J. G. Harrington
Dow, Lohnes & Albertson, PLLC
1220 New Hampshire Avenue, N.W.
Suite 800
Washington, D. C. 20036



Attorney

jjw\utd\970114.coe

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3/4/97

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 DIRECT TESTIMONY

3 OF

4 MARCHETA M. MAATSCH

5
6 **I. Introduction**

7
8 **Q.** Please state your name, address, and present employment.

9
10 **A.** My name is Marcheta M. Maatsch. My business address is
11 4220 Shawnee Mission Parkway, Westwood, Kansas 66205. I
12 am employed as Manager, Regulatory Policy with
13 Sprint/United Management Company ("Sprint").

14
15 **Q.** Please describe your educational background, business
16 experience, and present responsibilities.

17
18 **A.** I received a B.A. and M.A in Telecommunications in 1986
19 and 1987, respectively, from Michigan State University .
20 I have been employed by Sprint in various capacities for
21 nine (9) years.

22
23 From 1987 to 1995, I was employed by United Telephone
24 System - Midwest Group. After working in several
25 disciplines, I ultimately became a Cost Manager

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1 responsible for regulatory cost and industry relations.

2

3 I accepted my current position in April, 1995. I now
4 share in the responsibility of development, coordination
5 and promotion of Sprint public policies on behalf of
6 Sprint's local and long distance operations.

7

8 Q. What is the purpose of your testimony?

9

10 A. My testimony presents Sprint's position on reciprocal
11 compensation; specifically in regard to the equivalent
12 facilities issue raised by Vanguard in its Petition and
13 addressed in the prefiled testimony of Sandy Kiernan on
14 Vanguard's behalf.

15

16 Q. Please summarize your testimony.

17

18 A. The FCC Interconnection Order (CC Docket No. 96-98 or the
19 "Order") requires equal compensation only when the
20 Competitive Local Exchange Carrier (CLEC) or Commercial
21 Mobile Radio Service (CMRS) provides the equivalent
22 facility to that provided by Sprint. Therefore, Sprint
23 will reciprocally compensate a CMRS provider for the
24 functionality performed. However, if a CMRS provider
25 does not perform a specific function, for example tandem

1 switching, Sprint should not pay the competitive provider
2 the tandem switching rate element.

3
4 It is my understanding that Vanguard has agreed to
5 interconnect with Sprint only at Sprint end offices. For
6 this purpose, Vanguard has agreed also that its switches
7 are end office switches. Consequently, Vanguard and
8 Sprint have agreed that Sprint will compensate Vanguard
9 with the end office switch charge only, which meets the
10 Act's reciprocal/symmetrical compensation requirement.
11 If, however, the parties are unable to sign a written
12 agreement resolving this issue and Vanguard does not
13 withdraw its Petition, my direct testimony represents
14 Sprint's position on this issue.

15
16 Q. Ms. Kiernan's prefiled direct testimony also addresses an
17 issue regarding the respective parties' rights to issue
18 press releases. What is Sprint's position on this issue?

19
20 A. Sprint accedes to Vanguard's wish that the
21 interconnection agreement not contain a provision as to
22 press releases. We do not believe this issue is
23 arbitrable, but it is not of great significance to
24 Sprint.

25

1 Q. Has Vanguard supported with testimony all issues which it
2 identified in its Petition?

3

4 A. No, and consequently neither have I. If for any reason
5 Vanguard offers testimony on issues not identified in Ms.
6 Kiernan's prefiled direct testimony, Sprint reserves the
7 right to address those issues as well.

8

9 **II. Reciprocal Compensation**

10

11 Q. What are the FCC requirements for reciprocal compensation
12 as per the Interconnection Order?

13

14 A. FCC Rule 51.701(c) requires equal compensation only when
15 the CLEC or CMRS provides the equivalent facility to that
16 provided by the ILEC, in this case Sprint. Paragraph
17 1090 of the FCC Order allows states to establish
18 transport and termination rates in the arbitration
19 process that vary according to whether the traffic is
20 routed whether the traffic is routed through a tandem
21 switch or directly to the end office switch. Thus,
22 unless the CMRS is performing both tandem and end office
23 functionalities, Sprint should not be required to provide
24 reciprocal/symmetrical compensation on the tandem
25 switching and transport elements of call termination.

1 Where both the CMRS and Sprint provide the same call
2 termination functionality, the same compensation rate
3 elements should be applicable (reciprocal and
4 symmetrical). However, Sprint should not pay a CMRS for
5 a function that it does not perform. When a CMRS
6 interconnects at the Sprint tandem and does not provide
7 the equivalent tandem switching and transport functions,
8 Sprint should not be required to pay the CMRS the tandem
9 switching and transport rate elements; only end office
10 switching should apply. In order to require
11 reciprocal/symmetrical compensation, the burden of proof
12 should be on the CMRS provider to certify to the state
13 commission and/or Sprint that such tandem and end office
14 functionality exists in their network.

15
16 Q. Vanguard's Petition in this proceeding states that:

17
18 Vanguard proposes to treat cellular switches as
19 tandems because they cover areas comparable to or
20 larger than those covered by tandems.

21
22 Has this issue been presented to the Commission before in
23 a Sprint arbitration proceeding?

24
25 A. Yes. In Order No. PSC-96-1532-FOF-TP in Docket No.

1 960838-TP, the Commission resolved this issue, among
2 others, in a Sprint/MFS arbitration. MFS had argued that
3 it was entitled to tandem switching charges when its
4 switch serves the same approximate area as the ILEC
5 tandem. The Commission found that "...Section 51.707(c)
6 requires equal compensation only when MFS provides the
7 equivalent facility to that provided by Sprint." At page
8 5. The Commission further concluded "...the Act does not
9 contemplate that the compensation for transporting and
10 terminating local traffic should be symmetrical when one
11 party does not actually use the network facility for
12 which it seeks compensation." Ibid., at page 6.

13
14 The Commission's analysis of this issue in the Sprint/MFS
15 arbitration is clearly consistent with the intent of
16 Congress in passing the Act and with the FCC's
17 interpretation of the Act. Vanguard's Petition and the
18 prefiled direct testimony of Ms. Kiernan offer no
19 justification or rationale for any other conclusion.

20
21 Q. Do you believe that the Commission's findings and
22 conclusions as to reciprocity and symmetry of
23 compensation in the Sprint/MFS arbitration apply with
24 equal force to CLECs and CMRS providers?

1 A. Yes. I will address this further in my rebuttal
2 testimony.

3
4 Q. What is the impact of Vanguard's position on reciprocal
5 compensation?

6
7 A. Vanguard's position allows it to charge Sprint for
8 functions that it does not perform. For example, where
9 two-way trunking is established between a Vanguard switch
10 and a Sprint tandem, Sprint will charge Vanguard for the
11 transport from the point of interconnection to the
12 tandem, tandem switching, transport from the tandem to
13 the end office where the call terminates, and end office
14 switching. Vanguard would then charge Sprint for
15 transport from the point of interconnection to its
16 switching center and end office switching. However,
17 Sprint does not agree that Vanguard is permitted to
18 charge Sprint a transport and termination rate equal to
19 Sprint's tandem interconnection rate, which includes
20 tandem switching, transport, and end office switching.
21 Vanguard should only be permitted to charge Sprint for
22 the functions it performs, which in this example is only
23 end office switching. In Sprint's view, Vanguard is
24 asking to be compensated for a "phantom network", one
25 which does not actually exist. Unless technically proven

1 otherwise, Vanguard does not perform any tandem switching
2 or transport functionality and therefore, should not be
3 permitted to charge Sprint for its "phantom network",
4 since it does not perform these functions and
5 consequently, does not incur any cost.

6
7 Q. Please present Sprint's recommendation on reciprocal
8 compensation.

9
10 A. Sprint's argument that Vanguard not be permitted to
11 charge Sprint for functions Vanguard does not perform is
12 supported by FCC Rule 51.701(c). Rule 51.701(c) requires
13 equal compensation only when the CLEC or CMRS provides
14 the equivalent facility to that provided by the ILEC.
15 Vanguard's position does not provide an equivalent tandem
16 or transport facility to that provided by Sprint and,
17 consequently, the Commission should deny Vanguard's
18 proposal to charge Sprint for transport and termination
19 functions Vanguard does not perform.

20
21 Q. Does this conclude your testimony?

22
23 A. Yes.

24
25 jjw\utd\masteoh.tst

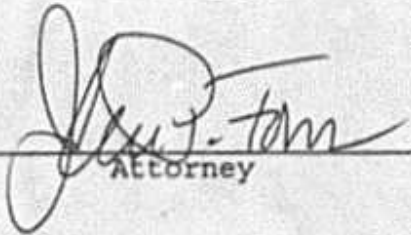
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Suite 800
Washington, D. C. 20036



Attorney