



ORIGINAL

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March 29, 2002

Ms. Blanca S. Bayó, Director
Division of the Commission Clerk
And Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

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Re: Docket No. 000075-TP (Phase II-A) Sprint's Prehearing Statement

Dear Ms. Bayó:

Enclosed for filing is the original and fifteen (15) copies of Sprint's Prehearing Statement In Docket No. 000075-TP (Phase II-A).

Copies of this have been served pursuant to the attached Certificate of Service.

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

Enclosure

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into)	DOCKET NO. 000075-TP (Phase IIA)
Appropriate Methods to)	
Compensate Carriers for)	
Exchange of Traffic Subject to)	
Section 251 of the)	Filed: March 29, 2002
Telecommunications Act of 1996)	
_____)	

SPRINT'S PREHEARING STATEMENT

Pursuant to Order Establishing Procedure (Order No. PSC-02-0139-PCO-TP) Sprint-Florida, Incorporated and Sprint Communications Company Limited Partnership (collectively, "Sprint") file this Prehearing Statement.

A. **WITNESSES:** Sprint proposes to call the following witnesses to offer testimony in this docket:

WITNESS:	ISSUES:
Julie L. Ward Additional Direct and Rebuttal	13
Michael R. Hunsucker Additional Direct Re-filed Direct and Rebuttal	17 13 & 17

Sprint has listed the witnesses for whom Sprint believes testimony will be filed, but reserves the right to supplement that list if necessary.

B. **EXHIBITS:**

Michael R. Hunsucker MRH-1 (Additional Direct) Sprint ILEC to CLEC Traffic Analysis

 MRH-2 (Additional Direct) Sprint Adjusted ILEC to CLEC Traffic Analysis

C. **BASIC POSITION:** The Commission has jurisdiction to specify the rates, terms and conditions governing compensation for transport and delivery of local traffic pursuant to federal and state law. Consistent with this authority, the Commission should adopt the ILEC's tariffed local calling scope as the default definition of local calling area for reciprocal compensation purposes. In addition, Sprint's analysis of traffic exchanged between Sprint and ALECs does not support the Commission's adoption of a rebuttable presumption that traffic subject to reciprocal compensation is "roughly balanced" or the imposition of "bill and keep" as the default reciprocal compensation mechanism. Instead, the Commission should follow the reciprocal compensation procedures already established by the FCC.

D-G. **ISSUES AND POSITIONS:**

ISSUE 13: How should a "local calling area" be defined, for purposes of determining the applicability of reciprocal compensation?

- a) **What is the Commission's jurisdiction in this matter?**
- b) **Should the Commission establish a default definition of local calling area for the purpose of intercarrier compensation, to apply in the event parties cannot reach a negotiated agreement?**
- c) **If so, should the default definition of local calling area for purposes of intercarrier compensation be: 1) LATA-wide local calling, 2) based upon the originating carrier's retail local calling area, or 3) some other default definition/mechanism?**

Position: The FCC has recognized a state commission's authority to determine what geographic areas are "local areas" for the purposes of applying reciprocal compensation obligations for wireline carriers under section 251 (b) (5) of the Federal Telecommunications Act. The Commission should establish the default local calling area consistent with the Commission's authority under Florida law. Sprint believes that chapter 364, F.S., limits the Commission's authority to alter the ILEC's local calling area and change an ILEC's rates.

The ILEC's tariffed local calling scope should define the appropriate local calling scope for reciprocal compensation purposes for wireline carriers. This should not affect the ability of the ALEC to designate its own flat-rated calling scope for its retail services provided to its end user customers.

ISSUE 17: Should the Commission establish compensation mechanisms governing the transport and delivery of traffic subject to Section 251 of Act to be used in the absence of the parties reaching an agreement or negotiating a compensation mechanism? If so, what should be the mechanism?

- a) **Does the Commission have jurisdiction to establish bill and keep?**
- b) **What is the potential financial impact, if any, on ILECs and ALECs of bill and keep arrangements?**
- c) **If the Commission imposes bill and keep as a default mechanism, will the Commission need to define generically "roughly balanced?" If so, how should the Commission define "roughly balanced?"**
- d) **What potential advantages or disadvantages would result from the imposition of bill and keep arrangements as a default mechanism, particularly in comparison to other mechanisms already presented in Phase II of this docket?**

Position: Under the Federal Telecommunications Act and FCC rules, the Commission has jurisdiction in limited circumstances to establish bill and keep in the state of Florida for local traffic. FCC rules allow states to impose bill and keep arrangements if the state commission

determines that the traffic subject to reciprocal compensation exchanged between two carriers is roughly balanced and is expected to remain so. The state commission may presume that traffic is roughly balanced and a party is entitled to rebut that presumption.

Sprint's analysis of traffic exchanged between Sprint and ALECs shows that, even taking into account the elimination of ISP-bound traffic from 251 (b) (5) traffic pursuant to the FCC's ISP Remand Order, traffic is generally not roughly balanced between Sprint and individual ALECs in Florida. Therefore, Sprint believes there is little benefit in the Commission adopting a presumption that traffic is roughly balanced, or a definition of roughly balanced, and establishing bill and keep as a default mechanism for reciprocal compensation in Florida. Such a ruling would likely lead to an increase in the Commission's workload to resolve disputes concerning the balance of traffic. Instead, the Commission should follow the FCC's reciprocal compensation procedures, specifically as set forth in FCC Rule 51.711.

H. **STIPULATIONS:** None.

I. **PENDING MOTIONS:** Sprint has no motions pending at this time.

J. **COMPLIANCE WITH ORDER ON PREHEARING PROCEDURE:** Sprint does not know of any requirement of the Order on Prehearing Procedure with which it cannot comply.

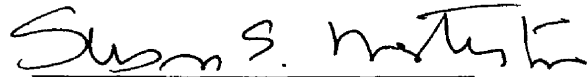
K. **DECISIONS THAT MAY IMPACT COMMISSION'S RESOLUTION OF ISSUES:**

The following decisions impact the Commission's resolution of the issues in this docket:

1. Order on Remand and Report and Order, FCC 01-131, *In the matter of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996; Intercarrier Compensation for ISP-Bound Traffic*, CC Docket Nos. 96-98, 99-68 (released April 27, 2001).

2. Notice of Proposed Rulemaking to address intercarrier compensation issues generally, *Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92 (Released April 27, 2001).

RESPECTFULLY SUBMITTED this 29th day of March 2002.



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ATTORNEY FOR SPRINT

**CERTIFICATE OF SERVICE
DOCKET NO. 000075-TP (Phase II-A)**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served by hand delivery* or U.S. Mail this 29th day of March, 2002 to the following:

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