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VIA HAND DELIVERY

October 9, 2000

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

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RECORDS AND
REPORTING

Re: Docket No. 000636-TP Rebuttal Testimony of Melissa L. Closz

Dear Ms. Bayó:

Enclosed for filing is the original and fifteen (15) copies of the Rebuttal Testimony of Melissa L. Closz.

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

Thank you for your assistance in this matter.

Sincerely,

Susan S. Masterton

Susan S. Masterton

Enclosure

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FPSC-RECORDS/REPORTING

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **DOCKET NO. 000636-TP**

3 **REBUTTAL TESTIMONY OF MELISSA L. CLOSZ**

4 **SPRINT COMMUNICATIONS COMPANY LIMITED PARTNERSHIP**

5 **October 9, 2000**

6
7 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

8
9 A. My name is Melissa L. Cloz. My business address is 7650 Courtney Campbell
10 Causeway, Suite 1100, Tampa, Florida.

11
12 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

13
14 A. I am employed by Sprint as Director- Local Market Development.

15
16 **Q. ARE YOU THE SAME MELISSA L. CLOSZ THAT PREVIOUSLY FILED**
17 **DIRECT TESTIMONY IN THIS DOCKET?**

18
19 A. Yes, I am.

20
21 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

22
23 A. The purpose of my testimony is to provide rebuttal to the testimony of BellSouth
24 witnesses Jerry D. Hendrix and David P. Scollard in Docket No. 000636-TP.

1 Rebuttal to the Testimony of Jerry D. Hendrix

2

3 **Q. On page 8, lines 22-23 of his testimony, Mr. Hendrix states, "It has always**
4 **been BellSouth's view that ISP traffic is interstate in nature and should be**
5 **subject to the payment of access charges." Did BellSouth communicate this**
6 **to Sprint during the course of its contract negotiations with Sprint?**

7

8 **A. No.**

9

10 **Q. On page 9, lines 7-17, Mr. Hendrix states that BellSouth advised Sprint of its**
11 **view that ISP traffic is not subject to reciprocal compensation prior to the**
12 **interconnection agreement between BellSouth and Sprint taking effect. Does**
13 **Sprint agree?**

14

15 **A. No. Sprint's Interconnection Agreement with BellSouth was effective July 1,**
16 **1997. Mr. Hendrix admits in his testimony, page 9, lines 11-15, that the**
17 **BellSouth website notification that supposedly supports his claim was posted,**
18 **according to BellSouth, on August 8, 1997. This is over a month AFTER the**
19 **Interconnection Agreement took effect. Clearly, BellSouth did not advise Sprint**
20 **of its views regarding reciprocal compensation prior to the agreement taking**
21 **effect. Moreover, as stated in my Direct Testimony, page 8, lines 21-25, if**
22 **BellSouth had intended to enter into a different compensation arrangement for**

1 ISP-related calls, such an arrangement should have been negotiated with Sprint
2 and memorialized in the interconnection agreement.

3

4 **Q. Does the Interconnection Agreement between BellSouth and Sprint contain**
5 **any provision allowing BellSouth to modify the Agreement by unilateral**
6 **postings to a website?**

7

8 A. No.

9

10 **Q. Does a website notification in any way alter BellSouth's obligations under the**
11 **Interconnection Agreement between BellSouth and Sprint?**

12

13 A. No, it does not.

14

15 **Q. On page 7, lines 8-13, Mr. Hendrix references the Local Traffic definition**
16 **that is included in the Interconnection Agreement. How does this definition**
17 **affect BellSouth's obligation to provide reciprocal compensation to Sprint for**
18 **ISP-related traffic?**

19

20 A. The Local Traffic definition describes the calls for which reciprocal compensation
21 is due. As referenced by Mr. Hendrix, the definition clearly states, "Local Traffic
22 means any telephone call that originates and terminates in the same LATA and is
23 billed by the originating Party as a local call...". As stated in my Direct

1 Testimony, page 5, lines 18-22, when a BellSouth end user originates a call to an
2 ISP that is a Sprint local service customer, BellSouth bills these calls as local
3 calls. Accordingly, these calls clearly fit within the Local Traffic definition in the
4 interconnection agreement.

5
6 **Q. On page 8, lines 22-23 of his testimony, Mr. Hendrix states, "It has always**
7 **been BellSouth's view that ISP traffic is interstate in nature and should be**
8 **subject to the payment of access charges." During interconnection contract**
9 **negotiations with Sprint, did BellSouth propose that the parties pay access**
10 **charges for ISP traffic?**

11
12 **A. No, they did not. As stated in my direct testimony, BellSouth never discussed its**
13 **intent or desire that ISP traffic be treated differently from local traffic during**
14 **interconnection contract negotiations. If BellSouth had intended that ISP traffic**
15 **be subject to access charges, as BellSouth contends was the case, BellSouth**
16 **should have presented this proposal for discussion between the parties during**
17 **contract negotiations.**

18
19 **Q. On page 10, lines 3-5 of his testimony, Mr. Hendrix states, "...the Agreement**
20 **requires the termination of traffic on either BellSouth's or Sprint's network**
21 **for reciprocal compensation to apply." Does Sprint agree?**

1 A. No. It is not clear what term of the Agreement Mr. Hendrix is relying on for this
2 statement. The terms of the interconnection agreement between Sprint and
3 BellSouth do not support Mr. Hendrix's views.

4
5 Attachment 6, Section 5.1 of the parties' Agreement does state, as reflected on
6 page 7, lines 16-18 of Mr. Hedrix's testimony, "The Parties shall bill each other
7 reciprocal compensation in accordance with the standards set forth in this
8 Agreement for Local Traffic terminated to the other Party's customer."

9 As this clause states, the Local Traffic definition governs the application of
10 reciprocal compensation. Moreover, when a BellSouth end user places a call to
11 an ISP that is Sprint's local service customer, the call is clearly "...terminated to
12 the other Party's customer." As the Commission has consistently ruled, such ISP
13 traffic clearly complies with the requirements for billing reciprocal compensation
14 referenced in the section above.

15
16 **Q. On page 10, lines 8-12, Mr. Hendrix states, "...the definition of local traffic**
17 **requires the origination and termination of telephone calls to be in the same**
18 **exchange and EAS exchanges as defined and specified in Section A.3. of**
19 **BellSouth's General Subscriber Service Tariff ("GSST"). Local traffic as**
20 **defined in Section A.3. in no way includes ISP traffic." What is Sprint's**
21 **perspective on Mr. Hendrix's statement?**

22
23

1 A. The definition of local traffic in the Parties' interconnection agreement, although
2 substantially similar to the definition Mr. Hendrix recites in this portion of his
3 testimony, does not include the references to BellSouth's GSST that Mr. Hendrix
4 refers to. In any event, the Commission has previously determined that several
5 agreements defining local traffic using identical language to the language cited by
6 Mr. Hendrix on page 10, lines 8-12, include Internet traffic in the definition of
7 local traffic for the purposes of reciprocal compensation (see, for example, Order
8 No. PSC-98-1216-FOF-TP, interpreting identical language in the MCImetro
9 Agreement and the Intermedia Agreement, Order No. PSC-99-0658-FOF-TP
10 interpreting identical language in the e.spire agreement, and Order No. PSC-00-
11 0802-FOF-TP, interpreting identical language in the Global Naps agreement). In
12 addition, the Commission has previously determined that the Teleport
13 Communications Group Agreement, which contains a definition of local traffic
14 identical to the definition contained in the Sprint agreement, includes Internet
15 traffic for the purposes of reciprocal compensation (Order No. PSC-98-1216-
16 FOF-TP).

17

18 **Q. On page 17, lines 4-8 of Mr. Hendrix's Direct Testimony, he states, "...it was**
19 **not BellSouth's intent, nor was it discussed during negotiations, that ISP**
20 **traffic would be subject to reciprocal compensation." Does Sprint agree?**

21

22 A. While Sprint can not speak to BellSouth's intent during contract negotiations,
23 Sprint agrees that BellSouth never discussed with Sprint during the contract

1 negotiations the BellSouth notion that ISP traffic would not be subject to
2 reciprocal compensation. As stated in my direct testimony, page 7, lines 1-7, ISP
3 traffic clearly fits the definition of Local Traffic specified in the Interconnection
4 Agreement. Accordingly, Sprint had no reason to believe that ISP – bound traffic
5 would be excluded from the definition of Local Traffic documented in the Parties'
6 Agreement. Once again, Sprint had no reason whatsoever to believe that
7 BellSouth intended to treat ISP traffic differently. In any event, the Florida
8 Commission has consistently interpreted contract language substantially identical
9 to that contained in the Agreement to require that ISP-bound traffic is
10 compensated between the ALEC and ILEC as local.

11
12 **Q. Does Sprint expect to pay BellSouth reciprocal compensation for ISP calls**
13 **originated by Sprint end users that terminate to ISPs that are BellSouth local**
14 **exchange customers?**

15
16 **A. Yes. Sprint fully expects to pay reciprocal compensation for these calls upon**
17 **receipt of an invoice for such calls from BellSouth.**

18
19 **Rebuttal to the Testimony of David P. Scollard**

20
21 **Q. Mr. Scollard's testimony centers on BellSouth's purported policy to refrain**
22 **from billing reciprocal compensation for ALEC end user-originated ISP calls**
23 **terminated to BellSouth. Does this testimony have any relevance to the**

1 **Commission's consideration of BellSouth's obligation to pay Sprint**
2 **reciprocal compensation for ISP calls?**

3

4 A. No, it does not. BellSouth's policy decisions and billing practices have no
5 bearing whatsoever on the Commission's consideration of BellSouth's obligations
6 under the interconnection agreement between BellSouth and Sprint.

7

8 **Q. Does this conclude your rebuttal testimony?**

9 A. Yes, it does.

CERTIFICATE OF SERVICE


Docket No. 000636-TP

I HEREBY CERTIFY that a true copy of the foregoing has been furnished by e-mail transmission, U. S. Mail, or hand delivery (*) this 9th day of October, 2000, to the following:

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