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October 7, 2002

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

Re: Docket No. 000075-TP (Phase IIA) Investigation into appropriate methods to compensate carriers for exchange of traffic subject to Section 251 of the Telecommunications Act of 1996

Dear Ms. Bayo:

Please find enclosed for filing in the above matter an original and 15 copies of Verizon Florida Inc.'s Opposition to AT&T Communications of the Southern States, LLC, TCG of South Florida and AT&T Broadband Phone of Florida, LLC's Motion for Reconsideration. Also enclosed are an original and 15 copies of Verizon Florida Inc.'s Opposition to AT&T's Request for Oral Argument on Its Motion for Reconsideration of Order No. PSC-02-1248-FOF-TP. Service has been made as indicated on the Certificate of Service. If there are any questions regarding this matter, please contact, me at 813-483-2617.

Sincerely,

aberly Laswell/dm Kimberly Caswel

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Opposition to motion of Consideration DOCUMENT NUMPER-DATE

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of Verizon Florida Inc.'s Opposition to AT&T Communications of the Southern States, LLC, TCG of South Florida and AT&T Broadband Phone of Florida, LLC's Motion for Reconsideration and Opposition to AT&T's Request for Oral Argument on Its Motion for Reconsideration of Order No. PSC-02-1248-FOF-TP in Docket No. 000075-TP (Phase IIA) were sent via U.S. mail on October 7, 2002 to the parties on the attached list.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into appropriate methods to compensation carriers for exchange of traffic subject to Section 251 of the Telecommunications Act of 1996) Docket No. 000075-TP (Phase IIA)) Filed: October 7, 2002

VERIZON FLORIDA INC.'S OPPOSITION TO AT&T'S REQUEST FOR ORAL ARGUMENT ON ITS MOTION FOR RECONSIDERATION OF ORDER NO. PSC-02-1248-FOF-TP

Verizon Florida Inc. (Verizon) asks the Commission to deny the Request for Oral Argument on Motion for Reconsideration of Order No. PSC-02-1248-FOF-TP, filed by AT&T Communications of the Southern States, LLC, TCG of South Florida and AT&T Broadband Phone of Florida, LLC on September 25, 2002 ("AT&T's Request for Oral Argument.").¹

AT&T seeks reconsideration of the Commission's decisions (1) affirming that virtual NXX traffic is not subject to reciprocal compensation under federal law, because it is not local traffic; and (2) holding that an ALEC must show that its switch is capable of serving a geographic area comparable to that served by the ILEC's tandem switch before the ALEC may receive interconnection compensation at the tandem rate.

AT&T claims that these Commission rulings are inconsistent with FCC precedent issued after the Commission rendered its rulings. AT&T's sole support for this claim is a July 17, 2002 opinion of the FCC's Wireline Competition Bureau resolving the issues in three Virginia ALECs' petitions for arbitration with Verizon Virginia Inc. *Petitions of WorldCom, Inc., Cox Virginia Telcom, Inc. and AT&T Communications of Virginia Inc., Pursuant to Section 252(e)(5) of the Communications Act,* DA 02-1731 (*Virginia*

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¹ Verizon also filed an opposition to AT&T's Motion for Reconsideration.

Arbitration Order) (July 17, 2002). The FCC took jurisdiction over these petitions (one of which was filed by AT&T Communications of Virginia, Inc.) when the Virginia State Corporation Commission declined to act on them.

AT&T alleges that the *Virginia Arbitration Order* controls the Commission's decisions on tandem rate entitlement and virtual NXX compensation. It states that, in the *Virginia Arbitration Order*, "the FCC has given state commissions full and accurate direction regarding Rule 51.711" (setting forth the test for entitlement to tandem compensation) (AT&T Request for Oral Argument at 2); and that "[t]he FCC has preempted the issue of tandem rate entitlement." (AT&T Motion for Reconsideration at 8.) AT&T further informs the Commission that the FCC has ruled that intercarrier compensation for a call must be based on the NPA/NXXs of the calling and called parties, rather than on the geographic end points of the call. (AT&T Request for Oral Argument at 2.) Based on these allegations, AT&T asks the Commission to grant oral argument "addressing the recent *FCC Arbitration Order* in light of the Commission's decision in the instant docket." (AT&T Request for Oral Argument at 4.)

There is no reason for oral argument on the Virginia Arbitration Order because the statements AT&T makes about that Order are patently false. The Virginia Arbitration Order is not an FCC decision or FCC precedent; it does not preempt or otherwise bind this Commission; and it does not, in any event, say what AT&T claims it says. The Virginia Arbitration Order was not issued by the FCC, but by the Wireline Competition Bureau, a subdivision of the FCC. It is not a statement of FCC policy or an FCC legal interpretation. The Virginia Arbitration Order no more controls this Commission's decisions than a ruling by another state Commission would; granting oral argument to

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hear how the *Virginia Arbitration Order* affects this Commission's decisions would be just as silly as granting oral argument on the effect of another state commission's decision.

No oral argument is necessary to confirm that AT&T has seriously mischaracterized the *Virginia Arbitration Order*. The Order itself states that it is a decision of the Wireline Competition Bureau, which "stands in the stead of the Virginia State Corporation Commission" (*not* the FCC itself). The decision does not purport to preempt or otherwise guide state commission decisions, but makes clear that it addresses only "the commercial relationships between the interconnecting carriers before us in Virginia." *Virginia Arbitration Order* at ¶ 1 (attached to AT&T's Motion for Reconsideration).

Further, as Verizon explained in its Opposition to AT&T's Motion for Reconsideration, the Wireline Bureau did not even make the rulings AT&T claims it did. It made no findings about the nature or quantum of evidence required to prove an ALEC "serves" the relevant area under the geographic comparability test. It held, rather, that the ALECs before it had sufficiently proved they were capable of serving a geographic area comparable to that served by the ILEC's tandem—which is the same holding the Commission made here.²

Likewise, as the Public Service Commission of South Carolina pointed out, "[t]he Bureau never addressed the basic question whether Virtual FX traffic is subject to reciprocal compensation under federal law," and, in fact, ignored the FCC's own

² As Verizon points out in its Opposition to AT&T's Motion for Reconsideration, AT&T is seeking review of a ruling in its own favor. Verizon disagrees with the Commission's holding that an ALEC need only prove its switch is capable of serving a geographic area comparable to that served by the ILEC's tandem. Under a correct interpretation of federal law, an ALEC's switch must actually serve a comparable geographic area. If the Commission is inclined to grant oral argument, Verizon is prepared to explain this federal requirement.

decisions. Petition of US LEC of South Carolina Inc. for Arbitration of an Interconnection Agreement with Verizon South, Inc., Order on Arbitration, at 15 (S.C. P.S.C. Aug. 30, 2002).

AT&T's Motion for Reconsideration and its associated Request for Oral Argument about the effects of the *Virginia Arbitration Order* necessarily rest on AT&T's characterization of that *Order* as controlling FCC precedent. Because this allegation is demonstrably false, there is no reason to hold oral argument before denying AT&T's Motion for Reconsideration.

For all the reasons discussed here and in Verizon's Opposition to AT&T's Motion for Reconsideration, Verizon asks the Commission to deny AT&T's Request for Oral Argument.

Respectfully submitted on October 7, 2002.

By:

. Mberly Easwell dm Kimberly Caswell

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Attorney for Verizon Florida Inc.

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