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RECORDS AND
REPORTING

June 19, 2000

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

Re: Docket No. 000636-TP (Sprint Complaint)

Dear Ms. Bayó:

Enclosed is an original and fifteen copies of BellSouth Telecommunications, Inc.'s Answer to Complaint of Sprint Communications Company, Limited Partnership, which we ask that you file in the captioned docket.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served to the parties shown on the attached Certificate of Service.

Sincerely,

Michael P. Goggin

Michael P. Goggin

(2)

cc: All Parties of Record
Marshall M. Criser III
R. Douglas Lackey
Nancy B. White

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**CERTIFICATE OF SERVICE
Docket No. 000636-TP**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via

(*) Facsimile and U.S. Mail this 19th day of June, 2000 to the following:

Timothy Vaccaro
Staff Counsel
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Susan S. Masterton, Esq. (*)
Charles J. Rehwinkel, Esq.
Sprint
P.O. Box 2214
Tallahassee, FL 32316-2214
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Fax. No. (850) 878-0777


Michael P. Goggin (2)

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

| | | |
|---|---|----------------------|
| Complaint of Sprint Communications Company |) | Docket No. 000636-TP |
| Limited Partnership against BellSouth |) | |
| Telecommunications, Inc. for [an alleged] failure |) | |
| To Comply with Its Interconnection Agreement |) | |
| <hr/> | | Filed: June 19, 2000 |

ANSWER OF BELL SOUTH TELECOMMUNICATIONS, INC. TO COMPLAINT OF SPRINT COMMUNICATIONS COMPANY LIMITED PARTNERSHIP

BellSouth Telecommunications, Inc. ("BellSouth") hereby answers the Complaint of Sprint Communications Company Limited Partnership ("Sprint"), and says:

GENERAL RESPONSE

In its Complaint, Sprint seeks a ruling that dial-up access to the Internet through an Internet Service Provider ("ISP") should qualify for reciprocal compensation under the terms of the BellSouth/Sprint Interconnection Agreement when an ISP customer who is also a BellSouth end-user accesses the Internet through an ISP served by Sprint. There is no legal, factual or policy basis for such a ruling because, as the Federal Communications Commission ("FCC") has confirmed, such traffic does not terminate on Sprint's network.¹ Indeed, the FCC has found: (i) that such traffic is access traffic, not local exchange traffic; (ii) that it is largely interstate not local; and (iii) that the reciprocal compensation requirement in Section 251(b)(5) of the Telecommunications Act does not require the payment of reciprocal compensation for such traffic. In addition, BellSouth has never indicated any intent to include such

¹ Declaratory Ruling in CC Docket No. 96-98 and Notice of Proposed Rulemaking in CC Docket No. 99-68, *In the Matter of Implementation of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, CC Docket No. 99-68; *Inter-Carrier Compensation for ISP-Bound Traffic*, CC Docket No. 99-68, (Rel. February 26, 1999) ("*FCC's Declaratory Ruling*").

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nonlocal access traffic in the definition of “local traffic” for purposes of its interconnection agreement with Sprint. As a result, it is clear that dial-up access to the Internet through an ISP is not subject to the reciprocal compensation requirements of the BellSouth/Sprint Interconnection Agreement. Accordingly, Sprint is not entitled to the relief it seeks in this proceeding, and the Florida Public Service Commission (“Commission”) should dismiss the Complaint.

AFFIRMATIVE DEFENSES

1. Sprint fails, in its Complaint, to state a claim for which relief can be granted.
2. Sprint's claims are barred under the applicable statute of limitations.
3. Sprint's claims are barred under the doctrine of laches.
4. Sprint's claims are barred under the filed tariff doctrine.

RESPONSE TO SPECIFIC ALLEGATIONS

BellSouth responds to the numbered paragraphs in Sprint's Complaint as follows:

1. To the extent a response is required, BellSouth admits the allegations in Paragraph 1 of the Complaint.
2. To the extent a response is required, BellSouth admits the allegations in Paragraph 2 of the Complaint.

3. BellSouth admits that it is the respondent to this Complaint and that its principal place of business in Florida is the address set forth in Paragraph 3 of the Complaint. However, future correspondence and pleadings regarding this matter should be directed to the undersigned counsel of record c/o Nancy Sims, BellSouth Telecommunications, Inc., 150 South Monroe St., Suite 400, Tallahassee, FL, 32301.

4. BellSouth admits that is authorized to provide telecommunications services in Florida, including exchange access service and local exchange service. BellSouth is without sufficient knowledge to admit or deny, and therefore denies, the remaining allegations in Paragraph 4 of the Complaint.

5. BellSouth admits the allegations in Paragraph 5 of the Complaint.

6. BellSouth denies the allegations in Paragraph 6 of the Complaint.

7. BellSouth admits that the Commission has jurisdiction to hear this Complaint. The provisions of the Telecommunications Act, Florida Statutes, the Florida Administrative Code and the BellSouth/Sprint interconnection agreement cited in Paragraph 7 of the Complaint speak for themselves. BellSouth denies any remaining allegations in Paragraph 7 of the Complaint.

8. BellSouth admits that an ISP collects internet access traffic from its customers through exchange access service provided by one or more local exchange carriers, and that it typically is charged for the access service it receives by the local exchange carrier to whom it is connected. BellSouth admits that an ISP's customer is typically instructed by its ISP to dial a seven or ten digit telephone number in order to receive such internet access. To the extent that Sprint alleges that a customer of an ISP receives internet access from its ISP by means of a local telephone call that is

terminated at the ISP, that allegation is denied. BellSouth is without knowledge to admit or deny, and therefore denies, the remaining allegations in Paragraph 8 of the Complaint.

9. BellSouth admits that it provides telecommunications services, including local exchange service, in Florida, and that it has, at all material times, provided such services in competition with Sprint and other providers of such services in Florida. BellSouth admits that it is an "incumbent local exchange carrier" or "ILEC" for purposes of the Telecommunications Act, the provisions of which speak for themselves. BellSouth denies the remaining allegations in Paragraph 9 of the Complaint.

10. BellSouth is without knowledge to admit or deny, and therefore denies, that it entered into a stipulation with Sprint dated April 29, 1996. BellSouth admits that it entered into a stipulation dated November 14, 1996 (a copy of which is attached to the Complaint as Exhibit 2) and an interconnection agreement with Sprint on July 1, 1997. The terms of each of these stipulations and/or agreements speak for themselves. BellSouth denies that it ever agreed with Sprint that ISP-bound traffic, which is non-local access traffic, should be considered local traffic subject to reciprocal compensation. The remaining allegations in each Paragraph 10 in the Complaint are denied.

11. BellSouth admits that it has terminated Sprint's local traffic in accordance with agreements between BellSouth and Sprint, including the interconnection agreement at issue. BellSouth admits that it began to bill Sprint on July 10, 1997, in accordance with its interconnection agreement, for local traffic originated by Sprint which was terminated by BellSouth and that it did not have the ability to bill Sprint for

the termination of such local traffic prior to that time. BellSouth is without knowledge to admit or deny, and therefore denies, the remaining allegations in Paragraph 11 of the Complaint.

12. BellSouth admits that it began to bill Sprint on July 10, 1997 for terminating local traffic originated on Sprint's network, in accordance with its interconnection agreement with Sprint. BellSouth admits that on or about April 5, 1999, it received an invoice from Sprint dated March 1, 1999, that on or about May 12, 1999, it received an invoice from Sprint dated April 29, 1999, that it has invoices on a more or less monthly basis from Sprint since that time, and that all such invoices demand payment for local interconnection usage. BellSouth denies that the invoices are limited to charges for the termination of "local traffic" as that term is defined in the interconnection agreement between Sprint and BellSouth and that they are in all other respects accurate. BellSouth is without knowledge to admit or deny, and therefore denies, the remaining allegations in Paragraph 12 of the Complaint.

13. BellSouth admits that it sent to Sprint the correspondence and statements to which Sprint refers in Paragraph 13 of the Complaint (copies of which are attached to the Complaint as Exhibits 3 and 4), that such correspondence and statements speak for themselves, that BellSouth has responded to each invoice received from Sprint regarding charges for the transport and termination of local traffic and that BellSouth has paid Sprint for such charges as Sprint was permitted to impose under the terms of the interconnection agreement. Any remaining allegations in Paragraph 13 of the Complaint are denied.

14. BellSouth admits that it has not knowingly paid Sprint reciprocal compensation for ISP-bound traffic, which is not local traffic. BellSouth admits that it has devised means to identify ISP-bound traffic separately from interstate and intrastate toll traffic, and separately from local traffic. BellSouth denies that the document attached to Sprint's Complaint as Exhibit 5 "states the reciprocal compensation owed to Sprint through March 2000." BellSouth is without knowledge to admit or deny, and therefore denies, that Sprint has never concurred with BellSouth's refusal to voluntarily pay reciprocal compensation with respect to traffic that is not local traffic, or with BellSouth's reasons for its refusal to pay Sprint reciprocal compensation for non-local traffic. To the extent that there are any further allegations in Paragraph 14 of the Complaint, they are denied.

15. BellSouth admits that it has refused to pay Sprint reciprocal compensation with respect to traffic that is not local traffic, including ISP-bound traffic. The interconnection agreement and the provision of the Telecommunications Act to which Sprint refers in Paragraph 15 of the Complaint speak for themselves. BellSouth denies the remaining allegations in Paragraph 15 of the Complaint.

16. BellSouth denies that it has knowingly refused to pay reciprocal compensation to Sprint for delivering local traffic to any Sprint customer, including ISP customers. The remainder of Paragraph 16 of the Complaint appears to consist of legal conclusions to which no response is required. Any remaining allegations in Paragraph 16 are denied.

17. The provisions of the interconnection Agreement to which Sprint refers in Paragraph 17 of the Complaint speak for themselves. Any remaining allegations in Paragraph 17 of the Complaint are denied.

18. The provisions of the interconnection agreement to which Sprint refers in Paragraph 18 of the Complaint speak for themselves. BellSouth admits that it has not identified any ISP-bound traffic as intrastate toll traffic. The remainder of Paragraph 18 are legal conclusions to which no response is required. To the extent that there are any factual allegations remaining in Paragraph 18 of the Complaint, they are denied.

19. Paragraph 19 of the Complaint appears to consist solely of a legal conclusion to which no response is required. To the extent that Sprint intends to refer to the decisions of the Commission, those decisions speak for themselves. To the extent that any factual allegations are made in Paragraph 19 of the Complaint, they are denied.

20. The Commission order and the provisions of the interconnection agreement to which Sprint refers in Paragraph 20 of the Complaint speak for themselves. To the extent that any factual allegations are included in Paragraph 20, they are denied.

21. The Commission orders to which Sprint refers in Paragraph 21 of the Complaint speak for themselves.

22. The Commission order and the provisions of the interconnection agreement to which Sprint refers in Paragraph 22 of the Complaint speak for themselves.

23. The Commission order to which Sprint refers in Paragraph 23 of the Complaint, and the FCC order to which Sprint refers in the other Paragraph 23 of the Complaint, speak for themselves.

24. The Commission and FCC orders to which Sprint refers in Paragraph 24 of the Complaint speak for themselves. The remainder of Paragraph 24 appears to consist of legal conclusions to which no response is required. To the extent that Paragraph 24 includes any factual allegations, they are denied.

25. The court and FCC decisions to which Sprint refers in Paragraph 25 of the Complaint speak for themselves.

26. BellSouth admits that a carrier who provides access service by collecting ISP-bound traffic for its own ISP customer (or the ISP customer of another carrier) incurs costs in doing so. BellSouth denies that the costs incurred in providing access service by collecting ISP-bound traffic for an ISP customer (or another carrier's ISP customer) are necessarily the same as the costs incurred in terminating local exchange traffic for another carrier. BellSouth denies that it "controls" most of the traffic in the areas in which it offers service. BellSouth denies that its refusal to agree to pay reciprocal compensation for traffic that is not local traffic forces Sprint to provide service to its ISP customers without compensation. BellSouth is without knowledge to admit or deny, and therefore denies, that Sprint is not compensated for providing the access services its ISP customers use. All remaining factual allegations in Paragraph 26 are denied. The remainder of Paragraph 26 consists of legal conclusions to which no response is required.


27. BellSouth admits that it offers internet access service known as BellSouth.net. BellSouth denies any remaining factual allegations in Paragraph 27. The remainder of Paragraph 27 consists of legal conclusions to which no response is required.

To the extent a response is required, BellSouth denies that Sprint is entitled to any of the relief that it seeks in the *ad damnum* clause, or elsewhere, in the Complaint. Any allegation not specifically admitted herein is denied.

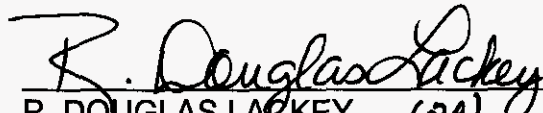
WHEREFORE, BellSouth respectfully requests that the Commission deny the relief sought by Sprint, enter judgment in favor of BellSouth, dismiss the Complaint, and grant any other relief deemed appropriate by the Commission.

Respectfully submitted this 19th day of June 2000.

BELLSOUTH TELECOMMUNICATIONS, INC.



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