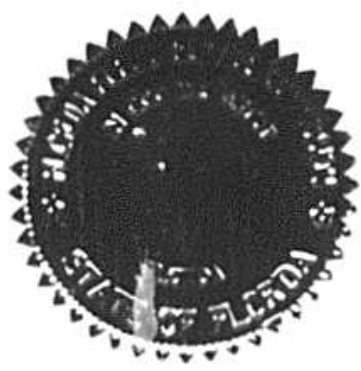


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of :
:
Petition by Wireless One :
Network, L.P., d/b/a Cellular :
One of Southwest Florida for :
arbitration with Sprint-Florida: :
Incorporated pursuant to :
Section 252 of the :
Telecommunications Act of 1996 :

DOCKET NO. 971194-TP



VOLUME 3

EVENING SESSION

Pages 267 through 457

PROCEEDINGS: HEARING

BEFORE: CHAIRMAN JULIA L. JOHNSON
COMMISSIONER SUSAN F. CLARK
COMMISSIONER JOE GARCIA
(Teleconferencing)

DATE: Monday, November 24, 1997

TIME: Commenced at 9:44 a.m.
Concluded at 9:16 p.m.

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: JOY KELLY, CSR, RPR
Chief, Bureau of Reporting

APPEARANCES:

(As heretofore noted.)

DOCUMENT NUMBER: DATE
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1 P R O C E E D I N G S

2 (Transcript follows in sequence from
3 Volume 3.)

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5 FRANCIS J. HEATON

6 continues his testimony under oath from Volume 2

7 C R O S S E X A M I N A T I O N

8 BY MR. REHWINKEL:

9 Q Thank you. Mr. Heaton, you testify in your
10 direct testimony that you engaged outside counsel
11 on -- I'm on Page 5 of your direct testimony --
12 working under your direct supervision and direction
13 with regard to the negotiations you were involved in
14 with Sprint.

15 MR. ADAMS: Before the witness answers this
16 question, I will object to the extent he's calling for
17 anything that is subject to the attorney-client
18 privilege.

19 CHAIRMAN JOHNSON: Certainly. You can
20 continue. Do you need to -- does he need to repeat
21 the question.

22 MR. REHWINKEL: I was reading his testimony
23 out loud basically.

24 Q (By Mr. Rehwinkel) Is that true, that you
25 engaged counsel working under your supervision and

1 direction?

2 A That's correct.

3 Q And does that same statement carry forward
4 to this arbitration?

5 A It's one and the same counsel.

6 Q Okay. And I take it then in that regard you
7 reviewed and approved the petition filed by Wireless
8 One in this docket?

9 MR. ADAMS: I'm going to object to that.
10 That is subject to attorney-client privilege. What
11 documents he has reviewed and what drafts he has
12 reviewed or not reviewed is privileged information.

13 MR. REHWINKEL: I withdraw the question.

14 Q (By Mr. Rehwinkel) And I ask you,
15 Mr. Heaton, you have reviewed the petition, have you
16 not, that was filed by Wireless One in this docket?

17 A Yes, I have.

18 Q And you're aware of everything that is in
19 it?

20 A I was at the time of submittal and I have
21 reviewed it numerous times since then.

22 Q Okay. Do you agree with everything that's
23 in it?

24 MR. ADAMS: Do you want to supply him a copy
25 of that, Charles?

1 **MR. REHWINKEL:** No, I'd just rather withdraw
2 that question and ask him this question.

3 **Q** **(By Mr. Rehwinkel)** Mr. Heaton, Wireless
4 One asked the Commission to find that no toll charges
5 could be assessed for reverse toll bill option; isn't
6 that correct?

7 **A** That is correct.

8 **Q** And no place in the petition does it ask the
9 Commission to reprice RTBO charges --

10 **MR. ADAMS:** I'm going to --

11 **MR. REHWINKEL:** Can I finish the question?

12 **MR. ADAMS:** Yes. Excuse me.

13 **Q** **(By Mr. Rehwinkel)** In no place in the
14 petition does it ask the Commission -- does Wireless
15 One ask the Commission to reprice reverse toll bill
16 option and include reverse toll bill option charges in
17 the interconnection agreement? Isn't that correct?

18 **MR. ADAMS:** I object. The petition is a
19 legal document that speaks for itself, and what it
20 says is contained within the four corners of that
21 document. Mr. Heaton's position on that isn't
22 dispositive of the outcome of what is in that document
23 and not relevant to this proceeding.

24 **MR. REHWINKEL:** Madam Chairman, if that's
25 the case, I suggest we revisit Mr. Heaton's comment on

1 Sprint's petition which is a legal document, and it
2 has the same status as Wireless One's petition. I'm
3 just asking for fairness, and if he can comment on
4 Sprint's response, he ought to be able to comment on
5 his petition, which generated the response. They are
6 co-equal petitions -- pleadings in this docket and
7 he's already testified that he's familiar with the
8 petition.

9 **CHAIRMAN JOHNSON:** I'm going to sustain the
10 objection. The document speaks for itself.

11 **Q** **(By Mr. Rehwinkel)** Mr. Heaton, isn't it
12 correct that when you corrected your testimony today
13 you changed your testimony from asking the Commission
14 to find that Sprint could not assess toll charges on
15 the RTBO service that you subscribed to? (Pause)

16 **A** We don't subscribe to any toll charges. We
17 subscribe to a preexisting tariff that was our only
18 option for reverse option toll billing when we
19 initiated service, and has remained our only option
20 for reverse option billing through the FCC's
21 requirement for a renegotiation of carrier-to-carrier
22 relations -- not a renegotiation, a negotiation.
23 There has never previously been a negotiation on our
24 part despite various efforts to get you to amend that.
25 We find ourselves paying more than ten times

1 the cost for land-to-mobile traffic than we're paying
2 for mobile-to-land traffic just going in the opposite
3 direction, and that is a needless and seemingly absurd
4 expense. And for that reason we have pursued a
5 revision to the reverse option as our primary and
6 utmost goal in this proceeding.

7 **MR. REHWINKEL:** Madam Chairman, I would ask
8 that the witness be directed to answer the question
9 asked, and not -- we'll be here all night if we have a
10 diatribe every time I ask him a simple question. He
11 was not giving a yes or no answer. And I also object
12 and ask be stricken any reference to cost because cost
13 is not at issue in this proceeding.

14 If -- it's fine with me if any testimony
15 related to cost basis for the RTBO is left alone, but
16 there's an overall ruling that it is proffered. I
17 cannot control what Mr. Meyer -- Mr. Heaton says, and
18 I'm not going to interrupt him, but he's testifying on
19 matters that have already been ruled outside the scope
20 of this proceeding.

21 **CHAIRMAN JOHNSON:** Mr. Heaton, let me direct
22 you to begin your answers with a yes or no, and you
23 can elaborate on those answers to the extent that your
24 answers involve costs and rate setting. Let me also
25 remind you that we have already ruled that those are

1 not at issue in this case, and if you could limit your
2 responses. But to the extent that information is
3 necessary to answer the question I don't want to deter
4 you from answering completely.

5 WITNESS HEATON: Okay.

6 CHAIRMAN JOHNSON: Do you want to try that
7 one again?

8 MR. REHWINKEL: Thank you, Commissioner.

9 Q (By Mr. Rehwinkel) You have changed your
10 testimony from a request that no toll charges be
11 allowed by the Commission to no access charges be
12 allowed by the Commission; is that correct? (Pause)

13 MR. REHWINKEL: I withdraw the question,
14 Commissioner.

15 Q (By Mr. Rehwinkel) On Page 5 of your
16 direct testimony, on Lines 20 through 21 you state, do
17 you not, that Wireless One customers have enjoyed a
18 LATA-wide local calling area, isn't that right?

19 A Can you give me the page reference again,
20 Charles?

21 Q Page 3, direct testimony.

22 COMMISSIONER GARCIA: Line 20?

23 MR. REHWINKEL: Yes, Commissioner, Line 20.

24 WITNESS HEATON: That is correct.

25 Q (By Mr. Rehwinkel) You don't mean to imply

1 there that Wireless One customers have enjoyed a
2 LATA-wide -- a free LATA-wide local calling area, do
3 you?

4 A No. I'm stating that there is no
5 differentiation in the pricing of their usage anywhere
6 within the LATA.

7 Q So during the day, on a weekday, most
8 Wireless One customers pay 30 cents a minute for those
9 calls that you say are LATA-wide local calling?

10 (Pause)

11 A I don't recall testifying about the rates we
12 charge.

13 Q Isn't it true that that's what the peak rate
14 is during the day?

15 MR. ADAMS: Are rates in issue in this case
16 now, Mr. Rehwinkel?

17 MR. REHWINKEL: I withdraw the question.

18 Q (By Mr. Rehwinkel) Mr. Heaton, do operator
19 assisted or operator handled toll calls from a Sprint
20 customer to a Wireless One customer -- let me rephrase
21 the question.

22 Is Sprint, in your opinion, allowed to
23 charge for an operator handled toll call from a Sprint
24 customer to a Wireless One customer that originates
25 and terminates within the Fort Myers MTA?

1 A As far as I know. It would be helpful if
2 you gave me some examples of what type of operator
3 assistance you're referring to.

4 Q Well, if a Sprint customer makes an operator
5 handled toll call within the Fort Myers MTA that
6 originates and terminates in a manner that would incur
7 toll charges based on the originating and terminating
8 NXX, that's the kind of call I'm talking about.

9 A I don't know why a customer would need
10 operator assistance when he can dial it direct on a
11 seven-digit basis and not pay for it.

12 Q So what's your answer?

13 A If they required the use of an operator, I
14 guess they'd be subject to operator charges. But they
15 don't require the use of an operator. You haven't
16 given me an example of a requirement for the use of an
17 operator.

18 Q You don't dispute, do you, that reverse toll
19 bill option subscription is not required for
20 interconnection between a CMRS carrier and Sprint, do
21 you?

22 A No, I don't.

23 Q So Sprint has never told you that you had
24 to -- let me ask it this way: If you did not pay the
25 required local interconnection rates for terminating a

1 mobile-to-land call from your network to Sprint's
2 network, would you be fulfilling your obligations for
3 local interconnection?

4 MR. ADAMS: Charles, I'm not sure I
5 understood that. Can you restate that?

6 Q (By Mr. Rehwinkel) The payment of local
7 interconnection rates is a requirement for
8 interconnection, is it not?

9 A Yes.

10 Q Okay. You cannot -- Sprint would not
11 terminate calls for you if you refused to pay the
12 local interconnection rates that are agreed to in our
13 agreement that -- or in what we have agreed to or in
14 our tariffs; is that correct?

15 A That is correct.

16 Q And likewise, if you did not pay access
17 charges -- strike that question.

18 If you did not pay reverse toll bill option
19 charges, or you did not subscribe to reverse toll bill
20 option under Sprint's tariff, you could still
21 interconnect and originate and terminate traffic,
22 could you not?

23 A Yes, we could.

24 Q Isn't it true that not all cellular
25 companies subscribe to the reverse toll bill option?

1 A I've answered this question before, yes.
2 The only company I know that did subscribe to it
3 beside ourselves was Palmer Cellular Communications.

4 Q You do agree, do you not, that -- strike
5 that.

6 Isn't it true that Sprint customers making
7 the RTBO calls or the calls for which we charge the
8 RTBO rate are not your customers in the making of that
9 call?

10 A That is correct.

11 Q Isn't it also true that subscription --
12 isn't it also true that you subscribe to the RTB
13 charge or the tariff so that more traffic will flow
14 onto your network, isn't that correct?

15 A Yes, it is.

16 Q Can you direct me to where the FCC has
17 forbidden that a local 25-cent call cannot be billed
18 under the RTBO rate?

19 MR. ADAMS: Charles, are you referencing
20 some part of the testimony that you can tell us about?

21 MR. REHWINKEL: I'm asking Mr. Meyer.

22 MR. ADAMS: Mr. Heaton.

23 MR. REHWINKEL: I apologize. It's late.
24 I'm asking Mr. Heaton -- let me ask it this way.

25 Q (By Mr. Rehwinkel) Is it your opinion that

1 the FCC does not allow Sprint to bill -- would not
2 allow Sprint to bill our end user for a 25-cent call
3 within -- at what you call an untimed local call from
4 within the Fort Myers MTA?

5 A Again, I'm not sure the whole origin of the
6 25-cent call, but as I understand it, if we did not
7 compensate you in lieu of the calling party you would
8 be entitled to that compensation from the calling
9 party.

10 Q So what you've said to me is if you did not
11 pay -- if you do not subscribe to the RTBO tariff, and
12 a Sprint customer made a call that we would otherwise
13 rate at 25 cents, then we would be entitled to bill
14 that call, that rate to that customer?

15 A Yes, in the context of the extended local
16 calling, yes.

17 Q Now are you asking the Commission here today
18 to forbid us from doing that, from billing that call
19 to that local customer?

20 A When that local customer is calling our
21 customer he doesn't pay any charge to you; we pay you.

22 Q If you decided tomorrow not to subscribe to
23 the RTBO tariff, would it be your position that we
24 could then turn around and bill that call to that
25 customer?

1 A That is correct.

2 Q Did the FCC establish transport and
3 termination rate elements between the point of
4 interconnection and the terminating end user?

5 MR. ADAMS: I'm going to object to the
6 extent these call for legal conclusions that are the
7 ultimate issues in this case.

8 CHAIRMAN JOHNSON: Mr. Rehwinkel.

9 MR. REHWINKEL: I'm not asking him for a
10 legal conclusion. Mr. Heaton testifies on Page 6 of
11 his testimony about what the FCC has ruled in 47 CFR
12 51.701(B)(2). I'm just probing his understanding of
13 that. I don't require a legal determination from him.

14 CHAIRMAN JOHNSON: I'm going to allow the
15 question.

16 Q (By Mr. Rehwinkel) Do you want me to ask
17 the question again?

18 A Yes, please.

19 Q Okay. Did the FCC establish transport and
20 termination rate elements between the point of
21 interconnection and the terminating end user?

22 A No, I don't believe so.

23 Q Why not?

24 A Because their transport and termination are
25 between the networks of the involved carriers.

1 Q It's your opinion that the FCC did not
2 establish the portion of the network between the point
3 of interconnection and the termination point of that
4 call for purposes of reciprocal compensation?

5 MR. ADAMS: We'll voice a continuing
6 objection along this line of questioning.

7 CHAIRMAN JOHNSON: I'll allow the question.
8 (Pause)

9 WITNESS HEATON: No. The FCC really has no
10 way of knowing where the point of termination of the
11 call would be. The only thing that it's requiring is
12 the transport and termination charges between the
13 originating carrier and the receiving carrier.

14 Q So when you say "originating carrier,"
15 you're making the point that the -- that perhaps the
16 portion of the call between the originating end user
17 and the originating network's point of interconnection
18 is covered by the rates that are established by the
19 FCC?

20 A I believe in the context of the
21 Telecommunications Act that the FCC has precluded the
22 application of toll charges for all LEC to CMSR
23 traffic in both directions that is connected on an
24 intraMTA basis.

25 Q So the answer to my question is doing the

1 yes or no at the end instead of the beginning, is yes
2 or no?

3 A Could I have the question again?

4 MR. REHWINKEL: Madam Chairman, may I ask
5 the court reporter to read the question back?

6 (Thereupon, the questin appearing on Page
7 283, Lines 4 through 19, was read back by the
8 reporter.)

9 WITNESS HEATON: No.

10 Q (By Mr. Rehwinkel) Would the piece of the
11 network that I just described between the originating
12 end user and the originating network's point of
13 interconnection, wouldn't that be the originating
14 portion of the call?

15 A Yes, it would.

16 Q And in a toll environment that would be
17 considered originating access?

18 A In a toll environment that would be
19 considered originating access.

20 Q Now did the FCC establish originating
21 elements in its First Report and Order for purposes of
22 local interconnection?

23 A No, it didn't.

24 Q Is it your testimony that Mr. Poag testified
25 that the RTBO rate is originating access?

1 A Can you cite me a reference to my testimony?

2 Q I'm just asking you is that your opinion of
3 what Mr. Poag's testimony was? (Pause)

4 A My opinion is Mr. Poag testified that the
5 reverse option charge that is in your tariff was
6 equivalent to the originating access cost of those
7 land-to-mobile call completions.

8 Q You don't have a quote from Mr. Poag that
9 demonstrates that, do you? That's your view of how --
10 that's your characterization of his testimony?

11 MR. ADAMS: I'm going to object to that.
12 Mr. Rehwinkel asked the question and Mr. Heaton
13 responded to it.

14 MR. REHWINKEL: I'm exploring the nature of
15 his response, whether -- if he has a basis for it or
16 it's just his view or characterization of the
17 testimony.

18 CHAIRMAN JOHNSON: What is your question?

19 MR. REHWINKEL: Did he have a quotation from
20 Mr. Poag that the RTBO is originating access or is
21 that just his characterization of Mr. Poag's
22 testimony.

23 CHAIRMAN JOHNSON: I'll allow the question.

24 (Pause)

25 A I can't find a concise statement by Mr. Poag

1 of the 5.88 cent cost. I did just come across a 13.1
2 cent total cost which included 6.66 cents in
3 terminating switched access. If you took that away, I
4 guess you're going to be somewhere near the residual.

5 Look at Page 85, Line 23 of his deposition.
6 There's the explicit components and the total of the
7 .0588 cents testified to as originating access by
8 Mr. Poag.

9 Q (By Mr. Rehwinkel) Mr. Poag did not state
10 that the RTBO is originating access, did he? (Pause)

11 A I've just covered five pages of transcript
12 where he was asked was it originating access, and in
13 those five pages he hadn't yet answered the question.
14 Do you want me to continue reading?

15 Q My question to you is that he has never
16 testified -- isn't it true that he has never testified
17 that the reverse toll bill option is an originating
18 access charge?

19 MR. ADAMS: This line of questions, Your
20 Honor, I'm going to object to. Mr. Poag's deposition
21 is part of the record now and what he testified to is
22 a matter of record in this case. What Mr. -- to
23 question Mr. Heaton on what Mr. Poag testified about,
24 I mean, we could be here all night.

25 CHAIRMAN JOHNSON: I agree. And I'm going

1 to sustain the objection.

2 MR. REHWINKEL: I'm sorry, Commissioner.

3 CHAIRMAN JOHNSON: I agree with him and I'm
4 going too sustain the objection.

5 Q (By Mr. Rehwinkel) Let me ask you about
6 the Vanguard additive that you've testified to? Isn't
7 it true that you do not know what went into the
8 negotiations between Vanguard and BellSouth?

9 MR. ADAMS: I'm going to object again here.
10 The Vanguard agreement is a public document on file at
11 the Commission, and it's now part of the record in
12 this case. It's a contract that it speaks for itself.
13 Mr. Heaton's knowledge of negotiations are not
14 relevant.

15 MR. REHWINKEL: Madam Chairman, Mr. Heaton
16 is asking the Commission to utilize a portion of the
17 Vanguard agreement as a basis for taking action in
18 this docket. It is Sprint's position that it is
19 improper to do that without understanding what the
20 basis for the charges that are included in the
21 Vanguard agreement are. Mr. Heaton cannot come in
22 here and ask the Commission to take action based on a
23 portion of a negotiated agreement without himself
24 testifying about what went into the makeup of that
25 rate. I want to explore his knowledge of how that

1 rate was devised.

2 CHAIRMAN JOHNSON: And what was your
3 question? How did you frame your question?

4 MR. REHWINKEL: I asked him wasn't it true
5 that he is aware of what transpired in negotiations
6 between Vanguard and BellSouth.

7 WITNESS HEATON: That is true.

8 COMMISSIONER GARCIA: Let me make sure I
9 understood the question. Did you ask him -- ask the
10 question again. It seems to me, Charles, you're
11 asking him if he's aware that he's ignorant about what
12 happened with the negotiations?

13 MR. REHWINKEL: That's correct.

14 COMMISSIONER GARCIA: Okay.

15 Q (By Mr. Rehwinkel) Can you show me from
16 the Vanguard agreement that you asked the Commission
17 to take a piece of here and utilize in this case where
18 it says that the reverse toll bill option will still
19 not apply -- will not apply to Vanguard?

20 A No.

21 Q Is it your testimony that the LATA-wide
22 additive that you've identified from the Vanguard
23 agreement replaces the reverse toll bill option that
24 Vanguard would subscribe to from BellSouth?

25 A That is our proposal, if the Commission

1 finds any compensation is necessary.

2 MR. REHWINKEL: That's not the question I
3 asked. I did not get a yes or no answer to that.

4 CHAIRMAN JOHNSON: Sir, if you could start
5 with a yes or no, and then if you need to elaborate,
6 you can.

7 A Could I have the question read back please?

8 Q (By Mr. Rehwinkel) I'll just ask it again.
9 Is it your position that Vanguard will no longer pay
10 reverse toll bill option because of this LATA-wide
11 additive that is contained in the Vanguard agreement,
12 Vanguard-BellSouth agreement?

13 A No, that's not my position. I have no
14 position regarding Vanguard and BellSouth.

15 Q You're asking the Commission to utilize the
16 Vanguard rate, the LATA-wide additive in lieu of a
17 reverse toll bill option charge, are you not?

18 A No. I'm asking if the Commission deems it
19 necessary for there to be any compensation, that they
20 could consider that additive level of compensation
21 which has already been included in an approved
22 agreement.

23 Q So it's not your testimony that the
24 LATA-wide additive in the Vanguard agreement is a
25 replacement for reverse toll bill option that Vanguard

1 would pay to BellSouth under BellSouth's reverse toll
2 bill option tariff? (Pause)

3 A Yeah. It is my position that that's in lieu
4 of toll charges.

5 Q But you cannot show me that that's what the
6 Vanguard-BellSouth agreement provides for, can you?

7 MR. ADAMS: This is argumentative, Your
8 Honor, I'm going to object again.

9 MR. REHWINKEL: That's the first time that
10 question has been asked.

11 MR. ADAMS: The whole line of questioning
12 about what this agreement says is something that is
13 subject to a legal termination that we can brief
14 later, and simply put in our briefs. Either what it
15 does say or doesn't say is just a matter of a legal
16 determination and not a factual matter for this
17 witness.

18 MR. REHWINKEL: Mr. Heaton's testimony,
19 starting on Page 11, Line 6, actually starting really
20 at the top of the page, with the end of the discussion
21 of the 360 agreement, he asserts that Vanguard and
22 BellSouth have entered into an agreement that replaces
23 the RTBO traffic -- the RTBO charge with this
24 LATA-wide additive. And if he's going to give an
25 opinion that that's the effect of the agreement, he

1 needs to be able to explain why that's his opinion.

2 **CHAIRMAN JOHNSON:** I'll allow that question.

3 **WITNESS HEATON:** Well, I read the agreement
4 a number of times and that's how I interpret it.

5 **Q** **(By Mr. Rehwinkel)** Okay. So if the
6 Commission determines, based on their review of the
7 contract, that the LATA-wide additive does not replace
8 the RTBO traffic, then this BellSouth-Vanguard
9 position that you take in your testimony would be
10 irrelevant? (Pause)

11 **A** I apologize. I need that question reread or
12 repeated.

13 **Q** I'll move on.

14 You mention the 360 agreement, do you not,
15 Sprint 360 agreement on Page 10 of your direct
16 testimony?

17 **A** Yes, I do.

18 **Q** Now, is it your position that Sprint -- that
19 this 360 agreement with Sprint means that calls that
20 were formerly billed under the RTBO rate will no
21 longer be billed to 360 by Sprint?

22 **MR. ADAMS:** Same line of objections for the
23 record here.

24 **CHAIRMAN JOHNSON:** Objection overruled. Go
25 ahead. (Pause)

1 A Well, my testimony speaks for itself. That
2 yes, I stated at Page 11, Lines 2 to 4, the effect of
3 these sections of Sprint's -- of the Sprint 360
4 agreement. Sprint has acknowledged Wireless One's
5 position all intraMTA land-to-mobile calls are local
6 and that intraLATA access charges do not apply.

7 Q Is that based on anything other than your
8 own personal opinion?

9 A Well, it's certainly based on consultation
10 with my counsel.

11 Q But I can't ask you about that, right?

12 MR. ADAMS: That is correct.

13 MR. REHWINKEL: Then I ask that his answer
14 be stricken.

15 Madam Chairman, Mr. --

16 Q (By Mr. Rehwinkel) Let me ask you to turn
17 to Page 29 of the 360 agreement if you would, please,
18 Mr. Heaton.

19 CHAIRMAN JOHNSON: Mr. Rehwinkel.

20 MR. REHWINKEL: Yes, ma'am.

21 CHAIRMAN JOHNSON: You asked that something
22 be stricken?

23 MR. REHWINKEL: I withdraw that. I
24 apologize.

25 CHAIRMAN JOHNSON: Okay.

1 Q (By Mr. Rehwinkel) See up there under the
2 definition of local traffic near the top of that page?

3 A Yes.

4 Q Okay. You see the sentence that's -- the
5 next to the last sentence that starts, "This shall not
6 --

7 A Yes.

8 Q Okay. Doesn't the definition of local
9 traffic there state that this paragraph -- that this
10 shall not affect the classification of any such
11 traffic which originates from or terminates a carrier
12 for other purposes? (Pause) Do you see that? Do you
13 agree with that?

14 A I see the words. I can't really fathom
15 their meaning.

16 Q Okay. How about the next sentence that
17 reads, "Classification for said traffic for any such
18 other purpose shall be determined in accordance with
19 Commission-approved local calling areas?"

20 A Yes.

21 Q Do you see that?

22 A Yes.

23 Q And you don't know what that means, either?

24 A That's correct.

25 Q Okay. You didn't consider these two

1 sentences in your interpretation of this contract for
2 purposes of providing testimony here, did you?

3 A Yes, I considered them and I disregarded
4 them, or I interpreted that they had no consequence
5 because, you know, other purposes is unspecified.
6 What is clear it's for traffic to or from a CMRS
7 network.

8 Q And, likewise, with Paragraph 4 dealing with
9 intraLATA toll traffic, doesn't it say there that this
10 traffic is defined in accordance with companies then
11 current intraLATA toll serving areas to the extent
12 that said traffic does not originate and terminate
13 within the same MTA?

14 A Yes, it does.

15 Q Okay. Isn't it true that 360 still pays
16 reverse toll bill option charges to Sprint?

17 MR. ADAMS: Objection, there's no foundation
18 for that question.

19 CHAIRMAN JOHNSON: Mr. Rehwinkel.

20 MR. REHWINKEL: Yes. Mr. Heaton's testimony
21 leaves the clear implication that the filing of this
22 agreement and the approval by the Commission has
23 replaced reverse toll bill option with some other form
24 of compensation that Mr. Heaton alludes to. I'm
25 exploring whether he knows whether that's the case or

1 not. Maybe I'll ask him that question if you prefer.

2 CHAIRMAN JOHNSON: Why don't you ask him
3 that direct question?

4 Q (By Mr. Rehwinkel) You don't know whether
5 360 still pays reverse toll bill option the same as it
6 did before entering into this agreement, do you?

7 A No, I don't.

8 Q And you didn't ask anybody, did you?

9 A No, I haven't.

10 Q Okay. On Page 17 of this direct testimony

11 --

12 MR. REHWINKEL: Strike that, Commissioner,
13 and we'll move on.

14 Q (By Mr. Rehwinkel) You don't even know if
15 there was an issue in the 360 negotiations that led to
16 this agreement regarding the reverse toll bill option,
17 do you?

18 A No, I don't.

19 Q Likewise, you don't know whether there was
20 such an issue in the negotiations that resulted in the
21 Vanguard agreement, do you?

22 A No, I don't.

23 Q And, in fact, you don't know whether the
24 reverse toll bill option was an issue in any
25 negotiation between BellSouth and any other CMRS

1 carrier, do you?

2 A No, I don't.

3 Q You just acquired Palmer Wireless on October
4 6; is that correct?

5 A Yes, we did.

6 Q Did Palmer Wireless have an agreement with
7 Sprint, an interconnection agreement?

8 A Yes, it did.

9 Q Did the interconnection agreement
10 with Palmer Wireless -- was the interconnection
11 agreement with Palmer Wireless consistent with a
12 position Sprint has maintained in this docket on the
13 issue of reverse toll bill option?

14 A The interconnection agreement with Palmer
15 Wireless is silent on the reverse option.

16 Q So the interconnection agreement with Palmer
17 Wireless does not forbid the charging of reverse toll
18 bill option, does it?

19 A No, it does not.

20 Q How about on the tandem switching issue?
21 Does the interconnection agreement between Sprint and
22 Palmer Wireless require that a call be switched
23 between two MSCs for the assessment of tandem
24 switching charges?

25 A No, it does not.

1 Q So you're familiar with the provision that's
2 in the Palmer Wireless agreement relating to
3 compensation from carrier to company -- from company
4 to carrier?

5 A Yes. It's a composite rate slightly higher
6 than the end office rate they pay you.

7 Q And which agreement is this you're talking
8 about?

9 A It's the September 25th agreement, which was
10 just recently approved by the Commission.

11 That agreement was executed under duress
12 against our direct request because the original
13 purchase agreement had required that they deliver a
14 transferable interconnection agreement. Because at
15 the time of the execution of our purchase agreement
16 they had an executed interconnection agreement, and we
17 did not have one. We told them directly that we would
18 not hold them to that term and condition to deliver us
19 an executed permanent interconnection agreement, but
20 they, nevertheless, executed one with you ten working
21 days -- less than ten working days, ten calendar days
22 before selling their Lee County property rights to us.

23 Q And why do you say it was entered into under
24 duress?

25 A Because they had a provision in their

1 contract for sale to us that said they had to deliver
2 a transferable interconnection agreement, and the
3 original March '97 interconnection agreement did not
4 have any transfer rights in it. The September
5 agreement did.

6 Q So was the duress -- strike that.

7 Mr. Heaton, wouldn't you agree that the
8 rating of a toll call is based on the rate center of
9 origination and the NXX of termination?

10 A I'm familiar with flat rate pricing, six
11 cents a minute nationwide, nine cents a minute
12 nationwide. Distance sensitivity has very little to
13 do with toll pricing in today's world.

14 Q Let me ask you the question again, and see
15 if you can answer yes or no.

16 Isn't it true that a toll call under state
17 tariffs is based on the rate center of origination and
18 the NXX of termination?

19 A Under state tariffs, that is true.

20 Q And this is true -- this is also true when a
21 call is originated -- when the termination point is an
22 NXX that has been assigned, i.e., a virtual NXX.

23 A This is true.

24 Q You would agree that routing has nothing to
25 do with how a call is rated?

1 A That is correct.

2 Q On Page 23 of your direct testimony, if I
3 could ask you to look at that. You make reference on
4 Lines 19 and 20 to average call volumes of about
5 1.8 million minutes of use per month; is that correct?

6 A That's correct.

7 Q And your reference there is to calls that
8 Sprint terminates to Wireless One?

9 A That's correct.

10 Q Okay. Does that volume represent all calls
11 from Sprint to Wireless -- originating from Sprint and
12 terminating to Wireless One?

13 A Yes, it does.

14 Q Have you changed your testimony in your
15 rebuttal regarding the charging of tandem switching,
16 common transport and end office termination as it
17 would apply to the traffic that Sprint would deliver
18 to Wireless One?

19 **MR. ADAMS:** Do you have a page and line
20 cite, Charles, from the rebuttal.

21 **MR. REHWINKEL:** Yes.

22 Q (By Mr. Rehwinkel) On Page 1 of your
23 rebuttal testimony, on Lines 15 through 19, you're no
24 longer assuming that Sprint would terminate all calls
25 at the tandem, are you? Would deliver all calls at

1 the tandem?

2 A Pardon me, is it between --

3 Q 15 through 19?

4 A 15 and 19.

5 Q Actually 16 through 19.

6 A No. That's essentially offering fully
7 reciprocal compensation. If you terminate to our
8 tandem, we want three-element compensation; if you
9 terminate to an end office, we'll be content with end
10 office termination.

11 Q Okay. But on Page 23 of your direct
12 testimony you did not make any assumptions that Sprint
13 would terminate calls at your cell sites, did you?

14 A No, Sprint doesn't terminate any calls at
15 our cell sites at this time.

16 Q Isn't it true that if Sprint delivered a
17 call to your cell site that you would still have to
18 backhaul it to your MTSO for delivery and termination
19 at your cell site?

20 A That is true.

21 Q So even if Sprint were to deliver a call
22 there, you would still be required to backhaul it to
23 the MTSO and then send it back to the cell site; isn't
24 that correct?

25 A That is correct.

1 Q But you're telling the Commission that if
2 Sprint delivered the call at that point near your cell
3 site you would only charge end office, even though the
4 common transport segment would be roughly twice what
5 it would be if we just delivered the call at your
6 tandem.

7 A That is correct.

8 Q Mr. Heaton, have you reviewed the maps that
9 are identified as Exhibits 7-A and 7-B?

10 A I looked at them.

11 Q Okay. You filed Exhibits 1.1 through 1.4 as
12 part of your direct testimony; is that correct?

13 A Yes, I did.

14 Q And is it your testimony that 1.4, let's
15 say, accurately represents a comparison between
16 Sprint's network and your network?

17 A Well, 1.4 doesn't represent Sprint's
18 network, but only the Sprint points of interconnection
19 with our network. 1.1 is my exhibit representing
20 Sprint's network.

21 Q Okay. Now, the network that you've
22 represented on 1.1, does that reflect end office
23 switches on it?

24 A Yes, it does.

25 Q And those end office switches were developed

1 using the end office profile that is Exhibit 6?

2 A Certainly that was used in the development
3 of this. You know, certain -- if there are
4 differences, I would know them from my familiarization
5 with your end offices that we either connect to or
6 have considered connection to.

7 Q You said you would or wouldn't?

8 A I would.

9 Q On the map that you see before you, or
10 behind you there, it reflects remote switches, does it
11 not?

12 A The remote office locations?

13 Q Yes.

14 A Yes.

15 Q Okay. You have not reflected any of those
16 on your network representation, have you?

17 A No, I haven't.

18 Q Okay. Even though 1.1 does not show points
19 of interconnection; isn't that correct?

20 A I'm not sure I understand the question, even
21 though they don't show points of interconnection.

22 Q 1.1 is not intended to show where you
23 interconnect with Wireless One -- with Sprint?

24 A That's correct.

25 Q Okay. It's intended to represent Sprint's

1 end offices; is that correct?

2 A That is correct.

3 Q And if the Commission were to compare your
4 representation of Sprint's network to the
5 representation of your network that's contained on
6 1.4, they would not have the end offices and pair gain
7 devices for them, would they? If they used 1.1 and
8 1.4?

9 A If the end offices contained LCMs, which are
10 used to complete connections to and from your
11 customers, I would agree they should be included in a
12 comparison of our respective networks. But I would
13 not agree that pair gain facilities should be included
14 in your network.

15 Q You mean --

16 A In comparison of our networks.

17 Q So if we have remote offices with line
18 concentrating modules attendant to them -- or included
19 with them, those should be reflected as a
20 representation of our network for comparison purposes?

21 A If the LCM that is used to provide
22 line-to-line, line-to-trunk, or trunk-to-line
23 connection resides in those end offices, then I would
24 agree they would be equivalent end offices in your
25 network as we represent our cell sites are in our

1 network.

2 Q Do you know whether any of Sprint's remote
3 offices contain such facilities?

4 A Yes, I do.

5 Q And what --

6 A The answer is yes.

7 Q Okay. Do you know which ones do?

8 A I would presume the majority of them provide
9 line-to-line connection for customers that are, in
10 essence, served by those remote end offices.

11 Q On Page 5 of your testimony -- of your
12 rebuttal testimony, I apologize -- you contend do you
13 not, starting on Lines 11 and 12 that if Sprint
14 delivered traffic to your cell sites over Type 2 trunk
15 groups that a certain percentage, that's confidential,
16 of the monthly reverse option charges would be
17 eliminated; is that correct?

18 A That is correct.

19 Q Okay. If Sprint -- you still agree, though,
20 that routing and not -- rating and not routing
21 determines whether a call is a toll call, do you not?

22 A In the state of Florida.

23 Q Okay. So would the Commission have to
24 change the way calls within the MTA were rated for
25 purposes of assessing RTBO charges for this to be

1 true?

2 A For these charges to go away?

3 Q Yes.

4 A Yes, it would.

5 Q That's what would cause them to go away and
6 not how the calls are routed; isn't that correct?

7 A That is correct.

8 Q Mr. Heaton, you're not changing your
9 testimony given in your deposition that SS7 end office
10 signaling is not an arbitration issue, are you?

11 A No, I'm not. Next time. (Laughter)

12 Q Fair enough.

13 MR. REHWINKEL: I have no further questions,
14 Commissioners.

15 CHAIRMAN JOHNSON: Staff.

16 CROSS EXAMINATION

17 BY MR. COX:

18 Q Good evening, Mr. Heaton. I'm Will Cox.
19 I'll ask you a few questions on behalf of Commission
20 Staff.

21 First, I'd like to ask you just two
22 questions regarding -- two or three questions
23 regarding the RTBO issue, Issue 2 in this proceeding.

24 In your prefiled testimony, particularly
25 I'll note at Page 7 of your direct testimony prefiled

1 in this proceeding, at Lines 5 through 11 where you're
2 discussing potential agreement language or at least
3 Wireless One's proposed agreement language for
4 intraLATA toll traffic, and particularly the lines
5 that follow that language starting at Line 9, it
6 indicates from our perspective that you're stating
7 that an intramTA land-to-mobile call -- for an
8 intramTA land-to-mobile call the transport and
9 termination rates to which you and Sprint have agreed
10 should be applied to the entire call from the
11 originating landline caller to the wireless called
12 party; is that correct?

13 MR. ADAMS: Did you say inter or intra?

14 MR. COX: Intra, I-N-T-R-A. IntramTA.

15 Q (By Mr. Cox) So the transport and
16 termination rates would apply for the entire call
17 intramTA. Is that correct, Mr. Heaton?

18 MR. ADAMS: Same objection I raised with
19 Sprint's counsel on this issue. It's a legal
20 conclusion that's the ultimate issue in this case.

21 CHAIRMAN JOHNSON: I'm sorry. Oh, you said
22 the same objection.

23 MR. ADAMS: Same objection I raised before.

24 CHAIRMAN JOHNSON: That it's a legal
25 conclusion. I'm going to allow the question.

1 And, again, Mr. Heaton, to the extent that
2 you don't know the answer or you don't feel qualified
3 to answer it, you can state that. (Pause)

4 A No. There's no question that all intraMTA
5 calls are subject to transport and termination
6 pricing.

7 Q (By Mr. Cox) So you would stand by your
8 statement in Lines 9 and 10 regarding the proposed
9 language there? The effect of the language is to make
10 all intraMTA subject to transport and termination
11 pricing.

12 A Yes.

13 Q And that is still your position today?

14 A Yes.

15 Q Is it still your position now that if this
16 Commission were to determine that transport and
17 termination should apply to the entire intraMTA call
18 that Wireless One should or would pay Sprint an
19 additive to cover the costs of the increased local
20 calling area compared to the traditional wireline
21 local calling area?

22 A If the Commission found such a rate
23 increment appropriate, we would, I believe, embrace it
24 in lieu of the present .0588 cent rate.

25 Q My question, Mr. Heaton, is it your position

1 that Sprint would or should pay this additive --
2 regardless of how the Commission rules, is it your
3 position that Sprint would or should pay this
4 additive?

5 A I don't understand Sprint paying an
6 additive.

7 Q Excuse me. Rephrase that. Wireless One
8 should pay Sprint an additive?

9 A No, that really isn't my testimony. My
10 testimony is that we shouldn't have to pay anything.
11 But if the Commission finds we should have to pay
12 something, then we're willing to but not at the
13 current rate level.

14 Q Mr. Heaton, I'd like to turn your attention
15 to Issue 1 in this proceeding. I'd like to refer you
16 to Page 9 of your rebuttal testimony.

17 At Page 9 of your rebuttal testimony, you
18 state that, "Sprint could avoid these higher rates if
19 it were able to send SS7 signals, including ANI, and
20 use the existing end office connections between our
21 companies." By the higher rates, you're referring to
22 a situation in which Sprint would be paying both the
23 tandem and the end office switching charges; is that
24 correct?

25 A No. With respect to the SS7 connectivity,

1 that's done really with 56 kilobit circuits on a fixed
2 price, nonusage sensitive basis. The only usage
3 sensitive charge would be the end office connection so
4 long as we got a SS7 signal from them.

5 Q Now, if Sprint were to interconnect at your
6 end office, which also has been referred to in this
7 proceeding as the cell site, would you still need to
8 route the call to your tandem, the MTSO, since the
9 call processing function resides there?

10 A Yes, we would.

11 Q If that's true, wouldn't you still charge
12 Sprint the tandem switching rate for that?

13 A Recognizing that there are differences
14 between wireless and wireline technology, but valuing
15 the equivalent compensation, we're willing to bear
16 this additional transport cost and we have a
17 sufficient capacity at this time to carry that
18 additional land-to-mobile traffic with literally no
19 incremental cost to our network.

20 Obviously, at some point in time there would
21 be incremental costs associated with it. We think
22 that the forty-five hundredths of a cent savings
23 for -- that we're receiving on end office terminations
24 to Sprint, which create this umbilical between the
25 Sprint end office and our end office, and the added

1 transport cost will be well justified by the volumes
2 of business that will eventually emerge between LEC
3 and CMRS end offices as wireless services become more
4 and more commonplace.

5 Q If the Commission were to determine that the
6 Wireless One end office functions more as a part of
7 the loop rather than as a switching function, do you
8 believe that the appropriate cost recovery mechanism
9 is something other than the end office switching rate?

10 A I recall the latter part of your question.

11 Q Okay. I can repeat the question.

12 If this Commission were to determine that
13 the Wireless One end office, the cell site, functions
14 more as a part of the loop rather than as a switching
15 function, do you believe that the appropriate cost
16 recovery mechanism is something other than an end
17 office switching rate? (Pause)

18 A Well, yes. Our tandem, where we receive all
19 of the land-to-mobile calling today is a tandem.
20 There can't be any question about that. It does
21 trunk-to-trunk connections with IXCs and other
22 wireless carriers and with LECs, and with our other
23 existing tandem at this time.

24 The tandem compensation rate would be
25 appropriate, and if our backhaul responsibility

1 extends a hundred-plus miles, and there is no
2 transport compensation, that certainly says that we
3 are not (Laughter) perceived as a competing
4 communications carrier by someone, because there's no
5 way Sprint will ever haul a call a hundred miles
6 without transport charges.

7 There are no hundred-mile loops, local loops
8 in Sprint's end offices, and we are certain there
9 aren't any real hundred-mile loops in Wireless' end
10 offices, either.

11 Q Mr. Heaton, is it your understanding that
12 ILECs recover loop costs through flat or usage-based
13 charges to their own customers?

14 A Yes, they do. That's one form of
15 compensation to them.

16 Q Would you say that Wireless One has an
17 equivalent to a loop charge in its rate structure?

18 MR. ADAMS: I'm going to object to the
19 extent the Staff has proposed a new issue in this case
20 which we didn't agree to that did not address the
21 rates in this case. And now they're inquiring into
22 the rate structure.

23 CHAIRMAN JOHNSON: Do you want to respond?

24 MR. COX: We don't feel we're inquiring into
25 the rate structure. We're trying to determine this

1 tandem issue as far as functional equivalency, and
2 we're getting at what is charged for what. We're not
3 getting at what is the actual rate.

4 **CHAIRMAN JOHNSON:** I'll allow the question.

5 **WITNESS HEATON:** We have a proliferation of
6 rate plans, many of which offer packages of use for a
7 fixed monthly fee, and then charge additional
8 compensation if you exceed the call allowance. We
9 still have a lot of customers that basically pay a
10 dial tone access fee with zero usage allowance and
11 then pay for every minute of use.

12 Certainly, we've never identified a loop
13 element in the pricing to our customer.

14 **Q** How would you define -- let me rephrase the
15 question. Do you call the radio frequency signal
16 between the cell site and the mobile phone a wireless
17 loop?

18 **A** Yes, we do.

19 **Q** And is that how a wireless loop is generally
20 defined?

21 **A** Yes, it is.

22 **MR. COX:** Staff has no further questions.

23 **CHAIRMAN JOHNSON:** Commissioners.

24 **COMMISSIONER GARCIA:** Madam Chairman.

25 **CHAIRMAN JOHNSON:** Yes, Commissioner Garcia,

1 do you have a question?

2 **COMMISSIONER GARCIA:** I just want to let you
3 all know that this building closes at 7:00. Because
4 I'm not going to spend the night locked in an office
5 building, I will probably be getting up shortly before
6 then, and I will have to then review the transcript of
7 this hearing.

8 **CHAIRMAN JOHNSON:** Okay. Thank you very
9 much.

10 **COMMISSIONER CLARK:** I object. I think you
11 should have to call in and listen to the rest of this.
12 (Laughter)

13 **MR. REHWINKEL:** We can limit cross of my
14 witnesses to half hour.

15 **CHAIRMAN JOHNSON:** That's fair. (Laughter)

16 **MR. ADAMS:** That may be all it takes,
17 actually.

18 **CHAIRMAN JOHNSON:** Okay. We've already
19 admitted the composite exhibit.

20 **COMMISSIONER GARCIA:** It's obvious that he
21 hasn't had Mr. Poag as a witness before. (Laughter)

22 **MR. ADAMS:** That's why we wanted the
23 deposition in.

24 **MR. REHWINKEL:** I'm realizing the error of
25 my ways.

1 **CHAIRMAN JOHNSON:** Okay. We've already
2 admitted 8. Any other matters for this witness?

3 **MR. REHWINKEL:** Madam Chairman, I would move
4 Exhibit 7-A and 7-B.

5 **CHAIRMAN JOHNSON:** I think I made those a
6 composite.

7 **MR. REHWINKEL:** Either way, yes. I just had
8 two separate documents but 7 is fine.

9 **MR. ADAMS:** There's not proper foundation
10 for that. If he wanted to introduce his own network,
11 he should have done it with his own witnesses in a
12 prefiled way. Our witnesses have not established the
13 appropriate foundation for his network maps.

14 **MR. REHWINKEL:** Madam Chairman, I offered
15 those for the purpose of showing that Mr. -- on cross
16 examination that Mr. Heaton's representation of
17 Sprint's network is incomplete for comparison
18 purposes. And I think that is a proper way to couch
19 cross examination on exhibits in this matter. I think
20 it will be useful for the Commission to understand the
21 functional equivalence of the networks. Mr. Heaton
22 has testified that the end offices, at least, should
23 have been on the exhibits for purposes of showing
24 comparability, and I think they support that.

25 As far the pair gain devices go --

1 **CHAIRMAN JOHNSON:** Say that last part again,
2 as far as the --

3 **MR. REHWINKEL:** As far as the pair gain
4 devices go, they are on the map but they could be
5 disregarded to the extent that they are not proper
6 under Mr. Heaton's testimony of comparability.

7 **CHAIRMAN JOHNSON:** Any further argument?

8 **MR. ADAMS:** I don't think it's appropriate
9 for any -- unless his witnesses lay a foundation for
10 it and they haven't, and they are precluded from doing
11 so at this point because they've already filed their
12 direct and rebuttal testimony. He saw our maps. They
13 were filed with our direct testimony on October 7th.
14 Had he thought that he had a point to make, he should
15 have raised it before and it's too late at this point.

16 **CHAIRMAN JOHNSON:** Okay. I'm going to
17 sustain the objection, and that exhibit will not be
18 admitted; that is Composite Exhibit 7 will not be
19 admitted.

20 **MR. REHWINKEL:** Madam Chairman, then I would
21 ask that they be proffered consistent with -- I'm glad
22 Mr. Adams recognizes my argument made about his
23 deposition handling, but I think it would be
24 appropriate for you to allow them as a proffer over
25 the objection of the parties. We're hearing evidence

1 and testimony from Mr. Poag's deposition. It's
2 outside the scope of this record, but it's being
3 proffered for the purposes of developing the record,
4 and I would ask the same treatment be given to the
5 maps.

6 CHAIRMAN JOHNSON: I'm sorry -- I'm having a
7 hard time hearing you. You're doing what?

8 MR. ADAMS: We have no objection if he's
9 proffering this to develop his record for some other
10 reviewing body to look at this proceeding, but that's
11 fine.

12 CHAIRMAN JOHNSON: Okay.

13 MR. REHWINKEL: That's all I was asking.

14 CHAIRMAN JOHNSON: To proffer those?

15 MR. REHWINKEL: Yes. In light of your
16 ruling on sustaining the objection and the exhibits,
17 it would be appropriate then to proffer them. That's
18 all I'm asking in light of your ruling.

19 CHAIRMAN JOHNSON: Okay. Is there anything
20 else?

21 MR. ADAMS: I just want to make sure that my
22 notes are clear on what exhibits have been admitted.

23 CHAIRMAN JOHNSON: Okay.

24 MR. ADAMS: I think with the exception of
25 7-A and B, everything else has been admitted, all of

1 the prefiled direct and rebuttal testimony, all of the
2 exhibits to Mr. Heaton's testimony. All of the
3 depositions of all four witnesses in this case have
4 been admitted. All of the exhibits to all of the
5 depositions have been admitted as well.

6 **CHAIRMAN JOHNSON:** That's right. And we --
7 of course, Mr. Poag's deposition was admitted as
8 Exhibit 3 and will not be readmitted or duplicated by
9 1.9.

10 **MR. ADAMS:** I wanted to make sure Exhibit 3
11 includes his exhibits to his deposition. Has that
12 been submitted in the record? Because if it doesn't,
13 what's attached to Mr. Heaton's testimony has the
14 whole thing, and maybe that would be a simpler way to
15 do it.

16 **CHAIRMAN JOHNSON:** Staff, the exhibit that
17 you provided or the deposition, did it include any
18 attachments?

19 **MR. COX:** No, ma'am, it did not.

20 **CHAIRMAN JOHNSON:** And was it your intent to
21 include the --

22 **MR. COX:** We understood that some of these
23 had some confidential items in the exhibits, so we
24 chose not to bring those in. We didn't feel it was
25 necessary.

1 **MR. ADAMS:** Those have already been filed on
2 the public record with Mr. Heaton's public testimony.
3 Nothing in Mr. Poag's testimony is confidential.

4 **MR. COX:** We have no objection to them
5 coming in.

6 **MR. REHWINKEL:** Madam Chairman, my
7 understanding is, again, that evidence or matters
8 within the deposition transcript that are outside the
9 scope of this hearing are admitted for the purpose of
10 proffer only.

11 **CHAIRMAN JOHNSON:** As it relates to
12 Mr. Poag's deposition, there were some exhibits. And
13 I apologize, I have a head cold so I cannot hear you.

14 **MR. REHWINKEL:** I understand.

15 There's matters that when we admitted -- we
16 agreed to admit Mr. Poag's deposition, there was some
17 conditions placed on it, and that would be that it has
18 to conform to your ruling about the scope of the
19 proceeding.

20 **CHAIRMAN JOHNSON:** Right.

21 **MR. REHWINKEL:** So I just wanted to make
22 sure that's clear when we talk about these being
23 admitted.

24 **CHAIRMAN JOHNSON:** So you were saying you do
25 not object to the exhibits that were attached to the

1 deposition coming in as long as the same ruling
2 applies?

3 **MR. REHWINKEL:** Yes, ma'am. Because those
4 specifically are within that exclusion, so to speak.

5 **MR. ADAMS:** That's true. I think the
6 Staff's list of exhibits that were admitted at the
7 beginning of the hearing, if I could put my hands on
8 that, included -- some of the exhibits to the Poag's
9 deposition were excerpts from Sprint's tariff, and
10 there's already been notice taken of its entire
11 tariff. So the only other thing I believe is some --
12 Exhibit 3 in the Poag deposition.

13 **MR. REHWINKEL:** Yes, that's correct.

14 **MR. ADAMS:** The only thing that isn't part
15 of the record already is Exhibit 3, and that's what we
16 would --

17 **CHAIRMAN JOHNSON:** And what was Exhibit 3?

18 **MR. ADAMS:** Exhibit 3 is a photocopy of a
19 November 2nd, 1994, letter from Mr. D'Haeseleer to
20 Mr. Poag. It's relating to cost justification for the
21 reverse option rate. It was a cost imputation study
22 for the development of reverse option back in 1994
23 when the rate was last changed.

24 **CHAIRMAN JOHNSON:** Okay. And I understand
25 there's no objection to the attachments to the

1 deposition coming in, subject to the earlier ruling.
2 And, Staff, if you could, if you could let me see
3 those attachments just so I can know what was a part
4 of that exhibit, all of the elements of that exhibit.
5 And we'll show those then admitted.

6 (Exhibit 3 received in evidence.)

7 **CHAIRMAN JOHNSON:** Is there anything else?

8 **MR. ADAMS:** Just one other note. There is
9 part of Mr. Meyer's deposition transcript, Page 62,
10 Line 9, that includes confidential information that
11 should be redacted from the public record.

12 **CHAIRMAN JOHNSON:** 62, Line 9?

13 **MR. ADAMS:** There are two numbers that
14 appear there that we would like to treat as
15 proprietary.

16 **CHAIRMAN JOHNSON:** Okay.

17 **MR. ADAMS:** And that's just those two
18 numbers need to be blackened out and that's all.

19 **CHAIRMAN JOHNSON:** The court reporter has an
20 unredacted copy?

21 **MR. ADAMS:** I believe that is correct, that
22 somehow there was some confusion that -- there was not
23 a realization that this deposition had confidential
24 information in it.

25 **CHAIRMAN JOHNSON:** So is it just the

1 Commissioners, that our copies are not redacted?

2 **MR. COX:** Staff has copies. Staff ordered
3 copy from the court reporter. The transcript that we
4 received noted on the cover that there was notice of
5 confidentiality under Chapter 364 on this deposition,
6 but it didn't include any redactions or anything of
7 that sort. And it appears it wasn't made clear to the
8 court reporter that they were supposed to redact
9 certain portions.

10 **CHAIRMAN JOHNSON:** Okay. Then we'll make
11 sure that our copies are marked, and if you'd like to
12 pick these up or pick up the page, that's fine to.
13 We'll have those available for you.

14 **MR. ADAMS:** Thank you. And with that, we
15 have nothing further today.

16 **CHAIRMAN JOHNSON:** Okay. Mr. Heaton, you
17 can be excused.

18 **WITNESS HEATON:** Thank you.

19 (Witness Heaton excused.)

20 **CHAIRMAN JOHNSON:** You didn't mean you have
21 nothing else for today, did you?

22 **MR. ADAMS:** Well, for our case in chief,
23 yes. We intend to cross examine Sprint's witnesses.

24 **CHAIRMAN JOHNSON:** Okay.

25 Yes, ma'am. Did you say you needed a break?

1 Q Ms. Khazraee, did you cause to be prepared
2 12 pages of prefiled direct testimony in this matter?

3 A No, but I caused to be filed rebuttal
4 testimony.

5 Q Oh, I apologize. Rebuttal. Do you have any
6 changes to make or corrections to make to your
7 prefiled rebuttal testimony?

8 A No, I do not.

9 Q Do you have a summary of your prefiled
10 rebuttal testimony?

11 A Yes, I do.

12 **MR. ADAMS:** Before we give that, I have a
13 motion I would like to make.

14 And the motion is to strike part of her
15 testimony. And it's, I think, the second to the last
16 question and the answer. No, it's more than that.
17 Beginning on Page 10, Line 20, continuing through
18 Page 11, over to Page 12, Line 18. And the basis of
19 the motion is that Ms. Khazraee testified in her
20 deposition, which is now a part of the record, that
21 she is not an expert in wireless network planning and
22 engineering, and she admitted that on cross
23 examination during her deposition. She is not an
24 expert on wireless systems. So as a result she is not
25 compete to offer opinions on the functionality of

1 comparing a wireless network with a wireline network.
2 And her opinion evidence which is contained in that
3 area has to be stricken. And I can cite to the rule
4 of evidence on expert testimony.

5 But she admittedly is not an expert on
6 wireless network planning and engineering. She has no
7 experience on the wireline side. She is not familiar
8 with what Nortel equipment was located at Wireless
9 One's cell site. She is not familiar with the Nortel
10 line interface module. So she is not competent to
11 express her opinion on those issues, and before she
12 gave her summary I wanted to have a chance to have
13 that issue decided.

14 CHAIRMAN JOHNSON: You said from Lines 20
15 through --

16 MR. ADAMS: It's the question that starts on
17 Page 10, Line 20; all of Page 11, and down to Line 18
18 on Page 12. And that is isolated to where she draws
19 comparisons between the network that she is not
20 competent to do. So we move to strike that. The rest
21 of her testimony stands as is. She is clearly an
22 expert on the wireline side on switching and she can
23 testify as to what functionality Sprint has, but what
24 we cannot do is draw comparisons between wireline and
25 wireless because she has no expertise in the wireless

1 side.

2 CHAIRMAN JOHNSON: Mr. Rehwinkel.

3 MR. REHWINKEL: Yes, Madam Chairman, the
4 Florida Public Service Commission has traditionally
5 allowed testimony by witnesses that have some level of
6 expertise to be presented to them. And traditionally
7 that testimony is given the weight that the Commission
8 fines appropriate in light of the qualifications and
9 expertise that the witness possesses.

10 Ms. Khazraee's deposition discloses that she
11 is -- has expertise in telephony, and that she has
12 taken courses in cellular communication; and,
13 therefore, she has more expertise than the average
14 layman would have. And that's generally the standard
15 by which the Florida Public Service Commission has
16 admitted testimony and considered evidence from
17 witnesses in proceedings that the Commission conducts.

18 The Florida Public Service Commission is a
19 quasi legislative body that has traditionally allowed
20 greater latitude in the admission of testimony by
21 persons with less than perfect expertise.

22 Ms. Khazraee's deposition, which is part of
23 the record, discloses the scope of her knowledge of
24 wireless systems and it gives the Commission an
25 adequate basis to give the testimony the weight it

1 deserves in the record. And on that basis we would
2 object to the Motion to Strike.

3 CHAIRMAN JOHNSON: Are you offering her in
4 her testimony here on these points as an expert on the
5 topic?

6 MR. ADAMS: The answer is yes.

7 MR. REHWINKEL: She's not offered as an
8 expert in cellular technology, but she does have
9 knowledge of the system that is beyond that which an
10 ordinary person would have, and she has disclosed the
11 scope of her knowledge of wireless systems. She
12 disclosed that she's attended Nortel classes much like
13 Mr. Meyer has attended that discusses both cellular
14 and wireline technology and the switching
15 functionality.

16 MR. ADAMS: But what is the difference
17 between the cases that Charles may be talking about
18 and Ms. Khasraee is she admitted that she's not an
19 expert, and here's the question. It's on Page 24,
20 Line 2, question: "Would you consider yourself an
21 expert in wireless network planning and engineering?
22 Answer: No."

23 There is an admission from the witness that
24 she's not an expert. It's not that she is contending
25 that she's an expert and maybe has poor credentials.

1 I agree that's a different situation. This is a
2 situation where she admits she's not an expert, and
3 then turns around and offers expert opinion comparing
4 the networks and that's fundamentally unfair to us.

5 MR. REHWINKEL: If I may respond.

6 CHAIRMAN JOHNSON: Uh-huh.

7 MR. REHWINKEL: We would agree that she's
8 not an expert in wireless networking and what was it,
9 planning?

10 MR. ADAMS: I can go through the whole
11 series of questions, Charles, if you'd like me to.

12 MR. REHWINKEL: But that doesn't mean that
13 she does not have some expertise that the Commission
14 could find useful in comparing the two networks. And
15 just because she does not have that specific narrow
16 expertise does not mean she does not have expertise
17 that the Commission can rely on and give it the weight
18 that it deserves.

19 MR. ADAMS: She has expertise, undoubtedly,
20 on the wireline side and she has opinion testimony
21 that we're not seeking to strike on her expertise on
22 Sprint's network. What we're seeking to strike is
23 where she is comparing her network, which she knows
24 about, with a network she has no expertise in and that
25 is not permitted.

1 **CHAIRMAN JOHNSON:** I'm going to allow the
2 testimony to stand, and I will allow it to go to --
3 in, her testimony, understanding what she said in
4 deposition, but understanding that she does have quite
5 a bit of familiarity and expertise with respect to
6 wireline and she has some familiarity with wireless.
7 The comments that you made are noted, and I believe
8 that those will go to the weight that we give the
9 evidence. But I'm going to allow it in.

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1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 REBUTTAL TESTIMONY

3 OF

4 SANDRA A. KHAZRAEE

5
6 Q. Please state your name, business address and title.

7
8 A. My name is Sandra A. Khazraee. My business address is
9 Sprint-Florida, Incorporated, 1313 Blair Stone Road,
10 Tallahassee, Florida 32301.

11
12 Q. By whom are you employed, and what are your current
13 responsibilities.

14
15 A. I am employed by Sprint-Florida, Incorporated as
16 Regulatory Manager. My current responsibilities include
17 coordinating responses to FPSC data requests and
18 interrogatories and ensuring compliance with all FPSC
19 orders. I interface regularly with Sprint employees at
20 all levels within network, marketing and engineering in
21 order to carry out my job responsibilities.

22
23 Q. Please describe your education and work experience.

24

1 A. I received a Bachelor of Science Degree in Mathematics
2 from McNeese State University, Lake Charles, LA. Over
3 the past 20 years, I have attended numerous industry
4 schools and seminars covering a variety of technical,
5 economic and regulatory issues. The industry courses I
6 have taken include "Fundamentals of Digital Switching,"
7 "DMS Overview," "AT&T Switch Overview," "NTI: Method of
8 Operation," "5EDOPs," "Switch Network Design Tool," and
9 "Cellular Communications."

10

11 In my twenty years of experience in the telecommunication
12 industry, I have worked as an outside plant engineer (6+
13 years), long range switch planner (4 years), technology
14 planner (1 ½ years), supervising engineer-network
15 planning (1 ½ years) and pricing and costing manager (5
16 + years).

17

18 Q. Have you previously filed testimony in this proceeding?

19

20 A. No.

21

22 Q. Have you read the Prefiled Testimony of Mr. John Meyer of
23 Wireless One Network, L.P., that was filed in this
24 proceeding?

25

1 A. Yes, I have.

2

3 Q. What is the purpose of your rebuttal testimony?

4

5 A. The purpose of my rebuttal testimony is to address the
6 functionality of Sprint-Florida's end office switches in
7 response to the testimony of John Meyer.

8

9

10 Q. What is an end office switch?

11

12 A. An end office switch is a central office switching system
13 that provides for the termination of line and trunk
14 facilities and that performs the switching connections of
15 lines with lines, lines with trunks, and trunks with
16 trunks. End office switches also provide the features,
17 functions and capabilities that enable telephone services
18 to be provided to the customers.

19

20 Q. What type of end office switches does Sprint-Florida use
21 in its network?

22

23 A. Sprint-Florida uses Nortel DMS-10, DMS-100, AT&T 5ESS and
24 Alcatel 1210 switches for its end office switching
25 systems.

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Q. What is the definition of switching?

A. Switching is the function of establishing a connection between two or more parties using the switching matrix of the end office. The dedicated central processor (CPU) located in each end office switch controls the switching function. The CPU accomplishes this using the information received from the calling line or trunk regarding the called line or trunk. In contrast to these switching functions, we also have subscriber line carrier (SLC) units which can establish connections between feeder lines or trunks and distribution lines. However, these types of connections are not the same as the switching functions performed by an end office switch. In the case of a SLC, the only connections possible are those between the end users served by the SLC and the feeder circuits which carry their traffic back to the "host" end office switch. As an end user subscriber goes off hook to make a phone call, the SLC will randomly assign a vacant channel on the feeder route to carry the call back to the end office switch. In the end office switch, the call will be switched to the called line or trunk. Additionally, SLCs do not contain any features, recordings or call processing capabilities.

1

2 Q. Between the end office switch and Sprint's end user
3 customer are there any devices that perform a switching
4 function?

5

6 A. No. Between the end office switch and the end user
7 Sprint uses various types of equipment and facilities for
8 termination of calls to the end users' premises. In some
9 cases the end user is connected directly to Sprint's end
10 office switch using a dedicated pair of copper wires.
11 However, in many cases Sprint places equipment closer to
12 the end users in order to reduce the number of circuits
13 needed to connect all the way to the central office.

14

15 The types of equipment that I am referring to are line
16 concentration devices generally called subscriber line
17 carrier (SLC) systems. These SLCs provide Sprint with
18 the ability to concentrate the usage of a larger number
19 of customers over a smaller number of circuits using
20 carrier systems. Carrier systems allow multiple service
21 channels to be provided via fiber or digital T1
22 connections. Sprint uses fiber optic systems in ring
23 architectures that connect different switching systems
24 and in some cases customers directly to the network.

25

1 Where ring architecture is used, if there is a problem
2 somewhere along the ring, services can be rerouted in the
3 opposite direction on the ring. In this way, barring
4 multiple problems on the ring, 100% reliability of
5 Sprint's transmission facilities is maintained.

6

7 Q. You say that in a ring architecture that services are
8 rerouted in the opposite direction. Isn't this end
9 office switching?

10

11 A. No. This is just a change in the transmission path so
12 that a call in progress may continue, and new calls can
13 be made or received. The electronic equipment in the
14 ring is built with this capability to change the
15 transmission path if it sees that there is a need to do
16 so. However, this does not affect the end office
17 switch's connection of the call nor its ability to switch
18 other calls.

19

20 Q. Does Sprint also use remote switches in its network?

21

22 A. Yes, it does. These are generally smaller switches where
23 the intelligence in the host is shared with the remotes.
24 However, most remotes have the call processing capability
25 that allows them to switch POTS calls within the remote

1 in the event the host/remote umbilical is lost.

2

3 Q. Earlier you stated that Sprint's end office switch
4 provides features, functions, and capabilities that allow
5 telephone services to be provided to end users. Please
6 explain what you mean by features.

7

8 A. By features I mean call processing and control
9 capabilities that are provided to Sprint's subscribers
10 for their use in addition to the basic capability to
11 place and receive calls. Among these are features such
12 as call waiting, call forwarding, three-way calling and
13 speed dialing.

14

15 Q. How does the end office switch provide these features?

16

17 A. The central office switch manufacturers have developed
18 software packages that are available to a purchaser of
19 the switching system. These software packages are
20 installed into the memory of the end office switch.
21 Then, through the process of developing tables within the
22 end office switch CPU the features are activated and made
23 available for assignment to any of the subscribers served
24 by that end office switch. Then, for any given line, the
25 particular features that subscriber wants are assigned to

1 that line.

2

3 Q. Is any of the information regarding the subscriber's
4 features stored or maintained at the loop concentration
5 devices?

6

7 A. No, since the CPU in the end office switch controls the
8 processing of calls and the features related to those
9 calls, this feature information resides in memory at the
10 end office switch.

11

12 Q. Please explain what you mean when you say that the end
13 office switch provides functions and capabilities.

14

15 A. The first function, that I've already described, is
16 switching. In relation to switching calls, the end
17 office switch performs functions such as digit
18 recognition and translation so that it can accurately
19 determine what to actually do with the call.

20

21 For instance, the end office switch must determine if the
22 called number is served by that end office switch. If
23 so, the end office switch determines the location of a
24 called subscriber by using the telephone number received
25 from the calling line or trunk. Further, the end office

1 switch will reference any features, such as call
2 forwarding, that may be activated that would impact the
3 determination of where to switch the call for
4 termination. The switch will also determine if the
5 called subscriber is already using their telephone. Once
6 the central processor dedicated to the end office switch
7 makes these various determinations, then it will
8 establish a connection of the calling line or trunk to
9 the called party through its switching matrix.

10

11 Q. Are there other functions and capabilities provided by
12 Sprint's end office switch?

13

14 A. Yes. The end office switch provides connections to
15 recordings and announcements to inform the calling party
16 about conditions that impact the end office switch's
17 ability to complete the call. Examples of these
18 recordings/announcements are: "that number is no longer
19 in service," "the number you dialed has been changed, the
20 new number is ...," and "we're sorry, it is not necessary
21 to dial 1 or 0 when calling this number."

22

23 Additionally, the end office switch performs the
24 recording function to capture details regarding the call
25 so that billing can occur if necessary. Generally, this

1 is needed for billing of terminating charges for traffic
2 from other carriers, or for originating access, toll or
3 local charges to carriers or subscribers related to the
4 origination of traffic.

5
6 Q. Can another carrier directly connect to Sprint's end
7 office switch with trunks for the delivery of traffic to
8 Sprint's subscribers?

9
10 A. Yes, the trunk side of the end office switch allows the
11 connection of trunks for the interconnection of another
12 carrier's network to that end office switch so that calls
13 from that carrier's subscribers to Sprint's subscribers
14 served by that switch can be terminated directly at the
15 switch. As I have described, the end office switch
16 performs the necessary functions to establish the
17 connection between the calling line or trunk and the
18 called line.

19
20 Q. In Mr. Meyer's testimony, he refers to the Wireless One
21 cell sites as end offices. Mr. Meyer also claims that
22 Sprint's end office switches and Wireless One's cell
23 sites perform the same or similar functions. Do you
24 agree with Mr. Meyer?

25

1 A. No, I do not.

2

3 Q. Please explain why you disagree with Mr. Meyer.

4

5 A. First and foremost, Sprint's end office switches perform
6 the switching function of connecting a calling line or
7 trunk to the called line. To do so, the central
8 processor performs the steps that I have described. The
9 Wireless One cell sites do not perform the switching
10 function nor do they contain the central processor that
11 is used to perform that switching function.

12

13 Additionally, the Wireless One cell sites are not capable
14 of a direct interconnection of trunks from Sprint's end
15 office switches for the termination of calls. Although
16 Wireless One may have some transmission equipment located
17 in the same building where the electronics of the cell
18 site are housed, this equipment is used for the
19 completion of the trunk circuits to the Wireless One end
20 office switch, their DMS 250. The presence of
21 transmission equipment does not make the cell site an end
22 office.

23

24 Also, the feature information and capability that I
25 described in Sprint end office switches located in the

1 Ft. Myers LATA is not present in Wireless One's cell
2 sites. This functionality would be resident in the
3 centrally located Wireless One switch commonly known as
4 a MTSO. All feature interactions and capabilities are
5 controlled by the CPU at the switch, not by the
6 electronics at the cell site.

7
8 Finally, the other functions and capabilities that I
9 discussed, such as the recording function, digit
10 recognition and translation, messages and announcements,
11 are all provided by the Wireless One switch rather than
12 the electronics at the cell site.

13
14 Given the fact that Sprint's end office switch performs
15 these functions and that the Wireless One cell site and
16 its electronics do not, I cannot agree that Sprint's end
17 office switch and Wireless One's cell sites perform
18 equivalent functions.

19
20 Q. Does this conclude your testimony?

21
22 A. Yes it does.
23

1 Q (By Mr. Rehwinkel) Ms. Khazraee, can you
2 give your summary, please?

3 A Yes, I can. The purpose of my rebuttal
4 testimony was to address the functionality of
5 Sprint-Florida's end office switches in response to
6 Mr. Meyer's testimony.

7 An end office switch provides for the
8 determination of line and trunk facilities, and it
9 performs the switching connection of lines with lines,
10 lines with trunks, and trunks with trunks. End office
11 switches also provide the feature functions and
12 capabilities that enable telephone services to be
13 provided to the customer.

14 Additionally, in my testimony I went into
15 subscriber line carriers, which we've also heard
16 referred to here as pair gains, concentrators, digital
17 line carriers or digital loop carries. These items
18 are basically an extension of the loop and do not
19 contain any features, recordings or call processing
20 capabilities.

21 I also addressed in my testimony that we
22 have fiber rings in our network. These fiber rings
23 have the ability to turn themselves around and send
24 the traffic back in the opposite direction if there is
25 a problem somewhere on the ring. And we don't

1 consider that switching, but it is an ability to
2 reroute traffic in realtime.

3 Finally, address the issue of whether I
4 believe Sprint's end offices are functionally
5 equivalent to Wireless One's cell sites. I do not
6 believe that they are functionally equivalent. The
7 cell sites do not have the capability to store
8 customer information, to route information, or to
9 switch calls, lines with lines, lines with trunks and
10 trunks with trunks. That's my summary.

11 MR. REHWINKEL: Ms. Khazraee is tendered for
12 cross examination.

13 CHAIRMAN JOHNSON: Mr. Adams.

14 MR. ADAMS: Thank you.

15 **CROSS EXAMINATION**

16 BY MR. ADAMS:

17 Q Ms. Khazraee, we had an opportunity to go
18 through a number of questions a week ago today, I
19 believe, in the morning. Have you had a chance to
20 review your transcript from the deposition taken that
21 day?

22 A Yes, I have.

23 Q And in that deposition I asked a number of
24 questions and you gave a number of answers. And my
25 intention here today is to ask you a series of

1 questions that are going to be the same as the
2 questions that I asked you then.

3 And what I'm going to ask you to do is
4 either say yes or no to the answers I'm going to ask
5 and see if we can move through this pretty quickly
6 given the late hour.

7 You are not an expert in wireless network
8 planning and engineering, are you?

9 A No. I do not consider myself to be an
10 expert. I do, however, have a lot of experience with
11 switching and basically a switch is a switch.

12 Q Okay. These are questions that just require
13 a yes or no answer.

14 A I believe the other witnesses today were
15 told they could explain their answers. Am I not
16 allowed to?

17 **CHAIRMAN JOHNSON:** No, you're not. Just
18 kidding. (Laughter)

19 **WITNESS KHAZRAEE:** I'm starting to feel
20 prosecuted over here, okay?

21 **CHAIRMAN JOHNSON:** Just kidding. (Laughter)

22 Q (By Mr. Adams) Your entire work experience
23 is on the wireline side, either in the distribution
24 system or in switch planning, right?

25 A That is true, yes.

1 Q You are not familiar with what Nortel
2 equipment is located at Wireless One's cell site,
3 right?

4 A No, I would not agree with that. I was not
5 familiar with the line interface module specifically,
6 but I have been to two classes and I have seen some
7 diagrams, been shown diagrams of some equipment. And
8 although the line interface module was not on any of
9 the diagrams I saw, so I could not agree to be
10 familiar with that. I would not say I'm not familiar.

11 Q But you do agree here today that you are not
12 familiar with Nortel's line interface module contained
13 in the cell site, correct?

14 A Yes, I would agree. It's not on any diagram
15 I got, even from Nortel.

16 Q You cannot dispute John Meyer's contention
17 in his testimony that Wireless One's DMS-250 has much
18 more call processing power than Sprint's DMS-200,
19 right?

20 A I do not -- no -- I mean, yes, that's
21 correct, I do not dispute that.

22 Q Thank you.

23 A But I do wonder why he talks about a
24 DMS-250, because I have a document from Nortel that
25 says the DMS-250 is strictly an interexchange carrier

1 switch.

2 MR. ADAMS: That's not responsive to my
3 question. I move to strike the last part of her
4 answer.

5 CHAIRMAN JOHNSON: Mr. Rehwinkel.

6 MR. REHWINKEL: I apologize, Commissioner,
7 I've forgotten what the question was, so I don't know
8 whether it was responsive or not.

9 Q (By Mr. Adams) The question was you cannot
10 dispute John Meyer's contention that Wireless One's
11 DMS-250 has much more call processing power than
12 Sprint's DMS-200, right?

13 A Okay. I'll reanswer.

14 Q And the answer was yes.

15 A The answer is yes, but as I stated in my
16 deposition, these switches are built in a modular
17 fashion, so companies put in as much facility
18 capability as they need at any given time and then
19 they build up in steps from that. So the ultimate
20 capacities are not the same, but that doesn't say
21 whether the actual capacity of two switches in service
22 are the same or not.

23 Q With regard to switches, Sprint uses the
24 Nortel DMS-100 and DMS-200 switches, among others, in
25 its Fort Myers LATA service area, right?

1 A Yes, that's true.

2 Q A DMS-100 is an end office switch which
3 provides line termination to end-user customers,
4 right?

5 A Yes, that's true.

6 Q Sprint's network could not operate without
7 an end office to provide line termination to the end
8 user, right?

9 A Yes, that's true.

10 Q That switch, the DMS-100, from a network
11 side would interface with a tandem office or another
12 Sprint office, right?

13 A Would you repeat the question?

14 Q The DMS-100, the end office switch, on the
15 nonline side would interface with another end office
16 or with a Sprint tandem office, right?

17 A That's true. But you could also have trunks
18 coming in from the quote, "line side" as well. So
19 it's not strictly lines coming in on the other side.

20 Q But the DMS-200 has line connectivity to end
21 users and trunk connectivities to other switches,
22 correct?

23 A The DMS-200?

24 Q 100, I'm sorry, I misspoke.

25 A Yes.

1 Q 100.

2 A DMS-200 is a tandem switch that would
3 receive a trunk from the Sprint end offices and many
4 other switches, right?

5 A Yes.

6 Q A tandem switch provides trunk connectivity
7 on both sides of the switch, connecting to the end
8 offices other tandems and interexchange carriers,
9 right?

10 A Yes, it does.

11 Q The tandem switch does not provide line
12 connections to end users, which is one of the key
13 distinctions between a tandem and an end office,
14 right? Yes or no. And then you can --

15 A Repeat the question, I'm sorry.

16 Q The tandem switch does not provide line
17 connections to end users, which is one of the key
18 distinctions between a tandem and an end office,
19 right?

20 A Okay. I'm having a hard time answering yes
21 or no because of the word key distinction in there.
22 That is true that there is --

23 Q Okay. Let me break it down.

24 A Yes, that is a distinction. But to me the
25 key distinction difference between a tandem switch and

1 an end office switch is actually the software load
2 that they have, because that software tells that
3 switch what it is and what it can do and what it can't
4 do.

5 Q Okay. Let me break this into two questions,
6 maybe it will be easier to respond to.

7 The tandem switch does not provide line
8 connections to the end users, right?

9 A That's correct.

10 Q Okay. A DMS-250 is a tandem switch, right?

11 A Let me just double-check. (Pause)

12 Actually, the information I have from Nortel on the
13 DMS-250 says between the DMS-250 switching matrix and
14 the trunks and lines it serves. So their
15 documentation says the trunks and lines it serves.

16 Q Well, from your own knowledge as an expert
17 independent of the book you're reading, what is your
18 opinion on whether a DMS-250 is a tandem switch or
19 not?

20 A My opinion is that the DMS-250 is a tandem
21 because it is a switch for interexchange carriers.

22 Q And -- now let's turn to landline end office
23 terminations. There are three ways that a call can be
24 terminated to a Sprint end office from a Sprint
25 customer, right?

1 A True.

2 Q One way is for a pair of wires to run from
3 the customer premises and terminate directly into a
4 Nortel line concentrating module located in a DMS-100
5 end office right?

6 A Yes, that's true.

7 Q A second way is for the pair of wires to
8 connect to a line concentrating device so the pairs do
9 not have to come all the way back to the end office,
10 right?

11 A That's true, and in that case it actually
12 comes into the end office on a trunk.

13 Q A subscriber line carrier is such a line
14 concentrating device, right?

15 A Yes, that's true.

16 Q A third way is for the pairs to actually
17 terminate into a remote office that interconnects with
18 a host office, right?

19 A Yes.

20 Q It's your testimony that a cellular end
21 office is a functional equivalent of a line
22 concentrator in Sprint's distribution network, right?

23 A Yes, that's correct.

24 Q Given the three ways for a Sprint customer's
25 call to be connected to the Sprint end office

1 previously discussed, a line concentrating device is
2 not essential to make the connection, right?

3 A I would agree with that, yes. That's true.
4 However, if you remember that the function -- the
5 reason that that line concentrating device is in the
6 network is as part of the loop that is actually the
7 loop from the subscriber to the switch, and in that
8 respect we have to have a loop. It doesn't have to be
9 a line concentrating device, but there has to be a
10 loop.

11 Q In fact, you can have a pair of wires that
12 run all the way from the customer -- and you've
13 already testified to this -- all the way back to the
14 end office and you need not have a line concentrator
15 at all, right?

16 A That's true.

17 Q A line concentrator device is an auxiliary
18 piece of distribution equipment that permits Sprint
19 not to run pairs all the way back to the end office,
20 right?

21 A Yes.

22 Q As opposed to a line concentrator -- line
23 concentrator being an auxiliary optional piece of
24 equipment in Sprint's network, a cellular end office
25 or cell site is a mandatory piece of equipment in a

1 cellular network, right?

2 A Yes, it is.

3 Q A cellular network cannot function without a
4 cellular end office, right?

5 A I would agree.

6 Q You do not believe that a cellular end
7 office is a functional equivalent of ring
8 architecture, right?

9 MR. REHWINKEL: Are you asking her
10 whether -- when you say cellular end office, you mean
11 cell site or your terminology?

12 MR. ADAMS: Correct. I made that clear in
13 one of the earlier questions.

14 A You'll need to repeat the question. I don't
15 remember what it was, I'm sorry.

16 Q (By Mr. Adams) You do not believe that a
17 cellular end office is the functional equivalent of
18 ring architecture, right?

19 A No, I don't believe it is. I believe you
20 use a ring architecture to connect your cell sites,
21 but I don't believe the site itself is a functional
22 equivalent.

23 Q You're aware that Wireless One has
24 proprietary microwave network, right?

25 A Yes.

1 Q You agree that Wireless One transports calls
2 over this network between its cellular end offices'
3 cell sites and its tandem office MTSO, right?

4 A Yes. And just because we all have different
5 meanings in our mind when we hear words like
6 "transport," I agree that that is carrying a call in
7 the same way that our loop carries a call from the
8 customer's premise to our switch.

9 Q Or it also would be the same way your -- you
10 carry a call from your tandem office to your end
11 office, right?

12 A It could be.

13 Q And that's all I have.

14 CHAIRMAN JOHNSON: Staff.

15 MR. COX: Staff has no questions for this
16 witness.

17 CHAIRMAN JOHNSON: Redirect?

18 MR. REHWINKEL: No redirect.

19 CHAIRMAN JOHNSON: And there are no
20 exhibits?

21 MR. REHWINKEL: I don't believe so.

22 CHAIRMAN JOHNSON: Okay. You're excused.

23 (Witness Khazraee excused.)

24 - - - - -

25 MR. REHWINKEL: Sprint calls Ben Poag.

1 **MR. ADAMS:** Before we get started here, I've
2 got the same Motion to Strike for Mr. Poag that I'd
3 like to -- and I've taken the liberty of highlighting
4 copies of his testimony so that we can proceed through
5 it fairly expeditiously.

6 **CHAIRMAN JOHNSON:** Thank you.

7 **MR. ADAMS:** Can I proceed with that now?

8 **CHAIRMAN JOHNSON:** Please, please do.

9 **MR. ADAMS:** Again, Mr. Poag -- there's
10 really two issues with Mr. Poag. He testifies as to a
11 number of legal conclusions in parts of his direct
12 testimony. And let me just lay out the two bases for
13 my motions, and then we can kind of walk through the
14 testimony.

15 He admitted in his deposition, which is part
16 of the record, that he's not a lawyer, he doesn't
17 practice law, he's not gone to law school, he's not an
18 expert on legal issues including legal interpretation
19 of FCC orders, and his testimony is based on his
20 personal opinion. That's with regard to one group of
21 issues which I'll call legal issues.

22 And then the other is the same point I made
23 with Ms. Khazraee. Mr. Poag hasn't had any direct
24 engineering experience with cellular networks at all.
25 He admits that he is not an expert either in wireline

1 or wireless networks, and I can find the citation for
2 that. And so he is not competent, as was
3 Ms. Khazraee, to give opinion testimony as to
4 comparisons between networks.

5 So proceeding through --

6 MR. REHWINKEL: Could I ask that we get that
7 citation?

8 MR. ADAMS: Yes. Page 18, Lines 15 through
9 19, I believe. Wait a minute. I've got the wrong
10 deposition.

11 "Question. Do you consider yourself an
12 expert in network engineering?

13 "Answer: No.

14 "Of either wireless or wireline.

15 "Answer: Correct, I do not."

16 I mean this again is -- what I'm concerned
17 about is Sprint has not offered any testimony from a
18 wireless expert here today. And yet they are drawing
19 conclusions with their two witnesses that there is no
20 legal basis for those conclusions. They are obviously
21 pursuing their self-interest in saying our cellular
22 end offices aren't the functional equivalent of their
23 end offices, but they didn't bring an expert here to
24 verify that. And that's fundamentally unfair to us,
25 to allow this testimony to come in without them

1 bringing a wireless network expert to opine. And
2 perhaps the reason why they haven't is that everyone
3 would agree with our position about the functionality
4 of cellular end offices; that that is the only thing
5 that provides line connectivity to our end users under
6 the Bellcore definition. And so they bring their two
7 primary regulatory folks that are based here in
8 Tallahassee and try to make them experts in a area
9 where they admit they are not experts.

10 So the testimony should be stricken and
11 maybe we can just go through sections, because there's
12 -- really, in Mr. Poag's direct testimony, if you
13 eliminate --

14 **MR. REHWINKEL:** Madam Chairman, I just want
15 to inquire. I'm not trying to respond at this point
16 to Mr. Adams. I was a little bit -- I mean, I filed
17 my motions well in advance, and I'm hearing this right
18 now, and I'm prepared to deal with it, but I just want
19 to make sure that I get the opportunity to voir dire
20 Mr. Poag about this issue. Because I think that's
21 appropriate.

22 Basically, what Mr. Adams is doing is asking
23 that you rely on deposition testimony that was taken
24 on October 20th, and we've all been through the
25 rigmarole about what the purpose of it was for.

1 But it's -- clearly, in our view we were not
2 on notice that this was the opportunity that we would
3 have to establish on voir dire Mr. Poag's expertise to
4 respond to a Motion to Strike. I don't mind any
5 argument being made. I thought we were going through
6 and identifying the portions. I think once I know
7 exactly what it is he wants to strike, I have some
8 questions I want to ask Mr. Poag for purposes of
9 responding to your -- to the motion.

10 MR. ADAMS: Maybe we are a little bit
11 premature in raising this issue. We should have
12 waited until he tendered the testimony for admission,
13 and then we would have objected to the admissibility
14 of parts of it. But there would be no opportunity for
15 Mr. Poag to try to rehabilitate his credentials when
16 he's already admitted in the record, and this is the
17 uncontroverted portion of the Poag deposition
18 transcript, Page 18, Charles didn't object to the
19 admissibility of this section.

20 Mr. Poag is not an expert and he's obviously
21 going to say what he's going to say; that our end
22 office is not a functional equivalent. And there's no
23 basis for that opinion other than he's pursuing
24 Sprint's own self-interest .

25 MR. REHWINKEL: I'm not asking that the voir

1 dire be for purposes of creating competent substantial
2 evidence. I just think it would be appropriate -- if
3 you're moving to strike testimony on the basis of lack
4 of expertise, voir dire is abundantly appropriate. I
5 mean, I agree with that. To stipulate in deposition
6 testimonies was for the purpose of streamlining this
7 process, and so I don't think we should be penalized
8 for that. I really don't know if Mr. Adams objects to
9 me asking questions on voir dire.

10 **CHAIRMAN JOHNSON:** I'm going to allow the
11 question -- was there an objection pending that I need
12 to hear?

13 **MR. ADAMS:** The questions on -- the voir
14 dire questions. Okay.

15 **CHAIRMAN JOHNSON:** Was there an objection to
16 that?

17 **MR. ADAMS:** Yeah, I guess there is an
18 objection, why not. It's only 7:23.

19 **CHAIRMAN JOHNSON:** And the basis for the
20 objection?

21 **MR. ADAMS:** The basis for the objection is
22 that he had to satisfy his credentials in his direct
23 testimony that he had the expertise to render the
24 opinions, that he should have already made those
25 foundational issues. And we are here today with other

1 evidence that directly controverts what he is --

2 **COMMISSIONER CLARK:** Mr. Adams, I thought
3 even when an objection is raised to an expert's
4 credentials you do have the opportunity to voir dire
5 for the purpose of rehabilitating them, and it would
6 seem that now is the appropriate time, because this is
7 the first time you've raised the objection.

8 **MR. ADAMS:** Well, I can understand your
9 point.

10 **COMMISSIONER CLARK:** I'm only asking.

11 **MR. ADAMS:** But it seems to me that he
12 should have listed his credentials in the past. And
13 before he rendered his expert opinions in the direct
14 testimony in this case, he should have established as
15 a foundational matter that there was some basis for
16 these opinions and he didn't do that.

17 **CHAIRMAN JOHNSON:** I'm going to allow the
18 voir dire. Now, do you understand the nature of his
19 Motion to Strike on two grounds?

20 **MR. ADAMS:** Why I'd like is to just go
21 through real quickly and indicate the page and lines,
22 and then he can do voir dire and then we can go
23 through however you'd like to at that point.

24 In the direct testimony starting on Page 4,
25 Line 19, and this really goes all the way to Page 8,

1 Line 10. And all of this is, you know, him giving
2 legal opinions about what the FCC does or doesn't do,
3 and he even goes -- it's in a later section, he says
4 what the Eighth Circuit should have done or shouldn't
5 have done. I mean, all of that is clearly not
6 appropriate testimony in the record.

7 Starting Page 9, Line 21 --

8 COMMISSIONER CLARK: Mr. Adams, just so I'm
9 clear, everything from Page 4 to Page 8 you're
10 objecting because it's a legal analysis and he's not
11 competent to do that; is that correct?

12 MR. ADAMS: Yeah. Let me just verify that
13 in my notes. (Pause) Yes, that is correct.

14 Starting on Page 9, Line 21, continuing over
15 to Page 10 Line 7, same basis. And that's where he
16 says "Clearly if the Eighth Circuit had misinterpreted
17 51.701 as Wireless One does, the Court would have
18 vacated the rule." I mean, that's probably one of the
19 more egregious points that he makes.

20 Continuing on Page 10, Line 15, the sentence
21 starting "this position" continuing down to the bottom
22 of that page, same basis.

23 Page 11, Lines 7 through 9, the last
24 sentence there, again same basis.

25 Now, Page 11, line -- all right, Page 11,

1 Line 11, through Page 12 Line 8, that same basis,
2 legal.

3 But starting on Page 12, Line 10, to --
4 page 13, Line 21, that's the expert functional
5 equivalent comparisons.

6 Page 14, Line 1 through -- this is a
7 continuation through Line 6, and that's a continuation
8 of the comparison.

9 Lines 12 and 13 there. And also Lines 23
10 through 25.

11 And then on Page 15, Lines 6 through 8.

12 And then turning to the rebuttal testimony,
13 Page 2, Line 19. I would, I guess, strike everything
14 starting on "so" down to the bottom of the page, over
15 to the top of Page 3, Line 1 through "however." And
16 then on page -- at Line 4 on Page 3, the entire rest
17 of that page. Over to the top of Page 4 the first
18 four lines, and then also on Page 4, trying to strike
19 part of the question to make the rest of the answer
20 make sense. So striking parts of Line 6, 7 and 8 and
21 then turning over to Page 5, striking from
22 "essentially" on Page 8 to the end of that paragraph
23 at Line 14. Lines 16 through 25 on Page 5, and that's
24 getting back into legal analysis here, carrying over
25 to the top of 6 through Line 6.

1 Lines 9 through 11 on Page 6.

2 Then turning to Page 8, Line 15 through the
3 end of the page, carrying over to Page 9 through
4 Line 5 at "users." That's legal analysis.

5 I think that's it. And if we strike all of
6 that we could probably get out of here a lot quicker.

7 **CHAIRMAN JOHNSON:** Mr. Rehwinkel?

8 **MR. REHWINKEL:** Thank you, Madam Chairman.

9

- - - - -

10

F. BEN POAG

11 was called as a witness on behalf of Sprint-Florida,
12 Incorporated and, having been duly sworn, testified as
13 follows:

14

VOIR DIRE EXAMINATION

15 **BY MR. REHWINKEL:**

16 **Q** Mr. Poag, what is your experience in the
17 area of regulation?

18 **MR. ADAMS:** Is the voir dire going to
19 inquire into his wireless network expertise, or are we
20 going to go through a general discussion of issues?
21 This should be narrowly focused, I assume, on the
22 issues that have been raised as opposed to some other
23 type of questioning.

24 **MR. REHWINKEL:** I did not intend to limit my
25 voir dire to eight words. I guess when I'm finished

1 with it we ought to see if I've narrowly limited it.

2 **COMMISSIONER CLARK:** Well, I presume that
3 you're going to question him that would establish he
4 has expertise, that he can opine on legal issues and
5 wireless issues.

6 **MR. REHWINKEL:** Madam Chairman, I'm not
7 trying to establish Mr. Poag's expertise to act as an
8 attorney -- Madam Commissioner. What I'm trying to do
9 is to demonstrate his expertise in regulation that
10 requires him to read, understand, implement and
11 conform company policy to regulatory orders. You can
12 call them legal if you want, but -- they certainly
13 have a lot of legal basis, but there are certainly all
14 sorts of facets of orders that require people like
15 Mr. Poag to bring a company into compliance and to
16 develop strategies to meet the requirements of orders.
17 So that's exactly where I intend to go with my voir
18 dire.

19 **CHAIRMAN JOHNSON:** Go ahead.

20 **MR. REHWINKEL:** Thank you.

21 **BY MR. REHWINKEL:**

22 **Q** Mr. Poag, what is your experience in the
23 area of utility regulation or telecommunications
24 regulation?
25

1 A I have approximately 20 year of experience
2 in the regulatory arena involved in developing
3 tariffs, tariffs in response to Commission Orders;
4 reviewing orders, both interstate and intrastate, to
5 see what their significance is and implementing those
6 orders.

7 In many cases, to the extent that there is
8 costing that's involved, I have managed a costing
9 organization. That costing organization is involved
10 in the detailed electronic components associated with
11 the network and determining what those investments are
12 and developing the cost associated with those
13 investments.

14 Q Mr. Poag, does your -- do your job
15 descriptions require you to be familiar with Florida
16 Public Service Commission rules?

17 A Yes.

18 Q Does your job description require you to
19 become familiar with FCC rules?

20 A Yes.

21 Q Certain FCC rules?

22 A Yes.

23 Q Are the rules that are the subject of the
24 First Report and Order in Docket 96-98 those such
25 rules?

1 A Yes.

2 Q Have you read the entire FCC First Report
3 and Order?

4 A I probably missed a few pages, but there are
5 probably a bunch of pages I've read more than ten
6 times.

7 Q Have you read the rules that were issued in
8 conjunction with that docket?

9 A Yes.

10 Q Do you have a copy of those rules that you
11 carry around with you?

12 A Not all of the rules, but those particular
13 ones I do carry around with me.

14 Q Are you required to read and familiarize
15 yourself with federal legislation?

16 A I'm sorry. Federal legislation?

17 Q Federal legislation, such as the
18 Telecommunications Act of 1996.

19 A Yes.

20 Q Okay. Are you required to read and attain
21 some level of understanding of federal court opinions
22 that deal with the Telecommunications Act of 1996?

23 A I guess, an example, to the extent the
24 Eighth Circuit Court vacated certain portions of the
25 FCC's order, I had reviewed that Court's opinion and

1 made adjustments to the rules that I keep to know
2 which ones were vacated and which ones weren't.

3 Q Do you participate in or are you consulted
4 with within the company with regard to interconnection
5 agreements with competitive carriers?

6 A Yes.

7 Q Does that job require you to understand the
8 scope and import of the Eighth Circuit opinion in Iowa
9 Utilities Board versus FCC, especially in conjunction
10 with FCC rules that have been vacated?

11 A Yes.

12 Q Does your employer expect you to
13 understand -- to have more understanding than the
14 average layman of state and federal regulatory
15 regulations and law so that the company can conform
16 its business practices to both comply with and work
17 within the law to the optimal benefit of the company?

18 A Yes.

19 MR. ADAMS: I want to object to the form of
20 these questions. He's essentially leading the witness
21 as opposed to doing a direct examination.

22 CHAIRMAN JOHNSON: Mr. Rehwinkel?

23 MR. REHWINKEL: I agree. I will conform my
24 questions to more the direct style. Mr. Adams'
25 objection is well-taken.

1 Q (By Mr. Rehwinkel) In this case have you
2 provided any legal advice?

3 A I don't know if I've provided legal advice.
4 I've provided, you know, my interpretation of what the
5 various rules require.

6 Q Have you sought to practice law before this
7 Commission?

8 A No.

9 Q How many times have you testified before the
10 Florida Public Service Commission?

11 A In formal proceedings I'm not, again,
12 exactly sure, but maybe 15 times. In informal
13 proceedings, many more times.

14 Q Have you ever testified before the Florida
15 Public Service Commission on matters of cellular
16 interconnection?

17 A Yes, I have.

18 Q Do you recall those cases?

19 A Vaguely.

20 Q Okay. How many times?

21 A I personally testified once. I had people
22 who worked for me who had testified in other dockets,
23 and I was very involved in assisting them and
24 preparing for their work.

25 Q Mr. Poag, in your job, do you do any pricing

1 and costing of telecommunications services?

2 A Yes.

3 Q Does that job require you to have an
4 understanding of the functionality of facilities used
5 in providing the services before they are priced?

6 A Yes.

7 MR. ADAMS: Same objection, Charles.

8 MR. REHWINKEL: I have no further questions.

9 CHAIRMAN JOHNSON: As to the -- did you want
10 to make any argument on the motion as a whole?

11 MR. REHWINKEL: Is this the time to make
12 argument?

13 CHAIRMAN JOHNSON: I think it is.

14 MR. REHWINKEL: Mr. Adams, I didn't mean to
15 interrupt him when he was making his argument.

16 MR. ADAMS: I've said everything I have to
17 say for the argument. I don't know if I -- do I get
18 an opportunity to voir dire, too? Or I'm happy to
19 rely on what's in the deposition, but I would like to
20 make a greater record on what he said during his
21 deposition.

22 CHAIRMAN JOHNSON: Speak up a bit.

23 MR. ADAMS: I would like to make a greater
24 record on what he said during his deposition so that
25 it's before you.

1 **CHAIRMAN JOHNSON:** Okay.

2 **MR. ADAMS:** He said that he never had any
3 direct engineering experience with cellular networks.
4 He said that he has not had any direct network
5 engineering responsibility for landline networks since
6 1968, long before cellular networks even existed.

7 He admitted, as I read before, that he's not
8 an expert either in wireline or wireless networks. He
9 did not know what pieces of hardware a wireless
10 network has that would be different than Sprint's
11 network. And that those were his admissions during
12 his deposition.

13 **CHAIRMAN JOHNSON:** Thank you.
14 Mr. Rehwinkel.

15 **MR. REHWINKEL:** Yes. Madam Chairman, I
16 think what you've heard from Mr. Poag and what's
17 contained in his direct testimony provides an adequate
18 basis for the Commission to hear this testimony and,
19 as with Ms. Khazraee, give it the weight it deserves
20 based on the deposition testimony, Mr. Poag's voir
21 dire.

22 I would note that in one of the orders that
23 the Commission has taken official notice of, Order
24 20475 -- strike that, Madam Chairman.

25 Mr. Poag has testified before the Commission

1 on matters of cellular interconnection which require
2 him to understand the cellular network, at least for
3 purposes of pricing and compensation between the
4 parties; and that's a matter of record before the
5 Commission.

6 Mr. Poag has also testified here today that
7 he is familiar with Public Service Commission rules,
8 regulations, and statutes relating to matters that the
9 company has before the Commission as well as before
10 the FCC.

11 So he does have more expertise than your
12 average layman, and I think that expertise was
13 adequately demonstrated on voir dire.

14 **CHAIRMAN JOHNSON:** Are you suggesting that
15 the standard that we use for determining whether or
16 not he has the -- well, let me start over.

17 Are you suggesting that he's an expert on
18 either of the two subject matters that were raised in
19 the objection as to provide the legal opinions, or on
20 the issue of wireless communications?

21 **MR. REHWINKEL:** No, Madam Chairman, he's
22 clearly not an expert, and we would stipulate he's not
23 an expert on legal issues. But as far as whether his
24 testimony ought to be stricken, he certainly has
25 knowledge of regulatory matters, matters of pricing

1 and engineering that require him to have more
2 knowledge than the average person. And on that basis
3 the testimony should stay in as part of the record and
4 be given the weight it deserves.

5 He was never offered as an expert in legal
6 matters. I don't think it's fair to characterize his
7 testimony as legal testimony, especially in places
8 where he just quotes an FCC rule. It's no different
9 than what we heard Mr. Heaton do in his testimony.

10 Basically what the Commission has before it
11 are witnesses that have more than average
12 understanding of the issues offering their opinion.
13 The attorneys can make whatever legal arguments that
14 are available under the Commission's orders, rules,
15 and applicable statutes. But that does not mean that
16 Mr. Poag's testimony will not be useful to the
17 Commission in resolving the issues that are before it
18 in this arbitration.

19 **CHAIRMAN JOHNSON:** How does -- what is your
20 argument as it relates to the wireless networking?

21 **MR. REHWINKEL:** Mr. Poag's understanding of
22 the wireless network is based on his testimony and
23 cellular interconnection dockets, which necessarily
24 requires an understanding of what the cellular
25 networks have for purposes of deciding whether

1 compensation is due between the parties. And the
2 orders in this -- that the Commission has adequately
3 bear that out.

4 **CHAIRMAN JOHNSON:** That's fine.

5 **MR. REHWINKEL:** There's a '94 docket that
6 was heard in 1995 that Mr. Poag testified in.

7 **CHAIRMAN JOHNSON:** Let me ask Staff a
8 question. How have we traditionally treated -- let's
9 go to the legal issues. How have we traditionally
10 treated the points raised by Mr. Adams with respect to
11 the testimony and the testimony as to the
12 applicability of an analysis on the Eighth Circuit
13 ruling, and applicability of the rules? Do we
14 generally allow that?

15 **MR. COX:** Yes, Chairman Johnson, lay
16 witnesses give testimony on quote/unquote "legal"
17 issues all the time in our proceedings, comment on the
18 applicability of statutes, sometimes court decisions.
19 And it's recognized that this person is testifying as
20 lay witness, not as an attorney, and they're giving
21 their interpretation as a lay witness.

22 **CHAIRMAN JOHNSON:** I'm going to allow the
23 testimony to stand. Again, it will go to the weight
24 and not to the admissibility. And I would think that
25 as it relates to the legal issues, that the attorneys

1 will have the opportunity to brief the applicable
2 laws -- well, whether or not the different laws apply
3 and where they are consistent and inconsistent.

4 And as it relates to the wireless, I'll
5 allow the same latitude and, again, it will go to the
6 weight and not to the admissibility.

7 I believe that Mr. Poag has demonstrated
8 that he is at least familiar with the technology and
9 that he has, during the course of his career, had
10 opportunity to familiarize himself with them more than
11 the layperson, and he is not stating that he is an
12 expert within the narrow meaning of the word. So,
13 again, it will go to weight and not to admissibility.

14 Now, where are we?

15 MR. REHWINKEL: I think we're on introducing
16 Mr. Poag's prefiled testimony.

17 CHAIRMAN JOHNSON: Did he have any exhibits?
18 Did I mark exhibits?

19 MR. REHWINKEL: I don't think he has any
20 exhibits.

21 DIRECT EXAMINATION

22 BY MR. REHWINKEL:

23 Q Mr. Poag, have you been sworn?

24 A Yes, I have.

25 Q Could you state your name and your employer

1 for the record, please?

2 A I'm F. Ben Poag. I'm employed by
3 Sprint-Florida.

4 Q Mr. Poag, did you cause to be prepared
5 direct testimony in this docket consisting of some 15
6 pages?

7 A Yes, I did.

8 Q Mr. Poag, do you have any corrections or
9 changes to that direct testimony?

10 A No, I do not.

11 Q If I ask you the same questions contained in
12 your direct testimony today, would your answers be the
13 same?

14 A Yeah.

15 Q Did you also cause to be prepared rebuttal,
16 prefiled rebuttal testimony of some ten pages?

17 A Yes.

18 Q If I asked you the questions contained
19 therein today, would your answers be the same?

20 A Yes.

21 Q I forgot to ask if you have any corrections
22 or changes to your rebuttal testimony?

23 A No, I do not.

24 MR. REHWINKEL: Madam Chairman, at this time
25 I move that Mr. Poag's direct and rebuttal testimony

1 be admitted into the record as though read.

2 **CHAIRMAN JOHNSON:** It will be admitted and
3 it will be -- yes, it will be admitted into the record
4 as though read.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY

OF

F. BEN POAG

1
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3
4
5
6 Q. Please state your name, business address and title.

7
8 A. My name is F. Ben Poag. I am employed as Director-
9 Tariffs and Regulatory Management for Sprint-Florida,
10 Inc. My business mailing address is Post Office Box
11 2214, Tallahassee, Florida. 32301.

12
13 Q. What is your business experience and education?

14
15 A. I have over 30 years experience in the telecommunications
16 industry. I started my career with Southern Bell, where
17 I held positions in Marketing, Engineering, Training,
18 Rates and Tariffs, Public Relations and Regulatory. In
19 May, 1985, I assumed a position with United Telephone
20 Company of Florida as Director-Revenue Planning and
21 Services Pricing. I have held various positions since
22 then, all with regulatory, tariffs and pricing
23 responsibilities. In my current position I am
24 responsible for costing, tariffs and regulatory matters.
25 I am a graduate of Georgia State University with a

1 Bachelor's Degree in Business.

2

3 Q. What is the purpose of your testimony?

4

5 A. The purpose of my testimony is to provide Sprint's
6 position on two issues that were not resolved in the
7 negotiations process. These issues are the application
8 of toll and other usage charges for wireline originated
9 toll calls to the Wireless One network and whether
10 Wireless One's network actually provides or is
11 functionally equivalent to the tandem, transport and end
12 office functions provided by Sprint and therefore
13 entitled to compensation for these functionalities.

14

15 Q. What is Sprint-Florida's position regarding the
16 definition of local traffic for purposes of application
17 of reciprocal compensation?

18

19 A. Sprint's position is found in the definitions of "Local
20 Traffic" and "IntraLATA Toll Traffic" on pages 21-22 and
21 34 of the interconnection agreement attached to the
22 petition of Wireless One and reads

23

24 "Local Traffic" for purposes of the
25 establishment of interconnection and not for

1 the billing of customers under this Agreement,
2 is defined as telecommunications traffic
3 between an LEC and CMRS provider that, at the
4 beginning of the call, originates and
5 terminates within the same Major Trading Area,
6 as defined in 47 C.F.R. Section 24.202(a);
7 provided however, that consistent with
8 Sections 1033 et seq. of the First Report and
9 Order, Implementation of the Local Competition
10 Provisions in the Telecommunications Act of
11 1996, CC Docket No. 96-98 (Aug. 8, 1996),
12 hereinafter the "First Report and Order," the
13 Commission shall determine what geographic
14 areas should be considered "local areas" for
15 the purpose of applying reciprocal
16 compensation obligations under Section
17 251(b)(5), consistent with the Commission's
18 historical practice of defining local service
19 areas for wireline LECs. (See, Section 1035,
20 First Report and Order)

21 * * *

22 IntraLATA toll traffic. For the purpose of
23 establishing charges between the Carrier and
24 Company, this traffic is defined in accordance
25 with Company's then-current intraLATA toll

1 serving areas to the extent that said traffic
2 does not originate and terminate within the
3 same MTA.

4
5 Taken together, these provisions define the circumstances
6 under which local interconnection charges apply and when
7 access charges apply. As made clear in both definitions,
8 the billing of Sprint's end user customers is a matter
9 separate from this Agreement. The definition of
10 intraLATA toll traffic is bound up in this issue because
11 the phrase "for purposes of establishing charges between
12 the Carrier and Company" contained in Sprint's position
13 establishes that the traditional notion of toll calling
14 still applies as to Sprint's end user customers.

15
16 Q. Do you agree with Wireless One's interpretation of 47
17 C.F.R. § 51.701(b)(2)?

18
19 A. No. Wireless One has interpreted FCC Rule 51.701(b)(2)
20 to mean "that all calls originated and terminated in an
21 MTA, the FCC CMRS local call definition for application
22 of reciprocal compensation versus access charges are
23 considered as local in nature under 47 C.F.R. §
24 51.701(b)(2) or Rule 51.701(b)(2) and that no toll or
25 usage charges may be assessed for such calls. Wireless

1 One misinterprets and misunderstands the intent and
2 rationale underlying the FCC's Rule 51.701(b)(2). To
3 accept Wireless One's interpretation of the FCC rule
4 would allow Wireless One to determine Sprint's local
5 calling area and when and at what rate level Sprint can
6 charge for the origination of traffic by its end user
7 customers. Clearly, Wireless One cannot be allowed such
8 discretion.

9
10 Q. Please explain the context and the application of the
11 FCC's rule.

12
13 A. In order to better understand the FCC's rule, a review of
14 the FCC's order in CC 96-98, comments and discussions
15 sections is helpful. More specifically Section XI of the
16 order, of which Rule 51.701 is a derivative, addresses
17 reciprocal compensation for transport and termination of
18 local telecommunications traffic. It defines how LECs
19 and other telecommunications carriers compensate each
20 other for the transport and termination of local
21 telecommunications traffic. The key phrase in Rule
22 51.701 is "transport and termination", i.e., the rule
23 applies to the termination of traffic between carriers
24 not the origination of traffic by one carrier or the
25 other.

1 In Section XI, paragraph 1033 of the order the FCC
2 concluded that transport and termination of local traffic
3 are different services than access service for long
4 distance telecommunications. Note that the subcaption
5 above paragraph 1033 is "Distinction between 'Transport
6 and Termination' and Access." In paragraph 1036 the
7 order states

8 "Accordingly, traffic to or from a CMRS
9 network that originates and terminates in
10 the same MTA is subject to transport and
11 termination rates under 251(b)(5), rather
12 than interstate and intrastate access
13 charges."

14 Thus, Rule 51.701, is basically saying that Sprint cannot
15 charge access charges to a CMRS provider for termination
16 of a call originated within the CMRS provider's MTA.
17 Conversely, the CMRS provider cannot charge Sprint access
18 charges for terminating a call originated within Sprint's
19 service area within the MTA. Rule 51.701 has nothing to
20 do with what Sprint can charge its customers for
21 originating the traffic or what the CMRS providers can
22 charge their customers for originating their traffic.
23 Thus, Rule 51.701 is applicable only to "reciprocal
24 compensation" and distinguishes, as the plain language
25 suggests in the subcaption in the order, between the

1 application of local compensation versus access
2 compensation for call termination.
3

4 This point is made very clear in paragraph 1034 of the
5 FCC's order which states

6 "We conclude that section 251(b)(5)
7 reciprocal compensation obligations
8 should apply only to traffic that
9 originates and terminates within a local
10 area, as defined in the following
11 paragraph. We disagree with Frontier's
12 contention that section 251(b)(5)
13 entitles an IXC to receive reciprocal
14 compensation from a LEC when a long-
15 distance call is passed from the LEC
16 serving the caller to the IXC. Access
17 charges were developed to address a
18 situation in which three carriers --
19 typically, the originating LEC, the IXC,
20 and the terminating LEC -- collaborate to
21 complete a long-distance call. As a
22 general matter, in the access charge
23 regime, the long-distance caller pays
24 long-distance charges to the IXC, and the
25 IXC must pay both LECs for originating

1 and terminating access service. By
2 contrast, reciprocal compensation for
3 transport and termination of calls is
4 intended for a situation in which two
5 carriers collaborate to complete a local
6 call. In this case, the local caller
7 pays charges to the originating carrier,
8 and the originating carrier must
9 compensate the terminating carrier for
10 completing the call."

11

12 Q. Please explain why Sprint is charging Wireless One toll
13 charges for the origination of toll calls by Sprint's end
14 users.

15

16 A. Wireless One has subscribed to reverse toll billing from
17 Sprint's intrastate tariffs. Reverse toll billing allows
18 Wireless One to pay the originating toll and ECS-type
19 charges of Sprint's end user customers calls to Wireless
20 One customers. Companies such as Wireless One subscribe
21 to this service in lieu of extending facilities directly
22 to all end offices served by Sprint. In other words,
23 Wireless One has the option of extending facilities
24 directly to an end office to afford Sprint's customers
25 local calling to Wireless One customers or subscribing to

1 reverse toll billing and paying the associated toll
2 charges in lieu of cost of direct connections.

3

4 Q. Please explain how Sprint and Wireless One will
5 compensate each other for the termination of local
6 traffic as defined by Rule 51.701.

7

8 A. With regard to the reverse billed toll option that
9 Wireless One has subscribed to in order to increase its
10 revenues, Wireless One has only taken on the obligation
11 to pay the originating customers' toll usage charges, at
12 a discount. However, Sprint will compensate Wireless One
13 for local call termination as long as the call originated
14 within the MTA. Similarly, Sprint will only charge
15 Wireless One at local compensation rates, not access
16 charges, for any traffic originated within Wireless One's
17 MTA even if the call originated by the cellular customer
18 is actually a toll call and Wireless One bills its
19 customer for a toll call.

20

21 Q. Are there other reasons why Wireless One's interpretation
22 is flawed?

23

24 A. Yes, as has already been made clear by the Eighth Circuit
25 Court, that the FCC does not have the authority to

1 regulate intrastate services. Sprint's intrastate
2 tariffed services are regulated by the FPSC, not the FCC.
3 IntraLATA toll, extended calling plans and reverse toll
4 billing services are intrastate services. Clearly, if
5 the Eighth Circuit Court had misinterpreted 51.701 as
6 Wireless One does, the Court would have vacated 51.701
7 for CMRS providers too.

8
9 Q. Explain Sprint's position with regard to the payment of
10 tandem switching and transport charges to Wireless One
11 for call termination.

12
13 A. Sprint is willing to compensate Wireless One if Wireless
14 One actually provides tandem switching and transport or
15 an equivalent facility and functionality. This position
16 is fully consistent with FCC Rule 51.701 in that Sprint
17 is only required to compensate Wireless One if they can
18 prove that they are provisioning an "equivalent facility"
19 as required in the FCC rules. Additionally this is
20 exactly the same position advocated by this Commission in
21 the Sprint/MCI arbitration proceeding. In the FPSC
22 decision, the Commission stated that MCI has not proven
23 that it actually deploys both tandem and end office
24 switches in its network.

25

1 Q. Does Wireless One claim to actually provide tandem
2 switching and transport?

3

4 A. No, Wireless One claims that its network provides
5 equivalent facilities. Wireless One states that
6 "Wireless One's CMRS network employs the equivalent of a
7 tandem/end office hierarchy." Based on previous rulings
8 by the FPSC, a simple statement is insufficient to prove
9 the equivalent facilities test.

10

11 Q. Do you agree with Wireless One's explanation of how its
12 network provides functionally equivalent facilities?

13

14 A. No. First, the FCC does provide very explicit
15 definitions of transport and termination for purposes of
16 47 U.S.C. § 251(b)(5).

17

18 Transport is defined in paragraph 1039 as the
19 transmission of terminating traffic

20 "...from the interconnection point
21 between the two carriers to the
22 terminating carriers end office switch
23 that directly serves the called party (or
24 equivalent facility provided by a non-
25 incumbent carrier)."

1 Termination is defined in paragraph 1040 as
2 "...the terminating carrier's end office
3 switch (or equivalent facility) and
4 delivery of that traffic from that switch
5 to the called party's premises."
6

7 As pointed out in these two paragraphs, alternatives
8 exist for transport but not termination.
9

10 Q. Does Wireless One's network meet the equivalent
11 facilities requirement?
12

13 A. No. Wireless one portrays its CMRS network as providing
14 the equivalent of a tandem/end office hierarchy. In its
15 petition for arbitration Wireless One states

16 "a call originating on Sprint's network will
17 be switched first at Wireless One's MTSO and
18 transported over Wireless One's facilities to
19 the appropriate cell site, which is the
20 equivalent of an end office switch, for
21 delivery to the called party."
22

23 If the cell site were actually providing the same
24 functionality as an end office, Sprint would be able to
25 provide its own facilities directly to the cell site for

1 termination in the same manner that Wireless One has the
2 option to terminate from Wireless One's MTSO directly to
3 Sprint's end office for call termination. Thus,
4 alternatives for Wireless One's transport do not exist
5 contrary to paragraph 1039 of the FCC's order.
6 Therefore, the equivalent functionality is not available
7 to Sprint. To allow Wireless One to charge end office
8 switching functionality to Sprint can be likened to
9 Sprint charging Wireless One a switching function at its
10 tandem and end office host switches, again at a remote
11 switch served by the host, and again at a subscriber line
12 carrier node, which like the cell site is the final link
13 to the subscriber. Thus, if Wireless One's cell site
14 were to be considered a separate switching function,
15 rather than the MTSO which actually provides the end user
16 to end user connection, Sprint would be allowed to charge
17 Wireless One a switching function not only at its tandem,
18 and host switches, but also at its remotes, and its
19 subscriber line carrier nodes, the latter of which
20 functions most nearly like a cell site in terms of being
21 the final network link to the customer.

22

23 Q. Can you provide an example of how an end office switch
24 differs functionally from a cell site?

25

1 A. Yes, this can most simply be explained by the fact that
2 an end office connects one customer within the switch to
3 another customer within the switch. A cell site cannot
4 connect one customer to another without using the MTSO
5 switch for connection. Thus, a cell site is not
6 functionally equivalent to an end office. Similarly,
7 Sprint cannot interconnect at Wireless One's cell sites
8 to terminate traffic whereas Wireless One can
9 interconnect at Sprint's end offices to terminate
10 traffic. Additionally, Sprint can direct trunk from its
11 end office to Wireless One's MTSO to terminate calls.
12 Wireless One cannot direct trunk from its cell sites to
13 any of Sprint's switches to terminate traffic.

14
15 Q. Would there be a disparity in the FCC's reciprocal
16 compensation plan if this commission were to determine
17 that Wireless One's network did provide functionally
18 equivalent transport?

19
20 A. Yes, it would result in a significant reciprocal
21 compensation disparity. Wireless One would have the
22 option to directly connect to Sprint's end offices for
23 call termination. However, Sprint, because Wireless
24 One's cell sites do not provide the same functionality as
25 Sprint's end offices, would not be able to directly

1 connect to Wireless One's cell sites for call
2 termination. The end result is that Sprint would always
3 pay the highest compensation charges to terminate traffic
4 to Wireless One, but Wireless One would be able to avoid
5 the transport payments by directly connecting at Sprint's
6 end offices. This is an alternative not available to
7 Sprint because cell sites are not functionally equivalent
8 to end offices.

9

10 Q. Does that conclude your testimony?

11

12 A. Yes.

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 REBUTTAL TESTIMONY

3 OF

4 F. BEN POAG

5
6 Q. Please state your name, business address and title.

7
8 A. My name is F. Ben Poag. I am employed as Director-
9 Tariffs and Regulatory Management for Sprint-Florida,
10 Inc. My business mailing address is Post Office Box
11 2214, Tallahassee, Florida. 32301.

12
13 Q. Have you previously filed testimony in this proceeding?

14
15 A. Yes, I filed prepared direct testimony in this
16 proceeding.

17
18 Q. What is the purpose of your rebuttal testimony?

19
20 A. The purpose of my rebuttal testimony is to address
21 specific statements in the direct testimonies of Mr.
22 Meyer and Mr. Heaton testifying for Wireless One.

23
24 Q. Is Mr. Meyer's testimony on page 5, lines 9 and 10, a
25 complete description of Sprint's end office to end users

1 connections?

2

3 A. No. Mr. Meyer portrays Sprint's local loop facility as
4 "a single wireline between the end office and the fixed
5 end user location." This may be true for some
6 connections, however, in the majority of the cases there
7 are remote switches, subscriber line carrier (SLC)
8 systems, and carrier (copper and fiber) systems between
9 the host and end office switches and SLCs. Thus, while
10 the final link to the customer, the distribution link,
11 may be a single wireline copper facility, there may be
12 several links in the overall loop which are not a single
13 wireline facility.

14

15 Q. What is the significance of these other wireline network
16 elements?

17

18 A. The significance is that Wireless One is attempting to
19 over simplify Sprint's wireline network so that it will
20 appear Wireless One's cell sites deserve recognition as
21 an end office switch. However, Wireless One's cell sites
22 are more properly classified as a piece of network
23 equipment necessary to complete the final loop connection
24 to the end user. As I explain later this is the same
25 type of loop functionality that is performed in Sprint's

1 wireline network by a SLC. However, Wireless One in its
2 description of Sprint's network fails to include the SLC.
3

4 Q. What are the implications of the functional and technical
5 differences of Sprint's and Wireless One's networks from
6 a policy perspective?
7

8 A. As presented in the direct testimony of Mr. Meyer, the
9 functionality that Wireless One attributes to its cell
10 sites as switching functionality is actually the hardware
11 and software required to complete the cellular end user
12 loop. In other words, the "control data base processor"
13 as referred to on page 9, line 3 of Mr. Meyer's testimony
14 is not performing the functions of transport and end
15 office switching as defined by the FCC. Rather, the
16 control data base processor directs a connection
17 function, not a switching function, at the cell sites
18 that serves to connect the wireless portion of the
19 cellular loop to fixed elements of the loop. This is
20 functionally equivalent to the connection made at a
21 subscriber line carrier (SLC) in a wireline network, that
22 is, connecting the feeder side of the loop to the
23 distribution side. Thus, for purposes of determining the
24 application of reciprocal compensation, these are loop
25 costs that are excluded. Sprint does not include SLC

1 costs in its local interconnection reciprocal
2 compensation rates; thus it would be inappropriate to
3 allow Wireless One to recover its loop cost through
4 reciprocal compensation.

5
6 Q. Please explain the similarities between the connection
7 function performed by a SLC and the functionality of a
8 Wireless One cell site in the context of establishing a
9 loop connection.

10
11 A. Based on my outside plant engineering, costing and
12 pricing experience, I know that the SLC is a
13 concentration device which condenses the traffic from
14 many lines to a lesser number of lines. The subscriber
15 side, or field side, of a SLC connects directly to the
16 distribution cable (many lines) that terminates at
17 various subscriber premises. The other side of the SLC
18 (the end office switch side) connects to a lesser number
19 of circuits that connects subscribers to the end office
20 switch. As an example, the subscriber side of the SLC
21 might connect to 400 copper pairs which terminate at the
22 subscribers' premises within a subdivision. Between the
23 end office switch and the SLC there may be only 96
24 circuits. Since all 400 subscribers will not be using
25 their telephones at the same time, it is not necessary to

1 have 400 circuits all the way back to the end office
2 switch. The SLC establishes the connection between the
3 circuits on each side of the SLC when a telephone
4 subscriber within the subdivision goes off hook to make
5 a call or when a telephone subscriber within the
6 subdivision receives a call. This connection function is
7 performed to complete the loop circuit from the end user
8 to the end office switch. Essentially, this is the same
9 type of connection made at a cell site under the
10 direction of the control data base processor as described
11 by Mr. Meyer. That is, the cell site, establishes the
12 connection between the mobile wireless portion of the
13 loop circuit and the fixed portion of the loop circuit
14 back to the cellular switch.

15
16 Q. What is the significance of these network differences in
17 terms of the Act and the FCC's reciprocal compensation
18 requirements?

19
20 A. Requiring Sprint to compensate Wireless One for a portion
21 of its loop costs would be inconsistent with the Act and
22 the FCC's 96-98 order. Additionally, since cell sites do
23 not have the same switching functionality as Sprint's end
24 office switches, Sprint cannot directly connect from its
25 switches to Wireless One's cell sites to terminate

1 traffic. As a result, if Wireless One's claims are
2 accepted, Sprint would be required to pay Wireless One
3 transport and tandem switching on every call it
4 terminates to Wireless One. Conversely, since Sprint's
5 end office switches have functionalities that Wireless
6 One's cell sites do not have, Wireless One can today
7 directly connect to Sprint's end offices to avoid paying
8 Sprint tandem and transport charges. Thus Sprint would
9 be forced not only to pay those charges on every call,
10 but Sprint would also be contributing to Wireless One's
11 loop cost recovery.

12

13 Q. Do you agree with Mr. Heaton's conclusion on page 10 of
14 his testimony beginning on line 5, that Sprint's
15 agreements with 360° Communications acknowledged Wireless
16 One's position?

17

18 A. No. First, I believe it is inappropriate to offer a
19 single portion of a negotiated agreement in this
20 arbitration. Second, the interpretation of the language
21 of Wireless One here was not an interpretation raised by
22 360 Communications during the negotiations. It was only
23 when Wireless One attempted to misconstrue the FCC's
24 language in this case that Sprint thought it necessary to
25 expand the language to clarify the definition.

- 1 Q. Does 360° Communications subscribe to the reverse toll
2 billing option (RTBO)?
3
- 4 A. Yes.
5
- 6 Q. Does any CMRS carrier interconnecting with Sprint receive
7 the benefit of the RTBO option without paying the
8 tariffed rate?
9
- 10 A. No. Some CMRS carriers do not subscribe even though they
11 are interconnected. All carriers subscribing pay the
12 tariffed charges. Where CMRS carriers do not subscribe
13 to the RTBO option, we bill the end user customers the
14 usage charges. I am not aware of any end user customer
15 complaints.
16
- 17 Q. Do you have any comment on Mr. Heaton's testimony
18 regarding a single provision of a negotiated agreement
19 between BellSouth and Vanguard?
20
- 21 A. Because that agreement is related to a contested issue
22 that has not been ruled a part of this case, I will not
23 address it here.
24
- 25 Q. Mr. Heaton suggests that 47 CFR 51.701(b)(2) requires

1 that RTBO may not be applied to calls that are now
2 charged to Wireless One under Sprint's tariff. Do you
3 agree?

4
5 A. No.

6
7 Q. Why do you disagree?

8
9 A. Mr. Heaton's view ignores the purpose behind the FCC's
10 distinction between local and toll traffic.

11
12 Q. What is the significance of the distinction between local
13 and toll?

14
15 A. First, as initially addressed in my direct testimony, the
16 FCC's rules only relate to reciprocal compensation
17 between carriers. In the case of the reverse toll bill
18 option, which Wireless One subscribes to in lieu of
19 Sprint charging the originating end users, local calls,
20 i.e., \$.25 message rate calls and toll calls are
21 included. Thus even though some of these routes are
22 local by Florida Statute 364.02(2), Wireless One seems to
23 conclude that Sprint cannot charge its customers, or
24 alternatively at Wireless One's option, Wireless One, for
25 these calls. It is important to note that even though

1 these \$.25 message rate routes are local, there are still
2 end user charges. Thus, the FCC's definition of "local"
3 for reciprocal compensation between carriers is
4 irrelevant with regard to each carrier's charges to its
5 end users. The issue is not what Sprint charges its end
6 users but what Sprint will be paying Wireless One to
7 terminate these calls. If the calls originate on
8 Sprint's network and terminate on Wireless One's network
9 within the same MTA, Sprint will pay Wireless One the
10 application, interconnection rates to terminate these
11 \$.25 message and toll calls. These local interconnection
12 rates have already been agreed upon by Sprint and
13 Wireless One and are not in dispute in this arbitration;
14 the rates are listed in Exhibit 1 to Attachment 1 of the
15 agreement. Because of federal action, Sprint will now be
16 compensated at the lower priced local interconnection
17 rates rather than access charges when Sprint terminates
18 calls that are originated anywhere within Wireless One's
19 MTA. In contrast, ILECs and CLECs will continue to pay
20 each other terminating access for toll calls defined by
21 the Florida Public Service Commission and terminated to
22 each other within the MTA.

23
24 Q. Does this conclude your rebuttal testimony?
25

1 A. Yes.



1 Q (By Mr. Rehwinkel) Mr. Poag, do you have a
2 brief summary of your testimony?

3 A Relatively brief. I'm going to address both
4 issues.

5 Issue 1 relates to Wireless One's claim that
6 it should be compensated for tandem switching and
7 transport for terminating calls from Sprint's
8 customers to Wireless One's customers because Wireless
9 One's cell sites are functionally equivalent to
10 Sprint's end office switches.

11 Wireless One admits in its petition that it
12 does not have the same end office switch tandem
13 facilities as Sprint, but alleges that it has an
14 equivalent hierarchy. However, they are not
15 functionally the same.

16 Because they are not functionally
17 equivalent, Sprint cannot directly terminate its
18 traffic to Wireless One's cell sites without that
19 traffic being routed through Wireless One's cellular
20 mobile office, or as commonly referred to, an MTSO.
21 However, Wireless One can directly connect to Sprint's
22 end office switches to terminate its traffic to
23 Sprint's customers.

24 Additionally, because the networks are not
25 functionally equivalent, Sprint cannot provide its own

1 transport between its switches and Wireless One's cell
2 sites; therefore, transport alternatives are not
3 available to Sprint. However, the FCC's order
4 specifically states in Paragraph 1039 of its order
5 that alternatives exist for transport in the
6 definition of transport.

7 Because the networks are not functionally
8 equivalent -- and this is based on Mr. Heaton's direct
9 testimony -- Sprint would always be required to pay
10 Wireless One for all three elements when terminating
11 its traffic to Wireless One's customers.

12 However, Wireless One, as it does today,
13 would direct trunk from its MTSO, or MTSO switch,
14 directly to Sprint's end office switches and only pay
15 the call termination rate, or the end office switching
16 call termination rate.

17 Cell sites perform the same kind of
18 connection in a wireless network as is performed by a
19 subscriber line carrier in a wireline network. This
20 is supported by the fact that both of Mr. -- or both
21 of Wireless One's witnesses have indicated that cell
22 sites are unable to make a connection at the cell
23 site. Both of these pieces -- make a switching
24 connection, it's a line-to-a-line or a
25 trunk-to-a-trunk.

1 Both of these pieces of equipment complete
2 the connection from the distribution or wireless
3 portion of the wireless network to the feeder or fixed
4 portion of the network. Neither of these pieces of
5 equipment can independently connect one customer to
6 another customer.

7 A cell site, like a subscriber line carrier
8 unit, is a portion of the loop and is not
9 appropriately included in the charges for reciprocal
10 compensation. Subscriber line carrier equipment costs
11 are not included in Sprint's local interconnection
12 rates, and Wireless One should not be permitted to
13 recover its loop cost through local interconnection
14 charges. To do so would be inconsistent with the rate
15 elements that were established in the FCC's order.

16 Issue 2 relates to the reverse toll bill
17 option. And, Commissioners, I have some charts that I
18 would like to use as I go through my summary, which I
19 think would be very beneficial to understanding that
20 issue.

21 **CHAIRMAN JOHNSON:** I'm going to mark this
22 Exhibit 9.

23 (Exhibit 9 marked for identification.)

24 **WITNESS POAG:** What I have tried to identify
25 here is a simplified block diagram identifying on

1 the -- and if you're looking at the center of the page
2 here, I've got a little arrow kind of in the middle
3 under the words "Fort Myers," and that's point -- is
4 identified as a point of interconnection.

5 So essentially I'm saying everything to the
6 left of that is Sprint's network, and everything to
7 the right of that is Wireless One's network. In
8 actuality, the two networks could be mixed, but I'm
9 just trying to keep the flow of traffic straight here.

10 Basically, Wireless One is saying that in
11 the case of a call from the lower left-hand corner
12 where I have a Marco Island and a "C" --

13 MR. ADAMS: Mr. Poag, I'm sorry. I'd like
14 to interrupt you for just a moment because otherwise,
15 I'm afraid that you're submitting new direct testimony
16 that had to be prefiled, and I don't believe this is
17 addressed anywhere in what you've already filed. This
18 is going beyond the scope of a summary of your
19 testimony into new testimony.

20 COMMISSIONER CLARK: Mr. Rehwinkel?

21 MR. REHWINKEL: Madam Chairman, I think what
22 Mr. Poag is attempting to do is illustrate for summary
23 purposes his testimony and how an RTBO call works.

24 Sprint is certainly willing if the
25 Commission hears this and feels like it's beyond the

1 scope of his testimony that it be stricken. But this
2 is purely for demonstrative purposes, and Mr. Poag's
3 direct and rebuttal testimony describe this exact
4 scenario. And all he wants to do is illustrate it
5 graphically like Mr. Adams did earlier when he gave
6 his opening statement.

7 **MR. ADAMS:** The difference is Mr. Adams
8 isn't a witness in the case and not putting on
9 evidence in the case.

10 **CHAIRMAN JOHNSON:** I'm going to sustain the
11 objection.

12 **MR. ADAMS:** Thank you.

13 **CHAIRMAN JOHNSON:** And, Mr. Poag, if you
14 could limit yourself to what is in your direct or
15 rebuttal.

16 **WITNESS POAG:** Okay. Wireless One alleges
17 that under FCC Rule 517.01 -- I'm sorry -- 701, no
18 toll charges may be assessed for calls originated or
19 terminated within the MTA. Wireless One is
20 misinterpreting the rule by attempting to apply the
21 rule to the originating side of the call rather than
22 the terminating side. However, the key words in the
23 FCC's rule are "transport" and "termination".

24 Transport and termination are clearly
25 defined as from the point of interconnection between

1 the two carriers to the called party's premises. And
2 that's on the terminating side. Therefore, for
3 reciprocal compensation between carriers, the only
4 rate elements involved are those which the FCC
5 established for transport and termination as defined
6 in the FCC's rules.

7 Nowhere in the FCC's order or rules is there
8 any definitions or references made to address the
9 originating side of a call for reciprocal compensation
10 purposes. Only transport from the point of the
11 interconnection to termination at the end users
12 premises is discussed.

13 The FCC did not address the pricing of calls
14 on the originating end of the call. In fact, on
15 Pages 7 and 8 of my testimony, I provide a quote from
16 the FCC's order which specifically states, beginning
17 on Line 6 of Page 8, that the local caller pays
18 charges to the originating carrier.

19 I am not a lawyer, but in my role of
20 implementing regulatory policy, it is clear that this
21 says that we can charge the local caller for the call,
22 but that we must pay the terminating carrier for
23 completing the call. And the FCC established the
24 elements associated with call termination. The FCC
25 did not establish rate elements for call origination.

1 office in Fort Myers?

2 A Yes.

3 Q Have you had an opportunity to review the
4 transcript from that deposition?

5 A Yes.

6 Q What I intend to do is ask you questions
7 that you answered there and have you provide the same
8 responses. Do you understand?

9 A I understand your intent.

10 Q You have never had any direct engineering
11 experience with cellular networks, right?

12 A I'm going to answer your question and then
13 I'm going to explain, okay? No, I have not had any
14 direct engineering experience with wireless networks.

15 However, I was an electronics technician on
16 a Hawk missile system for a period of about three
17 years, and at that point in time we used tubes rather
18 than transistors, quite frankly. And the point I'm
19 making, though, is that while the technology may
20 change, the basics of the electronics, and as
21 Ms. Khazraee pointed out, a switch is a switch, those
22 relationships still exist.

23 Q Your Hawk missile experience was when you
24 were in the military back in the early 1960s?

25 A Correct.

1 Q And you're saying your experience with that
2 technology, then, is directly related to the
3 technology of the late 1990s? That's your testimony?

4 A No, that's not what I said. I said that the
5 basic electronics -- you know, what electricity does
6 and what radio frequencies do hasn't changed.

7 The technology that transmits it, the
8 technology that receives it might have changed, but
9 it's still basically the same things. Today when you
10 have radar that the highway patrol uses, that's a
11 Doppler effect; same Doppler effect that we used for
12 the Hawk system.

13 Q Do cellular network systems use the Doppler
14 effect?

15 A No, they don't. They use RF frequencies,
16 and we used RF frequencies also in the Hawk system.

17 Q You've not had any direct network
18 engineering responsibilities for landline networks
19 since 1968, right?

20 A Repeat that, please.

21 Q You have not had any direct network
22 engineering responsibilities for landline networks
23 since 1968, right?

24 A I have not had -- that is correct. However,
25 one of my responsibilities is costing, and one of the

1 situations that we're dealing with is loop costing and
2 to do loop costing, we have to know how the network is
3 engineered. And I have been involved in developing
4 loop costs more recent than that.

5 Q The question was direct network engineering
6 responsibilities. Direct network --

7 A I was just explaining my answer.

8 Q Your answer was no, correct?

9 A I thought it was correct, but --

10 CHAIRMAN JOHNSON: What was the answer?

11 MR. ADAMS: The answer was no, I believe he
12 started. The answer --

13 WITNESS POAG: I agree that I have not had
14 any direct outside plant engineering experience, but I
15 went on to explain that I had indirect experience.

16 Q (By Mr. Adams) You are not an expert in
17 either wireline or wireless networks, right?

18 A No, sir.

19 Q More specifically, you do not know what
20 pieces of hardware a wireless network has that would
21 be different than Sprint's network, right?

22 A That is correct. But I do not have to know
23 the specific pieces of hardware to know whether or not
24 it functions the same as our network does. I know I
25 cannot terminate a call at a cell site and have that

1 call terminated at a cell site without that call being
2 routed all the way back to the MTSO, and then from the
3 MTSO back out to that cell site.

4 Both of your witnesses have testified on
5 that point. And I don't have to be a wireless expert
6 to know that that's not how our end office functions.
7 You can terminate directly at our end office without
8 going back to another switch.

9 Q You're not a lawyer and do you not practice
10 law, right?

11 A Correct.

12 Q You've not gone to law school or taken the
13 bar exam, right?

14 A Correct.

15 Q You're not a expert on legal issues,
16 including the legal interpretation of FCC rules and
17 orders, right?

18 A I'm not -- I don't know that I could say
19 that I am or am not on that. Quite frankly, I get
20 asked on many occasions by attorneys to give my
21 opinion on FCC orders and other issues of
22 telecommunications matters.

23 COMMISSIONER CLARK: Mr. Poag, are you a
24 Class B Practitioner?

25 WITNESS POAG: Pardon?

1 **COMMISSIONER CLARK:** Are you a Class B
2 practitioner?

3 **WITNESS POAG:** No, Commissioner Clark, I'm
4 not.

5 **COMMISSIONER CLARK:** Oh, okay.

6 **Q** **(By Mr. Adams)** So the answer is you are
7 not an expert, or you are an expert?

8 **A** I think my answer was is I guess it kind of
9 depends on your definition of expert. Again, I have
10 been on many occasions asked by various lawyers to
11 give opinions on various telecommunications issues.

12 **Q** Okay. We've been working with the rule
13 today that you answer yes or no and then you explain.
14 It sounds like -- is it yes or no?

15 **A** I said, it depends on your definition of
16 expert, and I think that's a maybe.

17 **Q** Mr. Poag, do you have your deposition in
18 front of you?

19 **A** Yes, I do.

20 **Q** Can you turn to -- bear with me for a
21 minute. (Pause) Page 32.

22 **A** I'm on Page 32.

23 **Q** Starting at Line 9, and let me just read the
24 questions and answers into the record and then I'll
25 ask you a question about it.

1 "Question: You would agree, then, you're
2 not a lawyer and you're not an expert in legal issues,
3 right?

4 "Answer: Yeah.

5 "Question: And that would include legal
6 disciplines such as legal interpretation; is that
7 correct?

8 "Answer: Yeah.

9 "Question: Which includes legal
10 interpretation of FCC rules and orders; is that
11 correct?

12 "Answer: Yeah.

13 "Question: So you would also agree that any
14 testimony you give here is based on your personal
15 opinion as a nonlegal expert, correct?

16 "Answer: Yes."

17 And then I identify -- well, let me just
18 read it.

19 "So if you specifically turn to Page 4,
20 Line 16, through Page 8, Line 10, that is all your
21 personal opinion as a nonlegal expert; is that
22 correct?"

23 "Answer: Yes.

24 "Similarly, Page 9, Line 21, through
25 Page 10, Line 7?

1 "Answer: Yeah."

2 And the page references there are to the
3 direct testimony. Do you see that?

4 A Yes.

5 Q Do you disagree with any of that here today?

6 (Pause)

7 A Mr. Adams, I don't disagree.

8 Q It's a yes or no question. Do you disagree
9 with that, any of that testimony? Yes or no, and then
10 you can provide your explanation.

11 A No, I don't disagree, but I just -- I think
12 that you're being very, very narrow in that type of an
13 approach in that it doesn't really reflect the
14 expertise that I bring to the table on these matters.
15 And I will let my record before this Commission speak
16 for itself on that matter.

17 Q Now, let's turn to a new area now. In the
18 interconnection agreement submitted with this case,
19 Sprint has agreed to reduce the Type 2A tandem
20 interconnection tariff rate to .7954 cents per minute
21 of use, correct?

22 A We're going from a different type of
23 interconnection to a newer type?

24 Q Is that yes or no? I didn't catch it.

25 A I can't answer that yes or no.

1 **MR. REHWINKEL:** Can you give me a reference?
2 Are you referring to the price -- the rate table?

3 **MR. ADAMS:** Type 2A tandem interconnection,
4 yes. I don't know if I have --

5 **MR. REHWINKEL:** I've got one, Bill. I've
6 got one. (Hands document to witness.) Are you
7 talking about Page 28 of the agreement?

8 **MR. ADAMS:** Yes, I am.

9 **MR. REHWINKEL:** Okay. Mr. Adams, did you
10 ask him if it was reduced from a rate to a rate, or
11 you just said reduced --

12 **MR. ADAMS:** Has reduced the Type 2A tandem
13 interconnection in the mobile services tariff to
14 .7954 cents per minute of use.

15 **WITNESS POAG:** I don't see any reference to
16 a Type 2A on these pages.

17 **Q** **(By Mr. Adams)** Okay. Do you disagree with
18 that -- can you answer the question?

19 **A** Repeat the question.

20 **Q** In the interconnection agreement on Page 28,
21 Sprint has agreed to charge -- has agreed to reduce
22 the Type 2A tandem interconnection tariff rate to
23 .7954 cents per minute of use, correct? Yes or no.

24 **A** No. Because there's no reference there to a
25 2A.

1 Q Isn't a tandem interconnection a Type 2A
2 interconnection?

3 A That's a Type 2A, but this doesn't say 2A.
4 There's different types of tandem. I'm not trying to
5 be difficult. I'm trying to be precise, and I don't
6 mind admitting that we've changed the interconnection
7 rates. Where I've got a problem is that in the new
8 interconnection environment we don't refer to it as a
9 Type 2A.

10 Q I'm referring to a Type 2A as a call that is
11 switched twice on your network; once at the tandem,
12 once at the end office.

13 A Given the technical issue that I have with
14 your question, we have reduced our rate for
15 tandem-type switch call termination, and the current
16 rate is the rate that you're reflecting there on
17 Page 28.

18 Q So for all mobile-to-land traffic that
19 Wireless One delivers to Sprint at Sprint's tandem,
20 Sprint will charge wireless .7954 cents per minute of
21 use, correct?

22 A Yes.

23 Q These rates are based on transport and
24 termination, right?

25 A Yes.

1 Q Access is not included in these rates,
2 right?

3 A Correct.

4 Q It is Sprint's position that access can no
5 longer be charged for these calls, right?

6 A Those are -- it is Sprint's -- yes, it is
7 Sprint's position that it is inappropriate to charge
8 access for local interconnection reciprocal
9 compensation where you're talking about as identified
10 before, the point of interconnection between the two
11 networks down to the terminating end user's premises,
12 it has nothing to do with the originating side of the
13 call.

14 Q Your mobile services tariff has an on-peak
15 rate of 3.34 cents per minute of use. That's
16 3.34 cents per minute of use, and an off-peak rate of
17 2.34 cents per minute of use for the termination of
18 mobile-to-land calls over a tandem interconnection,
19 correct?

20 A Yes.

21 Q These charges were developed with the
22 assumption that 80% of the traffic terminates locally,
23 and 20% would terminate on an intraLATA toll call
24 utilizing Sprint's terminating access rates, right?

25 A That's somewhat correct.

1 When the cellular rates were developed, we
2 did not use all of the access rate elements. We did
3 not include the busy hour minute of capacity, it is my
4 recollection. So it included some of the rate
5 elements, but not all of the rate elements that were
6 used to develop that composite rate. So it wasn't
7 truly an access charge the same as we charge to
8 interexchange carriers.

9 Q Can you turn to Page 78 of your deposition,
10 please?

11 A Yes.

12 Q Starting on Page -- or on Line 5.

13 "Question: Let's take the 3.34-cent
14 charge."

15 And that's the same charge we've just been
16 talking about. And back to the question in the
17 deposition.

18 "You said that is a composite rate for local
19 and toll on an intraLATA basis.

20 "Answer: Yeah. My recollection is that
21 rate assumes an 80% -- that 80% of the traffic
22 terminates locally, and 20% would terminate as an
23 intraLATA type toll call."

24 Do you see that?

25 A Yes.

1 **MR. REHWINKEL:** Madam Chairman, I don't wish
2 to lodge an objection at this point. I do have a
3 continuing objection. I just didn't want this area of
4 cross examination to go as if I don't have any
5 objection to Mr. Adams inquiring.

6 I understand this area is guided by your
7 ruling of earlier today, so I'm not going to interrupt
8 and lodge any kind of objection.

9 **Q** **(By Mr. Adams)** That was your testimony
10 under oath back on October 20th, correct?

11 **A** Yes, and it's still the same for that
12 portion of it.

13 **Q** Okay. Thank you.

14 **A** It does not have anything to do with the
15 access piece that we were talking about a few minutes
16 ago.

17 **Q** Okay. You're responsible for Sprint's
18 tariffs in Florida, correct?

19 **A** Yes.

20 **Q** You were involved with the creation of the
21 reverse option rate and are quite familiar with it,
22 correct?

23 **A** That was a long time ago, and that option
24 was provided on what we call a special assembly basis
25 before it was tariffed. But I was involved in it, but

1 it was an awful long time ago.

2 Q So the answer is yes?

3 A Yes.

4 Q I'm going to hand you a document that was
5 your Deposition Exhibit 3. This is already part of
6 the record in this case. (Hands document to witness.)

7 This is a letter from you to Mr. Walter
8 D'Haeseleer -- I'm probably mispronouncing that --
9 dated November 2nd, 1994, correct?

10 A Yes.

11 Q This is the cost justification for your
12 reverse option rate, correct?

13 A No. (Pause)

14 Q Can you turn to attachment F, which is the
15 second to last page of this exhibit. Are you there?

16 A Yes.

17 Q You see at the top it says "Imputation-res"?

18 A Yes.

19 Q Under Originating Switched Access it lists
20 A, Service and then Rates, Carrier Common Line, it
21 says 0.0258, correct?

22 A Yes.

23 Q For local transport it says 0.0153, correct?

24 A Yes.

25 Q For local switching it says 0.0098, correct?

1 A Yes.

2 Q And for line termination it says 0.0079,

3 correct?

4 A Yes.

5 Q And the total of those four originating

6 switched access components equals 0.0588, correct?

7 A Yes.

8 Q At the time this document was prepared, is

9 that the cost of your tariffed rate for originating

10 switched access components?

11 A No.

12 Q Is that the rates you used for imputation

13 studies to verify the cost basis for originating

14 access?

15 A No.

16 Q Are those the imputation costs you used to

17 verify your reverse option charge?

18 A They're not cost.

19 Q I'm sorry?

20 A They are not cost.

21 Q They are your rates?

22 A Correct.

23 Q Okay. So if I asked my earlier questions

24 and substituted "rates" for "costs," the answers would

25 be correct?

1 A I'm not sure.

2 Q Okay. Let's take -- if you -- was your
3 tariffed rate for originating switched access at this
4 time 5.88 cents per minute of use?

5 A Yes. I'm struggling with this, and I'll
6 tell you why; and Staff will understand this.

7 We had a busy hour minute of capacity
8 charge, and I don't see that reflected on this sheet,
9 and I can't for the life of me think of why it's not
10 here, but it's not here.

11 So that's the other thing that I'm
12 struggling with. It appears that that one element was
13 not included, and there may be a good reason for it,
14 but it's obviously not here.

15 Q Why would you not include that as part of
16 your imputation cost analysis?

17 A I didn't personally do this analysis, and if
18 you'll notice that the letter was actually signed by a
19 manager who worked for me at the time. I cannot
20 answer that question.

21 Q This number, though, is the justification
22 for charging 5.88 cents for the reverse toll option,
23 correct?

24 A Let me -- I can't say yes to that because of
25 the way you phrased the question.

1 Those rate elements were the ones that were
2 used to arrive at the 5.88 cents, but this
3 justification didn't have anything to do with the
4 cellular reverse toll bill option. This was related
5 to a different issue.

6 Q Was this filing not made in connection with
7 a rate reduction in your reverse option rate?

8 A Give me that -- ask that without the double
9 negative.

10 Q This filing was made in connection with a
11 rate reduction in your reverse option tariff rate,
12 correct?

13 A That's correct.

14 Q And this was an imputation cost
15 justification for the reduction in the rate, correct?

16 A This worksheet -- you're going in and you're
17 pulling out, you know, a little piece of this
18 worksheet, and that worksheet does -- that same data
19 probably ought to be somewhere else. But this
20 particular worksheet was not used for that purpose.

21 The fact that it has the same numbers on it
22 that were used to develop what was put in for the
23 cellular rate is fine, but I just don't want to be
24 confused with this fact that this page -- if you'll
25 notice on this page it says "imputation-res." That

1 means residence. So this page doesn't relate to
2 cellular, it relates to something entirely different.

3 Q So if it said "imputation business," then it
4 would relate to cellular?

5 A No, it would not. It would relate to all
6 business intraLATA toll, not cellular.

7 Q Okay. So if you turn to next page where it
8 says "imputation-biz" and the same total is included
9 of there of 5.88 cents --

10 A I'm just trying to make a distinction that
11 these two pages don't have anything to do with the
12 cellular rate, okay? They use -- there's some
13 similarities in that, but I'm -- and I don't know what
14 your point is, but if you want to use them, fine, use
15 them.

16 Q Okay. Thank you. The reverse option rate
17 back in 1994 was reduced to 5.88 cents, correct?

18 A Yes.

19 Q And it has not changed since that time,
20 correct?

21 A That's correct.

22 Q Since that time the tariffed rate for
23 originating switched access has been reduced an
24 overall of 5%, correct?

25 A We reduced the -- actually reduced the rates

1 twice; reduced them in '96 and '97, and it was 5% in
2 each one of those years under federal -- or excuse
3 me -- under state statute.

4 Q The rates were reduced an overall 5%,
5 though, in October 1, 1997?

6 A That's correct. Boy, I'll tell you what.
7 I'm sorry, and I apologize for this.

8 I don't mean to be confusing, but the 5.88
9 rate was a rate that was applicable for United
10 Telephone. And when we made our October 1 rate
11 reduction filing, we actually reduced our Centel
12 access rates, and I don't remember the exact
13 percentages, but we reduced our Centel access rates by
14 more than 5%, and we reduced our United access rates
15 by less than 5%.

16 And effectively what we did, though, was we
17 aligned the rates for the two companies since we had
18 basically merged the companies. So with regard to has
19 there been a 5% reduction off of the 5.88, not
20 exactly.

21 Q Let's look at Page 85 of your deposition for
22 a minute. I'm finding the right page here. (Pause)

23 Let's switch gears here now, and referring
24 to Page 13 of your direct testimony, on Page 13 you
25 describe some of the features of Sprint's network.

1 Are you ready?

2 A Yes.

3 Q A subscriber line carrier is part of a loop
4 functionality that makes the final connection from the
5 end office switch to an end user, right?

6 A I'm sorry. What line are you on?

7 Q I'm just asking you questions in general
8 about that area of your testimony.

9 A Yes.

10 Q The subscriber line carrier serves as a
11 concentrator between copper pairs coming from the end
12 user and connects by T-1 trunks to the end office,
13 right?

14 A That's one method, yes.

15 Q A tandem does not provide line connectivity
16 to end users, right?

17 A Correct.

18 Q Sprint's network needs an end office to
19 provide line connectivity to end users, right?

20 A Yeah.

21 Q Sprint's network cannot operate without an
22 end office, right?

23 A Correct.

24 Q Cross box also serves as concentrator
25 between the end office -- I'm sorry -- between the end

1 user and the end office, right?

2 A Correct.

3 Q A cross box ties down the pairs from the end
4 users to terminal blocks, and a smaller number of
5 pairs run to the end office, right?

6 A Correct.

7 Q The copper pair from the end user could also
8 run directly to the end office and terminate there,
9 right?

10 A Correct.

11 Q The lines from either a concentrator or
12 pairs directly running to a line -- I'm sorry. Let me
13 rephrase that.

14 The lines from either a concentrator or
15 pairs running to a line concentrating or line control
16 module -- it's getting late. I'm getting tired.

17 I'll start over again. The lines from
18 either a concentrator or pairs directly run to a line
19 concentrating or line control module at the end
20 office, right?

21 A Yes.

22 Q Sprint's network can operate without either
23 a subscriber line carrier or a cross box, right?

24 A Yes.

25 Q Neither a subscriber line carrier nor a

1 cross box are essential pieces of equipment in
2 Sprint's network, right?

3 A Correct.

4 Q You agree that there are fundamental
5 differences between a wireless and a wireline network
6 in that a wireless network has mobile customers and a
7 wireline network has fixed customers, right?

8 A Yes.

9 Q Despite these differences, you agree that a
10 mobile telephone switching office, which we refer to
11 as a cellular tandem, performs a switching function,
12 right?

13 A Would you repeat that, please?

14 Q You agree that MTSO, which we refer to as a
15 cellular tandem, performs a switching function, right?

16 A Correct.

17 Q You also agree that Wireless One's private
18 microwave network and leased lines provide a transport
19 function, right?

20 A Yes. But they do not provide a transport
21 function as defined in the FCC's rules.

22 Q You would agree that's one of the issues --
23 that's opinion of that issue, correct?

24 A Well, I believe it says in the rule that
25 it's between switches.

1 Q Well, I'm not going to argue with you. But
2 if our cellular end office is a switch for purposes of
3 reciprocal compensation, then the transport would run
4 between switches, correct?

5 A I'm sorry. I'm going to have to ask you to
6 repeat it. I don't want to make a mistake. I'm sure
7 you wouldn't want me to do that.

8 Q You agree that traffic runs over those
9 private microwave facilities, correct?

10 A Yes.

11 Q You just -- the point of disagreement is
12 whether they are transport within the meaning of
13 reciprocal compensation, correct?

14 A Correct.

15 Q The real point of disagreement between
16 Wireless One and Sprint is whether our cell sites,
17 which we call cellular end offices, perform a function
18 that is equivalent to the Sprint end office, right?

19 A That is the real disagreement. But beyond
20 that basic disagreement, there are other issues that
21 are -- that are disputed, okay? Because if it's not a
22 switch, then it's not transport, and if there aren't
23 two switches, there's not tandem switching. So you
24 can't limit it to just the cell site and say that
25 that's the only issue.

1 Q But you agree that that is the significant
2 point of disagreement?

3 A Yes, I think that is -- I think that's a
4 significant point of disagreement.

5 Q And the point of disagreement there is that
6 a cellular end office does not have a call processor,
7 and the other is that Sprint cannot deliver traffic to
8 the cellular end offices, right?

9 A Okay, that's correct, and I want to explain,
10 okay? And I --

11 Q Did you say that is correct? I'm sorry. I
12 didn't -- I missed the first part.

13 A Yeah, I said that that's correct, okay?
14 And -- when we have been told in this proceeding that
15 we should deliver traffic to a cell site, I think
16 that's been very misleading. Because effectively
17 what's being said there is, is that if you'll give us
18 this traffic at this cell site, okay, we're going to
19 take it and we're going to haul it all the way back to
20 the MTSO, and then we're going to take it from the
21 MTSO and we're going to haul it to some cell site
22 somewhere else in that network. It may not be the
23 same one to which we terminate the traffic. Okay.

24 Because you can't terminate that traffic at
25 that cell site, I can't direct trunk to that cell

1 site; and if I want to direct trunk to that cell site,
2 I'm basically going to end up backhauling facilities,
3 and I'm going to be adding extra lengths of
4 transmission facilities into the completion of that
5 call. And I think that's going to be bad service to
6 my customers.

7 You can't complete the call to cell site
8 like you can an end office. When you can't do that,
9 you can't meet the FCC's definitions under the rules.
10 And you can't just go out there and call it an end
11 office and say it does the same thing, because it
12 doesn't.

13 Q You are aware that Wireless One has many end
14 office interconnections with -- between our cell sites
15 and your end offices which are Type 2B
16 interconnections under the mobile services tariff,
17 correct?

18 A Correct.

19 Q 2B, Type 2B interconnections are two-way
20 interconnections, correct?

21 A They can be two-way interconnections.

22 Q A cellular network cannot operate without a
23 cell site, which we refer to as a cellular end office,
24 right?

25 A That's your position.

1 Q Well, is that true or not true?

2 COMMISSIONER CLARK: Mr. Adams, you make it
3 difficult for him to answer because you refer to it as
4 something. If you would just ask the question without
5 adding the aside, we may get out of here tonight.

6 MR. ADAMS: That would be nice, wouldn't it?

7 Q (By Mr. Adams) A cellular network cannot
8 operate without a cell site, right?

9 A Correct.

10 Q A cellular call cannot be delivered without
11 a cell site, right?

12 A Correct. And we can't deliver a call to a
13 residence customer without a loop.

14 Q You agree that a cross box is not the
15 functional equivalent of a cellular end office, right?

16 A When you say cellular end office, what piece
17 of equipment in the cellular network are you referring
18 to?

19 Q Referring to the collection of equipment
20 that is contained at a cell site.

21 A Okay. A cross box --

22 Q John Meyer has testified about that.

23 A A cross box is not a cell site.

24 Q Your only contention here is that a
25 subscriber line carrier is the functional equivalent

1 of a cellular end office, right?

2 A My only -- repeat the question, please.

3 Q Your contention is that a subscriber line
4 carrier is the functional equivalent of a cellular end
5 office, right?

6 A That's correct.

7 Q Now, referring back to the Type 2B
8 interconnections that we just talked about, at the
9 time you prepared your direct testimony, you were not
10 aware that Sprint did not send any traffic over the
11 end office interconnections, right?

12 A That's correct.

13 Q Is it your opinion that Sprint would send
14 traffic over the end office connections if Wireless
15 One had a NXX code rate centered at the end office,
16 right?

17 A If it were a Type 1 -- if it were a Type 1,
18 then we would have to deliver that traffic to the end
19 office.

20 Q What if it were a Type 2B?

21 A If it's a Type 2B, the actual NXX is located
22 in your MTSO, and it's more efficient for us to
23 deliver that through our tandem.

24 Q But I'm saying on a Type 2B interconnection
25 scenario, and we are assuming that the NXX code was

1 rate centered at the end office.

2 A It's rate centered at the end office for
3 billing purposes in establishing whether local or toll
4 charges apply, but the actual numbers themselves
5 reside in the cellular switch at the MTSO.

6 Q It is your opinion that Sprint would not
7 send traffic over the end office connections -- I'm
8 sorry. It is your opinion that Sprint would send
9 traffic over the end office connections if Wireless
10 One had a NXX code rate centered at the end office,
11 right?

12 A I've answered that question.

13 COMMISSIONER CLARK: What was the answer?

14 WITNESS POAG: That if it was a Type 1 that
15 we would deliver the traffic -- if it was a Type 1
16 that resided in that end office switch, we would
17 deliver the traffic there.

18 Q And if this were done, Wireless One would
19 not incur a reverse option charge, right?

20 A That's partially correct and partially
21 incorrect.

22 If it were a Type 1 interconnection at the
23 end office, then we would terminate traffic in the
24 local calling area of that particular switch, okay,
25 and there would be no reverse toll option charges for

1 that because they would basically be local calls.

2 To the extent that they were toll calls from
3 somewhere else in the network, then the end-user
4 customers, or alternatively Wireless One if they opted
5 to step into the shoes of the end-user customers,
6 would pay those toll charges.

7 Q You are not aware whether it is technically
8 feasible for all of Wireless One's NXX codes to be
9 rate centered in each of Sprint's end offices where
10 Wireless One has end office interconnections, right?

11 A I'm not sure you know what you're saying.

12 We can't -- and maybe I misunderstood you --
13 but we can't locate the NXXs in all of the end
14 offices. I mean, we have to know the location of
15 where to route that traffic. And we're not talking
16 just about traffic that originates within the local
17 area or even within the MTA or within the LATA, we're
18 talking about traffic that's coming from all over the
19 United States.

20 There's as North American Numbering Plan
21 that we have to be consistent with in routing our
22 traffic so that we get those calls to the right
23 places, and we can't go out there and just arbitrarily
24 start saying, we're going to route this number this
25 way and this number that way; at least not until we

1 get number portability.

2 Q Would it be impossible for Wireless One to
3 have all of its NXX codes rate centered at each of the
4 end offices where there are Type 2B interconnections
5 and have Sprint deliver all local traffic within that
6 end office serving area to one of Wireless One's NXXs
7 through the end office interconnection?

8 A Let me see if I understand your question. I
9 think you're saying take all of the NXXs which
10 Wireless One uses in its switch and have all of those
11 NXXs rate centered in each of the wire centers where
12 Wireless One has a 2B interconnection?

13 Q Yes, that's the predicate. And the question
14 is "Would that allow local traffic in each of those
15 local serving areas to be delivered over the end
16 office Type 2B trunks?"

17 A I don't think you can -- and I may -- I
18 don't --

19 Q We're assuming that the facts are true.

20 A Yeah. I guess what I'm driving at is, is we
21 have to -- we have to have a home location -- I'm
22 going to call it a home location -- of where an NXX
23 is. And if you've got a home -- more than one home
24 location, how do you know where to send the call? And
25 that's kind of where I'm coming from.

1 I guess what I'm driving at is I don't
2 think, if I understand the question, that you can do
3 that. I wouldn't swear to it, but I don't think you
4 can do that. I guess I am swearing to it. (Laughter)

5 But beyond that issue, the question is, is
6 if you did that, would you go into the billing system
7 and rate all of those as nontoll calls? And this goes
8 back to the discussion that we had earlier with
9 Mr. Heaton, and he agreed that routing is not a
10 billing arrangement; it's strictly, you know, how we
11 most efficiently get the traffic from one place to
12 another place.

13 The other thing is these are 2B
14 interconnections and 2B interconnections are limited
15 strictly to the wire center where the termination
16 is -- or the connection is made. It's not a
17 multiple-wire center scenario. It's a single-wire
18 center scenario. So I think there are several
19 problems with that analogy.

20 MR. ADAMS: That's all I've got. Thank you.

21 CHAIRMAN JOHNSON: Staff?

22 MR. COX: Staff has just a few questions.

23 CROSS EXAMINATION

24 BY MR. COX:

25 Q Good evening, Mr. Poag. I'm Will Cox, and

1 I'll be asking you a few questions on behalf of
2 Commission Staff.

3 Just to expedite this, do you have a copy of
4 both your direct testimony in front of you as well as
5 the rebuttal testimony of Mr. Heaton in this
6 proceeding? Those are the two documents I'd like to
7 ask you some questions regarding.

8 A Okay. I do not have those in front of me.

9 Q Okay.

10 A I'm sorry. Is it my direct or Mr. Heaton's
11 direct?

12 Q Your direct and Mr. Heaton's rebuttal.

13 A Okay. Yes, I have it.

14 Q Okay.

15 A I have my direct. I don't have Mr. Heaton's
16 rebuttal.

17 Q Okay. Commission Staff will bring you a
18 copy of Mr. Heaton's rebuttal. (Hands document to
19 witness.)

20 Mr. Poag, I'd first like to refer to your
21 direct testimony. On Page 14 of your direct
22 testimony, Page 14 of your direct, Lines 12 through
23 13, you state that Wireless One cannot direct trunk
24 from its cell sites to any of Sprint's switches to
25 terminate traffic. Is that correct?

1 A Yes.

2 Q And in this proceeding Wireless One has
3 stated that you can if your -- if you provide SS7
4 signaling to the Wireless One end office or cell site,
5 can you do this?

6 A No.

7 Q Why is that?

8 A Well, the reference that I'm making here is,
9 is that their cell site is not a switch and that you
10 cannot take traffic from that cell site and terminate
11 it to any of our switches. Okay.

12 Q The question I had was regarding the SS7
13 signaling and SS7 connectivity.

14 A SS7 would make no difference one way or the
15 other.

16 Q So if you could provide that to them, it
17 would still make no difference?

18 A If they -- yeah. SS7 has nothing to do with
19 our ability to route to their switches or their
20 ability to route to our switches. SS7 is basically a
21 packet switching network which facilitates in the
22 setup of a call and the disconnect of a call. It also
23 gives you the capability to use features.

24 All of our end offices have SS7 capability
25 as do our tandem, and we provide all of the SS7

1 features to them by going through our tandem. So we
2 don't need to go to our end offices to provide that
3 capability to them.

4 Q You do have a SS7 signaling traffic approved
5 by this Commission?

6 A Yes.

7 Q And Wireless One could subscribe to this
8 tariff; is that correct?

9 A Yes. And I want to be -- I don't want to
10 leave anything unclear. We -- there is a trunking
11 issue between us and Wireless One. In order for us to
12 use SS7 trunks from our 2B switches to their MTSO, and
13 it would not go to their cell site because that's not
14 a switch, but from our 2B end offices we would have to
15 do some trunk rearrangements, and we would have to
16 do -- we'd have to purchase some cellular software;
17 and that cellular software costs in the vicinity of in
18 a DMS 100, about \$80,000, and I don't remember this
19 number exactly, but it's in the vicinity of \$150,000
20 for a Lucent switch.

21 And we are working on another solution that
22 will help us avoid those costs, and we will,
23 hopefully, be able to resolve that in the near future,
24 but it will not make any difference with regard to
25 where those calls are terminated or the rating of

1 those calls.

2 Q Sir, do I understand your testimony to be
3 that the SS7 connectivity issue only applies at the
4 MTSO and not at the cell site? Is that what you just
5 stated?

6 A Absolutely. Absolutely.

7 Q Now I'd like to refer to the rebuttal
8 testimony filed by Mr. Heaton in this proceeding, and
9 refer you to Page 3, in the vicinity of Lines 5
10 through 16.

11 On Page 3 Mr. Heaton disagrees with the
12 statement in your direct testimony that while someone
13 has the option of extending facilities to your end
14 office so that Sprint customers can avoid toll
15 charges, he states that all land-to-mobile
16 terminations are still required to be backhauled
17 through Sprint's tandem, at Lines 15 through 16.

18 Does Sprint still route traffic through the
19 tandem even when Wireless One has a direct connection
20 to an end office? (Pause)

21 A Yeah. This is -- the problem I've got is
22 the misleading -- that there's a cell site out there
23 and there's a direct connection from the cell site.
24 And that is not what the direct connection is.

25 Effectively what Wireless One does is they

1 have, for example, either T-1 facilities or microwave
2 facilities that go from their cellular switch out to a
3 cell site.

4 Now to the extent that we have an end office
5 that is in the vicinity of that, then what they will
6 also do is, is that they will make a connection on
7 some of those transmission facilities over to our end
8 office. The fact that there's a cell site in that
9 vicinity has nothing to do with how that traffic gets
10 routed. All of that traffic is going to go from the
11 end office back to the cell site switch, ok?/?

12 Now -- and I'm not sure I remember your
13 question exactly, but I think you were suggesting that
14 we backhaul that traffic through the tandem.

15 Q Yes. I was referring to a statement by
16 Mr. Heaton.

17 A Okay. Well, it depends on your definition
18 of backhaul. It's really a matter of whether we use
19 our facilities to get that call to his MTSO or whether
20 we use his facilities to get that call to the MTSO.

21 Now, we've got fiber rings in place which
22 give us redundancy, 100% redundancy, throughout our
23 interoffice network. We also have approximately --
24 and I don't know the exact statistics on this, but we
25 have approximately one-fifth of the number of calls

1 that are going from land to mobile versus
2 approximately four-fifths going from mobile to land.

3 So to the extent he has facilities there, he
4 has a higher volume of traffic than we do, but we only
5 have a very small volume of traffic. We're already
6 got a network in place out there that handles all of
7 our other calls, and for us to pull off this small
8 amount of traffic and route it to an end office to be
9 not backhauled by our facilities, but backhauled by
10 his facilities, is just not economically efficient,
11 and it's not, in my mind, as secure a network as our
12 fiber rings.

13 Q I'd like to refer you to the last page of
14 your direct testimony.

15 A I'm sorry. The last?

16 Q Of your direct testimony filed in this
17 proceeding, Mr. Poag.

18 A Please. I didn't hear the first part.

19 Q Yes. I'd like to refer you to the last page
20 of your testimony.

21 A Thank you.

22 Q With respect to Wireless One's proposal that
23 they be compensated for both tandem and end office
24 switching rates, you state on the last page of your
25 direct that the end result is that Sprint would always

1 pay the highest compensation charges to terminate
2 traffic to Wireless One, but Wireless One would be
3 able to avoid the transport payments by directing
4 connecting at Sprint's end offices.

5 A Yes.

6 Q You also state that that alternative is not
7 available to Sprint. Is that true?

8 A Yes.

9 Q Why is that true?

10 A Well, at the time that I wrote this -- my
11 direct testimony, and if you look at Mr. Heaton's
12 direct testimony -- and I don't remember the exact
13 page in there -- but he indicated in computing the
14 \$14,000 that he would receive from Sprint, he was
15 using all three of the rate elements to develop that
16 \$14,000.

17 Now, after he read my direct testimony and
18 he realized that there was a real discrimination
19 problem with what they were proposing because we
20 didn't have the same -- they didn't have the same
21 functionality and we couldn't do the same things,
22 well, he basically changed his testimony in his
23 rebuttal testimony and said, well, if we terminate it
24 at the cell site, then they would only charge us end
25 office call termination.

1 **MR. ADAMS:** I object to that answer and move
2 to strike on the basis he has no idea what
3 Mr. Heaton -- is in his mind and what he's doing on
4 his testimony.

5 **CHAIRMAN JOHNSON:** Staff?

6 **MR. COX:** Staff believes that the witness is
7 responding to the question. We're trying to see
8 Sprint's -- whether or not Sprint agrees with the
9 statements that Mr. Heaton has made in his rebuttal.

10 **MR. ADAMS:** I don't have the objection to
11 the content to that question, but he's adding a lot of
12 other responses that are not directly responding to
13 that question. He's attributing motives to other
14 witnesses which he has no personal knowledge of.

15 **CHAIRMAN JOHNSON:** Could you read back the
16 answer, please.

17 (Thereupon, the answer appearing on Page 56,
18 Lines 8 through 23, was read back by the reporter.)

19 **CHAIRMAN JOHNSON:** I'm going to strike
20 everything after that first "after," after he read the
21 testimony. Could you read back that point -- I think
22 the sentence started with an "after".

23 **COMMISSIONER CLARK:** Madam Chairman, to
24 short-circuit it, you might let him ask the question
25 again and direct -- strike the whole answer and direct

1 him not to ascribe motives, just to answer it
2 objectively. I think that is correct.

3 MR. ADAMS: Thank you. That would be fine.

4 CHAIRMAN JOHNSON: To strike the --

5 MR. ADAMS: To strike the entire answer --
6 or question and answer and let's do it over again with
7 instructions not to comment about what Frank Heaton --

8 CHAIRMAN JOHNSON: I'll grant the motion.

9 Q (By Mr. Cox) Okay. Well, I'll have to
10 start from the beginning of that question just so we
11 can follow along clearly.

12 With respect -- again, we're referring here
13 to the last page of your direct testimony, Mr. Poag.
14 And with respect to Wireless One's proposal that they
15 be compensated for both tandem and end office
16 switching rates, you state in the last page of your
17 direct that the end result is that Sprint would always
18 pay the highest compensation charges to terminate
19 traffic to Wireless One, but Wireless One would be
20 able to avoid the transport payments by directly
21 connecting at Sprint's end offices; is that correct?

22 A Yes. And when I use the term "transport"
23 there, I was referring to tandem switching and
24 transport, which is consistent with the FCC's
25 definition in the 51.701. So I was referring to two

1 rate elements, just to be clear on that.

2 Q You also state, Mr. Poag, on that same page
3 that the alternative is not available to Sprint, and
4 you indicate that that seems inequitable; is that
5 correct?

6 A That is correct.

7 CHAIRMAN JOHNSON: Is it like -- what was
8 correct? That you stated that, or that it seemed
9 inequitable?

10 WITNESS POAG: I'm sorry, Commissioner.
11 I've been going through that --

12 CHAIRMAN JOHNSON: Could you read the --

13 WITNESS POAG: -- head cold and sinuses
14 stuff, too, and I apologize.

15 CHAIRMAN JOHNSON: That's fine. Could you
16 repeat the question?

17 MR. COX: I'll repeat both questions.

18 Q (By Mr. Cox) You also say that the
19 alternative is not available to Sprint; is that
20 correct?

21 A Yes.

22 Q And you seem to indicate that that would be
23 inequitable; is that correct?

24 A Yes.

25 Q And why do you believe it would be

1 inequitable?

2 A Well, basically because our end office
3 switches provide a functionality that their cell sites
4 do not provide. They can direct trunk to them.

5 Now, in Mr. Heaton's rebuttal testimony he
6 said that if we did direct trunk to a cell site, then
7 he would only charge us the lower call termination
8 rate, not the transport, not the tandem switching
9 rate.

10 He still can't terminate the call at that
11 switch, and if I give that traffic to him at that
12 switch, then he's going to have to backhaul that
13 traffic back to the MTSO and then take it back out to
14 a cell site.

15 And, again, I just -- you know, to the
16 extent that -- at least on the originating end, that's
17 my customer's traffic. I want to get it to the place
18 where it's going to be switched most efficiently and
19 with the least number of transmission links involved.

20 What I'm driving at is even if he gives me
21 that rate, he's causing me to have to configure my
22 network inefficiently and he's causing me to put
23 additional -- additional links into the transmission
24 of that call.

25 See, his assumption is that that call, I

1 presume, goes, you know, from that switch to his cell
2 site. But if he's in that local calling area, it's
3 entirely possible that that call would originate at a
4 different switch, go to our tandem office, have to go
5 back out to the switch near his cell site and then be
6 handed off to him at his cell site. So that's
7 additional legs that just aren't required; inefficient
8 and inappropriate and not the best service of our
9 customers.

10 Q Now, Mr. Poag, would you agree that this
11 situation you describe as being inequitable, would you
12 agree that in the current situation that a similar
13 inequity exists for Wireless One at the present time
14 where Wireless One faces a situation where they must
15 always pay the higher rates without an alternative?

16 A No, sir, I don't agree with that.

17 Q And why would you disagree with that?

18 A Because they can trunk directly to my end
19 offices and pay the lower rate.

20 Q Does Wireless One currently do that and pay
21 the lower rate?

22 A Yes, sir, they do it in many cases today.

23 Q Mr. Poag, I'd like to refer you to Page 13
24 of Mr. Heaton's rebuttal, Lines 19 through 22 on
25 Page 13 of his rebuttal.

1 Lines 19 through 22, he says, "When Sprint
2 terminates traffic to Wireless One's tandem, we will
3 charge symmetrical tandem switching transport and
4 office termination rates. When Sprint terminates
5 traffic to the end office interconnections, we will
6 charge symmetrical end office termination rates."

7 Now, would this be acceptable to Sprint?

8 A No, sir.

9 Q Why would it not be acceptable?

10 A It goes back to the statement that I just
11 made earlier, and let's look at this very carefully.
12 It says when Sprint terminates traffic to the end
13 office interconnections, okay, we will charge
14 symmetrical end office termination rates.

15 That call doesn't terminate right there at
16 the end office. That call has to be hauled back to
17 the MTSO, and then it gets hauled from the MTSO to a
18 cell site and then from the cell site over the
19 wireless piece of the loop to the end user customer.

20 Again, to get that call to that end office
21 interconnection point may require me to use additional
22 transport facilities to get it there, and it just
23 doesn't make sense for me to send traffic to an end
24 office, to have him route it to the MTSO when I could
25 have routed it directly to the MTSO and avoided two

1 additional transmission links.

2 It's also totally illogical from a pricing
3 perspective. Basically what he says is if you
4 terminate it to me at the MTSO, I'll take it from the
5 MTSO to a cell site and I'll charge you three rate
6 elements. But if you terminate it to me at a cell
7 site, I'll take it to the MTSO, from the MTSO to the
8 cell site, and I'll only charge you for an end office
9 termination. It's not even logical.

10 Q All right. Mr. Poag, I'd like to turn your
11 attention to Issue 2 in the RTBO issue in this
12 proceeding, and I just have a couple of more
13 questions, and that will be all for Staff's questions.

14 In Sprint's negotiated agreements with CMRS
15 providers, you stated earlier you were familiar with
16 some of those agreements?

17 A I'm sorry, Mr. Cox; it's gotten late and --

18 Q Earlier in the proceeding you stated that
19 you were familiar with Sprint's negotiated agreements
20 with CMRS providers; is that correct?

21 A Yes.

22 Q In Sprint's negotiated agreements with CMRS
23 providers, if the parties agree to the RTBO, is
24 language to that effect put in the agreements?

25 MR. REHWINKEL: I just want to ask for

1 clarification what you mean by "parties agree to the
2 RTBO"? Do you mean agree that it's part of the
3 agreement, or agree that it will be paid?

4 WITNESS POAG: Agree that it will be paid.

5 Q (By Mr. Cox) So if it is agreed it will be
6 paid, just for clarification -- thank you,
7 Mr. Rehwinkel -- is long toll effect put into the
8 agreements themselves?

9 A Okay. RTBO is not a part of an
10 interconnection agreement. This is our philosophy,
11 and I have spoken directly with Bob James at BellSouth
12 regarding the Vanguard agreement, and the RTBO is not
13 included in that agreement; and the RTBO charges are
14 separate, and they are in BellSouth's tariffs. So
15 when they were talking about the use of the additive
16 for that earlier, that is an incorrect interpretation
17 of that agreement.

18 MR. ADAMS: I'm going to move to strike that
19 answer on the basis of pure hearsay. He's conveying a
20 conversation he had with somebody else to prove the
21 truth of a matter asserted. That's blatant hearsay.
22 We have no opportunity to cross examine the individual
23 from BellSouth that he's referring to. So I move to
24 strike that response.

25 CHAIRMAN JOHNSON: Staff?

1 MR. COX: Chairman Johnson, I didn't believe
2 the answer was responsive to my question. My
3 question --

4 CHAIRMAN JOHNSON: You don't believe --

5 MR. COX: I don't believe the answer was
6 responsive to my question. I don't know about the
7 ground that Mr. Adams stated, but --

8 CHAIRMAN JOHNSON: Let's strike the response
9 and try it again.

10 MR. COX: Sure.

11 Q (By Mr. Cox) My question was regarding
12 Sprint in its negotiated agreements, not regarding
13 BellSouth, Mr. Poag. And I'm referring to Sprint's
14 negotiated agreements with CMRS providers that you
15 have personal knowledge of.

16 Is the language regarding the RTBO, when
17 that's agreed to be paid, is that language put in the
18 agreements?

19 A No, it is not. That's not part of an
20 arbitration agreement.

21 Q And that's the reason why it would not be
22 put in there is because it's not part of an
23 arbitration agreement?

24 A Yeah. It is not part of the local
25 interconnection reciprocal compensation agreement.

1 Q When someone does request the RTBO tariff,
2 is that word out of a tariff or is that part of a
3 separate contract? How does that generally work?

4 A It's right out of the tariff.

5 Q Sprint's taken the position that the
6 inclusion of the RTBO interconnection agreements would
7 in effect alter the state-approved tariffs, and which
8 would be inappropriate in arbitration disputes. Is
9 this correct?

10 A Absolutely.

11 Q Doesn't the inclusion of transport and
12 termination rates and agreement have the same effect,
13 since those rates are different from the mobile
14 interconnection rates in your tariff?

15 A As I explained earlier, the transport and
16 termination is from the point of interconnection
17 between the two carriers down to the end users' --
18 termination down to the end users' premises, and that
19 is all on the terminating side of the call.

20 It has nothing to do with the originating
21 side of the call. There are no rules, there are no
22 rate elements associated with the originating side of
23 the call. That is probably as big a line as you can
24 draw. I mean, it's clear in the FCC's rules what
25 transport and termination is applicable to.

1 Q Mr. Poag, one last question. Aren't the
2 mobile interconnection rates in your tariff
3 termination rates?

4 A Some of them are.

5 Q Which ones would be?

6 A The peak and the off-peak rates. The
7 reverse toll bill option is not a terminating rate.
8 That's for the originating end of the call. That's --
9 if you recall, that's why they were attempting to use
10 the originating access as a surrogate for that,
11 because it's on the originating side.

12 MR. COX: That's all of Staff's questions.
13 Thank you, Mr. Poag.

14 MR. REHWINKEL: I just have one question.

15 REDIRECT EXAMINATION

16 BY MR. REHWINKEL:

17 Q Earlier in Mr. Cox's cross examination, in
18 answering a call you generally discussed -- in
19 answering a question, you generally discussed a call
20 being backhauled by Wireless One to a cell site
21 switch. Is that what you intended to say?

22 A Absolutely not. If I said cell site switch,
23 I guess I've been listening to Mr. Adams too much.

24 MR. REHWINKEL: That's all I have.

25 CHAIRMAN JOHNSON: Do you have any exhibits?

1 MR. REHWINKEL: No, ma'am.

2 CHAIRMAN JOHNSON: Mr. Poag, you are
3 excused. Are there any other matters to come before
4 the Commission tonight?

5 MR. COX: Staff has no further matters.

6 CHAIRMAN JOHNSON: None from the parties?

7 MR. ADAMS: We've got five more witnesses.
8 We're going to be here until midnight. (Laughter)

9 MR. REHWINKEL: I just wanted to make sure.
10 Are the briefs due on December 8th?

11 CHAIRMAN JOHNSON: Do you have the schedule?

12 MR. REHWINKEL: 11th? Okay.

13 CHAIRMAN JOHNSON: And if you don't, that's
14 fine. You can go over it with them. Oh, you do have
15 it?

16 MR. COX: Sorry. The brief date is
17 December 9th.

18 CHAIRMAN JOHNSON: Okay. December 9th.

19 MR. COX: Are there any other dates that you
20 need to know?

21 Oh. Chairman Johnson there was one exhibit
22 that was marked at the beginning of Mr. Poag's
23 testimony but was never inserted into the record. It
24 was objected to.

25 CHAIRMAN JOHNSON: And I sustained the

1 objection.

2 **MR. COX:** Okay. Just for clarification. We
3 wanted to make sure.

4 **MR. ADAMS:** Would the panel entertain reply
5 briefs in this case under some short time frame to
6 respond to the initial briefs?

7 **CHAIRMAN JOHNSON:** Staff? What's our
8 schedule? The initial briefs are due to the 9th, and
9 don't we vote on --

10 **MR. COX:** And we have a Staff rec on the
11 23rd. I don't see how we have time for reply briefs.

12 **CHAIRMAN JOHNSON:** Yeah. We're on a real
13 tight time frame. I don't think we'll have the
14 opportunity in this particular case, okay.

15 **MR. ADAMS:** Okay.

16 **CHAIRMAN JOHNSON:** Seeing no further
17 matters, this hearing is adjourned. Good night.

18 (Thereupon, the hearing concluded at
19 9:16 p.m.)

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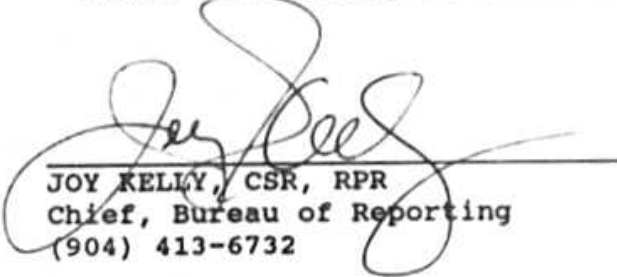
1 STATE OF FLORIDA)
: CERTIFICATE OF REPORTERS
2 COUNTY OF LEON)

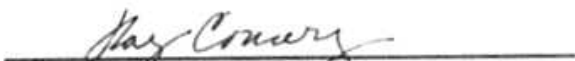
3 We, JOY KELLY, CSR, RPR, Chief, Bureau of
4 Reporting, Official Commission Reporter, and Ray
5 Convery, Court Reporter

6 DO HEREBY CERTIFY that the Hearing in Docket
7 No. 971194-TP was heard by the Florida Public Service
8 Commission at the time and place herein stated; it is
9 further

10 CERTIFIED that we stenographically reported
11 the said proceedings; that the same has been
12 transcribed under our direct supervision; and that
13 this transcript, consisting of 455 pages, Volumes 1
14 through 3, constitutes a true transcription of our
15 notes of said proceedings and the insertion of the
16 prescribed prefiled testimony of the witnesses.

17 DATED this 1st Day of December, 1997.

18 
19 JOY KELLY, CSR, RPR
20 Chief, Bureau of Reporting
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22 
23 RAY CONVERY, Court Reporter
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25 (850) 224-0722