

**BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION**

In Re: Petition by Sprint Communications )  
Company Limited Partnership for )  
Arbitration with Verizon Florida Inc. )  
Pursuant to Section 251/252 of the )  
Telecommunications Act of 1996. )

**DOCKET NO. 010795-TP**

**REBUTTAL TESTIMONY OF  
WILLIAM MUNSELL  
ON BEHALF OF  
VERIZON FLORIDA INC.**

**SUBJECT: ISSUE NOS. 1 AND 2**

**NOVEMBER 20, 2001**

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**REBUTTAL TESTIMONY OF WILLIAM MUNSELL**

**Q. PLEASE STATE YOUR NAME FOR THE RECORD.**

A. William Munsell.

**Q. WHAT IS YOUR BUSINESS ADDRESS?**

A. My business address is 600 Hidden Ridge, Irving, Texas 75038.

**Q. ARE YOU THE SAME WILLIAM MUNSELL WHO FILED DIRECT TESTIMONY IN THIS DOCKET?**

A. Yes.

**Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

A. My testimony responds to the testimony of Michael R. Hunsucker concerning Issue No. 1, local traffic definition, as it relates to Sprint's voice activated dialing calls, and Issue No. 2, multi-jurisdictional trunks.

**ISSUE NO. 1 Local Traffic Definition (Appendix A to Articles I and II, Glossary)**

**Q. AT PAGES 3-4 OF HIS DIRECT TESTIMONY, SPRINT WITNESS HUNSUCKER APPLIES AN END TO END ANALYSIS AND CONCLUDES THAT 00- CALLS ARE LOCAL. DOES VERIZON AGREE WITH MR. HUNSUCKER'S ANALYSIS AND CONCLUSION?**

A. No. As an initial matter, the decisive inquiry is not whether the calls

1 are "local," but whether they are subject to reciprocal compensation.  
2 In determining whether the calls at issue are subject to reciprocal  
3 compensation, it is important to look at the originating and terminating  
4 geographic points, the originating and terminating carriers, as well as  
5 the routing of the call. In an attempt to skew the analysis, Sprint  
6 alleges that 00- calls are "local" and therefore subject to reciprocal  
7 compensation *solely* because they originate and terminate in the same  
8 local calling area. That is, Sprint concludes that 00- calls are "local" by  
9 engaging only in an "end to end" analysis and ignoring the  
10 characteristics and routing of 00- calls and applicable law. As  
11 explained in my direct testimony at pages 12-16, and more fully below,  
12 00- calls are not subject to reciprocal compensation under the  
13 applicable FCC rules and access tariff. Unlike calls that are subject to  
14 reciprocal compensation, the 00- traffic at issue does not originate and  
15 terminate on different LECs' networks. Moreover, the characteristics  
16 and routing of 00- calls are identical to that of long distance calls. The  
17 dialing pattern with which they are initiated and the subsequent routing  
18 of the calls -- over access facilities to Sprint's operator service platform  
19 -- make them subject to the access compensation regime as defined  
20 by Verizon's access tariff. Therefore, access charges apply, not  
21 reciprocal compensation charges, regardless of any end to end  
22 analysis.

23

24 **Q. MR. HUNSUCKER STATES THAT IN A PROCEEDING BEFORE**  
25 **THE FCC, VERIZON ADVOCATED THE USE OF THE END TO END**

1           **ANALYSIS TO DETERMINE WHETHER CALLS TO INTERNET**  
2           **SERVICE PROVIDERS (“ISPS”) WERE LOCAL. CAN YOU**  
3           **EXPLAIN?**

4    A.    Yes. Before the FCC’s April 2001 *Order on Remand*, the reciprocal  
5           compensation debate had been framed in terms of whether calls were  
6           local or interstate in nature. In that context, Verizon focused on the  
7           use of an end to end analysis in considering whether Internet-bound  
8           calls were subject to reciprocal compensation. As I have discussed,  
9           the end to end analysis is a factor to be considered in determining  
10          whether a call is subject to reciprocal compensation, but it is not the  
11          only factor. This Commission is well aware of the dispute over  
12          whether Internet-bound calls should be subject to reciprocal  
13          compensation—a dispute that was resolved with the FCC’s *Order on*  
14          *Remand*. (Intercarrier Compensation for ISP-Bound Traffic, 16 FCC  
15          Rcd 9151 (Order on Remand) (2001).) The Internet-bound calls that  
16          were the subject of that dispute do not originate and terminate on  
17          Verizon’s network like the calls at issue in this arbitration. Indeed, a  
18          pivotal question in the resolution of the ISP call dispute was the  
19          identification of the termination point of those calls, making the end to  
20          end analysis a proper focus for the debate. That is not the case with  
21          respect to the 00- calls here, which both originate and terminate on  
22          Verizon’s network. In any event, Sprint is not entitled to reciprocal  
23          compensation for its 00- calls even under an end to end analysis. The  
24          fact that the calls both originate and terminate on Verizon’s network  
25          makes reciprocal compensation inapplicable; as discussed further

1 below, the concept of reciprocal compensation is founded on the  
2 principle that carriers will compensate each other for calls carried from  
3 one carrier's network to the other's.

4

5 **Q. PLEASE DESCRIBE THE ROUTING AND COMPENSATION FOR**  
6 **CALLS SUBJECT TO RECIPROCAL COMPENSATION.**

7 A. The typical call for which reciprocal compensation is due is one in  
8 which an end user places a call utilizing the required local calling  
9 pattern in the local calling area (seven or ten digits). Under the *Order*  
10 *on Remand*, the identification of a call as local (as opposed to  
11 interstate) does not determine whether it is subject to reciprocal  
12 compensation; however, as Verizon uses the term "local" in the  
13 context of this proceeding, it means calls to which reciprocal  
14 compensation applies. Sprint's argument assumes that there can be  
15 "local" calls to which reciprocal compensation does not apply. Verizon  
16 disputes Sprint's position. A local call that utilizes the required local  
17 calling pattern in the local calling area (seven or ten digits) is  
18 originated on the network of one local service provider and terminated  
19 on the network of another local service provider within the same local  
20 calling area. For example, if a Verizon customer in Clearwater, Florida  
21 makes a call to a Time Warner Telecom customer in the St.  
22 Petersburg exchange, that call is routed from Verizon's network in  
23 Clearwater to the Time Warner Telecom network, for the further  
24 transport and termination by Time Warner Telecom to the customer in  
25 the St. Petersburg exchange. The compensation for that call is

1 governed by FCC Rule 51.701(e), which states:

2 (e) Reciprocal compensation. For purposes of this  
3 subpart, a reciprocal compensation arrangement  
4 between two carriers is one in which each of the  
5 two carriers receives compensation from the other  
6 carrier for the transport and termination on each  
7 carrier's network facilities of local  
8 telecommunications traffic that originates on the  
9 network facilities of the other carrier.

10

11 Application of this rule results in compensation to the terminating  
12 carrier for use of its network -- specifically for the transport and  
13 termination of the call that was originated on Verizon's network.  
14 Verizon bears the cost of originating the call.

15

16 **Q. PLEASE GO THROUGH THE SAME STEPS FOR AN ACCESS**  
17 **CALL, ASSUMING SPRINT IS THE INTEREXCHANGE CARRIER**  
18 **("IXC").**

19 **A.** When a Verizon customer in Clearwater, who is either presubscribed  
20 to Sprint the IXC or uses Sprint the IXC's services on a casual basis  
21 (1010XXX dialing), places a call to someone in the Orlando area, the  
22 customer is connected through an originating switched access service  
23 known as Feature Group D ("FGD") from the calling customer's  
24 premises, through a Verizon end office switch, to Sprint's point of  
25 presence ("POP") over switched access trunks provided by Verizon.

1 This same routing would occur on *all* 00- dialed calls made by a  
2 presubscribed interLATA Sprint customer, regardless of whether the  
3 customer wishes to use a voice dialing arrangement and regardless of  
4 whether the Sprint operator services platform is even equipped with  
5 speech recognition software. In any event, the compensation for the  
6 Clearwater to Orlando call is governed by Verizon Florida Inc.'s  
7 Facilities For Intrastate Access Tariff. Application of that tariff results  
8 in compensation to Verizon for the specific elements over which the  
9 call is routed, including end office switching, which applies for each  
10 call, and transport elements, which apply depending on the actual  
11 routing of the call to Sprint (*e.g.*, direct trunk transport or tandem  
12 switch transport). The IXC -- Sprint, in this example -- bears the cost  
13 of carrying the call after delivery to its POP. That is, in this example,  
14 Sprint is not entitled to any compensation from Verizon.

15

16 **Q. INTO WHICH OF THE ABOVE COMPENSATION SCHEMES DO**  
17 **THE 00- CALLS AT ISSUE IN THIS ARBITRATION FIT?**

18 A. As explained in my direct testimony at pages 12-16, the 00- calls at  
19 issue here are clearly access calls, and Mr. Hunsucker's direct  
20 testimony confirms that position. At pages 9-10 of his testimony, Mr.  
21 Hunsucker describes the routing of the voice-activated dialing ("VAD")  
22 calls Sprint seeks to offer as follows:

23 As I stated earlier, Sprint is developing a product  
24 using VAD that would be available to any end user  
25 in Florida who is *presubscribed to Sprint's long*

1           *distance service*, including Verizon's local service  
2           customers who are *presubscribed to Sprint long*  
3           *distance service*. The Verizon customer dials 00-  
4           on his telephone and the call is *routed through a*  
5           *Verizon end office over trunks that are*  
6           *interconnected to the Sprint network*. The  
7           customer then receives a prompt to verbally  
8           instruct the system who he would like to call. For  
9           example, the customer could say, "call neighbor."  
10          Then, based on a directory list established by the  
11          end user customer, the system would look up the  
12          name, find the associated telephone number and  
13          complete the call as verbally directed...(emphasis  
14          added).

15  
16          The Verizon facilities utilized by Sprint for these 00-/VAD calls are the  
17          same as the Verizon facilities utilized to route the call from Verizon to  
18          the Sprint POP in the Clearwater to Orlando call example above. The  
19          only difference in these two examples is that, with a 00-/VAD dialed  
20          call, Verizon cannot discern the jurisdiction (interstate or intrastate) of  
21          the 00-/VAD call since the number used for call completion (the  
22          terminating number) may not be dialed. In addition, there are no  
23          industry standards for the originating LEC to record the terminating  
24          number on a 00-/VAD dialed call. As a result, LECs (including  
25          Verizon) bill interstate or intrastate switched access charges to

1 interexchange carriers (including Sprint) for 00- calls based on a  
2 Percent Interstate Use (or "PIU") factor, which the interexchange  
3 carriers provide to LECs.

4  
5 The call routing discussed in connection with the 00- calls is the same  
6 routing that Verizon Florida Inc.'s Facilities For Intrastate Access Tariff  
7 addresses. That tariff defines FGD as "trunk-side access to  
8 Telephone Company end office switches with an associated 101XXXX  
9 access code for providers of MTS/WATS and MTS/WATS-type  
10 services for originating and terminating communications for customer  
11 provided intrastate communications capability or connections to an  
12 interexchange intrastate service" (Verizon Florida Inc. Facilities For  
13 Intrastate Access Tariff, Section 6.2.1(D)). Under that tariff, a call is  
14 originated over a customer's (e.g., Sprint's) FGD service if the calling  
15 party either uses the customer's FGD access code (in Sprint's case  
16 1010333), or if the calling party is presubscribed to Sprint. If the  
17 calling party chooses to complete the call with the assistance of  
18 Sprint's operator, rather than by dialing it directly, he or she can dial  
19 the access code followed by a zero. Alternatively, a caller who is  
20 presubscribed to Sprint can simply dial 00. Nothing in the tariff  
21 precludes the use of Switched Access FGD service for intrastate calls  
22 originating and terminating in the same local calling area. Calls may  
23 terminate in the local service area in which they originate, in a different  
24 local service area in the same LATA, or in a totally different LATA.  
25 The important point is that the State Access Tariff governs all of these

1 scenarios and access rates apply. Of course, if the call traverses a  
2 state boundary, then the associated access service would be  
3 governed by Verizon's interstate access tariff rather than by the  
4 Intrastate Access Tariff.

5

6 **ISSUE NO. 2: Multi-Jurisdictional Trunks (Interconnection Attachment,**  
7 **Sections 2.4. and 2.5)**

8

9 **Q. AT PAGES 8-9 OF HIS TESTIMONY, MR. HUNSUCKER**  
10 **CHARACTERIZES THE DISPUTE BETWEEN VERIZON AND**  
11 **SPRINT REGARDING THE MULTI-JURISDICTIONAL TRUNKS**  
12 **ISSUE. PLEASE COMMENT ON THAT CHARACTERIZATION.**

13 **A.** Mr. Hunsucker confirms what I stated in my direct testimony. That is,  
14 Sprint is interested in "creating" multi-jurisdictional trunks only in so far  
15 as it is permitted to re-classify 00- calls as non-access, thereby making  
16 the access trunks over which the 00- calls have always been routed  
17 (with other access traffic) "multi-jurisdictional." In my direct testimony, I  
18 addressed the multi-jurisdictional trunk issue by breaking it into the two  
19 sub-issues that Sprint argued in its Petition for Arbitration: (i) Issue 2a,  
20 the "pure" multi-jurisdictional trunk issue, *i.e.*, whether Sprint should be  
21 permitted to impose a requirement on Verizon to create trunk groups  
22 over which multiple jurisdictional traffic, including seven- and/or ten  
23 digit-dialed local calls, is routed; and (ii) Issue 2b, the multi-  
24 jurisdictional trunk issue as it relates to the 00-/VAD calls routed  
25 through Sprint's operator service platform. Sprint's proposed contract

1 language and Petition for Arbitration address both of these sub-issues.  
2 However, Mr. Hunsucker's testimony does not address the "pure"  
3 multi-jurisdictional trunk issue. Indeed, it addresses the multi-  
4 jurisdictional trunk issue only as it relates to 00-/VAD calls. Thus, it  
5 appears that Sprint has abandoned the "pure" multi-jurisdictional trunk  
6 issue and only seeks to be permitted to "create" multi-jurisdictional  
7 trunks in so far as it is permitted to re-classify 00- calls as non-access,  
8 notwithstanding its proposed contract language.

9

10 **Q. MR. HUNSUCKER CLAIMS THAT CALLS EXIST TODAY THAT**  
11 **ORIGINATE ON VERIZON'S NETWORK, TRAVERSE ANOTHER**  
12 **CARRIER'S NETWORK AND ULTIMATELY TERMINATE BACK ON**  
13 **VERIZON'S NETWORK TO WHICH ACCESS CHARGES DO NOT**  
14 **APPLY. ARE THESE CALLS ANALOGOUS TO 00-/VAD CALLS**  
15 **DESCRIBED BY MR. HUNSUCKER IN HIS TESTIMONY?**

16 **A.** No. As is made apparent by Mr. Hunsucker's own testimony, the calls  
17 he identifies are not analogous to 00-/VAD calls. Mr. Hunsucker  
18 describes a call-forwarding scenario under which two call records  
19 would be created (Hunsucker Direct Testimony at 11.) The two call  
20 records would be created because the call scenario he discusses  
21 involves two distinct calls--each call with a unique originating number,  
22 and each call with a unique terminating number. That is not the case  
23 in the 00-/VAD dialing scenario, which involves only one call.

24

25 **Q. MR. HUNSUCKER STATES THAT THE ROUTING OF 00-/VAD**

1           **CALLS AND LOCAL CALL FORWARDING CALLS IS THE SAME.**  
2           **IS THAT A TRUE STATEMENT?**

3    A.    No. While I generally agree with the routing scenario Mr. Hunsucker  
4           described for the call forwarding scenario, per existing industry  
5           standards that I attached as exhibits to my direct testimony, a 00-/VAD  
6           call will *always* be routed to the IXC to which the originating end user  
7           is presubscribed.

8

9    **Q.    MR. HUNSUCKER DESCRIBES HOW SPRINT PROPOSES TO**  
10           **COMPENSATE VERIZON FOR 00-/VAD CALLS.    PLEASE**  
11           **RESPOND TO THAT PROPOSAL.**

12   A.    The proposal in Mr. Hunsucker's testimony differs from the Sprint  
13           position reflected in its proposed contract language and its Petition for  
14           Arbitration. Sprint's proposed contract language only requires Sprint  
15           to compensate Verizon "for the delivery of such Local Traffic  
16           *terminated* on the Verizon network pursuant to the reciprocal  
17           compensation provisions of this Agreement." (Section 2.5.2 of Sprint's  
18           proposed Interconnection Attachment (emphasis added)). It does not  
19           specify that Verizon can bill Sprint for any costs Verizon incurs to  
20           switch and transport these (originating) calls to Sprint's POP. In fact,  
21           Sprint's language does not preclude Sprint from billing Verizon for  
22           delivery of these calls to the Sprint POP. In Mr. Hunsucker's direct  
23           testimony, however, Sprint proposes to compensate Verizon for its  
24           cost to originate 00-/VAD calls. Thus, it appears that Sprint has  
25           changed its position in a manner that implicitly admits that the calls at

1 issue are not "local" simply by virtue of the fact that they originate and  
2 terminate within the same local calling area. Compensation for the  
3 cost of originating calls is not reciprocal compensation. Under the  
4 reciprocal compensation regime, which I described earlier, the  
5 originating carrier bears the cost of originating the call and pays the  
6 terminating carrier for transport and termination of the call.  
7 Mr. Hunsucker proposes to compensate Verizon both for originating  
8 the call and for terminating the call.

9

10 **Q. SPRINT CLAIMS THAT IT CANNOT IMPLEMENT ITS VAD**  
11 **SERVICE IF IT MUST PAY ACCESS CHARGES FOR VAD CALLS**  
12 **THAT ARE TERMINATED TO THE SAME LOCAL CALLING AREA**  
13 **AS THE ORIGINATING CALLER. CAN YOU COMMENT ON THAT?**

14 **A.** Yes. Verizon does not know whether Sprint can or can't provide VAD  
15 service if it must pay applicable access charges, but this is an  
16 irrelevant consideration for the Commission in resolving this issue.  
17 Sprint must offer services within the confines of applicable law; the law  
18 can't be compromised to make it easier for Sprint to provide VAD or  
19 any other service. As explained above, longstanding law requires  
20 Sprint to pay access charges on 00- calls that return to the same  
21 calling area as the originating caller. Sprint should not be allowed to  
22 manipulate the definition of local traffic to achieve its objective. Even if  
23 Sprint is correct that other LECs have agreed to this manipulation,  
24 Verizon is not bound by such agreements.

25

1 Q. HAVE ANY STATE COMMISSIONS ADDRESSED THIS ISSUE  
2 SINCE YOU FILED YOUR DIRECT TESTIMONY?

3 A. Yes. In my direct testimony, I pointed out that Sprint has lost this  
4 argument twice already, in Massachusetts and California. Since then,  
5 two more state Commissions have rejected Sprint's attempt to avoid  
6 access charges for its 00-NAD calls: Pennsylvania and Maryland.  
7 *See Petition of Sprint Communications Company L.P. for an*  
8 *Arbitration Award of Interconnection Rates, Terms and Conditions*  
9 *pursuant to 47 U.S.C. § 252(b) and Related Arrangements with*  
10 *Verizon Pennsylvania, Inc., Pa. P.U.C. Docket No. A-310183F0002,*  
11 *Opinion and Order (Oct. 12, 2001); In the Matter of the Arbitration of*  
12 *Sprint Communications Company L.P. vs. Verizon Maryland Inc.*  
13 *Pursuant to Section 252(b) of the Telecommunications Act of 1996,*  
14 *Md. P.S.C. Case No. 8887, Order No. 77320 (Oct. 24, 2001).*

15 Q. DOES THAT CONCLUDE YOUR TESTIMONY?

16 A Yes.

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