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November 30, 2006

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

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COMMISSION
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Re: Docket No. 060767-TP
Petition of MCImetro Access Transmission Services LLC d/b/a Verizon Access
Transmission Services for arbitration of disputes arising from negotiation of
interconnection agreement with Embarq Florida, Inc.

Dear Ms. Bayo:

On November 27, 2006, Verizon Access Transmission Services (Verizon) filed the above-referenced Petition. Verizon has since noticed that Attachment B, VzB/Embarq FL DPL (Decision Point List), did not print properly causing the document to be filed with black marks and loss of text. Therefore, enclosed are an original and 15 clean copies of Attachment B. Verizon requests that Attachment B filed with the Petition on November 27 be replaced with the enclosed copies. Verizon apologizes for any inconvenience this may have caused the Commission.

Copies of the replacement document have been sent to the parties of record. If there are any questions regarding this matter, please contact me at 770-284-5498.

CMP

COM 0 Sincerely,
CTR 1 *Dulaney L. O'Roark III*
ECR _____

GCL 2 Dulaney L. O'Roark III

OPC 1 Enclosures

RCA _____
c: Staff Counsel (w/e)

SCR _____ Susan Masterton (w/e)

SGA _____

SEC 1

OTH _____

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[Signature]
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**Attachment B
VzB/Embarq FL DPL (Decision Point List)**

<u>Issue No.</u>	<u>Issue(s)</u>	<u>Section(s)</u>	<u>Verizon Access's Language</u>	<u>Verizon Access's Position</u>	<u>Embarq's Language</u>	<u>Embarq's Position</u>
1	Should Embarq have the right to terminate the Agreement if Verizon Access has not exchanged traffic or ordered services under the Agreement within 180 days, or if Embarq concludes that Verizon Access is not doing business in Florida?	5.3		No. The parties agreed on a 2-year term, and Embarq has no right to terminate the Agreement before then just because it believes Verizon Access has not used it quickly enough. Verizon Access has the right to make its own decisions about how and when to use services under the Agreement. And in the unlikely event Verizon Access goes out of business without telling Embarq, Embarq can simply ask Verizon Access to agree to terminate the Agreement, rather than immediately terminating it.	<u>5.3 Embarq may terminate this Agreement upon ten (10) Days notice if CLEC is not exchanging traffic with Embarq or has not submitted orders pursuant to this Agreement within one-hundred-eighty (180) Days of the Effective Date. In addition, Embarq reserves the right to terminate this Agreement immediately upon notice from the CLEC that it has ceased doing business in this state. In addition to notice from CLEC, Embarq may utilize any publicly available information in concluding that CLEC is no longer doing business in this state, and immediately terminate this Agreement.</u>	Embarq has a legitimate interest in managing its contractual relationships, including termination of interconnection agreements that do not become active within at least 9 months of execution and agreements with carriers who are no longer doing business. Verizon Business has not offered reasons why these terms are unreasonable.
	If Verizon Access	44.6.5.1,	44.6.5.1 CLEC must submit	No. Consistent with	44.6.5.1 CLEC must submit	Embarq is entitled

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<p>fails to submit the necessary orders to transition de-listed UNE DS1 Loops, DS3 Loops, DS1 Dedicated Transport and DS3 Dedicated Transport to alternative facilities or arrangements before the end of the six-month transition period, should Embarq be able to convert these UNEs to comparable Access Services and assess CLEC the conversion charge and a management fee for the work performed by Embarq on behalf of Verizon Access?</p>	<p>44.7.5.1, 49.2.4.1, 49.3.4.1 and Price List Lines 47-52</p>	<p>the necessary orders to convert these UNEs to an alternative service arrangement within six months of the above notice date. By the end of the six month period, CLEC must have transitioned the UNEs to alternative facilities or arrangements. If CLEC fails to submit the necessary orders before the end of the six-month period, Embarq will convert the DS1 Loops to comparable Access Services.</p> <p>44.7.5.1 CLEC must submit the necessary orders to convert these UNEs to an alternative service arrangement within six months of the above notice date. By the end of the six month period, CLEC must have transitioned the UNEs to alternative facilities or arrangements. If CLEC fails to submit the necessary orders before the end of the six-month period, Embarq</p>	<p>the Commission's decision in Verizon Florida Inc.'s <i>TRO/TRRO</i> Docket, Verizon Access would agree to pay any conversion charges the Commission previously approved for Embarq. <i>See Arbitration Order, Petition for Arbitration of Interconnection Agreements</i>, Order No. PSC-05-1200-FOF-TP, at 44 (Dec. 5, 2005). But Verizon Access cannot be expected to pay new, unsupported charges, such as Embarq's proposed "management fee."</p>	<p>the necessary orders to convert these UNEs to an alternative service arrangement within six months of the above notice date. By the end of the six month period, CLEC must have transitioned the UNEs to alternative facilities or arrangements. If CLEC fails to submit the necessary orders before the end of the six-month period, Embarq will convert the DS1 Loops to comparable Access Services. <u>Embarq will assess the conversion charge and a management fee for the work performed by Embarq on behalf of CLEC.</u></p> <p>44.7.5.1 CLEC must submit the necessary orders to convert these UNEs to an alternative service arrangement within six months of the above notice date. By the end of the six month period, CLEC must have transitioned the UNEs to alternative facilities or arrangements. If CLEC fails to submit the necessary orders before the end of the six-month</p>	<p>to compensation for work done on behalf of Verizon Business, including when it fails to submit orders to transition de-listed circuits by the end of the agreed-upon time period.</p>
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		<p>will convert the DS3 Loops to comparable Access Services.</p> <p>44.9.2.4.1 CLEC must submit the necessary orders to convert these UNEs to an alternative service arrangement within six months of the above notice date. By the end of the six month period, CLEC must have transitioned the UNEs to alternative facilities or arrangements. If CLEC fails to submit the necessary orders by the end of the six month period, Embarq will convert the DS1 Dedicated Transport to comparable Access Services.</p> <p>49.3.4.1 CLEC must submit the necessary orders to convert these UNEs to an alternative service arrangement within six months of the above notice date. By the end of the six month period, CLEC must have transitioned the UNEs</p>	<p>period, Embarq will convert the DS3 Loops to comparable Access Services. <u>Embarq will assess the conversion charge and a management fee for the work performed by Embarq on behalf of CLEC.</u></p> <p>44.9.2.4.1 CLEC must submit the necessary orders to convert these UNEs to an alternative service arrangement within six months of the above notice date. By the end of the six month period, CLEC must have transitioned the UNEs to alternative facilities or arrangements. If CLEC fails to submit the necessary orders by the end of the six month period, Embarq will convert the DS1 Dedicated Transport to comparable Access Services. <u>Embarq will assess the conversion charge and a management fee for the work performed by Embarq on behalf of CLEC.</u></p> <p>49.3.4.1 CLEC must submit the necessary orders to convert</p>	
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			to alternative facilities or arrangements. If CLEC fails to submit the necessary orders before the end of six-month period, Embarq will convert the DS3 Dedicated Transport to comparable Access Services.		these UNEs to an alternative service arrangement within six months of the above notice date. By the end of the six month period, CLEC must have transitioned the UNEs to alternative facilities or arrangements. If CLEC fails to submit the necessary orders before the end of six-month period, Embarq will convert the DS3 Dedicated Transport to comparable Access Services. <u>Embarq will assess the conversion charge and a management fee for the work performed by Embarq on behalf of CLEC.</u>	
3	What compensation should apply to virtual NXX traffic under the ICA?	55.4	<i>55.4 If either Party assigns NPA/NXXs to specific Embarq rate centers within the LATA and assigns numbers from those NPA/NXXs to customers physically located outside of that LATA, the other Party's traffic originating from within the LATA where the NPA/NXXs are assigned and delivered to a customer physically located outside of</i>	The FCC intends to decide the issue of vNXX compensation in its Inter-carrier Compensation Rulemaking. <i>Developing a Unified Inter-carrier Compensation Regime</i> , Notice of Proposed Rulemaking, CC Docket No. 01-92,	<u>55.4 Calls terminated to end users physically located outside the local calling area in which their 55.4 NPA/NXXs are homed (Virtual NXXs), are not local calls for purposes of inter-carrier compensation and access charges shall apply. For Embarq-originated traffic terminated to CLEC's Virtual NXXs, Embarq shall not be</u>	The physical locations of the calling party and called party, along with established local calling areas, determines call jurisdiction for compensation purposes. Rulings this year from US Courts

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			<p><i>such LATA (“V/FX” Traffic) shall be subject to intercarrier compensation in accordance with this Section 55.4, et. seq.</i></p> <p><i>55.4.1 IntraLATA traffic (i.e., where the physical end points of the call are within the LATA) shall be exchanged as though it were Local Traffic, if the originating and terminating NPA/NXXs indicate that the traffic is Local Traffic, and it shall be exchanged as though it were Intralata Toll Traffic if the originating and terminating NPA/NXXs indicate that the traffic is Intralata Toll Traffic.</i></p> <p><i>55.4.2 In each LATA where the Parties have at least one POI in each of the ILEC Tandem serving areas in which CLEC assigns to its end user customers its own or ported telephone numbers and at which each Party delivers its originating</i></p>	<p>(April 27, 2001) and Further Notice of Proposed Rulemaking, (March 3, 2005). Until it does, Verizon Access asks the Commission to implement the same kind of compensation approach major ILECs and CLECs have agreed upon in the absence of regulatory intervention. This approach compensates the CLEC for handling virtual NXX calls originated by the ILEC, in exchange for the CLEC’s commitment to extend its network farther toward the ILEC.</p> <p>Verizon Access is proposing the same arrangement here that it and BellSouth</p>	<p><u>obligated to pay reciprocal compensation, including any shared interconnection facility costs, for such traffic</u></p>	<p>of Appeals for the First Circuit and the Second Circuit support this position.</p>
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		<p><i>traffic to the other Party, the rate for the Call Transport and Call Termination of V/FX Traffic that is ISP-bound Traffic is \$.0007 per minute of use.</i></p> <p><i>55.4.3 In each LATA where the Parties do not have at least one POI in each of the ILEC Tandem serving areas in which CLEC assigns to its end user customers its own or ported telephone numbers and at which each Party delivers its originating traffic to the other Party, V/FX Traffic that is ISP-bound Traffic shall be exchanged on a bill and keep basis.</i></p> <p><i>55.4.4 In each LATA, V/FX Traffic that is not ISP-bound Traffic shall be exchanged on a bill and keep basis. The Parties hereby agree that, as of the Effective Date, they are exchanging only a de minimis amount of V/FX</i></p>	<p>recently negotiated and this Commission approved.</p>		
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			<i>Traffic that is not ISP-bound Traffic. The Parties further agree that, from time to time, upon written request from either Party, the Parties will review whether the amount of such V/FX Traffic that is not ISP-bound Traffic exchanged between them remains de minimis. If, upon such review, the amount of such V/FX Traffic that is not ISP-bound Traffic is found not to be de minimis, the Parties shall engage in good faith negotiations to amend this Agreement to establish an intercarrier compensation regime for such non-de minimis traffic.</i>			
4	Which Party's "Voice Over Internet Proptocol (VoIP)" language should the Commission adopt?	55.5	<i>55.5 Voice calls that are transmitted, in whole or in part, via the public Internet or a private IP network (VoIP) are subject to interstate jurisdiction. Such VoIP calls with origination and termination points which are, based upon the</i>	Although the FCC has ruled that VoIP traffic is jurisdictionally interstate, it has not yet established an intercarrier compensation mechanism for non-	<u>55.5 All voice calls exchanged between the Parties originating from or terminating to the PSTN shall be compensated in the same manner (eg., reciprocal compensation, interstate access, and intrastate access) regardless of the technology</u>	VoIP traffic is not ISP traffic. The FCC has ruled that standard compensation applies to some forms of VoIP traffic. The FCC has extended

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		<p><i>jurisdictionalization methods specified in this Agreement without regard to technology, Local, shall be subject to local reciprocal compensation under this Agreement. Subject to the change of law provisions of this Agreement, VoIP calls with origination and termination points which are, based upon the jurisdictionalization methods specified in this Agreement without regard to technology, interexchange, shall be billed and compensated at interstate access rates. However, notwithstanding any other provision of this Agreement, if the FCC or the United States Congress, after the effective date of this Agreement, promulgates an effective and unstayed law, rule or regulation, or a court of competent jurisdiction issues an effective and unstayed nationally-</i></p>	<p>local VoIP calls. The Commission should, therefore, adopt Verizon's compromise proposal, which uses a true-up provision to apply the FCC's eventual VoIP compensation decision from the time the parties enter the Agreement. Until the FCC decides the compensation issue, all non-local VoIP traffic would be billed at Embarq's interstate access rate. The interstate access rate is a fair and non-arbitrary compromise measure that balances both parties' interests without suppressing the development of innovative VoIP offerings while the FCC is considering the compensation issue.</p>	<p><u>used to originate, terminate, or transport the call, including Voice over Internet Protocol (VoIP). The Parties further agree that this Agreement shall not be construed against either Party as a final position on the treatment of VOIP traffic. Both Parties reserve the right to advocate their respective positions before state or federal commissions whether in bilateral complaint dockets, arbitrations under Sec. 252 of the Act, commission established rulemaking dockets, or in any legal challenges stemming from such proceedings.</u></p>	<p>voice type regulations to Interconnected VoIP (able to make calls to and receive calls from the PSTN) including 911. The FCC has refused to declare Interconnected VoIP as either telecommunications or information and has not established a compensation mechanism for that traffic. States have authority under §252 of the Act to resolve interconnection negotiations between parties and use that authority to order the application of normal voice compensation mechanisms to</p>
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		<p><i>effective order, decision, ruling, or the like, under which Verizon Access's and Embarq's compensation rights and obligations differ from those set forth in this Section 55.5, then upon the effectiveness of such requirements and upon the written request of either Party, any compensation that either Party paid to the other Party for such VoIP interexchange calls under this provision after the effective date of this Agreement will be trued-up, retroactively to the effective date of this Agreement, to reflect application of such requirements to any such VoIP interexchange calls exchanged between the Parties. The Parties further agree that this Agreement shall not be construed against either Party as a final position on the treatment of VOIP traffic. Both parties reserve the right to advocate their</i></p>			<p>VoIP traffic when it is handed off to the PSTN.</p>
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			<i>respective positions before state or federal commissions whether in bilateral complaint dockets, arbitrations under Sec. 252 of the Act, commission established rulemaking dockets, in any legal challenges stemming from such proceedings, or otherwise.</i>			
5	How should the Parties handle calls transmitted without calling party number ("CPN") when the percentage of calls transmitted with CPN is less than 90%?	55.7.1	55.7.1 To the extent technically feasible, each Party will transmit calling party number (CPN) for each call being terminated on the other's network. If the percentage of calls transmitted with CPN is greater than 90%, all calls exchanged without CPN will be billed as local or intrastate in proportion to the MOUs of calls exchanged with CPN. If the percentage of calls transmitted with CPN is less than 90%, all calls transmitted without CPN <i>for which transmission of CPN was technically feasible</i> will be billed at intrastate access	The Parties have already agreed that they are not required to transmit CPN when it is not technically feasible to do so. Consistent with this agreement, Verizon Access's revision to Embarq's language simply makes clear that a Party cannot be forced to pay the higher intrastate access rate for not transmitting CPN when doing so was not technically feasible.	55.7.1 To the extent technically feasible, each Party will transmit calling party number (CPN) for each call being terminated on the other's network. If the percentage of calls transmitted with CPN is greater than 90%, all calls exchanged without CPN will be billed as local or intrastate in proportion to the MOUs of calls exchanged with CPN. If the percentage of calls transmitted with CPN is less than 90%, all calls transmitted without CPN will be billed at intrastate access rates.	Carriers are required to transmit Calling Party Number (CPN) information pursuant to current FCC rules found at 47 CFR 64.1600. The 10% CPN delivery failure threshold in the proposed language is more than reasonable to accommodate both the ordinary FCC exemptions as

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			rates.			<p>well as allowing for possible situations where the carrier might consider transmission of CPN to not be "technically feasible." Verizon Business's proposed reference to "technical feasibility" when CPN transmission is already below 90% is vague and runs counter to the FCC's basic premise that all traffic should include CPN. Additionally, the ability to manipulate SS7 systems, thereby avoiding the increased costs of intrastate calls by withholding CPN</p>
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						information, makes it imperative that clear thresholds be implemented in order to encourage transmission of CPN information on all calls.
6	When the Parties exchange traffic via Indirect Connection, if Verizon Access has not established direct end office trunking sixty days after reaching a DS1 level, should CLEC be required to reimburse Embarq for any transit charges billed by an intermediary carrier for Local Traffic or ISP-bound Traffic originated by	61.2.4	61.2.4 <i>Each originating Party is responsible for the payment of transit charges assessed on the originating Party by the transiting party.</i>	No. Verizon Access cannot be forced to pay Embarq's bills from a third-party transiting carrier, particularly when Verizon Access alone cannot control the timeframes for establishment of direct trunks, which is a joint undertaking with Embarq. Embarq's proposed language is also unnecessary, because the agreed-upon language in section 61.1.5 already requires Verizon	61.2.4 <u>Until Indirect traffic exceeds a DS1, each originating Party is responsible for the payment of transit charges assessed on the originating Party by the transiting party. After Indirect traffic exceeds a DS1, if CLEC has not established direct end office trunking sixty days after reaching a DS1 level as described in section 61.1.5, CLEC will reimburse Embarq for any transit charges billed by an intermediary carrier for Local Traffic or ISP-bound Traffic originated by Embarq.</u>	The Parties have agreed to establish direct trunking within 60 days when indirect traffic levels exceed a DS1 equivalent (61.1.5). If Verizon Business does not establish the direct trunking, Embarq should not incur costs for transit traffic beyond this 60-day period.

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	Embarq?			Access to establish a direct connection with Embarq once transit traffic exceeds a DS1 level. Embarq cannot justify its proposed, self-enforcing penalty provision; it is nothing more than a way for Embarq to shift its costs to its competitor.		
7	How should the rate for transit service be calculated?	Price List Lines 245 - 246	\$0.002867	The Commission should reject Embarq's proposed transit rate, which— at double the existing rate Verizon Access pays Embarq (\$0.00287)—is unreasonably high. As additional points of reference for setting a reasonable rate, the transit rate Verizon Access recently negotiated with BellSouth (and this Commission approved) is \$0.0015	\$0.005	The Parties have agreed to the concept of a market rate for transit traffic. Embarq's proposed rate is a reasonable, commercially accepted rate that has been agreed upon with other carriers.

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				for 2007, \$0.0020 for 2008, then \$0.0025 forward; the comparable interstate rate elements for Embarq in Zone 1 total \$0.002052; and the transit rate in the existing Verizon Florida/Sprint ICA is \$0.0020071.		
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