

1 **BEFORE THE PUBLIC SERVICE COMMISSION**

2 **SPRINT-FLORIDA, INCORPORATED**

3 **REBUTTAL TESTIMONY OF**

4 **DON MEYER**

5
6 **Q. Please state your name, employer, current position, and business address.**

7 **A. My name is Don Meyer. I am employed by Sprint/United Management Company**
8 **as Manager - Carrier Markets Solutions. I am testifying on behalf of Sprint -**
9 **Florida (hereinafter "Sprint"). My business address is 6480 Sprint Parkway,**
10 **Overland Park, Kansas 66251.**

11

12 **Q. Are you the same Don Meyer who filed a direct testimony in this proceeding**
13 **on June 11, 2004?**

14 **A. Yes.**

15

16 **Q. What is the purpose of your testimony?**

17 **A. The purpose of my testimony is to respond to the direct testimony of Robert E.**
18 **Collins, Jr. on Issue 17. I will again describe Sprint's Performance Measures Plan**
19 **("PMP") in Florida, which has been approved by the Florida Public Service**
20 **Commission ("Commission" or "FPSC") in Docket No. 000121B-TP. In**
21 **addition, I will again explain why the BellSouth performance measurement plan**
22 **and a performance incentive plan are inappropriate for Sprint in the KMC**
23 **Telecom/ Sprint Interconnection Agreement for Florida.**

24

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1 **Issue No. 17 What measures, standards and remedies, if any, should apply to**
2 **Sprint's performance?**

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4 **Q. Should Sprint be measured utilizing the same measures and standards as**
5 **BellSouth's?**

6 **A.** No. Sprint already has an approved PMP for CLECs in Florida that resulted from
7 a generic docket before the Florida Public Service Commission ("FPSC").
8 BellSouth's PMP was specifically designed to correspond with their current
9 processes and services provided to CLECs, which are significantly different than
10 Sprints. Sprint's processes, services, and wholesale product offerings provided to
11 CLECs are unique to Sprint. BellSouth also has different regulatory requirements
12 than Sprint, which is why Sprint's processes, services, and wholesale product
13 offerings provided to CLECs are different. These differences are outlined under
14 Section 271, Section 272 and Section 251 of the Act.

15

16 Furthermore, the FPSC recognized such differences by splitting its proceeding to
17 consider generic performance measures, Docket No. 000121-TP, into individual
18 ILEC Dockets. By Order No. PSC-02-0503-PCO-TP, issued April 11, 2002,
19 Docket No. 000121-TP was divided into three sub dockets: (1) 000121A-TP, in
20 which filings directed toward the BellSouth track would be placed; (2) 000121B-
21 TP, in which filings directed toward the Sprint track would be placed; and (3)
22 000121C-TP, in which filings directed toward the Verizon track would be placed.
23 The Florida Commission recognized that each carrier would need to be treated in

1 a different manner unique to their processes, services and wholesale product
2 offerings

3

4 **Q. Were Sprint's performance measures and standards developed by a**
5 **Commission with the participation and scrutiny of many carriers?**

6 **A.** Yes. As previously stated in my Direct Testimony, Sprint's PMP is based on
7 measures and standards developed by a Commission with the participation of
8 many carriers. On February 1, 2000, the Commission opened a generic
9 proceeding (Docket No. 000121) to address performance measures and
10 enforcement mechanisms and to explore whether Florida Incumbent Local
11 Exchange Carriers ("ILECs") provide nondiscriminatory access to Operational
12 Support Systems as required by the Telecom Act of 1996. This generic
13 proceeding allowed all interested parties an opportunity to participate in the
14 development of performance measures for the three major ILECs, Sprint,
15 BellSouth and Verizon. The Commission staff originally divided the docket into
16 three phases. Phase I began with workshops conducted by the FSPC Staff and
17 members of various CLECs and ILECs participating. These workshops were held
18 on March 30, 2000, August 8, 2000, and December 13, 2000. The purpose of
19 Phase I was to determine and resolve any policy and legal issues in this matter.
20 Sprint participated fully in these workshops and the comment cycles. Phase II
21 involved establishing permanent metrics for BellSouth, including a specific
22 monitoring and enforcement program. After completion of Phase II, Phase III of
23 the docket began which entailed the establishment of performance metrics and a
24 performance monitoring and evaluation program for Verizon and Sprint.

1 On April 11, 2002, at the beginning of Phase III in Docket No. 000121, the
2 Commission divided the docket into sub-dockets in an effort to alleviate
3 confusion as to whether filings were intended for the BellSouth, Verizon or Sprint
4 track of the generic OSS docket (Docket No. 000121-TP, ORDER NO. PSC-02-
5 0503-PCO-TP). Sprint's track was assigned sub-docket 000121-B. Sprint and
6 participating CLECs filed comments regarding proposed performance
7 measurements and enforcement mechanisms specific to Sprint – Florida. These
8 comment cycles culminated with the filing by FPSC staff of a proposal for Sprint
9 – Florida OSS permanent performance measures on November 1, 2002.
10 Comments on this proposal were filed on November 15 and November 25. The
11 Commissioners approved the Performance Measurement Plan at the Agenda
12 Conference held December 17, 2002 during which interested parties were allowed
13 to participate. The consummating order approving the plan was issued on
14 February 4, 2003 and the plan went into effect on March 1, 2003.

15

16 **Q. Which carriers had input into the Sprint-Florida PMP?**

17 **A.** During Phase I of the workshops conducted by the FSPC Staff, members
18 representing numerous CLECs and ILECs participated. In the Sprint track, the
19 following CLECs intervened and/or provided comments: AT&T/TCG, Covad,
20 Florida Cable Telecommunications Association, MCI, and Time Warner
21 Telecom. While not formally intervening, KMC is listed as an interested party in
22 the docket file of Docket No. 000121B-TP.

23

24 **Q. Which carriers had input into Sprint's initial PMP in Nevada?**

1 A. The following CLECs had input into Sprint's initial Nevada PMP in Docket No.
2 97-9022: AT&T, GTE of Nevada (currently Verizon), MGC (currently Mpower),
3 Nextlink (currently XO Communications) and WorldCom (currently MCI).

4
5 **Q. Why is Sprint not subject to scrutiny under Section 271 of the Act and the**
6 **related obligations, performance measurements and remedies applicable to**
7 **BellSouth?**

8 A. Prior to the 1996 Telecommunications Act, Regional Bell Operating Companies
9 ("RBOCs") were prohibited from providing in region, interLATA services. As
10 part of the Act, Congress established certain conditions in Section 271, under
11 which RBOCs may gain authority to provide in region, interLATA services. The
12 effect of the criteria established to satisfy Section 271 was to open the RBOC's
13 local market for competition. Section 271 does not apply to Sprint and other non-
14 RBOC ILECs who do not represent the same local market dominance as the
15 RBOCs. Sprint and other non-RBOC ILECs were not restricted from providing
16 interLATA service and, therefore, were not required to apply for Section 271
17 authority. Performance measures were a tool developed by the FCC and state
18 commissions to ensure continuing compliance with the 271 criteria, to maintain
19 an open local market after the RBOC had been granted authority to provide long
20 distance services. Nevertheless, on December 17, 2002 the Commission
21 approved a statewide PMP, which required Sprint to provide monthly service
22 performance reporting to CLECs based on predetermined measurements outlined
23 in the PMP.

24

1 **Q. Does Sprint have an incentive to meet performance obligations specified**
2 **under the Act and reflected in the Sprint PMP approved by the Commission?**

3 **A.** Contrary to the direct testimony of KMC's witness Collins, Sprint has several
4 "carrots" for meeting its performance obligations. First, the Commission
5 monitors Sprint's performance on a monthly basis and has established a formal
6 six-month review process for Sprint's performance measurement plan. Second,
7 the Sprint submits monthly performance measurement reports to the Commission
8 and must provide root-cause analysis for any measures not meeting parity or the
9 benchmark level for three consecutive months. Third, Sprint already is required
10 to comply with the rules and regulations in the Act for providing parity service to
11 CLECs. Taken together, these requirements provide significant incentive for
12 Sprint to meet its obligations for service to CLECs.

13
14 **Q. Can CLECs raise performance issues through the current Performance**
15 **Measurement Plan in Florida?**

16 **A.** Yes. CLECs have the opportunity to raise performance issues in the current and
17 open Docket No. 000121B-TP. CLECs may do this by requesting a review of
18 Sprint's PMP. The Commission then would establish a procedural schedule in
19 Docket No. 000121B-TP for the purposes of reviewing Sprint's PMP. In the
20 event the CLECs and other involved parties could not agree on any additions,
21 deletions, or modifications, such disputes would be submitted for resolution by
22 the FPSC. CLECs also have the opportunity to utilize other methods as discussed
23 in my Direct Testimony. For example, CLECs can utilize the CLEC sales and
24 service meetings held by Sprint, commonly known as Competitive Local

1 Exchange Carrier Forums or CLEC Forums, in order to address service
2 performance issues.

3

4 **Q. Why does Sprint believe these methods provide a better forum for changes
5 and/or additions to Sprint's PMP?**

6 **A.** Sprint prefers these methods for changes and/or additions to Sprint's PMP so all
7 CLECs and other interested parties have an opportunity to participate and
8 comment on proposed changes or additions.

9

10 **Q. How does the Commission ensure that Sprint's performance is satisfactory?**

11 **A.** As previously mentioned, the Florida PSC has approved a PMP for Sprint in order
12 to provide performance measurement results for Sprint CLEC customers.
13 Therefore, the Commission has enabled the CLECs to present issues related to the
14 PMP by allowing Docket No. 000121B-TP to remain open for such purposes.
15 The Florida PSC, along with other CLECs and ILECs, reviewed and established
16 Sprint's PMP after BellSouth performance plan was adopted. All parties involved
17 in the Docket No. 000121A-TP proceeding had ample opportunity to apply such
18 knowledge to Sprint Docket No. 000121B-TP.

19

20 **Q. Are Sprint and BellSouth similarly situated in the wholesale/retail
21 marketplace?**

22 **A.** No. BellSouth has a significantly larger customer base than Sprint in Florida as
23 well as in other states. According to statistics in the Commission's most recent
24 publication of the "Comparative Rate Statistics" issued December 31, 2003,

1 BellSouth has approximately 6 million access lines in Florida while Sprint has 2.1
2 million. BellSouth is primarily located in major metropolitan based markets,
3 which accounts for their significantly larger size in the market place.

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5 In contrast, Sprint has a considerably smaller customer base than BellSouth in
6 Florida as well as in other states. Sprint is primarily located in smaller rural
7 markets which accounts for Sprint's significantly smaller size in the market place.
8 Therefore, BellSouth and Sprint are not situated similarly in the wholesale/resale
9 market place.

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11 **Q. Does that conclude your testimony?**

12 **A.** Yes.

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