

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition by Wireless One Network, L.P.)
for Arbitration of Certain Terms and Conditions)
of a Proposed Agreement with Sprint-Florida,)
Incorporated Pursuant to Section 252 of the)
Telecommunications Act of 1996)

Docket No. 971194-TP

Filed: November 7, 1997

PREHEARING STATEMENT OF SPRINT-FLORIDA

Pursuant to Order No. PSC-97-1227-PCO-TL, issued October 10, 1997 and Rule 25-22.038(3), F.A.C., Sprint-Florida, Incorporated ("Sprint-Florida") files this Prehearing statement.

A. Witnesses.

At this time the only witnesses Sprint-Florida intends to call are F. Ben Poag and Sandra Khazraee.

B. Exhibits.

ACK At this time Sprint-Florida has not identified any exhibits in this
AFA proceeding.

APP _____
CAF C. Basic Position.

CMU Sprint's basic position is that this hearing can and should be a
CTR straightforward arbitration. There are only two issues to be resolved.
EAG Sprint urges the Commission to keep in mind that the parties have
LEG 2 submitted two sets of language to insert into a substantially complete
LIR 3 interconnection agreement. Selection of the respective contract

GFP _____
R _____
SEC 1
WAS _____
OTH _____

provisions is the ultimate question for resolution. The only factual dispute presented is whether Wireless One's network is functionally equivalent to Sprint's tandem and end office hierarchy, such that Sprint will be obligated to pay reciprocal compensation for the performance, if any, of tandem switching and transport. The evidence in this case demonstrates that Wireless One is not entitled to be compensated at any more than the stipulated end office rate because its network does not contain the required elements and does not perform the required actual or equivalent functions.

The other issue submitted for arbitration is whether the FPSC, acting as an arbitrator, must require Sprint, in a compulsory arbitration, to forego the collection from Wireless One of purely intrastate, tariffed charges that Wireless One voluntarily pays on behalf of Sprint's customers. These charges would otherwise be billed to end users. It is Sprint's position that neither the FCC or Federal law requires such a result. If the Commission determines that such a result is not required, it need not and should not act any further. The Commission should resist any effort by Wireless One to turn this narrowly limited compulsory arbitration into a rate setting hearing. The parties have not submitted a factual dispute for the Commission on this issue.

D. Questions of Law, Policy or Fact at Issue.

Issue 1 : Should Sprint-Florida be required to pay Wireless One tandem interconnection, transmission and end office termination for calls originating on Sprint-Florida's network that terminate on Wireless One's network? If not, what are the appropriate charges?

Position: Sprint's position is that Sprint is not required to pay Wireless One for functions the Wireless One network does not perform. Wireless One does not perform tandem switching or provide a transport function for calls originated by Sprint customers. The Commission should be careful to note that no rates are at issue here. "Charges" in the issue refers to the product of the functionality actually provided times the stipulated rate. The only factual issue to be determined is whether Wireless One's network is functionally equivalent to Sprint's tandem and end office hierarchy. The only policy/legal question to resolve is which of the proposed clauses to insert into the arbitration

agreement. Sprint submits that the following language is appropriate based upon the evidence in this case and the mandate of Federal law.

For all land-to-mobile traffic that Company terminates to Carrier, Company will pay for the functionality provided.

The Commission has already decided that a company is not entitled to reciprocal compensation for functions they do not actually provide. See, *In re Petition by MCI Telecommunications Corporations for arbitration with United Telephone Company and Central Telephone Company of Florida concerning interconnection rates, terms, and conditions, pursuant to the Federal Telecommunications Act of 1996*, Order No. PSC-97-0294-FOF-TP (March 14, 1997), at p. 10.

Issue 2: Are all intraMTA calls originating on Sprint's network and terminating on Wireless One's network local traffic upon which no toll charges may be assessed?

Position: Sprint's position is that the only matter subsumed in this issue is whether the purely intrastate RTBO (Reverse Toll Option) charge tariffed and approved by the FPSC is lawful under the mandate of the FCC and the Telecommunications Act of 1996. Put another way, must the FPSC, acting as an arbitrator, require Sprint, in compulsory arbitration, to forego the collection of the RTBO charges that Wireless One voluntarily pays on behalf of Sprint's customers. There is no factual dispute here. This is strictly a legal/policy issue. The Commission should only consider properly submitted testimony that describes the policy/legal reasons for the charge and its propriety in an interconnection environment. For purposes of computing the transaction costs between interconnecting companies (access charges vs. local interconnection rates), Federal law has defined a local calling area that is larger than the local calling area that defines toll calling for purposes of what end users (or their voluntary surrogate) pay. This Federal definition was never intended to interfere with or preempt the state of Florida's authority to determine the end user rates. Because Sprint has satisfied its federally-mandated obligation and agreed to pay the stipulated local interconnection rates, this is essentially a non-issue. The following language should be ordered in the agreement:

"Local Traffic" for purposes of the establishment of interconnection *and not for the billing of customers under this Agreement*, is defined as telecommunications traffic between an LEC and CMRS provider that, at the beginning of the call originates and terminates within the same Major Trading Area, as defined in 47 C.F.R. Section 24.202(a); provided however, that consistent with Sections 1033 et seq. of the First Report and Order, Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98 (Aug. 8, 1996), hereinafter the "First Report and Order," the Commission shall determine what geographic areas should be considered "local areas" for the purpose of applying reciprocal compensation obligations under Section 251(b)(5), consistent with the Commission's historical practice of defining local service areas for wireline LECs. (See, Section 1035, First Report and Order). (Emphasis added) [Agreement at pp. 21-22]

IntraLATA toll traffic. *For the purposes of establishing charges between the Carrier and the Company*, this traffic is defined in accordance with Company's then-current IntraLATA toll serving areas to the extent that said traffic does not originate and terminate within the same MTA. (Emphasis added) [Agreement at p. 34]

The italicized portions highlight the distinction between Sprint and Wireless One's positions.

F. Stipulated Issues.

Sprint is not aware of any issue submitted for arbitration that has been stipulated. Sprint and Wireless One have agreed to all provisions of an interconnection agreement as filed in Wireless One's Petition for

Arbitration.

G. Pending Motions.

Sprint has two motions pending before the Commission requiring resolution. These are:

(1) MOTION TO STRIKE PORTIONS OF THE REBUTTAL TESTIMONY OF FRANK HEATON AND JOHN MEYER, filed November 6; and

(2) MOTION TO STRIKE PORTIONS OF DIRECT AND REBUTTAL TESTIMONY OF FRANCIS J. HEATON (SECOND MOTION), filed November 7.

The parties have a dispute about the proper scope of the docket and the inclusion of additional issue(s) in that regard. In response to a request by staff that the parties brief the issue, Sprint submitted a filing styled:


MOTION FOR DETERMINATION OF ISSUES AND REQUEST FOR ORAL ARGUMENT.

Wireless One filed a responsive memorandum and Sprint filed a Motion to strike the argument on the merits contained in the memorandum. Sprint's Motion does not necessarily require action by the prehearing officer. The purpose of the filing was to register Sprint's objection to what is essentially a response to a brief that was not contemplated.

H. Compliance Matters.

There are no matters that Sprint-Florida is aware of that cannot be complied with.

Respectfully Submitted,



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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served by U.S. Mail or hand delivery (*) upon the following on this 7th day of November 1997.

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