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August 25, 2010

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**By Hand Delivery**

Ms. Ann Cole, Director  
Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: Docket 100176-TP (Petition for Arbitration of Interconnection Agreement Between BellSouth Telecommunications, Inc. d/b/a AT&T Florida and Sprint Communications Company Limited)

Docket 100177-TP (Petition for Arbitration of Interconnection Agreement Between BellSouth Telecommunications, Inc. d/b/a AT&T Florida and Sprint Spectrum Limited Partnership, Nextel South Corp., and NPCR, Inc. d/b/a Nextel Partners.

Dear Ms. Cole:

Enclosed for filing in the above-referenced dockets on behalf of Sprint Communications Company Limited, Sprint Spectrum Limited Partnership, Nextel South Corp., and NPCR, Inc. d/b/a Nextel Partners (collectively, the "Sprint Entities") please find an original and 25 copies of each of the following:

- 1. Direct Testimony of Peter N. Sywenki with Exhibits PNS-1 and PNS-2;
- 2. Direct Testimony of Randy G. Farrar with Exhibits RGF-1 through RGF-4; and
- 3. Direct Testimony of Mark G. Felton.

07069-10

07070-10

07071-10

Please note that Mr. Farrar's Exhibits RGF-2 and RGF-3 are redacted versions of confidential exhibits. The confidential versions of these exhibits are being filed today under separate cover, along with a claim of confidentiality pursuant to Section 364.183(1), Florida Statutes.

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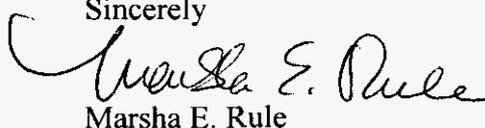
August 25, 2010

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Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the copy to me.

Thank you for your assistance with this filing and please do not hesitate to contact me if you have any questions.

Sincerely

A handwritten signature in black ink, appearing to read "Marsha E. Rule". The signature is fluid and cursive, with a large initial "M" and "R".

Marsha E. Rule

Enclosures

cc: Parties of record per certificate of service

August 25, 2010  
Page 3

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the foregoing has been served on the following by First Class Mail or hand delivery (\*) this 25<sup>th</sup> day of August, 2010:

*Florida Public Service Commission:*

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Marsha E. Rule

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition for arbitration of interconnection ) DOCKET NO. 100176-TP  
agreement between BellSouth Telecommunications, )  
Inc. d/b/a AT&T Florida and Sprint Communications )  
Company L.P. )  
)  
)  
In re: Petition for arbitration of interconnection ) DOCKET NO. 100177-TP  
agreement between BellSouth Telecommunications, )  
Inc. d/b/a AT&T Florida and Sprint Spectrum L.P., )  
Nextel South Corp. and NPCR, Inc. d/b/a Nextel )  
Partners. )

**SPRINT SPECTRUM L.P., NEXTEL SOUTH CORP.,**

**NPCR, INC. D/B/A NEXTEL PARTNERS**

**AND**

**SPRINT COMMUNICATIONS COMPANY LIMITED PARTNERSHIP**

**DIRECT TESTIMONY**

**OF**

**PETER N. SYWENKI**

**FILED AUGUST 25, 2010**

DOCUMENT NUMBER-DATE

07069 AUG 25 2010

FPSC-COMMISSION CLERK

1 **Introduction**

2

3 **Q. Please state your name and business address.**

4 A. My name is Peter N. Sywenki. My business address is 6330 Sprint Parkway,  
5 Overland Park, Kansas 66251.

6

7 **Q. On whose behalf are you testifying?**

8 A. I am testifying in this proceeding on behalf of Sprint Spectrum Limited Partnership  
9 (“Sprint PCS”), Nextel South Corp. and NPCR, Inc. (collectively “Nextel”) and  
10 Sprint Communications Company Limited Partnership (“Sprint CLEC”). Sprint  
11 PCS and Nextel may be collectively referred to as “Sprint wireless” or “Sprint  
12 CMRS”. The Sprint wireless and Sprint CLEC entities may also be collectively  
13 referred to as “Sprint”.

14

15 **Q. By whom are you employed?**

16 A. Sprint United Management Company (“Sprint United”), which is the management  
17 subsidiary of Sprint’s parent entity, Sprint Nextel Corporation (“Sprint Nextel”, i.e.,  
18 as itself and its affiliated operating companies).

19

20 **Q. What is your position with Sprint United?**

21 A. I became Director – Regulatory Policy in October of 2002.

22

23 **Q. What are your principal responsibilities?**

1 A. I am responsible for developing, supporting and advocating state and federal  
2 regulatory and legislative policy for Sprint Nextel.

3

4 **Q. Please describe your educational and business experience.**

5 A. I received a Bachelor of Science degree in Business Administration with majors in  
6 Finance and Marketing from Elizabethtown College in 1987. I have worked in the  
7 telecommunications industry for 23 years. I started my career at United Telephone  
8 Company in Carlisle, Pennsylvania and have held various positions at Sprint Nextel  
9 with a wide array of responsibilities, including carrier settlements, cost separations  
10 and allocation, regulatory reporting, access rate development, interconnection  
11 agreement negotiation and arbitration, and public policy development and advocacy  
12 on behalf of Sprint Nextel's wireless and wireline (CLEC, IXC and former ILEC)  
13 interests.

14

15 **Q. Before what state and or federal regulatory commissions have you testified?**

16 A. I have provided testimony in Florida, Indiana, Maryland, Missouri, Nebraska,  
17 Nevada, New York, Pennsylvania, Texas, Virginia, and Wyoming. I have also  
18 made public policy presentations before the Federal Communication Commission  
19 ("FCC"), the National Association of Regulatory Utility Commissioners  
20 ("NARUC"), and several state commissions.

21

22

23

1 Organization of Sprint Witness Testimony

2 **Q. How many Sprint witnesses are providing testimony in these proceedings, and**  
3 **how has Sprint assigned the identified Issues among the Sprint witnesses?**

4 A. There are three Sprint witnesses: myself, Mr. Randy G. Farrar and Mr. Mark G.  
5 Felton. The open Issues are addressed within the testimony of all three Sprint  
6 witnesses as shown in Exhibit PNS-1 attached to my Direct Testimony. This  
7 Exhibit states the “Issue No.” and “Issue Description (& Sub Issues)” as stated in  
8 the parties’ Joint Decision Point List (“Joint DPL”) and then identifies by name the  
9 Sprint witness that has primary responsibility to address a given Issue. As required  
10 by Order No. PSC-10-0481-PCO-TP, the Order Establishing Procedure in this case,  
11 my testimony references both the Florida sequential number and the parties’ multi-  
12 state identifying number for each Issue, with the multi-state identifying number set  
13 off in brackets.

14  
15 **Q. What is the purpose and scope of your Direct Testimony?**

16 A. The purpose and scope of my Direct Testimony is twofold. First, I provide an  
17 overview perspective to assist the Florida Public Service Commission  
18 (“Commission”) in understanding the existence of these proceedings in the proper  
19 context. In addition to general background, such context includes not only how the  
20 parties are currently interconnected and have exchanged traffic since 2001, but also  
21 the significant industry changes that have occurred between 2001 and today.  
22 Second, on an Issue by Issue basis, I address each of the Issues in the Prehearing  
23 Order and Exhibit PNS-1 that identify me as the Sprint witness. I address various

1 Issues that are contained within Section I.– Provisions related to the Purpose and  
2 Scope of the Agreements; Section II. - How the Parties Interconnect; Section III. –  
3 How the Parties Compensate Each Other; and, the two remaining Section V. -  
4 Miscellaneous Issues.

5 **Q. Are you sponsoring any exhibits to your Direct Testimony?**

6 A. Yes. I am sponsoring the following exhibits:

7 Exhibit PNS-1: Sprint Witness Testimony Key

8 Exhibit PNS-2: Sprint Request for Negotiations

9  
10 **Background and Overview Perspective**

11  
12 **Q. Please briefly describe Sprint’s presence and commitment to the State of**  
13 **Florida.**

14 A. Throughout its history, Sprint Nextel has been and continues to be a leader in  
15 competitive innovation, providing Florida customers a competitive communications  
16 choice for three decades. It is a leader in deploying fiber optic networks, deploying  
17 the first nationwide 100% fiber long distance network. Today, Sprint Nextel  
18 continues to provide customers a choice as a significant wireless provider serving  
19 approximately 3.5 million customers throughout the State of Florida. It is not only  
20 leading the way in 3G mobile broadband, but is the only national provider to offer  
21 4G wireless mobility *now* - - made possible through Sprint Nextel’s significant  
22 investment in Clearwire. In addition, Sprint Nextel promotes competition in its  
23 unique role providing wholesale services of every type - wireless, CLEC cable



1 telephony and long distance - all of which challenge incumbent telephone  
2 companies in the provision of voice communications services. Sprint Nextel's  
3 presence in Florida is significant, including billions of dollars in wireline and  
4 wireless capital investments and more than 2,600 Florida employees.

5  
6 **Q. What interconnection agreement are the parties currently operating under?**

7 A. The current Sprint PCS/Sprint CLEC/AT&T interconnection agreement is the  
8 Commission-approved three-party agreement that became effective in January,  
9 2001 (the "Sprint ICA"). Following protracted litigation between AT&T and  
10 Nextel arising from AT&T's refusal to acknowledge Nextel's rights to adopt the  
11 Sprint ICA based upon AT&T's merger promises and § 252(i) of the Act<sup>1</sup>, the  
12 Commission approved Nextel's adoption of the Sprint ICA, effective June 7,  
13 2007.<sup>2</sup>

14  
15 **Q. How did the negotiations for a new interconnection agreement come about?**

16 A. Sprint sent AT&T a timely request to initiate negotiations for a subsequent  
17 agreement as contemplated by the Sprint ICA. A copy of Sprint's request is  
18 attached as Exhibit PNS-2.

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<sup>1</sup> The Communications Act of 1934, as amended ("Act").

<sup>2</sup> See *In re: Notice of adoption of the existing interconnection agreement between BellSouth Telecommunications, Inc. d/b/a AT&T Florida d/b/a AT&T Southeast and Sprint Communications Company Limited Partnership, Sprint Spectrum L.P., by NPCR, Inc., d/b/a Nextel Partners*; *In re: Notice of adoption of the existing interconnection agreement between BellSouth Telecommunications, Inc. d/b/a AT&T Florida d/b/a AT&T Southeast and Sprint Communications Company Limited Partnership, Sprint Spectrum L.P., by Nextel South Corp. and Nextel West Corp.*, FPSC Docket Nos. 070368-TP and 070369-TP, Final Order Denying Motion for Reconsideration ("Nextel Adoption Final Order"), December 18, 2008.

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**Q. Was Sprint willing to continue the Sprint ICA with a further extension?**

A. Yes. Sprint told AT&T in Exhibit PNS-2 that Sprint was agreeable to a 3-year extension of the existing Sprint ICA. AT&T, however, would not agree to any further extension of the Sprint ICA.

**Q. How would you describe the general nature of the balance of the issues?**

A. Many of the disputed Issues have resulted from a fundamental difference in approach to the ICA negotiations. Sprint approached the negotiations from the paradigm that: 1) to obtain FCC approval of the 2006 AT&T – BellSouth merger, AT&T promised to reduce competing carrier’s interconnection transaction costs by agreeing to re-negotiate new agreements from existing agreements; 2) creation of the existing Sprint ICA originally consumed about two years of time to negotiate; 3) the parties have now operated under that ICA for almost 10 years; 4) to the extent issues have arisen during the course of that 10 years the parties made targeted revisions as reflected by the various negotiated amendments; and 5) Sprint envisioned a similar, targeted re-negotiation of specific provisions to further “update” the Sprint ICA. It quickly became apparent, however, that AT&T’s paradigm was to use the re-negotiation as the opportunity to scrap the Sprint ICA and attempt to force Sprint into AT&T’s new, separate, post-merger generic 22-state wireless and wireline template agreements.

1 While Sprint was not opposed to modifications to the Sprint ICA that are  
2 necessary and consistent with the Act, it could not accept the wholesale changes  
3 proposed by AT&T that are driving many of the now disputed Issues. To the  
4 extent possible, Sprint's proposed language on disputed items is intended to  
5 accomplish two overarching purposes. First, where a change really isn't  
6 necessary, to propose existing Sprint ICA language that has been time tested and  
7 proven to be workable for the past 10 years. Second, where change may be  
8 warranted, to propose language that is both a) consistent with Sprint's rights as a  
9 competing carrier under federal law; and b) wireless/wireline technology neutral.

10  
11 **Q. What are some of the high-level, fundamental Issues identified for resolution**  
12 **in these proceedings and how do these issues represent a stark departure**  
13 **from how Sprint PCS, Sprint CLEC and AT&T have operated since 2001?**

14 A. The following are simply a few of the more egregious items where AT&T  
15 seeks drastically different treatment than what the parties have operated  
16 under since 2001 or is otherwise required by the Act and FCC's rules:

- 17 • Without any showing that any imbalance exists in the exchange of  
18 traffic, AT&T seeks to implement billing and collection for some  
19 (but not all) traffic that is subject to reciprocal compensation,  
20 rather than the continued use of bill and keep – AT&T has no  
21 problem, however, in proposing bill and keep when it is most  
22 likely to suit a unilateral AT&T interest (e.g., AT&T's proposal  
23 regarding FX-ISP service);
- 24 • AT&T proposes treatment for Interconnection facilities that not  
25 only eliminates AT&T's obligations to pay for its use of such  
26 facilities to serve AT&T's customers, but completely avoids  
27 AT&T's obligation to provide such facilities to Sprint at Total  
28 Element Long Run Incremental Cost ("TELRIC") prices;

- 1           ● AT&T purports to seek elimination of any obligation to provide  
2           Transit Service from the ICA; but, what it is really proposing is  
3           avoidance of its obligation to provide Transit Service at TELRIC  
4           prices to deliver Sprint-originated traffic to third-parties *while*  
5           retaining its ability to send its wholesale third-party originated  
6           Transit traffic to Sprint for termination;
  
- 7           ● As to the Sprint wireless entities, in addition to seeking to avoid its  
8           obligation to pay reciprocal compensation for IntraMTA traffic<sup>3</sup>  
9           AT&T delivers to Sprint via an IXC, AT&T seeks to avoid its own  
10          obligation to pay Sprint for AT&T-originated InterMTA traffic  
11          and, instead, make Sprint pay for InterMTA traffic in both  
12          directions at access rates; and
  
- 13          ● AT&T is attempting to reverse a more efficient form of  
14          interconnection referred to as multi-jurisdictional trunking that is  
15          allowed in the current agreement.

16

17   **Q. Can you provide an overall perspective regarding the competitive environment**  
18   **that existed between requesting carriers and an RBOC such as AT&T prior to**  
19   **AT&T's merger in 2006, as compared to the competitive environment that**  
20   **exists between requesting carriers and AT&T today?**

21   A. Yes. As it did with AT&T's predecessors, Sprint strives to compete head-to-head  
22   with AT&T in every facet of the communications business—wireless and wireline,  
23   wholesale and retail carriage — in an industry that is constantly changing. And  
24   while technology advancements and innovation, spurred by the positive forces of  
25   competition, have made it possible for people to connect with each other using an  
26   exciting and ever expanding array of communications tools, some fundamental  
27   truths endure:

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<sup>3</sup> MTAs, or Major Trading Areas, are geographic areas defined by the FCC at 47 C.F.R. Part 24.202 for purposes of licensing and operations of wireless service.

- 1            1) The purpose of the communications industry is to connect people so that
- 2            they can communicate with each other - without regard to who their
- 3            “carrier” may be;
- 4            2) The communications industry is a network of many separate networks
- 5            owned and operated by competing carriers;
- 6            3) Consumers, businesses, and the overall economy benefit from robust
- 7            competition in the communications industry;
- 8            4) Just, reasonable, and nondiscriminatory interconnection is the linchpin to
- 9            robust competition and remains the law of the land; and
- 10           5) Efficient carrier-to-carrier interconnection serves the public interest.

11

12        While industry competition is driving promising technology advancements, one

13        major development has significantly shifted the structure of the industry in a way

14        that threatens the cause of competition. It is no secret that the series of

15        consolidations which produced the “new” AT&T has created a powerful force.<sup>4</sup>

16        History provides valuable lessons and it is important to note that the primary cause

17        for the government break-up of the original AT&T was AT&T’s refusal to permit

18        reasonable interconnection to would-be rivals. It is clearly evident, and not

19        surprising, that the “new” AT&T understands that its dominant market position can

20        be fortified by dictating rates, terms, and conditions for interconnection with its

21        network, which inflate the costs of its rivals and produce excessive profits for

22        AT&T. Make no mistake, the “new” AT&T, just like the original AT&T, possesses

23        both the motive and the means to thwart competition.

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<sup>4</sup> See, e.g., VideoSift, *Colbert regarding the new AT&T* (2007), <http://videosift.com/video/Colbert-regarding-the-new-ATT> (a lighthearted, yet generally accurate depiction of the split up and recombination of AT&T). Of course, for those companies vying to compete with AT&T and for consumers which benefit from competition, in the absence of just, reasonable, and non-discriminatory interconnection agreements, AT&T’s recombination is no laughing matter.

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The current generation of interconnection contracts which the parties operate under today were fought for in a period of time when the former AT&T, not the original AT&T or “new” AT&T, was a major force in the cause of *advancing* competition. Prior to being swallowed up by the monopolist Regional Bell Operating Companies (“RBOCs”), the pro-competition AT&T and MCI were potent leaders and allies with Sprint and other competitive carriers in fighting for just, reasonable, and non-discriminatory interconnection with the RBOCs to pry open these monopoly markets to the enablement of competition. The pro-competitive provisions in existing interconnection contracts were obtained during this time period. Competitive rivals fully understood and correctly predicted that with RBOC/AT&T consolidation, the agenda of the “new” AT&T would be to revert to the tradition of the RBOC monopolies and the original AT&T to stifle competition through the imposition of unreasonable and discriminatory interconnection rates, terms, and conditions and to do so in an environment in which the former pro-competition AT&T no longer exists to aid the cause of competition. For this reason, competitors opposed the AT&T merger with BellSouth, and for this reason the FCC imposed interconnection conditions on the “new” AT&T. However, immediately upon merger approval, as Sprint and others sought to invoke the very AT&T-merger interconnection conditions that were expressly promised for the purpose of reducing competitors’ interconnection transaction costs, the “new” AT&T wasted no time implementing its anti-competition agenda and proving correct the prediction of would-be competitors. As this Commission and every other state

1 commission throughout the nine-state legacy BellSouth region well know, AT&T  
2 refused to honor the merger conditions and instead forced costly, counter-  
3 productive litigation.<sup>5</sup> This same AT&T tact has likewise been followed throughout  
4 its remaining thirteen-state territories as well.<sup>6</sup>

5  
6 With the expiration of the merger conditions and current interconnection contracts,  
7 the “new” AT&T seeks to further its anti-competition agenda in this arbitration  
8 proceeding. In the truly egregious disputed issues, the “new” AT&T seeks contract  
9 provisions which would: 1) undo pro-competitive provisions from the current  
10 contract; 2) impose new, costly, unnecessary, burdensome, asymmetric and/or  
11 technology-based discriminatory obligations on Sprint without any Act-compliant  
12 underlying rationale; and 3) place restrictions to unduly limit Sprint’s network and  
13 business plans, ignoring the reality that traffic today does not neatly fit into  
14 traditional categories.

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<sup>5</sup> See , e.g., *In the Matter of Adoption by Nextel West Corp. of the Existing Interconnection Agreement by and between BellSouth Telecommunications, Inc. and Sprint Communications Company Limited Partnership, Sprint Communications Company L.P., and Sprint Spectrum, L.P.*, Kentucky Public Service Commission, Case No. 2007-00255, Application filed June 26, 2007; *In the Matter of Adoption by NPCR, Inc. d/b/a Nextel Partners of the Existing Interconnection Agreement by and between BellSouth Telecommunications, Inc. and Sprint Communications Company Limited Partnership, Sprint Communications Company L.P., and Sprint Spectrum, L.P.*, Kentucky Public Service Commission, Case No. 2007-00256, Application filed June 25, 2007; *In the Matter of Petition of Sprint Communications Company L.P. and Sprint Spectrum L.P. d/b/a Sprint PCS for Arbitration of Rates, Terms and Conditions of Interconnection with Bellsouth Telecommunications, Inc. d/b/a AT&T Kentucky d/b/a AT&T Southeast*, Kentucky Public Service Commission, Case No. 2007-00180, Application filed May 7, 2007.

<sup>6</sup> See, e.g., *Complaint and Request to Open Docket on behalf of Sprint Communications Company L.P., Sprint Spectrum L.P., Nextel West Corp., and NPCR, Inc., against Wisconsin Bell, Inc., d/b/a AT&T Wisconsin*, Public Service Commission of Wisconsin, Case No. 6720-TI-211, Complaint filed December 18, 2007.

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As the Georgia Public Service Commission (“GPSC”) astutely observed in its 2006 Order which also approved the AT&T-BellSouth merger with conditions, at page 14: “The impact that this merger has on competition may not be experienced immediately. It is important for the Commission to continue to monitor the effects of the merger and take whatever actions it deems lawful and appropriate.”<sup>7</sup>

Further, the GPSC stated that “[BellSouth/AT&T] shall not, either directly or through affiliated companies, engage in any anticompetitive act or practice.”<sup>8</sup> An arbitration proceeding such as this one presents an important opportunity for this Commission to ensure the new AT&T cannot move to hinder competition in Florida through unlawful and unreasonable interconnection terms.

In Section I – Purpose and Scope of the Agreements, Sprint proposes language which permits both parties to provide all Authorized Services<sup>9</sup> using this contract. In stark contrast, AT&T would impose definitions intended to restrict Sprint’s market-place offerings in another attempt to impose outdated regulatory labels on new technologies.

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<sup>7</sup> *In re Notice of Merger of AT&T Inc. and BellSouth Corporation Together with its Certificated Georgia Subsidiaries*, GPSC Docket No. 22682-U, Order Approving Merger Subject to Conditions, Released September 8, 2006, page 14.

<sup>8</sup> *Id.*, at page 17.

<sup>9</sup>As discussed in Issue 7 [I. B. (1)], under Sprint’s view, “Authorized Services” is a broad concept – as opposed to narrow and limiting – and should be defined to mean “those services which a Party may lawfully provide pursuant to Applicable Law. This Agreement is solely for the exchange of Authorized Services traffic between the Parties’ respective networks as provided herein.”



1 In Section II – How the Parties Interconnect, Sprint proposes provisions which  
2 permit both parties to interconnect their respective networks in an efficient manner  
3 that reasonably balances the parties’ obligations and minimizes the overall cost of  
4 interconnection and traffic exchange. AT&T proposes to shift the burden of  
5 interconnection costs to Sprint, contrary to efficient engineering, the law, and  
6 relevant rules.

7  
8 In Section III – How the Parties Compensate Each Other, Sprint proposes  
9 provisions which ensure just, reasonable, and nondiscriminatory compensation.  
10 AT&T proposes to increase Sprint’s costs through the improper imposition of  
11 inflated tariff access rates to facilities and traffic for which tariff access rates do not  
12 apply.

13  
14 In Section IV – Billing-Related Issues, Sprint proposes language to ensure accurate  
15 and efficient billing for and by both parties in order to minimize the overall cost of  
16 the billing transactions. AT&T seeks to impose unduly burdensome, and  
17 asymmetric billing arrangements intended to increase Sprint’s costs.

18  
19 In Section V – Miscellaneous, Sprint proposes reasonable contract language  
20 covering issues not covered in Sections I through IV. As with the other sections,  
21 AT&T proposes unreasonable contract terms.

22

1 Ultimately, the Commission will determine which party's proposed language –  
2 indeed, if either party's language - meets the requirements of federal law as to any  
3 given Issue(s). And, if the Commission were to determine neither party's language  
4 complies with federal law as to a given Issue(s), sufficient Commission guidance  
5 will also be necessary to direct the parties' mutual development and resubmission  
6 of appropriate language that conforms to the Commission's rulings as to such  
7 Issue(s).

8  
9 **Q. Describe some of the market and industry trends the Commission should**  
10 **consider when deciding the disputed issues in this arbitration.**

11 A. The Commission should consider how the communications market and industry are  
12 evolving as it decides the disputed issues in this arbitration. The communications  
13 market is nothing like it was 14 years ago when Congress passed the Act. Three  
14 very fundamental changes have occurred since the passage of the Act: the  
15 explosion of the Internet; the proliferation of wireless technology; and, the  
16 integration of voice and data technology. These fundamental changes have resulted  
17 in a massive convergence of voice, data and video services and applications.

18  
19 While the predecessor of what we now know as the Internet was around for  
20 decades, the Internet as we know it today was just beginning to take off in the  
21 1990s. Now it is available virtually everywhere. Such is the case for wireless  
22 communications. The first cell phone conversation took place in 1973 leading to

1 over a million users by 1987, and to the point today where there are more wireless  
2 phones than traditional landline telephones.

3  
4 The evolution of technology has created a melting pot of services and applications  
5 never seen before. Telephones function as computers and computers function as  
6 telephones. Devices are multi-faceted and capable of enabling communications via  
7 voice, text, email, video, Internet protocol, etc. The manner in which service  
8 providers interface their networks and exchange the various forms of  
9 communications must adapt to the fact that communication devices are multi-  
10 faceted. The market will no longer tolerate segregation and the devices and the  
11 network no longer require segregation, therefore, the interface between Sprint and  
12 AT&T must not be segregated. There are also new players in the market. In the  
13 past, voice communications providers were carriers and we recognized who they  
14 were. Today, there are dozens of voice service providers that are not considered  
15 carriers, don't want to be carriers and don't want to deal with all the regulatory  
16 hassles of the carrier world. These service providers look to others, such as Sprint,  
17 to do the "heavy lifting" required to connect their customers with other voice  
18 service users. Hence, there is a large wholesale communications market that must  
19 be accommodated. The 20<sup>th</sup> century walls between wireless and wireline, the old-  
20 fashioned Time Division Multiplexed ("TDM") voice and Internet protocol voice,  
21 and retail and wholesale must be removed.

22

1 Service providers like Sprint are evolving and modifying their networks to enable  
2 them to meet the demands of the marketplace. The days of segregated products are  
3 behind us and so are the days of segregated network platforms. Sprint, like AT&T  
4 and other providers, is evaluating and implementing network changes to maximize  
5 service capabilities and minimize network costs. These network changes are  
6 necessary due to the ever increasing competitive pressures in the marketplace. This  
7 evolution in the marketplace and the involved technology has brought Sprint to  
8 where it is today in its interconnection request of AT&T. The means by which  
9 Sprint interconnects with AT&T must keep up with what is occurring in the market  
10 and within Sprint's network. It is inefficient and unproductive to converge services  
11 in the market, and then within the customer-serving carrier's network, but then have  
12 to segregate such services when the customer-serving carrier interconnects with  
13 AT&T.

14  
15 **Q. Please summarize your introductory statements.**

16 **A.** These introductory statements are intended to shed light on the fact that the market  
17 and the networks used to serve those markets have changed and will continue to  
18 change drastically to meet the ever-expanding communications needs within the  
19 United States. In summary, Sprint's testimony demonstrates that Sprint proposes  
20 CMRS and CLEC contracts that will each ensure just, reasonable, and  
21 nondiscriminatory interconnection, in accordance with the law and relevant rules,  
22 which will permit Sprint and AT&T the opportunity to compete fairly in the

1 provision of continuously evolving services in Florida to the benefit of Florida  
2 citizens.

3  
4 **Section I. Provisions related to the Purpose and Scope of the Agreements**

5  
6 **Issue 1. [I.A.(1)]: What legal sources of the parties' rights and obligations**  
7 **should be set forth in section 1.1 of the CMRS ICA and in the definition of**  
8 **"Interconnection" (or "Interconnected") in the CMRS ICA? (CMRS)**

9  
10 **Q. What precipitated the revision of Issue 1 [I.A.(1)] to include any reference to**  
11 **"the definition of 'Interconnection' (or 'Interconnected') in the CMRS ICA"?**

12 **A.** On Monday, August 16, 2010, the parties filed their respective direct testimony for  
13 the first time in the parallel multi-state proceeding that is pending in Georgia. Part  
14 of my testimony regarding Issue 1 [I.A.(1)] served to point out the inconsistency  
15 between an AT&T position that section 1.1 should not include any reference to the  
16 FCC's Part 20 regulations and the fact that the parties had agreed to the following  
17 definition of "Interconnection or Interconnected" which expressly referred to the  
18 FCC's Part 20 regulations:

19 **"Interconnection or Interconnected"** means as defined at 47 C.F.R. §  
20 **20.3 and 51.5.**<sup>10</sup>

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<sup>10</sup> The referenced §§ 20.3 and 51.5 definitions are:

47 C.F.R. § 20.3: Interconnection or Interconnected. Direct or indirect connection through automatic or manual means (by wire, microwave, or other technologies such as store and forward) to permit the transmission or reception of messages or signals to or from points in the public switched network.

1        Apparently, upon reading my Georgia testimony AT&T came to appreciate the  
2        obvious inconsistency between *AT&T's stated arbitration position* that “the source  
3        of the Parties’ rights and obligations in the ICA is Section 251(b) and (c) of the  
4        [Act] as implemented by the FCC’s Part 51 regulations”,<sup>11</sup> and *the parties’*  
5        *negotiated undisputed language* that also expressly relies upon the FCC’s Part 20  
6        provisions. Rather than concede its position on Issue 1, on Wednesday, August 18,  
7        2010 AT&T contacted Sprint’s attorneys to withdraw its prior agreement and,  
8        instead, place the definition of “Interconnection” back in dispute.

9  
10    **Q. Please describe Issue 1 [I.A.(1)].**

11    A. Issue 1 [I.A.(1)] pertains to section 1.1 of the CMRS ICA and the definition of  
12        “Interconnection or Interconnected” within the CMRS ICA. The fundamental  
13        difference in positions is whether section 1.1 and the Interconnection definition in  
14        Part B of the CMRS ICA should include a reference to the FCC’s Part 20  
15        regulations in addition to the FCC’s Part 51 regulations, or only include a reference  
16        to Part 51. It is Sprint’s position that both the Part 20 and Part 51 regulations  
17        should be referenced in the CMRS ICA. AT&T prefers to only reference the Part  
18        51 regulations.

---

47 C.F.R. § 51.5: Interconnection is the linking of two networks for the mutual exchange of traffic. This term does not include the transport and termination of traffic.

<sup>11</sup> See, e.g., *In the Matter of: Petition for Arbitration of Interconnection Agreement Between BellSouth Telecommunications, Inc. d/b/a AT&T Georgia and Sprint Spectrum L.P., Nextel South Corp. and NPCR, Inc. d/b/a Nextel Partners*, Georgia Public Service Commission (“GA PSC”) Docket No, 31691-U and *In the Matter of: Petition for Arbitration of Interconnection Agreement Between BellSouth Telecommunications, Inc. d/b/a AT&T Georgia and Sprint Communications Company L.P.*, GA PSC Docket No, 31692-U, AT&T Position Statement to Issue I.A.(1) in the Parties “Joint Disputed Issued List” filed July 23, 2010.

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**Q. Why does Sprint think it is necessary to reference Part 20 regulations?**

A. Section 1 of the ICA defines the Purpose and Scope of the entire ICA. Section 1.1 is the very first section. This section should generally reflect the entirety of the “purpose and scope” of the ICA. The FCC’s Part 20 rules contain specific rules governing Interconnection between a wireless carrier and an Incumbent Local Exchange Carrier (“ILEC”). Further, notwithstanding AT&T’s withdrawal of its prior agreement with respect to the Interconnection definition, the CMRS ICA continues to not only contain undisputed language that expressly refers to provisions of Part 20, but also contains multiple negotiated Issues (both closed and open) that pertain to subject matter for which the only existing, applicable FCC rules are contained in Part 20.

**Q. Where does Part 20 continue to be referred to by the Parties in undisputed language in the CMRS ICA?**

A. In the CMRS ICA General Terms and Conditions – Part B Definitions, portions of Part 20 continue to be expressly referred to in the following undisputed definitions:

“Commercial Mobile Radio Service(s) (CMRS)” has the meaning as defined at 47 U.S.C. § 332(d)(1) and 47 C.F.R. § 20.9.

“Major Trading Area” (“MTA”) has the meaning as defined in 47 C.F.R. § 24.202(a).

**Q. Does the CMRS ICA include any agreed upon language that implements an AT&T-ILEC interconnection right for which the source of that right is in the FCC’s Part 20, not Part 51, regulations?**

1 A. Yes. Within the CMRS ICA undisputed Section 2. Term of the Agreement  
2 provisions that are contained in the General Terms and Conditions – Part A, the  
3 undisputed language of subsection 2.2.1 states:

4 2.2.1 *Either Party (“Noticing Party”) may serve the other (“Receiving Party”)*  
5 *a notice to terminate the Agreement or to request negotiation of a*  
6 *successor agreement pursuant to the Notices Section (“Notice”) at any*  
7 *time within one hundred eighty (180) days prior to the end of the Initial*  
8 *Term or at any time during a Month-to-Month Renewal Period. (Emphasis*  
9 *added).*  
10

11 AT&T does not have any right under the FCC’s Part 51 rules to request  
12 interconnection with a Sprint CMRS entity. The only source of any AT&T-ILEC  
13 right to request interconnection with a CMRS provider is found in the FCC’s Part  
14 20 regulations at Rule 20.11(e), which states:

15 (e) An incumbent local exchange carrier may request interconnection from a  
16 commercial mobile radio service provider and invoke the negotiation and  
17 arbitration procedures contained in section 252 of the Act. A commercial radio  
18 service provider receiving a request for interconnection must negotiate in good  
19 faith and must, if requested, submit to arbitration by the state commission. Once  
20 a request for interconnection is made, the interim transport and termination  
21 pricing described in §51.715 of this chapter shall apply.  
22

23 It is Rule 20.11(e) that provides for the basis for granting AT&T any right to make  
24 send a Sprint CMRS entity a request to negotiate a successor agreement. Having  
25 agreed to it on the CMRS side because it was consistent with the law, Sprint  
26 voluntarily agreed to a similar provision in the CLEC ICA for the sake of  
27 consistency in both agreements regarding the subject matter of termination/re-  
28 negotiation.  
29



1 Q. **Aside from AT&T's 20.11(e) right, what open Issues in the CMRS ICA involve**  
2 **a subject matter for which the only applicable FCC Rule is contained in Part**  
3 **20?**

4 A. Each party has proposed CMRS ICA provisions regarding the compensation paid  
5 for InterMTA traffic. As explained in the testimony of Sprint witness Randy  
6 Farrar, 47 C.F.R. § 20.11 is the only existing, applicable FCC rule that addresses  
7 the compensation that may be charged for InterMTA traffic exchanged between a  
8 wireless carrier and an ILEC. Pursuant to § 20.11, any resolution of the InterMTA  
9 compensation Issue in the CMRS ICA must be premised upon the principles of  
10 mutual reasonable compensation paid by the originating Party to the terminating  
11 Party.

12  
13 Q. **How should the Commission resolve Issue 1 [I.A.(1)]?**

14 A. Part 20 and Part 51 are both sources of the parties rights and obligations, as opposed  
15 to only one or the other. The Commission should adopt Sprint's language for the  
16 CMRS ICA that includes the Part 20 references in both Section 1.1 and the Sprint  
17 proposed Interconnection definition. The language is as follows:

18 1.1 This Agreement specifies the rights and obligations of the Parties with  
19 respect to the implementation of their respective duties under Sections 251  
20 and 252 of the Act and the FCC's Part 20 and 51 regulations.  
21

22 **Issue 2. [I.A.(2)]: Should either ICA state that the FCC has not determined**  
23 **whether VoIP is telecommunications service or information service? (CMRS**  
24 **& CLEC section 1.3)**

25

1 **Q. Please describe Issue 2 [I.A.(2)].**

2 A. Issue 2 [I.A.(2)] relates to whether the ICAs should reflect the fact that the FCC  
3 has not determined whether Interconnected Voice Over Internet Protocol (“VoIP”)  
4 service is a Telecommunications Service or an Information Service. It is important  
5 to recognize this fact in both agreements because it provides the basis upon which  
6 the Commission should require the exchange of such traffic on a Bill and Keep  
7 basis under both the CMRS and CLEC ICA. To the contrary, AT&T claims the  
8 statement has no bearing on the parties’ dealings without even acknowledging an  
9 issue exists as to this traffic based upon current FCC inaction, or the federal  
10 authority addressing the impact of such inaction<sup>12</sup>.

11

12 **Q. Why is it important for the ICA to recognize the fact that the FCC has not**  
13 **made a determination on the regulatory classification of Interconnected VoIP**  
14 **as either a Telecommunications Service or an Information Service?**

15 A. First, inclusion of the language proposed by Sprint is a statement of a fact relative  
16 to VoIP Traffic that the FCC has determined is subject to being exchanged between  
17 a requesting carrier and an ILEC pursuant to an Interconnection agreement.  
18 Second, the statement recognizes that the FCC has assumed jurisdiction over  
19 Interconnected VoIP service and has not determined what intercarrier  
20 compensation, if any, should apply to Interconnected VoIP traffic. Consequently,

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<sup>12</sup> See *PAETEC Communs. v. CommPartners, LLC*, D.D.C. Case No. 08-00397, Memorandum Order, Filed February 10, 2009, p. 8 (“Although some risk of inconsistent rulings is present, that risk is outweighed by the need for a decision: continued uncertainty about whether and when the FCC will ultimately address and decide the issue is unacceptable.”). See also *PAETEC Communs. v. CommPartners, LLC*, 2010 U.S. Dist. LEXIS 51926 (D.D.C. February 18, 2010) (determining that access charges do not apply to VoIP).

1 until the FCC determines the regulatory classification of Interconnected VoIP, this  
2 Commission simply does not have authority to make such a determination and set a  
3 rate for Interconnected VoIP traffic. The exchange of Interconnected VoIP traffic  
4 on a default Bill and Keep basis is separately addressed in my testimony as Issues  
5 53 [III.A.6.(1)] and 54 [III.A.6.(2)].

6  
7 **Q. How should the Commission resolve this issue?**

8 A. The Commission should require the parties to adopt Sprint's language as stated  
9 below because it recognizes the current regulatory uncertainty with respect to  
10 Interconnected VoIP Service traffic.

11 1.3 Interconnected VoIP Service. The FCC has yet to determine whether  
12 Interconnected VoIP service is Telecommunications Service or  
13 Information Service. Notwithstanding the foregoing, this Agreement may  
14 be used by either Party to exchange Interconnected VoIP Service traffic.  
15

16  
17 **Issue 3. [I.A.(3)]: Should the CMRS ICA permit Sprint to send**  
18 **Interconnected VoIP traffic to AT&T? (CMRS section 1.3)**

19  
20 **Q. Please describe Issue 3 [I.A.(3)].**

21 A. Issue 3 [I.A.(3)] relates to whether the CMRS ICA will allow either: 1) Sprint  
22 CMRS to continue to develop and offer Interconnected VoIP services that will  
23 result in Sprint CMRS sending Interconnected VoIP traffic to AT&T; or 2) under  
24 AT&T's view of the world, AT&T can send its U-Verse Interconnected VoIP  
25 traffic to Sprint CMRS but Sprint CMRS will not be allowed to send any Sprint

1 CMRS originated Interconnected VoIP traffic to AT&T. AT&T's position  
2 regarding Sprint CMRS is particularly disconcerting in light of the fact AT&T  
3 agrees to the same language in the CLEC ICA that Sprint CMRS proposes – i.e.,  
4 that the ICA can be used by “either” Party to exchange Interconnected VoIP traffic.  
5 AT&T offers no explanation why Sprint CMRS cannot originate Interconnected  
6 VoIP traffic, and it is patently discriminatory to preclude the exchange of  
7 Interconnected VoIP traffic based merely on the technology used by the originating  
8 carrier.

9  
10 **Q. What does the word “interconnected” refer to within the context of the term**  
11 **Interconnected VoIP service?**

12 A. The word “interconnected” refers to the fourth criterion used by the FCC to define  
13 Interconnected VoIP service that defined the service as being “interconnected” to  
14 the Public Switched Telephone Network (“PSTN”).<sup>13</sup>

15  
16 **Q. Are Interconnection Facilities used today to exchange such VoIP traffic?**

17 A. Yes. It has been common practice since the commercial availability of VoIP  
18 service to utilize Interconnection Facilities/trunks for the exchange of such traffic.

19  

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<sup>13</sup> 47 C. F. R. § 9.3 – Interconnected VoIP service. An interconnected Voice over Internet Protocol (VoIP) service is a service that: (1) Enables real-time, two-way voice communications; (2) Requires a broadband connection from the user’s location; (3) Requires Internet protocol-compatible customer premises equipment (CPE); and (4) Permits users generally to receive calls that originate on the public switched telephone network and to terminate calls to the public switched telephone network.

1 **Q. Under what circumstances might a wireless carrier deliver Interconnected**  
2 **VoIP traffic to AT&T over Interconnection Facilities?**

3 A. I can provide two examples. First, although the volume of such traffic is relatively  
4 small at this point, Sprint CMRS currently offers a device called the Airave. This  
5 product extends wireless coverage within a customer location in the form of a  
6 “mini” cell tower that is connected to the Sprint CMRS network via a broadband  
7 connection. The device meets all of the FCC’s criteria for Interconnected VoIP.  
8 Second, as discussed in more detail in other portions of the various Sprint  
9 witnesses’ testimony, it is Sprint’s position that there is nothing under federal law  
10 that prevents Sprint CLEC or Sprint CMRS from offering a wholesale  
11 Interconnection Transit Service. Although Sprint CMRS does not offer such  
12 service today, if it so chose, it could offer such a service to any type of carrier,  
13 including a Sprint CMRS wholesale Interconnection Transit Service customer that  
14 originates Interconnected VoIP traffic.

15  
16 **Q. You mentioned that AT&T agrees to exchange Interconnected VoIP traffic**  
17 **under the parties’ agreed to language in the CLEC ICA, but not under the**  
18 **CMRS ICA. Do you know why AT&T is proposing to discriminate between**  
19 **the Sprint entities under the respective ICAs?**

20 A. No. I do not know the basis upon which AT&T believes it can discriminate  
21 between Sprint CMRS and Sprint CLEC based upon the type of traffic (VoIP or  
22 non-VoIP) a given Sprint entity sends to AT&T.

23

1 **Q. Has the FCC addressed the exchange of Interconnected VoIP traffic within the**  
2 **context of Section 251?**

3 A. Yes. Keeping in mind the fact that VoIP traffic has been exchanged over  
4 Interconnection Facilities since the commercial availability of VoIP service, the  
5 FCC has addressed the exchange of VoIP traffic multiple times.

6

7 In WC Docket No. 06-55 (the Time Warner Cable Order), the FCC stated:

8 "... wholesale telecommunications carriers are entitled to interconnect and  
9 exchange traffic with incumbent local exchange carriers (LECs) when providing  
10 services to other service providers, including voice over Internet Protocol (VoIP)  
11 service providers pursuant to sections 251(a) and (b) of the Communications Act  
12 of 1934, as amended (the Act)."<sup>14</sup>  
13

14 In WC Docket No. 06-122 (the Universal Service Contribution Methodology  
15 Order), the FCC stated:

16 "...interconnected VoIP providers may rely on their own facilities or provide  
17 access to the PSTN through others. 'Over the top' interconnected VoIP providers  
18 generally purchase access to the PSTN from a telecommunications carrier who  
19 accepts outgoing traffic from and delivers incoming traffic to the interconnected  
20 VoIP provider's media gateway." (footnote omitted)<sup>15</sup>  
21

22 In WC Docket No. 03-211 (the Vonage Order), the FCC stated:

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<sup>14</sup> *In the Matter of Time Warner Cable Request for Declaratory Ruling that Competitive Local Exchange Carriers may Obtain Interconnection Under Section 251 or the Communications Act of 1934, as Amended, to Provide Wholesale Telecommunications Services to VoIP Providers*, FCC WC Docket No. 06-55, Memorandum Opinion and Order, Released March 1, 2007, 22 FCC Rcd 3513, ¶ 1.

<sup>15</sup> *In the Matter of Universal Service Contribution Methodology*, FCC WC Docket No. 06-122, Report and Order and Noticed of Proposed Rulemaking, Released June 27, 2006, 21 FCC Rcd 7518, 7539, ¶ 41.

1            “If the destination is a telephone attached to the PSTN, the server converts the IP  
2            packets into appropriate digital audio signals and connects them to the PSTN  
3            using the services of telecommunications carriers interconnected to the PSTN.”<sup>16</sup>  
4

5            In WC Docket No. 07-243 (the VoIP LNP Order), the FCC made it clear that  
6            interconnected VoIP service providers may partner with wireless carriers to acquire  
7            telephone numbers and in so doing recognized and validated the fact that  
8            interconnected VoIP providers could/would be utilizing wireless carriers for PSTN  
9            interconnection. The FCC stated:

10           “Similarly, subject to a valid port request on behalf of the user, an interconnected  
11           VoIP provider that partners with a covered CMRS provider for numbering  
12           resources must, in conjunction with its numbering partner, port-out a NANP  
13           telephone number to...”<sup>17</sup>  
14

15    **Q. Are you aware of any regulatory basis for AT&T’s discriminatory treatment**  
16    **with respect to Sprint CMRS?**

17    A. No. I am not aware of any regulatory basis for AT&T’s apparent discriminatory  
18    treatment with respect to Sprint CMRS. I am not aware of any restrictions in either  
19    Sections 251 or 332 of the Act, or Parts 51 or 20 of the FCC’s regulations that even  
20    suggest AT&T may prohibit Sprint CMRS from sending AT&T Interconnected  
21    VoIP traffic pursuant to the CMRS ICA.

22  
23    **Q. Does AT&T obviously intend to send Interconnected VoIP traffic to Sprint?**

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<sup>16</sup> *In the Matter of Vonage Holdings Corporation Petition for Declaratory Ruling Concerning an Order of the Minnesota Public Utilities Commission*, FCC WC Docket No. 03-211, Memorandum Opinion and Order, Released November 12, 2004, 19 FCC Rcd 22404, 22408 ¶ 8.

<sup>17</sup> *In the Matter of Telephone Number Requirements for IP-Enabled Service Providers*, FCC WC Docket No. 07-243, Report and Order, Released November 8, 2007, 22 FCC Rcd 19531, 19550, ¶ 34.

1 A. Yes. As AT&T no doubt does today, it will continue to send Interconnected VoIP  
2 traffic from AT&T's own VoIP customers destined for Sprint CMRS customers  
3 over existing Interconnection Facilities between AT&T and Sprint CMRS. In  
4 addition, AT&T will no doubt also continue to deliver over those same  
5 Interconnection Facilities to Sprint CMRS any Interconnected VoIP traffic that is  
6 originated by AT&T wholesale Interconnection Transit Service customers who  
7 provide an Interconnected VoIP service to their retail customers. Simply put,  
8 AT&T uses and clearly intends to continue to use existing Interconnection Facilities  
9 to send Interconnected VoIP traffic to Sprint CMRS despite its attempt to prevent  
10 Sprint CMRS from exchanging the same type of traffic with AT&T. The  
11 Interconnection Facilities between Sprint and AT&T, whether CMRS or CLEC, are  
12 for the parties' mutual use and limited only by what a Party may be prohibited from  
13 doing by applicable law. There is no applicable law to prohibit Sprint CMRS from  
14 offering services that result in the origination of Interconnected VoIP traffic that  
15 will need to be delivered to and terminated by AT&T.

16

17 **Q. Is it possible that AT&T is attempting to deny Sprint CMRS's right to send**  
18 **AT&T Interconnected VoIP traffic because of perceived or potential**  
19 **differences in intercarrier compensation?**

20 A. Yes. It is conceivable that AT&T is concerned about intercarrier compensation *rate*  
21 *differences*.

22



1 **Q Should perceived or potential *rate* differences dictate the resolution of this**  
2 **issue?**

3 A. No. This issue has nothing to do with the termination rates for any given type of  
4 traffic, and it is very important to understand that any perceived or potential rate  
5 differences are irrelevant to this issue. Whether the rates are the same or different,  
6 the only issue being raised in Issue 3 [I.A.(3)] is whether Sprint CMRS can deliver  
7 Sprint-CMRS-customer originated Interconnected VoIP traffic to AT&T, just like  
8 AT&T sends AT&T-customer originated Interconnected VoIP traffic to Sprint.

9

10 **Q. How should the Commission resolve this issue?**

11 A. The Commission should require the parties to adopt Sprint's language as stated  
12 below. Sprint's proposed language recognizes both parties' right to non-  
13 discriminatory treatment with respect to the exchange of Interconnected VoIP  
14 traffic between the parties:

15 1.3 Interconnected VoIP Service. The FCC has yet to determine whether  
16 Interconnected VoIP service is Telecommunications Service or Information  
17 Service. Notwithstanding the foregoing, this Agreement may be used by either  
18 Party to exchange Interconnected VoIP Service traffic.

19

20

21 **Issue 4. [I.A (4)]: Should Sprint be permitted to use the ICAs to exchange**  
22 **traffic associated with jointly provided Authorized Services to a subscriber**  
23 **through Sprint wholesale arrangements with a third-party provider that does**  
24 **not use NPA-NXXs obtained by Sprint? (CMRS & CLEC section 1.4)**

25

1 **Q Please describe Issue 4 [I.A.(4)].**

2 A. The issue relates to Sprint's right to exchange wholesale traffic with AT&T when  
3 Sprint's wholesale customer desires to obtain its own telephone numbers from the  
4 North American Numbering Plan Administrator ("NANPA"). AT&T does not have  
5 any problem with and, therefore, agrees Sprint can exchange wholesale traffic when  
6 a Sprint wholesale customer uses telephone numbers that have been obtained from  
7 NANPA in Sprint's name.

8

9 **Q. Please describe a situation in which a carrier such as Sprint might provide**  
10 **wholesale interconnection services to another service provider and that service**  
11 **provider might have its own telephone numbers.**

12 A. I will provide three examples when a service provider, wishing to utilize Sprint as a  
13 wholesale provider of interconnection, could obtain its own telephone numbers  
14 from NANPA.

15

16 The first example could involve a VoIP service provider that sought and received  
17 from the FCC a waiver of 47 C.F.R. § 52.15(g)(2)(i). This rule requires that an  
18 applicant for numbering resources be authorized to provide service in the area for  
19 which it is seeking numbering resources. In such a case, the VoIP service provider  
20 may have its own numbering resources but is not deemed to be a  
21 "telecommunications carrier" with a right to interconnect in its own right, as a  
22 telecommunications carrier otherwise can. The VoIP service provider would seek  
23 to gain PSTN interconnection via a wholesale interconnection provider such as

1 Sprint. In fact, an affiliate of Southwestern Bell (now AT&T) called SBC IP  
2 Communications, Inc. sought and received such a waiver from the FCC in 2005.<sup>18</sup>

3  
4 The second example could involve another telecommunications carrier that has  
5 acquired its own telephone numbers, but for whatever reason wishes to utilize a  
6 wholesale interconnection provider such as Sprint.

7  
8 The third example is AT&T itself. AT&T certainly will be sending traffic to Sprint  
9 over the CMRS and CLEC Interconnection Facilities that result from the ICAs in  
10 this proceeding. Some of the traffic delivered by AT&T to Sprint will have been  
11 originated by other carriers or non-carrier service providers that have their own  
12 telephone numbers. As I understand the SBC IP Communications, Inc. request I  
13 previously mentioned, SBC IP (now an AT&T affiliate) intended to utilize  
14 Southwestern Bell (now AT&T) for PSTN Interconnection.

15  
16 **Q. Are you aware of any regulatory restrictions concerning wholesale**  
17 **interconnection services that only allow the use of the wholesale carrier's**  
18 **telephone numbers?**

19 A. No. I am not aware of any regulatory restrictions that limit Sprint's rights as a  
20 provider of wholesale Interconnection services in this manner. In fact, quite the  
21 opposite is true. The overarching goal of the Act was to foster competition. This

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<sup>18</sup> *In the Matter of Administration of the North American Numbering Plan*, Order, CC Docket 99-200, Released February 1, 2005, 20 FCC Rcd 2957.

1 congressional goal is supported by the development and deployment of creative  
2 business models some of which have been seen and others that are yet to be seen.

3

4 **Q Are you aware of technical reasons why a wholesale Interconnection customer**  
5 **would not be able to directly obtain its own telephone numbers from NANPA?**

6 A. No. I am not aware of any technical reasons why a wholesale Interconnection  
7 customer would not be able to directly obtain its own telephone numbers from  
8 NANPA.

9

10 **Q. Is what Sprint is asking with respect to this issue any different from what you**  
11 **describe in your third example above?**

12 A. No. This appears to be another example where AT&T is attempting to prevent  
13 Sprint from doing what AT&T is doing itself. The Interconnection Facilities  
14 between Sprint and AT&T, whether CMRS or CLEC, are for the parties' mutual  
15 use and limited only by what a party may be prohibited from doing by applicable  
16 law.

17

18 **Q. How should the Commission resolve this issue?**

19 A. Sprint asks the Commission to require the parties to adopt Sprint's proposed  
20 language for section 1.4 as follows:

21 1.4 Sprint Wholesale Services. This Agreement may be used by Sprint to  
22 exchange traffic associated with jointly provided Authorized Services to a  
23 subscriber through Sprint wholesale arrangements with third-party providers that  
24 use numbering resources acquired by Sprint from NANPA or the Number Pooling  
25 Administrator ("Sprint Third Party Provider(s)"). Subscriber traffic of a Sprint  
26 Third Party Provider ("Sprint Third Party Provider Traffic") is not Transit Service

1 traffic under this Agreement. Sprint Third Party Provider Traffic traversing the  
2 Parties' respective networks shall be deemed to be and treated under this  
3 Agreement (a) as Sprint traffic when it originates with a Sprint Third Party  
4 Provider subscriber and either (i) terminates upon the AT&T-9STATE network or  
5 (ii) is transited by the AT&T-9STATE network to a Third Party, and (b) as  
6 AT&T-9STATE traffic when it originates upon AT&T-9STATE's network and is  
7 delivered to Sprint's network for termination. Although not anticipated at this  
8 time, if Sprint provides wholesale services to a Sprint Third Party Provider that  
9 does not include Sprint providing the NPA-NXX that is assigned to the  
10 subscriber, Sprint will notify AT&T-9STATE in writing of any Third Party  
11 Provider NPA-NXX number blocks that are part of such wholesale arrangement.  
12

13 **Issue 5. [I.A.(5)]: Should the CLEC Agreement contain Sprint's proposed**  
14 **language that requires AT&T to bill a Sprint Affiliate or Network Manager**  
15 **directly that purchases services on behalf of Sprint? (CLEC Section 1.5)**

16

17 **Q Please describe this issue.**

18 A. Issue 5 [I.A.(5)] relates to whether Sprint CLEC is allowed to select and utilize an  
19 affiliate or third party to construct and operate a portion of Sprint CLEC's wireline  
20 network without the approval of AT&T even though Sprint CLEC will remain  
21 solely responsible for traffic to and from that network, as well as any  
22 Interconnection Facilities that may be obtained under the ICA for Sprint CLEC's  
23 benefit.

24

25 **Q. Has AT&T agreed to this concept in the CMRS ICA?**

26 A. Yes.

27

28 **Q. What was the fundamental reason for the creation and inclusion of this**  
29 **language in the CMRS ICA?**

1 A. When Sprint CMRS started its initial network build-out, it used third parties to  
2 assist in that process. Originally, when the third parties purchased Interconnection  
3 services for the benefit of Sprint PCS under the existing Sprint ICA, AT&T sent the  
4 bill for such services directly to Sprint PCS even though the invoice review and  
5 payment functions were handled by the third parties. Ultimately the current  
6 language that is accepted by AT&T in the CMRS ICA was driven by the simple  
7 fact that *it expedited payment for AT&T to send its bills* directly to the third parties,  
8 which the third parties would pay – all the while Sprint PCS clearly remained  
9 ultimately liable for the services provided and billed to the third parties under the  
10 Sprint ICA.

11

12 **Q. Do you understand why AT&T is not willing to accept this same concept in the**  
13 **CLEC ICA?**

14 A. Apparently, AT&T does not accept the same concept in the CLEC ICA that it has  
15 already agreed to in CMRS ICA because AT&T believes it has some inherent right  
16 to “investigate” and thereby control how a CLEC conducts business with third  
17 parties. It is indeed surprising on its face that AT&T even suggests that it can insert  
18 itself into a competing carrier’s day-to-day business in such a fashion.

19

20 **Q. Does Sprint CLEC have an affiliate or third party identified for the purpose of**  
21 **extending the Sprint CLEC wireline network at this time?**

22 A. No. The purpose of Sprint CLEC’s proposed language is simply to enable it  
23 flexibility to freely negotiate an arrangement acceptable to Sprint CLEC if the

1 circumstances warrant it in the future - without the interference of AT&T.  
2 Outsourcing is an important issue and Sprint cannot allow AT&T to dictate whom  
3 Sprint CLEC may choose to outsource particular functions. AT&T has no right to  
4 interject itself into Sprint CLEC's business decisions to "qualify" whom Sprint  
5 wishes to work with.

6

7 **Q. Would Sprint CLEC utilize its own criteria to determine whether an affiliate**  
8 **or third party is qualified?**

9 A. Of course. As I mentioned, outsourcing network functionality is a critical function  
10 that could impact many aspects of any Sprint business including, but not limited to,  
11 its customer experience, reputation in the marketplace, and network reliability. Be  
12 it Sprint CMRS (with whom AT&T has already agreed to the same language) or  
13 Sprint CLEC, Sprint puts any potential entity through a very rigorous  
14 "qualification" process that considers many things including, but not limited to,  
15 technical capabilities, financial resources, and operational capabilities.

16

17 **Q. The essence of the ICA between Sprint and AT&T is to govern the traffic that**  
18 **flows between the parties, including any intercarrier compensation. Would**  
19 **Sprint be financially responsible for traffic or facilities if it used an affiliate or**  
20 **third party as requested?**

21 A. Yes. Sprint CLEC would bear all of the same financial responsibilities for traffic  
22 exchanged or for facilities acquired pursuant to the terms of the ICA if it chose to

1 utilize an affiliate or third party. In addition, AT&T has all the remedies included  
2 in the ICA available to it in the event Sprint does not fulfill its responsibilities.

3  
4 **Q. Has AT&T identified the criteria it would use to qualify an entity Sprint was  
5 considering?**

6 A. No. AT&T has not identified the criteria it would utilize, let alone the performance  
7 standards or levels for the criteria. In effect, AT&T would have final say or veto  
8 power over the entity Sprint chooses, with no standards to limit AT&T's discretion.

9  
10 **Q. Would AT&T have an incentive to aid in Sprint CLEC's process of selecting  
11 an affiliate or third party, or an incentive to hinder the process?**

12 A. AT&T has an incentive to hinder the process. AT&T and Sprint are competitors, so  
13 there is no incentive for AT&T to do anything but hinder Sprint's efforts.

14  
15 **Q. You mentioned that Sprint has the ability to do the type of network build-out  
16 outsourcing it desires in the CMRS ICA. Does the language in the CMRS ICA  
17 give AT&T the control it is seeking in the CLEC agreement?**

18 A. No. The language in the CMRS agreement, which AT&T has agreed to, does not  
19 give AT&T the control it is seeking in the CLEC agreement. The AT&T-approved  
20 CMRS language does not give AT&T the ability to pre-qualify affiliates or third  
21 parties.

22



1 **Q. Is there any basis for AT&T's discriminatory treatment between the CMRS**  
2 **and CLEC agreements?**

3 A. No. I am not aware of any valid technology-neutral reason for AT&T to take a  
4 different position in the CLEC agreement as compared to the CMRS agreement.

5

6 **Q. How should the Commission resolve this issue?**

7 A. Sprint asks the Commission to require the parties to adopt Sprint's proposed  
8 language for section 1.5 in the CLEC ICA as follows:

9 1.5 Affiliates and Network Managers

10

11 1.5.1 Nothing in this Agreement shall prohibit Sprint from enlarging its wireline  
12 network through the use of a Sprint Affiliate or management contracts with non-  
13 Affiliate third parties (hereinafter "Network Manager(s)") for the construction and  
14 operation of a wireline system under a Sprint or Sprint Affiliate license. Traffic  
15 traversing such extended networks shall be deemed to be and treated under this  
16 Agreement (a) as Sprint traffic when it originates on such extended network and  
17 either (i) terminates upon the AT&T-9STATE network or (ii) is transited by the  
18 AT&T-9STATE network to a Third Party, and (b) as AT&T-9STATE traffic  
19 when it originates upon AT&T-9STATE's network and terminates upon such  
20 extended network. All billing for or related to such traffic and for the  
21 interconnection facilities provisioned under this Agreement by AT&T-9STATE to  
22 Sprint for use by a Sprint Affiliate or Network Managers under a Sprint or Sprint-  
23 Affiliate license will (a) be in the name of Sprint, (b) identify the Sprint Affiliate  
24 or Network Manager as applicable, and (c) be subject to the terms and conditions  
25 of this Agreement; and, Sprint will remain liable for all such billing hereunder.  
26 To expedite timely payment, absent written notice to the contrary from Sprint,  
27 AT&T-9STATE shall directly bill the Sprint Affiliate or Network Manager that  
28 orders interconnection facilities for all charges under this Agreement associated  
29 with both the interconnection facilities and the exchange of traffic over such  
30 facilities.

31

32 1.5.2 A Sprint Affiliate or Network Manager identified in Exhibit A may  
33 purchase on behalf of Sprint, services offered to Sprint in this Agreement at the  
34 same rates, terms and conditions that such services are offered to Sprint provided  
35 that such services should only be purchased to provide Authorized Services under  
36 this Agreement by Sprint, Sprint's Affiliate and its Network Managers.  
37 Notwithstanding that AT&T-9STATE agrees to bill a Sprint Affiliate or Network  
38 Manager directly for such services in order to expedite timely billing and payment

1 from a Sprint Affiliate or Network Manager, Sprint shall remain fully responsible  
2 under this Agreement for all services ordered by the Sprint Affiliate or Network  
3 Manager under this Agreement.  
4

5 1.5.3 Upon Sprint's providing AT&T9-State a ten-day (10) day written notice  
6 requesting an amendment to Exhibit A to add or delete a Sprint Affiliate or  
7 Network Manager, the parties shall cause an amendment to be made to this  
8 Agreement within no more than an additional thirty (30) days from the date of  
9 such notice to effect the requested additions or deletions to Exhibit A.  
10

11 **Issue 6. [I.A.(6)]: Should the ICAs contain AT&T's proposed Scope of**  
12 **Obligations language? (CLEC & CMRS section 1.6)**

13  
14 **Q. Please describe this issue.**

15 A. AT&T is attempting to limit Sprint to only serving customers within AT&T's ILEC  
16 geographic serving territory. For the CLEC agreement, AT&T's position relates to  
17 interconnection, unbundled network elements ("UNEs"), collocation and resale.  
18 For the CMRS agreement, AT&T's position relates to interconnection and  
19 collocation but does not include UNEs or resale, as they are not relevant to the  
20 CMRS agreement.  
21

22 **Q. First discuss the CLEC agreement. Are the AT&T limitations related to resale**  
23 **relevant to even the CLEC agreement?**

24 A. No. Even the CLEC agreement does not include terms or conditions for resale.  
25

26 **Q. Do the interconnection, UNE and collocation restrictions proposed by AT&T**  
27 **contradict the terms and conditions related to these issues as they are**  
28 **addressed elsewhere in the CLEC agreement?**

1 A. Yes. As AT&T has proposed the language in section 1.6, Scope of Obligations, the  
2 restrictions proposed by AT&T would supersede and are contradictory to terms and  
3 conditions related to these issues elsewhere in the agreement. At a minimum, the  
4 contradictory nature of the proposed section 1.6 language creates ambiguity  
5 between, for example, the UNE attachment and the contradictory terms of section  
6 1.6.

7

8 **Q. What restriction would AT&T's proposed section 1.6 language place on**  
9 **Sprint?**

10 A. AT&T's restrictive language would prevent Sprint from serving customers that are  
11 not located within AT&T's local exchange territory. For example, consider a  
12 metropolitan area that is entirely within a given local calling area but served  
13 partially by AT&T and partially by a rural ILEC. Within such a local calling area,  
14 the rural ILEC likely subtends AT&T. This means that the exchange of traffic  
15 between the rural ILEC and Sprint would be through AT&T. The restrictions  
16 AT&T is proposing would not allow Sprint to serve a customer located in the rural  
17 ILEC territory and exchange traffic with the rural ILEC via AT&T. This would  
18 violate Sprint's right to interconnect either directly or indirectly for the exchange of  
19 traffic. AT&T's restrictions could be construed to require Sprint to install costly  
20 direct interconnection facilities to exchange traffic with the rural ILEC.

21

22 With respect to the UNE restriction, Sprint CLEC may want to purchase a UNE  
23 from AT&T and connect it to Sprint CLEC's own facilities to serve a customer

1 outside AT&T's serving area and in the rural ILEC area I previously mentioned.  
2 Likewise, AT&T's collocation restriction could be construed to not allow Sprint to  
3 utilize equipment collocated at an AT&T location to serve any Sprint CLEC  
4 customers outside of AT&T's serving area.

5  
6 **Q. As for the CMRS agreement, do the general scope restrictions restrict the**  
7 **Interconnection and exchange of traffic and collocation?**

8 A. Yes. On the one hand, the CMRS agreement includes numerous specific terms and  
9 conditions for the Interconnection and exchange of traffic and collocation. Yet, on  
10 the other hand, AT&T's general scope Interconnection restriction seeks to impose  
11 the same nonsensical limitation that purports to restrict AT&T's obligations under  
12 the ICA to the extent *that Sprint CMRS is operating and offering service to End*  
13 *Users that reside in AT&T ILEC territory.* This language could be easily construed  
14 to prohibit Sprint CMRS from using the CMRS ICA to serve any Sprint CMRS  
15 wireless customer "residing" outside AT&T's serving territory – even when such  
16 customers are placing to, or receiving calls from, AT&T's own customers.  
17 AT&T's territory and the relationship of a Sprint customer's "residence" to such  
18 territory are simply irrelevant to the application of AT&T's obligations under the  
19 CMRS ICA.

20  
21 **Q. How does the restrictive language impact Sprint CMRS collocation rights?**

22 A. The result is comparable to what I explained in the CLEC example. Sprint would  
23 not be able to collocate and place any equipment pursuant to the CMRS ICA if it

1 were to use the equipment to serve Sprint customers that “reside” outside AT&T  
2 territory.

3

4 **Q. Is there a regulatory basis for the “Sprint customer must reside in AT&T**  
5 **territory” restrictions that AT&T is attempting to interject into the ICAs?**

6 A. Absolutely not.

7

8 **Q. How should the Commission resolve this issue?**

9 A. Sprint asks the Commission to reject AT&T’s proposed language in section 1.6 as it  
10 is unnecessarily overbroad and unduly restricts Sprint’s rights as described above.

11

12

13 **Issue 7. [I.B.(1)]: What is the appropriate definition of Authorized Services?**

14

15 **Q. Please describe the disputed issue.**

16 A. Sprint proposes a straightforward definition for Authorized Services which  
17 recognizes that the exchange of traffic and the services rendered are mutually  
18 provided by both parties and must be associated with a service that a party can  
19 legally provide. In contrast, AT&T proposes a series of definitions throughout  
20 section I.B designed to: 1) inappropriately restrict lines of business which Sprint is  
21 legally authorized to provide; 2) deny Sprint’s right to collect applicable  
22 terminating reciprocal compensation on traffic identified as AT&T-originated  
23 traffic; 3) deny Sprint’s right to indirect interconnection; 4) cause inefficient

1 interconnection; and 5) permit AT&T to unilaterally impose access charges on  
2 services for which access charges do not apply.

3

4 **Q. How does AT&T's proposed language restrict lines of business which Sprint is**  
5 **legally authorized to provide?**

6 A. AT&T's definition of Authorized Services Traffic lists a number of types of traffic  
7 exchanged. However, for transit traffic, AT&T's definition includes only "traffic  
8 transited through AT&T-9STATE and terminated to Sprint." AT&T's definition  
9 would not therefore recognize either a) Sprint-originated traffic that is transited  
10 through AT&T to a third party; or b) third party-originated traffic transited through  
11 Sprint and terminated to AT&T, despite the fact that Sprint is legally authorized to  
12 provide transit services. AT&T's definition denies Sprint's right to provide transit  
13 service and rejects any obligation on the part of AT&T to either transit Sprint-  
14 originated traffic to a third party, or to terminate third-party traffic transited through  
15 Sprint to AT&T.

16

17 **Q. How would AT&T's proposed language deny Sprint's right to collect**  
18 **applicable terminating reciprocal compensation on traffic identified as AT&T-**  
19 **originated traffic?**

20

21 A. AT&T proposes a definition of Section 251(b)(5) traffic that explicitly excludes a  
22 category of traffic that includes AT&T wholesale interconnection customer traffic  
23 that, on its face, will appear to Sprint to be AT&T traffic. Specifically, AT&T

1 proposes that 251(b)(5) Traffic means calls “that originate on either Party’s  
2 network, that terminate on the other Party’s network” and further, “[a] call that is  
3 originated or terminated by a non-facility based provider is not a call that originates  
4 or terminates on either Party’s network.” AT&T appears to be carving out from  
5 AT&T’s reciprocal compensation obligation all traffic that is associated with an  
6 AT&T commercial wholesale customer that uses an AT&T switch and numbering  
7 resource to exchange traffic with the PSTN (e.g., arrangements formerly referred to  
8 as UNE-P). When AT&T is the network provider that provides switching and  
9 numbering resources for its customers’ PSTN interconnection, AT&T is responsible  
10 for that traffic on a carrier-to-carrier basis. AT&T’s proposed language would  
11 effectively eliminate AT&T’s obligation as the identified originating carrier from  
12 having to pay Sprint for terminating such traffic on Sprint’s network.

13  
14 **Q: How does AT&T’s proposed language deny Sprint’s right to indirect**  
15 **interconnection?**

16 A: AT&T’s proposed definition of 251(b)(5) traffic includes only calls “exchanged  
17 directly between the Parties” (AT&T’s CMRS language) and “exchanged over the  
18 Parties’ own facilities” (AT&T’s CLEC language). AT&T’s proposal would  
19 prohibit Sprint’s use of a third-party transit provider to indirectly interconnect and  
20 exchange traffic with AT&T.

21  
22 **Q. Why do you think AT&T wants to restrict not only Sprint’s ability to provide**  
23 **a transit service to provide third parties an alternative means to indirectly**

1 **interconnect with AT&T, but also Sprint's ability to use a third-party transit**  
2 **provider to exchange traffic with AT&T?**

3 A. AT&T dominates the transit market and, by all indications, is seeking to cement this  
4 dominance by refusing to acknowledge either Sprint's right to provide transit  
5 service to third-parties, or Sprint's right to use a third-party transit provider to  
6 indirectly exchange traffic with AT&T. AT&T's efforts to thwart Sprint and any  
7 other carrier from developing a viable transit alternative to AT&T, coupled with  
8 AT&T's position that it is not required to provide a transit service in an ICA at  
9 TELRIC prices, is the epitome of anti-competitive monopoly behavior. On the one  
10 hand, AT&T seeks to prevent anyone from providing a transit service to compete  
11 with its otherwise ubiquitous bottle-neck transit service and, on the other hand,  
12 AT&T seeks to dictate how, when, where, to whom and at what price it may choose  
13 to provide its ubiquitous bottle-neck transit service.

14  
15 **Q. How would AT&T's proposed language in Issues 7 – 13 [I.B.(1) – I.B.(5)] cause**  
16 **inefficient interconnection?**

17 A. AT&T proposes language which divides traffic into a wide variety of categories  
18 (CMRS, CLEC, 251(b)(5), AT&T9-State, Sprint, intraMTA, interMTA, Switched  
19 Access, Originating Landline to CMRS Switched Access, Terminating InterMTA)  
20 for which there is no difference in AT&T's functional handling of such traffic.  
21 AT&T's cost of interconnection, transport, and termination does not vary based on  
22 these contrived, categorical distinctions and therefore these distinctions should not  
23 be permitted to dictate more costly interconnection arrangements. This issue will



1 be more fully discussed in testimony addressing disputed language under Section II  
2 – How the Parties Interconnect.

3  
4 **Q. How would AT&T's proposed language impose access charges on traffic for**  
5 **which access charges do not apply?**

6 A. The categorizations in AT&T's proposed traffic and service definitions  
7 inappropriately narrow the list of traffic and services subject to reciprocal  
8 compensation and thereby expand the list of traffic and services for which AT&T  
9 would impose its inflated tariff access rates. Each instance of this is discussed more  
10 fully throughout Sprint's testimony.

11  
12 **Q. What language does Sprint recommend the Commission adopt regarding Issue**  
13 **7 [I.(B)(1)]?**

14 A. Sprint recommends the Commission adopt Sprint's proposed definition:

15 "Authorized Services" means those services which a Party may lawfully  
16 provide pursuant to Applicable Law.<sup>19</sup> This Agreement is solely for the  
17 exchange of Authorized Services traffic between the Parties' respective  
18 networks as provided herein.  
19

20 **Issue 8. [I.B.(2)(a)]: Should the term "Section 251(b)(5) Traffic" be a defined**  
21 **term in either ICA?**

22  

---

<sup>19</sup> As to both the CMRS and CLEC ICAs, the parties agree in the General Terms and Conditions – Part B, Definitions, that "'Applicable Law' means all laws, statutes, common law, regulations, ordinances, codes, rules, orders, permits and approvals, including those relating to the environment or health and safety, of any Governmental Authority that apply to the Parties or the subject matter of this Agreement."

1 **Q. Does the interconnection agreement need a definition of 251(b)(5) traffic?**

2 A. No, the Act and FCC rules already define what traffic is subject to reciprocal  
3 compensation pursuant to Section 251(b)(5). AT&T's "refinements" are neither  
4 necessary nor appropriate, and serve only to create unnecessary complexity and to  
5 inappropriately permit AT&T to impose access charges on traffic for which access  
6 charges do not apply.

7

8 **Q. What is required under Section 251(b)(5) of the Act?**

9 A. Section 251(b)(5) Reciprocal Compensation places a duty on local exchange  
10 carriers to establish reciprocal compensation arrangements for the transport and  
11 termination of telecommunications. Section 251(b)(5) does not contain any of the  
12 distinctions AT&T seeks to insert. And in several instances, AT&T proposes a  
13 compensation arrangement inconsistent with the FCC rules implementing Section  
14 251(b)(5). The Act and the FCC's rules speak for themselves and AT&T should  
15 not be permitted to dictate definitions in conflict with the law and rules in the  
16 parties' new interconnection agreements.

17

18 **Q. How should the Commission rule on Issue 8 [I.B.(2)(a)]?**

19 A. The Commission should determine that the Act and FCC rules speak for themselves  
20 and as a result, the Commission should reject the AT&T proposed definitions for  
21 "Authorized Services Traffic" and "Section 251(b)(5) Traffic" in either the CMRS  
22 or CLEC agreement.

23

1 **Issue 9. [I.B.(2)(b)]: If so, (b) what constitutes Section 251(b)(5) Traffic for (i)**  
2 **the CMRS ICA and (ii) the CLEC ICA?**

3  
4 **Q. How should the Commission rule on issue 9 [I.B.(2)(b)?**

5 A. The resolution of issue 8, as proposed above, renders resolution of this issue  
6 unnecessary. Sprint's approach does not result in the need for a Section 251(b)(5)  
7 traffic definition.

8  
9 **Issue 11. [I.B.(3)]: What is the appropriate definition of Switched Access**  
10 **Service?**

11  
12 **Q. Please describe this disputed issue.**

13 A. Sprint proposes a definition for Switched Access Service which appropriately  
14 recognizes that Switched Access Service is a distinct service that is offered by local  
15 exchange carriers ("LECs") to interexchange carriers ("IXCs") for the purpose of  
16 originating or terminating traffic to or from end users pursuant to a Switched  
17 Access Service tariff. AT&T, however, refuses to include in its definition that  
18 Switched Access Service is an offering from a LEC to an IXC for access to the LEC  
19 network. AT&T's definition would inappropriately subject the interconnection  
20 agreement and non-IXC parties to the interconnection agreement to AT&T's  
21 switched access tariff.

1 Q. Why should the Switched Access Service definition be confined to an offering  
2 to an IXC of access by AT&T ILEC to AT&T ILEC's network?

3 A. The parties to the interconnection agreements include Sprint CMRS, Sprint CLEC,  
4 and AT&T ILEC. The parties do not include Sprint IXC, AT&T IXC, AT&T  
5 CLEC, or AT&T CMRS. The effect of AT&T's proposed definition is an  
6 overbroad, inappropriate incorporation of AT&T's access tariffs, expanding  
7 applicability to Sprint CMRS and CLEC entities (in addition to separate outside-  
8 the-ICA applicability of these tariffs to Sprint IXC), while simultaneously shielding  
9 its own CMRS and CLEC affiliates from incorporation of Sprint's access tariffs.

10

11 Q. How should the Commission rule on the definition of Switched Access Service?

12 A. The Commission should adopt Sprint's definition which correctly identifies the  
13 AT&T ILEC as the party offering switched access service pursuant to its AT&T  
14 ILEC tariffs, and correctly identifies IXCs as the parties to which AT&T ILEC  
15 offers its switched access services:

16 "Switched Access Service" means an offering to an IXC of access by  
17 AT&T-9STATE to AT&T-9STATE's network for the purpose of the  
18 origination or the termination of traffic from or to End Users in a given  
19 area pursuant to Switched Access Services tariff.  
20

21 The Commission should reject AT&T's definition as an inappropriate attempt to  
22 expansively incorporate its access tariff into interconnection agreements with  
23 parties to which AT&T's switched access service does not apply.

24

1 **Issue 12. [I.B.(4)] What are the appropriate definitions of InterMTA and**  
2 **IntraMTA traffic for the CMRS ICA?**

3

4 **Q. Please describe this disputed issue.**

5 A. Sprint proposes a straightforward approach for identifying interMTA and intraMTA  
6 which: 1) is based on specific and relevant network points for both parties; and 2)  
7 provides for ease of administration for both parties. Specifically, Sprint's  
8 definitions distinguish the IntraMTA and InterMTA nature of exchanged traffic  
9 based upon the location of the parties' Point of Interconnection ("POI") and the  
10 AT&T end office involved in a given call (i.e., if same points are located in the  
11 same MTA it is IntraMTA; if the POI and AT&T end office are in different MTAs,  
12 then it is an InterMTA call). AT&T's proposed definition requires the parties to  
13 distinguish the InterMTA/IntraMTA nature of exchanged traffic based on the  
14 location of cell-sites and AT&T end user locations.

15

16 **Q. Why is Sprint's proposed definition appropriate?**

17 A. Mobile service inherently transcends artificial geographic boundary lines, such as  
18 MTA borders. And the networks which serve mobile users are designed based on a  
19 number of factors (engineering, propagation, coverage, zoning) which have nothing  
20 to do with MTA boundaries. The inter/intraMTA distinction as to a given call  
21 between a mobile end user and a stationary end user is a purely regulatory artifact  
22 which AT&T seeks to exploit in order to increase Sprint CMRS's costs and unduly  
23 enrich AT&T. Sprint's proposal simply recognizes that since AT&T's cost of

1 exchanging traffic with Sprint does not differ whether the traffic is InterMTA or  
2 IntraMTA, there really is no need for complicated mechanisms to determine the  
3 location of a mobile end user. AT&T's proposed definition, coupled with its  
4 proposal to impose the inflated access charge regime and rates on InterMTA traffic,  
5 is designed to maximize Sprint CMRS's cost and AT&T's profit. The disputed  
6 InterMTA compensation rate issue will be covered in Section III testimony, but  
7 here the issue is establishment of an efficient basis for delineating Inter/IntraMTA  
8 traffic.

9  
10 **Q. Is Sprint's proposal consistent with FCC guidance regarding CMRS-ILEC**  
11 **interconnection?**

12 A. Absolutely. The FCC recognized the difficulty inherent with mobile service for  
13 CMRS providers to determine in real time which cell site a mobile customer is  
14 connected to, let alone the customer's specific location. Although the FCC allows  
15 the initial cell site to be used to determine the location of a mobile end user at the  
16 beginning of the call, it also expressly authorized the further alternative that "LECs  
17 and CMRS providers can use the point of interconnection between the two carriers  
18 at the beginning of the call to determine the location of the mobile caller or called  
19 party."<sup>20</sup> Knowing that mobility creates unique challenges in determining a mobile  
20 user's location for a given call, and given that a the mobile end user's location has  
21 no bearing on the cost an ILEC incurs to terminate traffic handed to it by a wireless

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<sup>20</sup> *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Interconnection between Local Exchange Carriers and Commercial Mobile Radio Service Providers*, CC Docket No. 96-98, CC Docket No. 95-185, First Report and Order, Released August 8, 1996, ¶ 1044.

1 provider, the FCC provided flexibility in selecting a basis for determining such  
2 location.

3  
4 **Q. What benefits arise from adopting Sprint’s definition?**

5 A. Sprint’s POI-based proposal provides significant administrative ease for both  
6 parties. Because the POI and end office are fixed geographic locations, the  
7 Inter/IntraMTA determination is readily known and fixed. There is no need for the  
8 parties to expend cost and effort on complex, non-productive traffic studies and the  
9 associated disputing, auditing, billing, and litigating that comes with such traffic  
10 studies. These lower transaction costs for both companies will flow to the benefit  
11 of consumers.

12  
13 **Q. What language does Sprint recommend the Commission adopt regarding Issue**  
14 **12 [I.B.(4)]?**

15 A. Sprint recommends the Commission adopt Sprint’s proposed definitions:

16  
17 **“IntraMTA Traffic”** means Telecommunications traffic to or from  
18 Sprint’s wireless network that, at the beginning of the call, originates on  
19 the network of one Party in one MTA and terminate on the network of the  
20 other Party in the same MTA (as determined by the geographic location of  
21 the POI between the Parties and the location of the End Office Switch  
22 serving the AT&T-9STATE End User).

23  
24 **“InterMTA Traffic”** means Telecommunications traffic to or from  
25 Sprint’s wireless network that, at the beginning of the call, originates on  
26 the network of one Party in one MTA and terminate on the network of the  
27 other Party in another MTA (as determined by the geographic location of  
28 the POI between the Parties and the location of the End Office Switch  
29 serving the AT&T-9STATE End User).

1 **Issue 13. [I.B.(5)]: Should the CMRS ICA include AT&T's proposed definition**  
2 **of "Originating Landline to CMRS Switched Access Traffic" and**  
3 **"Terminating InterMTA Traffic"?**

4  
5 **Q. Should the CMRS ICA include AT&T's proposed definitions for either**  
6 **"Originating Landline to CMRS Switched Access Traffic" or "Terminating**  
7 **InterMTA Traffic"?**

8 A. Absolutely not. This issue epitomizes AT&T's disregard for just, reasonable, and  
9 non-discriminatory interconnection, which are evident throughout AT&T's  
10 proposed contract provisions. AT&T's proposed definitions, coupled with AT&T's  
11 proposed compensation language, would permit AT&T to unilaterally and  
12 improperly impose the outdated access charge regime with its inflated access rates  
13 to the exchange of InterMTA land-to-mobile and mobile-to-land traffic. There is  
14 no basis for AT&T's proposal in law or the interconnection rules, or sound public  
15 policy.

16  
17 **Q. What is the effect of AT&T's proposal?**

18 A. AT&T seeks to define InterMTA traffic exchanged between Sprint CMRS  
19 customers and AT&T ILEC customers in a manner that would allow AT&T to  
20 impose access charges on Sprint CMRS for traffic when it flows in either direction,  
21 i.e., for InterMTA calls from Sprint CMRS customers to AT&T customers = Sprint  
22 pays; and, for InterMTA calls from AT&T customers to Sprint CMRS customers =  
23 Sprint pays. Moreover, with its proposed definition, AT&T would simultaneously



1 shield itself from paying compensation for InterMTA traffic AT&T originates and  
2 Sprint CMRS terminates. In effect, AT&T would improperly impose costs on  
3 Sprint CMRS and unduly enrich AT&T. The dispute over AT&T's proposed  
4 compensation scheme is more fully addressed in Sprint's Section III testimony, but  
5 the definition AT&T proposes in this Section of the contract is designed by AT&T  
6 to set-up AT&T's faulty InterMTA compensation scheme and should be rejected.

7  
8 **Q. Does the access charge regime apply to InterMTA land-to-mobile traffic?**

9 A. No. As further explained in Sprint's Section III testimony, CMRS-LEC  
10 interconnection and traffic exchange is governed by 47 C.F.R. Section 20.11. The  
11 standard for compensation for land-to-mobile traffic is set out in 20.11(b)(1),  
12 specifically:

13 "A local exchange carrier shall pay reasonable compensation to a  
14 commercial mobile radio service provider in connection with terminating  
15 traffic that originates on the facilities of the local exchange carrier."  
16

17 **Q. Does the access charge regime apply to InterMTA mobile-to-land traffic?**

18 A. No. The standard for mobile-to-land traffic compensation is set out in FCC Rule  
19 20.11(b)(2), specifically:

20 "A commercial mobile radio service provider shall pay reasonable  
21 compensation to a local exchange carrier in connection with terminating  
22 traffic that originates on the facilities of the commercial mobile radio  
23 service provider."  
24

25 While 47 C.F.R. Section 51.701 includes rules regarding compensation for  
26 intraMTA traffic, the standard is reciprocal compensation, not access charges. As  
27 further explained in the testimony of Sprint witness Randy Farrar, as to InterMTA

1 traffic, there is no rule other than § 20.11, and 20.11 does not provide for AT&T to  
2 charge a CMRS provider access charges, much less access charges in both the  
3 originating and terminating directions. As indicated above, Section 20.11 is  
4 premised upon CMRS providers and ILECs charging each other mutual, reasonable  
5 compensation for termination of one another's traffic.

6  
7 **Q. Are access rates under the current access regime "reasonable compensation"?**

8 A. No. It is widely understood that the access rates under the outdated access regime  
9 are inflated, grossly exceeding the cost of performing the traffic termination  
10 function. AT&T itself understands this and correctly describes the public policy  
11 harms caused by the imposition of access rates. As early as comments in the  
12 rulemaking establishing federal interconnection rules pursuant to the Telecom Act  
13 of 1996, AT&T stated that incremental cost, not access rates, is the appropriate  
14 standard for establishing just, reasonable, and non-discriminatory interconnection  
15 pricing, specifically:

16 "TSLRIC is compatible with both the 1996 Act and the Commission's  
17 own congruent goal of pricing policies that 'replicate market-based  
18 incentives and prices' and thereby 'ensure the availability to consumers of  
19 goods and services at lower overall cost' and "an efficient level of  
20 innovation ... as well as the efficient entry of new firms." "The ILECs'  
21 existing interstate access charges, for example, are based on embedded,  
22 not economic, costs, are the product of complex and discretionary  
23 'regulatory allocations,' and reflect subsidies. The result is access rates  
24 which bear no relation to the cost of providing access itself, much less the  
25 cost of providing unbundled network elements, interconnection, and  
26 collocation."<sup>21</sup>  
27

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<sup>21</sup> *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*,  
CC Docket No. 96-98, AT&T Comments, May 16, 1996, Pages 48-49, 53 footnote 78.

1 And as recently as testimony filed by AT&T in an access rate proceeding in  
2 Kentucky, AT&T correctly pointed out that “excessive access rates harm  
3 consumers, harm competition, and distort investment.”<sup>22</sup>  
4

5 **Q. Given AT&T’s stance regarding the harms caused by the imposition of high**  
6 **access rates, why is AT&T seeking to impose its high access rates on Sprint**  
7 **CMRS?**

8 A. AT&T’s interest in its own financial gains and harming a competitor is  
9 understandably greater than its interest in maintaining a consistent public policy  
10 stance, and these same AT&T self-interests are apparently greater than the public  
11 harms AT&T intends to inflict through its proposed imposition of access rates. The  
12 Commission should weigh in favor of the public interest which, in other venues,  
13 AT&T correctly advocates is harmed by the imposition of high access rates – and  
14 reject AT&T’s asymmetrical InterMTA access compensation scheme.  
15

16 **Q. How should the Commission rule on Issue 13 [I.B.(5)]?**

17 A. The Commission should reject AT&T’s attempt to create definitions for land-to-  
18 mobile and mobile-to-land traffic which are intended to permit AT&T to  
19 improperly impose access charges on InterMTA traffic.  
20

21 **Section II. How the Parties Interconnect**

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<sup>22</sup> *MCImetro Transmission Access Services LLC, v. Windstream Kentucky West, Inc.*, Kentucky Public Service Commission Case No. 2007-00503, Direct Testimony of Dr. Debra J. Aron on behalf of BellSouth Telecommunications, Inc. d/b/a AT&T Kentucky and AT&T Communications of the South Central States, LLC., July 14, 2010, Page 40.

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**Issue 22. [II.B.(1)]: Should the ICA include Sprint’s proposed language that would permit Sprint to combine multi-jurisdictional traffic on the same trunk groups (e.g., traffic subject to reciprocal compensation and traffic subject to access charges? (CMRS & CLEC Section 2.5.4)**

**Q. Please describe this issue.**

A. As a preliminary point it is important to understand the terms “multi-jurisdiction” and “multi-use” are closely related but distinct subjects. For the purpose of Issue 22 [II. B. (1)], which addresses the “multi-jurisdiction” concept, and Issue 23 [II. B. (2)], which addresses the “multi-use” concept, Sprint draws the following distinctions:

- The concept of multi-jurisdiction trunking in Issue 22 [II. B (1)] means the ability of a given requesting carrier (i.e., Sprint CMRS or Sprint CLEC) to send all of its own respective types of traffic that it delivers from its network to AT&T commingled on the same trunk; and,
- The concept of multi-use trunking in Issue 23 [II. B (2)] means the ability of either Sprint entity (CMRS or CLEC) to combine and send all types of traffic of both Sprint CMRS and Sprint CLEC commingled so that it can be delivered from one of such Sprint entities to AT&T over the same trunk.

Turning specifically to Issue 22 [II.B.(1)], multi-jurisdictional trunking relates to whether a given Sprint entity will be allowed to combine over a common

1 interconnection trunk all the types of traffic that it is authorized to carry. Put  
2 another way, this issue relates to whether traffic that the Commission may find to  
3 be subject to access charges and traffic that is subject to either reciprocal  
4 compensation or no compensation for that matter (e.g., Interconnected VoIP), can  
5 all be combined on a common Interconnection trunk. This issue relates to both the  
6 CLEC and CMRS Interconnection trunks.

7

8 **Q. Does this issue change or impact the compensation schemes for the different**  
9 **types of traffic?**

10 A. No. It is important to separate the ability to mix traffic on a common trunk from the  
11 rates that apply to the different traffic types. Sprint's position is that it should have  
12 the ability to mix traffic types regardless of whether different rates may apply to the  
13 different traffic types. In addition, Sprint agrees to pay, and receive payment from,  
14 AT&T at the appropriate rates for different types of traffic, whatever such rates may  
15 ultimately be determined to be.

16

17 **Q. Why is it important to decide this issue separately and distinctly, rather than**  
18 **tying it to the traffic rates that may ultimately apply to the different traffic**  
19 **types?**

20 A. It is important to decide the issue of multi-jurisdictional trunking separate from the  
21 issue of traffic rates because it is fundamentally a different issue. Multi-  
22 jurisdictional trunking is an issue regardless of whether the same or different rates  
23 apply to the traffic. Addressing the issue of physically combining traffic for

1 delivery separately from the rates that may apply to the different traffic types is  
2 important as a matter of efficient network interconnection. The simple fact is that  
3 the communications industry is converging services, and the application of different  
4 rates to combined service traffic should not be a basis for disallowing efficient  
5 interconnection.

6  
7 **Q. Why is this issue important to Sprint?**

8 A. Multi-jurisdictional trunking permits more efficient trunking between the parties.  
9 By combining Sprint's traffic onto a single PSTN interconnection, the Parties will  
10 improve network efficiency, reduce network costs, expand coverage for all services,  
11 and support integrated or converged services such as converged VoIP services and  
12 converged wireless and wireline services. There have been advancements in  
13 switching technology that enable Sprint to combine its different types of traffic onto  
14 a common switching platform. It would be highly inefficient for Sprint to combine  
15 the different traffic types onto a common switching platform on a single network  
16 but then have to segregate that traffic onto separate trunks where it interconnects  
17 with AT&T. Rather, Sprint seeks a single interconnection with AT&T by  
18 combining traffic of different jurisdictions on a single trunk group. A term used by  
19 Sprint and the industry to describe the consolidation of network platforms and  
20 service offerings is called convergence. Sprint is merely "keeping up with the  
21 times" by utilizing the latest technology has to offer and responding to customer  
22 demands to provide converged or integrated services. In addition, new services that  
23 customers are demanding are also pushing Sprint to a common switching platform.

1 It only follows that the form of interconnection for these converged platforms and  
2 services be supported through efficient PSTN interconnections.

3  
4 **Q. What network efficiencies are derived from multi-jurisdictional trunking?**

5 A. Multi-jurisdictional trunking permits trunk utilization efficiencies that are not  
6 possible when traffic is segregated onto separate trunks. Multi-jurisdictional  
7 trunking can reduce the number of trunks required, reduce the number of trunk  
8 ports used on each party's switch, and reduce trunk order processing. In addition,  
9 reduced trunk requirements can reduce the capacity of the interconnection facility  
10 on which the trunks ride, e.g., the parties may be able to provision a single DS1 (24  
11 trunks) between their switches instead of multiple DS1s.

12  
13 **Q. Do more efficient interconnection and reduced interconnection costs serve the  
14 public interest?**

15 A. Yes. More efficient interconnection and the resulting reduction in interconnection  
16 cost do serve the public interest. In a competitive market, a reduction in costs leads  
17 to a reduction in price, which is in the public interest.

18  
19 **Q. Has this Commission addressed the issue of combining different types of traffic  
20 on interconnection trunks?**

21 A. Yes. In the 2001 Florida Sprint-BellSouth arbitration proceeding, this Commission  
22 determined it was appropriate to transport multi-jurisdictional traffic over a single  
23 trunk group. It said:

1                   “Upon consideration, we find that the parties’ agreement shall contain  
2                   language providing Sprint with the ability to transport multi-jurisdictional  
3                   traffic over a single trunk group, including an access trunk group.”<sup>23</sup>  
4

5   **Q.   Have other state commissions addressed the issue of combining different types**  
6           **of traffic on interconnection trunks?**

7   A.   Yes. Multiple states have ruled on this issue as identified below.

8  
9           In a 2004 Indiana arbitration order addressing interconnection between Level 3 and  
10           SBC Indiana, the Indiana Utility Regulatory Commission (“IURC”) decided that  
11           interconnection trunks could be used for all forms of traffic.<sup>24</sup> Specifically, the  
12           IURC found that:

13                   The FCC provides guidance for us in the appropriate manner in which to  
14                   address the issue of whether Level 3 can carry all types of traffic over its  
15                   interconnection trunk groups. For instance, in the Virginia Arbitration  
16                   Order, Verizon had attempted to impose on WorldCom the obligation to  
17                   create trunk group facilities distinct from WorldCom’s existing trunk  
18                   groups solely for the purpose of routing non-local exchange traffic.  
19                   WorldCom objected because it imposed a disproportionate expense on  
20                   WorldCom to create these additional trunk groups. Verizon contended  
21                   that the separate trunk groups were necessary to ensure that it was

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<sup>23</sup> *In re: Petition of Sprint Communications company Limited Partnership for arbitration of certain unresolved terms and conditions of a proposed renewal of current interconnection agreement with BellSouth Telecommunications, Inc.*, Docket No. 000828-TP, Order No: PSC-01-1095-FOF-TP, Issued May 8, 2001, pp. 37-38.

<sup>24</sup> *In the Matter of Level 3 Communications, LLC’s Petition for Arbitration Pursuant to Section 252(b) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996, and the Applicable State Laws for Rates, Terms, and Conditions of Interconnection with Indiana Bell Telephone Company d/b/a SBC Indiana*, Indiana Utility Regulatory Commission, Cause No. 42663 INT-01, Arbitration Order at 10-11, (December 22, 2004) (“Level 3 Order”). Sprint is aware that this Order was vacated by the Commission on March 10, 2005, in response to a joint motion to vacate the decision by Level 3 and SBC Indiana, when those parties reached a 13 state agreement **after** the IURC issued its Arbitration Order, but before the parties filed a conforming agreement. However, Sprint has no reason to believe that the Indiana Commission would rule any differently in this proceeding than it previously ruled in the Level 3 proceeding on the identical substantive issue.



1 receiving accurate compensation from WorldCom. The FCC Bureau,  
2 however, rejected the ILEC's argument:  
3

4 We also find that establishing separate trunks for these calls, as  
5 Verizon proposes, would impose costs on WorldCom that are  
6 disproportionate to the problem sought to be solved. Carriers  
7 typically establish separate trunks when traffic levels are sufficient  
8 to make separate trunks cost-effective. Establishing separate trunks  
9 to carry only minimal volumes of calls would impose  
10 disproportionate costs on WorldCom compared to the benefits of  
11 Verizon's proposed solution.  
12

13 We believe, however, that measures less costly than establishing  
14 separate trunking may be available to ensure that Verizon receives  
15 appropriate payment.<sup>25</sup>  
16  
17

18 The Michigan Public Service Commission, over a decade ago, determined multi-  
19 jurisdictional trunks are appropriate. It said,

20 "The Commission finds that the arbitration panel's determination on this  
21 issue should be upheld. It appears to the Commission that economic entry  
22 into the market requires that Sprint be permitted to use its existing trunks  
23 for all traffic whenever feasible. Sprint has committed to provide  
24 accurate, auditable billing records. Moreover, there are ways around the  
25 connection problems, as reflected by Suzanne Springsteen's admission  
26 that Ameritech Michigan can put local and non-local on the same trunk.  
27 The problems for Ameritech Michigan appear to be billing and  
28 measurement problems, which can be reasonably resolved through  
29 establishing percentage of use factors."<sup>26</sup>  
30

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<sup>25</sup> *Id.* at 10. (citing *Memorandum Opinion and Order, Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration*, 17 FCC Rcd 27039 (2002), ¶ 180-182, ("Virginia Arbitration Order").

<sup>26</sup> *In the matter of the application of Sprint Communications Company, L.P., for arbitration to establish an interconnection agreement with Ameritech Michigan*, Before the Michigan Public Service Commission, Case No. U-11203, January 15, 1997, page 5-6.

1 The Iowa Utilities Board (“IUB”) also determined that it is appropriate to combine  
2 various traffic types on common trunks. It said:

3 “Because Sprint has indicated that it is technically possible to perform the  
4 measurement of traffic, but that it simply has not yet implemented those  
5 procedures, the Board will approve provisions related to commingling  
6 various types of traffic on individual trunks.”<sup>27</sup>  
7

8 The IUB order actually ruled that Sprint could utilize both multi-use and multi-  
9 jurisdictional trunking.

10  
11 **Q. Does AT&T combine traffic of all types, regardless of compensation, on the**  
12 **same trunks?**

13 A. Yes. Sprint generally interconnects with AT&T at its tandems. Therefore, Sprint  
14 CLEC receives traffic from AT&T over local interconnection trunks, some of  
15 which is subject to access charges and some of which is subject to reciprocal  
16 compensation or at no-charge (bill and keep).

17  
18 **Q. How should the Commission decide this issue?**

19 A. Sprint asks the Commission to allow for more efficient interconnection between  
20 AT&T and Sprint by requiring the adoption of Sprint’s proposed Section 2.5.4  
21 language on this issue as stated below. The specific portion of Section 2.5.4 that  
22 pertains to the “multi-jurisdiction” issue is the italicized, second sentence:  
23

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<sup>27</sup> *In the Arbitration of Sprint Communications Company L.P. Petitioning Party, vs. Ace Communications Group., et. al. Responding Parties*, Iowa Utilities Board, Docket Nos. Arb-05-2, Arb-05-5, and Arb-05-6, March 24, 2006.  
p. 15.

1 2.5.4 Use of Interconnection Facilities.  
2

3 (b) Multi-Use/Multi-Jurisdictional Trunking. Generally, there will be  
4 trunk groups between a Sprint MSC and a POI, and between a Sprint  
5 CLEC switch and a POI. *Nothing in this Agreement shall be construed to*  
6 *prohibit a Sprint wireless entity or Sprint CLEC from sending and*  
7 *receiving all of such entity's respective Authorized Services traffic over its*  
8 *own respective trunks on a combined trunk group.* Further, provided the  
9 Sprint wireless entity or Sprint CLEC can demonstrate an ability to  
10 identify each other's respective Authorized Services traffic as originated  
11 by each other's respective switches, upon ninety (90) days notice, either  
12 the Sprint wireless entity or Sprint CLEC may also commence delivering  
13 each other's originating Authorized Services traffic to AT&T-9STATE  
14 over such Sprint entity's combined trunk group.  
15

16 **Issue 23. [II.B.(2)]: Should the ICAs include Sprint's proposed language that**  
17 **would permit Sprint to combine its CMRS wireless and CLEC wireline traffic**  
18 **on the same trunk groups that may be established under either ICA?**

19  
20 **Q. Please describe this issue.**

21 A. As mentioned in my preliminary discussion under Issue 22 [II. B (1)], Issue 23  
22 [II.B.(2)] refers to the concept of multi-use trunking. This issue relates to whether  
23 Sprint CMRS will be allowed to combine its authorized traffic *and* Sprint CLEC's  
24 authorized traffic over a common Sprint CMRS interconnection trunk for  
25 commingled delivery to AT&T; and, whether Sprint CLEC may likewise be  
26 allowed to combine its authorized traffic *and* Sprint CMRS authorized traffic over a  
27 common Sprint CLEC interconnection trunk for commingled delivery to AT&T.  
28

29 **Q. How is this issue related to the previous issue, Issue 22 [II.B.(1)]?**

1 A. Issue 23 [II.B.(2)] is related to Issue 22 [II.B.(1)] in multiple ways. First, both  
2 issues are derived from the same proposed contract language which incorporates the  
3 idea that Sprint should be able to combine any traffic it is authorized to carry on a  
4 common trunk. Second, both issues are a result of Sprint's desire to have a more  
5 efficient interconnection with AT&T. Third, both issues are derived from the  
6 evolution of technology and the evolution of products being provided in the  
7 communications market and a recognition of the need for efficient traffic exchange  
8 between the parties. Finally, both issues involve the same forward-looking concept  
9 of combining traffic, regardless of jurisdiction or traffic type, on a common trunk  
10 rather than continuing the inefficient and more expensive segregation of traffic of  
11 years past.

12  
13 **Q. Does this issue change or impact the compensation schemes for the different**  
14 **types of traffic?**

15 A. No. As explained in the previous issue regarding multi-jurisdictional trunking, it is  
16 important to separate the ability to mix traffic on a common trunk from the rates  
17 that apply to the different traffic types. Sprint's position is that it should have the  
18 ability to mix traffic regardless of the fact that different rates may apply to the  
19 different traffic types. In addition, Sprint agrees to pay and receive payment from  
20 AT&T at the appropriate rates for different traffic types, whatever they are  
21 determined to be.

22

1 **Q. As with the multi-jurisdictional trunking issue previously discussed, is it**  
2 **important to decide this issue in isolation rather than tying it to the rates that**  
3 **may apply to the different traffic types?**

4 A. Yes. It is important to decide the issue of multi-use trunking separate from the  
5 issue of traffic rates because it is fundamentally a different issue. Multi-use  
6 trunking is an issue regardless of whether the same or different rates apply to the  
7 traffic. Isolating or separating the issue of combining traffic for delivery to AT&T  
8 from the rates that may apply to the different traffic types is important because  
9 Sprint's position is based on its desire to more efficiently interconnect with AT&T.  
10 As with the previous issue of multi-jurisdictional trunking, the application of rates  
11 to the combined CMRS/CLEC traffic – whether delivered by Sprint CLEC or Sprint  
12 CMRS - should not be a basis for disallowing efficient interconnection.

13  
14 **Q. How are the communication industry's converged service offerings affecting**  
15 **traffic delivery?**

16 A. The very nature of services being provided within the industry and by Sprint will  
17 require the combining of the different traffic types. Services available today allow  
18 a user to have a single telephone number assigned to both a mobile and desk  
19 telephone. This creates the situation where it may not be determinable whether a  
20 particular call is a wireline call or a wireless call in the historical sense until the user  
21 answers either his wireline telephone or his wireless telephone because the two  
22 telephones are effectively integrated into a single service with a single telephone  
23 number. In addition, the user of such an integrated service has the ability to switch

1 between the wireless telephone and the desk telephone during a conversation. This  
2 reality creates the situation where carriers exchanging traffic over segregated trunks  
3 will not know which trunk to place the call on because its true nature is not known  
4 until the call is answered, and may change mid-conversation. From a user's  
5 perspective, services are no longer viewed as wireless or wireline, but rather are  
6 viewed as integrated or converged services.

7  
8 **Q. Does multi-use trunking also permit more efficient trunk utilization?**

9 A. Yes. As with the multi-jurisdictional trunking issue, multi-use trunking allows  
10 more traffic to be placed on fewer trunks. Rather than a separate CMRS and CLEC  
11 trunk, a combined multi-use trunk can be utilized reducing the overall number of  
12 trunks. Fewer trunks mean fewer trunk ports are used on both Sprint's and AT&T's  
13 switches and fewer trunk orders need to be processed. Multi-use trunking also  
14 permits better trunk utilization by combining different traffic types which may peak  
15 at different times allowing more overall traffic to be placed on fewer trunks.

16  
17 **Q. Does more efficient interconnection and the reduced costs of interconnection**  
18 **serve the public interest?**

19 A. Yes. More efficient interconnection and the resulting reduction in interconnection  
20 cost does serve the public interest. In a competitive market, a reduction in costs  
21 either leads to a reduction in price or some other improvement, which is in the  
22 public interest.

23

1 **Q. Have other state commissions addressed the issue of combining multi-use**  
2 **traffic on interconnection trunks?**

3 A. Yes. In a Sprint arbitration the IURC ruled that multi-use trunking was allowable.<sup>28</sup>

4 The IURC stated that:

5 “Sprint’s arguments on the general issue of whether the Interconnection  
6 Agreement permits the combination of differing types of traffic on the  
7 same multi-use interconnection trunks are persuasive. No technical  
8 reasons have been raised by the RTCs why Sprint’s proposal here should  
9 not be adopted..... We agree that the combination of wireline, wireless,  
10 and IP-PSTN traffic as the parties have defined it in the proposed  
11 interconnection agreement would create network efficiencies for both  
12 parties.”

13  
14 “We further agree with Sprint that the intercarrier compensation aspects  
15 do not pose roadblocks to combining the different types of traffic on the  
16 same trunks.”  
17

18 The Iowa Utilities Board (“IUB”) also determined that it is appropriate to combine  
19 various traffic types on common trunks. It said:

20 “Because Sprint has indicated that it is technically possible to perform the  
21 measurement of traffic, but that it simply has not yet implemented those  
22 procedures, the Board will approve provisions related to commingling  
23 various types of traffic on individual trunks.”<sup>29</sup>  
24

25 The IUB order actually ruled that Sprint could utilize both multi-use and multi-  
26 jurisdictional trunking.

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<sup>28</sup> *In the Matter of Sprint Communications Company, L.P.’s Petition for Arbitration Pursuant to Section 252(B) of the Communications Act of 1934, As Amended by the Telecommunications Act of 1996, and the Applicable State Laws for the Rates, Terms and Conditions of Interconnection with Ligonier Telephone Company, Inc.*, Indiana Utility Regulatory Commission, Cause No. 43052-INT-01, September 6, 2006, p. 16-17.

<sup>29</sup> *In the Arbitration of Sprint Communications Company L.P. Petitioning Party, vs. Ace Communications Group., et. al. Responding Parties*, Iowa Utilities Board, Docket Nos. Arb-05-2, Arb-05-5, and Arb-05-6, March 24, 2006.  
p. 15.

1

2 **Q. Does AT&T, today, combine CMRS and CLEC traffic destined for Sprint**  
3 **CLEC on current Sprint CLEC local interconnection trunks?**

4 A. Yes. Sprint CLEC generally subtends AT&T's tandem switch and does not have  
5 direct interconnections with wireless carriers or wireline carriers. Therefore,  
6 carriers subtending AT&T, both wireless and wireline, terminating traffic to Sprint  
7 CLEC telephone numbers do so through AT&T's tandem switch. The Sprint CLEC  
8 interconnection trunks connected to AT&T's tandem will carry both the wireless  
9 and wireline traffic transiting AT&T's network.

10

11 **Q. Does AT&T, today, combine CMRS and CLEC traffic destined for Sprint**  
12 **CMRS on current Sprint CMRS trunks?**

13 A. Yes. Sprint CMRS also generally connects to the AT&T tandem switch for the  
14 indirect-interconnection exchange of traffic with carriers that subtend AT&T's  
15 tandem. The connection between the Sprint CMRS wireless switch and the AT&T  
16 tandem will be the AT&T-Sprint CMRS interconnection trunks. Any call destined  
17 for a Sprint CMRS telephone number from AT&T's subtending transit customers  
18 will pass through the AT&T tandem and over the AT&T-Sprint CMRS  
19 interconnection trunk, regardless of whether it is a wireless or wireline originated  
20 call.

21

22 **Q. How should the Commission decide this issue?**



1 A. Sprint asks the Commission to allow for more efficient interconnection between  
2 AT&T and Sprint by requiring the adoption of Sprint's proposed Section 2.5.4 (b)  
3 language on this issue as stated below. The specific portion of Section 2.5.4 that  
4 pertains to the "multi-use" issue is the italicized, third sentence:

5 2.5.4 Use of Interconnection Facilities.

6  
7 (b) Multi-Use/Multi-Jurisdictional Trunking. Generally, there will be  
8 trunk groups between a Sprint MSC and a POI, and between a Sprint  
9 CLEC switch and a POI. Nothing in this Agreement shall be construed to  
10 prohibit a Sprint wireless entity or Sprint CLEC from sending and  
11 receiving all of such entity's respective Authorized Services traffic over its  
12 own respective trunks on a combined trunk group. *Further, provided the*  
13 *Sprint wireless entity or Sprint CLEC can demonstrate an ability to*  
14 *identify each other's respective Authorized Services traffic as originated*  
15 *by each other's respective switches, upon ninety (90) days notice, either*  
16 *the Sprint wireless entity or Sprint CLEC may also commence delivering*  
17 *each other's originating Authorized Services traffic to AT&T-9STATE*  
18 *over such Sprint entity's combined trunk group.*  
19

20 **Section III. How the Parties Compensate Each Other**

21  
22 **Issue 49. [III.A.4.(1)]: What compensation rates, terms, and conditions should**  
23 **be included in the CLEC ICA related to compensation for wireline Switched**  
24 **Access Service Traffic?**

25  
26 **Q. Please describe the dispute over this issue.**

27 A. Each party proposes provisions that address the essential issue that a party will not  
28 represent switched access traffic as traffic subject to reciprocal compensation. (See  
29 Sprint 6.1.4 and AT&T 6.9). AT&T proposes additional language which is  
30 unnecessary, inaccurate, and written in a manner designed to expand the application

1 of access charges. AT&T's proposed language would apply access charges to any  
2 traffic AT&T deems is not explicitly subject to reciprocal compensation (AT&T  
3 6.4.1). In effect, AT&T's language would improperly subject all Information  
4 Service traffic (be it ISP or Interconnected VoIP) to being jurisdictionalized – and  
5 thereby charged – as switched access traffic based on end points rather than based  
6 on the service being provided.

7  
8 **Q. Are the end points of a call the sole basis by which compensation is**  
9 **determined?**

10 A. No. Compensation is based on the underlying service provided. Information  
11 Services traffic (whether ISP or Interconnected VoIP) is not subject to access  
12 charges. ISP traffic is subject to the FCC ISP compensation regime capped at  
13 \$0.0007 per minute, not access charges. With respect to Interconnected VoIP, until  
14 the FCC determines the compensation regime, access charges do not apply and the  
15 default compensation is bill & keep.

16  
17 **Q. Are there other problems with AT&T's proposed language?**

18 A. Yes. In addition to attempting to expand the application of access charges to  
19 services for which access charges do not apply, AT&T's language appears to  
20 require Sprint to install access trunks per access tariffs (see AT&T 6.23.1) even for  
21 traffic for which access charges do not apply.

22  
23 **Q. How should the Commission rule on this disputed issue?**

1 A. The Commission should reject AT&T's attempt to dictate an expanded application  
2 of access charges to services for which access charges do not apply and adopt the  
3 language Sprint proposes, which is substantially the same language the parties  
4 operate under today, to prohibit improper representation of switched access traffic  
5 as reciprocal compensation traffic:

6 6.1.4\_Except as may be otherwise provided by Applicable Law, neither  
7 Party shall represent switched access services traffic (e.g., FGA, FGB, FGD)  
8 as traffic subject to the payment of reciprocal compensation.  
9

10 7.1.2. Notwithstanding the foregoing, neither Party waives its position on  
11 how to determine the end point of any traffic, and the associated  
12 compensation.  
13

14  
15 **Issue 50. [III.A.4.(2)]: What compensation rates, terms and conditions should**  
16 **be included in the CLEC ICA related to compensation for wireline Telephone**  
17 **Toll Service (i.e., intraLATA toll) traffic?**

18  
19 **Q. Please describe this dispute.**

20 A. Sprint proposes language which appropriately applies compensation based on the  
21 Act's statutory definition of Telephone Toll Service. AT&T proposes language  
22 which references "local calling area" as an additional criterion for determining  
23 compensation. It is unclear what AT&T intends with reference to "local calling  
24 area," but it would be inappropriate to base compensation on a geographic  
25 distinction without regard to determining the compensation that applies to the  
26 underlying service. Sprint is willing to pay applicable access charges for Telephone

1 Toll Service traffic, but is neither obligated nor willing to pay access charges for  
2 traffic that is not Telephone Toll Service, regardless of the calling area.

3

4 **Q. Are there other language disputes under this issue?**

5 A. Yes. AT&T proposes to include in the ICA language regarding 8YY database  
6 queries (see AT&T 6.2.2).

7

8 **Q. Aren't database queries offered pursuant to tariff?**

9 A. Yes, and these tariff charges are paid by the Interexchange Carrier providing the  
10 8YY service. It is both unnecessary and inappropriate to include 8YY query  
11 charges in a CLEC ICA since the query charge is a matter between the LEC and the  
12 8YY service provider IXC, not between the parties to this ICA.

13

14 **Q. How should the Commission rule on this disputed issue?**

15 A. The Commission should reject AT&T's proposed language to reference "local  
16 calling area" and reject AT&T's proposal to include 8YY charges in the ICA. The  
17 following Sprint language should be adopted since it comports with the statutory  
18 definition of Telephone Toll Service, ensures that the applicable access charge  
19 applies to such calls, and appropriately leaves 8YY query charges to 8YY service  
20 providers:

21 (6.16)7.3.5 Compensation for Sprint Telephone Toll Service traffic.  
22  
23 (6.16.1)7.3.5.1 Telephone Toll Service traffic. For purposes of this  
24 Attachment, Telephone Toll Service traffic is defined as any  
25 telecommunications call between Sprint and AT&T-9STATE End Users  
26 that originates and terminates in the same LATA and results in Telephone

1 Toll Service charges being billed to the originating end user by the  
2 originating Party. Moreover, AT&T-9STATE originated Telephone Toll  
3 Service will be delivered to Sprint using traditional Feature Group C non-  
4 equal access signaling.  
5

6 (6.16.2) 7.3.5.2 Compensation for CLEC Telephone Toll Service Traffic.  
7 For terminating its CLEC Telephone Toll Service traffic on the other  
8 company's network, the originating Party will pay the terminating Party the  
9 terminating Party's current effective or Commission approved (if required)  
10 intrastate or interstate, whichever is appropriate, terminating Switched  
11 Access rates.  
12

13 (6.22)7.3.5.3 Compensation for CLEC 8XX Traffic. Each Party (AT&T-  
14 9STATE and Sprint) shall compensate the other pursuant to the appropriate  
15 Switched Access charges as set forth in the Party's current effective or  
16 Commission approved (if required) intrastate or interstate Switched Access  
17 tariffs.  
18

19 7.3.5.4 Records for 8XX Billing. Each Party (AT&T-9STATE and Sprint)  
20 will provide to the other the appropriate records necessary for billing  
21 intraLATA 8XX customers.  
22

23 7.3.5.5 8XX Access Screening. AT&T-9STATE's provision of 8XX Toll  
24 Free Dialing (TFD) to Sprint requires interconnection from Sprint to  
25 AT&T-9STATE 8XX SCP. Such interconnections shall be established  
26 pursuant to AT&T-9STATE's Common Channel Signaling Interconnection  
27 Guidelines and Telcordia's CCS Network Interface Specification  
28 document, TR-TSV-000905. Sprint shall establish CCS7 interconnection at  
29 the AT&T-9STATE Local Signal Transfer Points serving the AT&T-  
30 9STATE 8XX SCPs that Sprint desires to query. The terms and conditions  
31 for 8XX TFD are set out in AT&T-9STATE's Intrastate Access Services  
32 Tariff as amended.  
33

34 **Issue 51. [III.A.4.(3)]: Should Sprint CLEC be obligated to purchase feature**  
35 **group access services for its InterLATA traffic not subject to meet point**  
36 **billing?**

37  
38 **Q. Please describe this issue.**

1 A. AT&T seeks to improperly impose access charges on the basis of call end points  
2 without regard to whether the underlying service is subject to access charges.  
3 Moreover, AT&T seeks to improperly dictate the means by which Sprint delivers  
4 traffic to AT&T by proposing that Sprint be required to purchase feature group  
5 access service from state and federal tariffs rather than using interconnection trunks  
6 pursuant to the ICA.

7

8 **Q. What is the appropriate basis for determining compensation?**

9 A. The first basis for determining compensation is the service being provided. For  
10 example, if the service is Telephone Toll Service, then exchange access rates apply.  
11 The end points of a call then determine which access rates apply, e.g., interstate or  
12 intrastate. For those services for which access charges do not apply (e.g., services  
13 subject to reciprocal compensation, Information services, CMRS services), LATA  
14 boundary lines, and local calling area distinctions have no effect on compensation.

15

16 **Q. Should AT&T be permitted to dictate that Sprint purchase feature group  
17 access on all traffic that crosses a LATA boundary?**

18 A. No. As explained more fully in Sprint's Section II testimony, regarding how the  
19 parties interconnect, the compensation for traffic need not dictate the type of facility  
20 (whether an access or interconnection facility) the parties use to exchange traffic.  
21 AT&T should not be permitted to require Sprint to purchase access services for  
22 traffic just because call end points are in different LATAs.

23

1 **Q. How should the Commission rule on this disputed issue?**

2 A. The Commission should reject AT&T's proposal to dictate the form of  
3 compensation and to require the purchase of feature group access service based on  
4 the end points of a call.

5

6 **Issue 52. [III.A.5]: Should the CLEC ICA include AT&T's proposed**  
7 **provisions governing FX traffic? (CLEC)**

8

9 **Q. Please describe Issue 52 [III.A.5].**

10 A. Issue 52 [III.A.5] relates to a disagreement between the parties as to the CLEC ICA  
11 language related to Foreign Exchange ("FX") and ISP-Bound Traffic, if  
12 provisioned via an FX-type arrangement. Sprint CLEC's position is that there is no  
13 need for specific language since FX traffic can be handled today based on the  
14 calling and called party numbers. ISP-Bound Traffic should be treated as the FCC  
15 has dictated regardless of how it is provisioned. AT&T suggests a complicated and  
16 system intensive means of identifying FX traffic and the ISP-Bound Traffic and that  
17 it be subject to Bill and Keep.

18

19 **Q. What is FX traffic?**

20 A. Generally, FX traffic is a service purchased by End Users that enable an End User  
21 to obtain service from a local calling area that is different from the local calling area  
22 where the End User is physically located. End Users are generally businesses that  
23 want the appearance of being in a given location when they are actually located

1 somewhere else or want their customers to be able to make a locally dialed call  
2 rather than a toll call. For example, a business that is physically located in town A  
3 wants the appearance of being located in town B by having a telephone number  
4 associated with town B and/or wants to enable customers in town B to call the  
5 business using a locally dialed town B telephone number rather than making a toll  
6 call to a town A telephone number.

7  
8 **Q. How do AT&T and Sprint CLEC compensate each other for FX traffic in the**  
9 **current interconnection agreements?**

10 A. The current AT&T/Sprint interconnection agreement appears to call for the extreme  
11 opposite of the treatment that AT&T is asking for in the replacement ICA. The  
12 current agreement appears to require Sprint CLEC to pay AT&T intrastate access  
13 rates for calls from AT&T end users terminating to Sprint end users. Payment by  
14 Sprint CLEC to AT&T for AT&T originated traffic is contrary to the general  
15 principle of payment being made by the originating carrier. Further, there appears  
16 to be no mention of a payment by AT&T to Sprint for AT&T FX traffic. The  
17 current agreement is completely one-sided to AT&T's benefit. Attachment 3 of the  
18 current AT&T/Sprint CLEC agreement states the following:

19 6.1.5 For BellSouth and Sprint CLEC traffic, the jurisdiction of a call is  
20 determined by its originating and terminating (end-to-end) points, not the  
21 telephone number dialed.

22  
23 6.1.5.1 Further, if Sprint CLEC assigns NPA/NXXs to specific BellSouth rate  
24 centers within a BellSouth originating end user's local calling area, and then  
25 assigns numbers from those NPA/NXXs to Sprint CLEC end users physically  
26 located outside of the BellSouth originating end user's local calling area, Sprint  
27 CLEC agrees to identify such traffic to BellSouth and to compensate BellSouth  
28 for originating and transporting such traffic to Sprint CLEC at BellSouth's



1 intrastate switched access tariff rates. If Sprint CLEC does not identify such  
2 traffic to BellSouth, to the best of BellSouth's ability BellSouth shall determine  
3 which whole Sprint CLEC NPA/NXXs on which to charge the applicable rates for  
4 originating intrastate switched access service as reflected in BellSouth's Intrastate  
5 Access Service Tariff. BellSouth shall make appropriate billing adjustments if  
6 Sprint CLEC can provide sufficient information for BellSouth to determine  
7 whether said traffic is Local Traffic.  
8

9 6.1.5.2 Notwithstanding the foregoing, neither Party waives its position on how  
10 to determine the end point of ISP traffic and the associated compensation.  
11

12 **Q. What language does AT&T now propose for FX traffic?**

13 A. Within AT&T's proposed CLEC Section 6.4, AT&T proposes the following two  
14 subsections, which would treat all CLEC FX traffic on a bill & keep basis:

15 6.4.2.3 FX Traffic is not Section 251(b)(5) Traffic and instead the  
16 transport and termination compensation for FX Traffic is subject to a Bill  
17 and Keep arrangement in AT&T-9STATE.

18 6.4.2.3.1 To the extent that ISP-Bound Traffic is provisioned via an FX-  
19 type arrangement, such traffic is subject to a Bill and Keep arrangement.  
20 "Bill and Keep" refers to an arrangement in which neither of two  
21 interconnecting parties charges the other for terminating FX traffic that  
22 originates on the other party's network.  
23

24 **Q. What is the effect of AT&T's proposed approach to FX traffic?**

25 A. AT&T's proposal is certainly better than the current contract language because it  
26 eliminates the one-sided treatment that benefits AT&T and would require the traffic  
27 be treated as Bill & Keep. However, AT&T's current proposal is not acceptable to  
28 Sprint CLEC. Sprint CLEC prefers that FX traffic be treated based on the calling  
29 and called party telephone numbers. Sprint believes that is how traditional FX

1 traffic is generally treated today unless there is some unique arrangement between  
2 any carriers to treat it differently. AT&T's suggestion that the terminating party  
3 track and report to the originating party a usage summary for traffic terminating to  
4 its FX telephone numbers is overly burdensome and unnecessary.

5  
6 **Q. In Sprint CLEC's opinion, is there enough FX traffic to warrant the special  
7 treatment proposed by AT&T?**

8 A. No. I will address ISP-Bound traffic below, but from Sprint's perspective, there is  
9 not enough FX traffic to warrant the creation of an entirely new tracking  
10 mechanism for FX traffic. AT&T has not identified the amount of its FX traffic  
11 and Sprint has either no FX traffic or only a minimal amount. Besides, with the  
12 nomadic nature of Interconnected VoIP traffic, it is impossible to determine where  
13 an end-user is physically located.

14  
15 **Q. It appears AT&T is taking a very different position with respect to FX traffic  
16 as compared to any other traffic exchanged between the parties. Is that  
17 correct?**

18 A. Yes. AT&T generally wants to receive and pay compensation for traffic exchanged  
19 between the parties. However, with the FX traffic, AT&T is taking the opposite  
20 position, i.e., it wants FX traffic to be at Bill & Keep. I believe AT&T's position  
21 on this issue relates to its inclusion of ISP-Bound traffic. AT&T has apparently  
22 determined that it can avoid paying the FCC prescribed compensation for ISP-  
23 Bound traffic by including it within AT&T's proposed FX language.

1

2 **Q. Would Sprint be agreeable to a Bill & Keep arrangement with AT&T?**

3 A. Yes – if it applied to all traffic exchanged between the Parties rather than only when  
4 it benefits AT&T. While addressed elsewhere in testimony, it is Sprint’s position  
5 that the traffic exchanged between the Parties should be at Bill & Keep.

6

7 **Q. What is ISP-Bound Traffic?**

8 A. ISP-Bound Traffic is dial-up Internet traffic. While many Internet users today have  
9 broadband connections, there are still numerous users that access the Internet via a  
10 dial-up modem connection.

11

12 **Q. Has the FCC determined a compensation rate applicable to ISP-Bound**  
13 **Traffic?**

14 A. Yes. Generally, the FCC has determined that a maximum rate of \$0.0007 should  
15 apply to ISP-Bound Traffic.<sup>30</sup>

16

17 **Q. Why did the FCC order the rate of \$0.0007?**

18 A. The FCC determined that some carriers, primarily CLECs, were taking advantage  
19 of the intercarrier compensation system by providing high-volume one-way  
20 services to ISPs at below market rates. The intercarrier compensation system at the  
21 time allowed the CLEC to be compensated in whole or in part based on the

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<sup>30</sup> See *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 and Intercarrier Compensation for ISP-Bound Traffic*, CC Docket No. 96-98 and CC Docket No. 99-68, Order on Remand and Report and Order, Released April 27, 2001, 16 FCC Rcd 9151, 9156-57, ¶ 8.

1 compensation it would receive from the carriers, predominantly ILECs, whose end  
2 users were calling the ISPs for Internet access. The FCC determined that this  
3 created a market distortion in which one service was subsidized at the expense of  
4 other services. The FCC attempted to resolve the issue by setting a very low rate  
5 for ISP-Bound Traffic.

6  
7 **Q. How does Sprint suggest the Commission resolve this issue?**

8 A. Sprint requests the Commission to adopt Sprint's position, which would eliminate  
9 the need for the proposed AT&T language. Adopting Sprint's position would  
10 subject FX traffic and ISP Bound traffic to rates addressed elsewhere in the  
11 Agreement. Unless bill and keep is ordered by the Commission as to all traffic, FX  
12 should be charged at the same rate as any other CLEC/AT&T Telephone Exchange  
13 Service or Telephone Toll Service traffic, based on dialed digits, and the parties'  
14 ISP-Bound Traffic would be charged at the FCC rate of \$0.0007 (whether it is "FX"  
15 or not).

16  
17  
18 **Issue 53. [III.A.6.(1)]: What compensation rates, terms and conditions for**  
19 **Interconnected VoIP traffic should be included in the CMRS ICA? (CMRS**  
20 **Section 6.1.3)**

21  
22 **Q. Please describe Issue 53 [III.A.6.(1)].**

1 A. Issue 53 [III.A.6.(1)] relates to Interconnected VoIP traffic exchanged between the  
2 parties over CMRS interconnection trunks. Sprint CMRS's position is that until  
3 such time as the FCC determines the regulatory classification and proper  
4 compensation for VoIP traffic, it should be tracked separately and be exchanged on  
5 a Bill & Keep basis. AT&T would prefer not to track the traffic and that it be  
6 treated as Telecommunications traffic with compensation being based on the  
7 jurisdictional end points of the call.

8

9 **Q. Is there an inconsistency between AT&T's position on this issue and another**  
10 **issue in this arbitration?**

11 A. Yes, it appears there is. AT&T's position and proposed language for this issue  
12 recognizes that VoIP traffic will be exchanged between each Sprint entity and  
13 AT&T. However, in Issue 3 [I.A.(3)] AT&T takes the position that Sprint CMRS is  
14 not allowed to send VoIP traffic to AT&T over wireless Interconnection Facilities.  
15 The position AT&T appears to be taking on this issue confirms my testimony on  
16 Issue 3 [I.A.(3)], i.e., that the CMRS agreement should include Interconnected  
17 VoIP traffic. In other words, the issue isn't whether Interconnected VoIP traffic  
18 should be exchanged or sent by "either" Party (Sprint CMRS or AT&T) to the  
19 other, but what compensation arrangement should apply, as the current issue, Issue  
20 53 [III.A.6.(1)] is meant to address.

21

22 **Q. Has the FCC determined the regulatory classification of Interconnected VoIP**  
23 **traffic?**

1 A. The FCC has determined that Interconnected VoIP traffic is interstate traffic and is  
2 subject to FCC jurisdiction.<sup>31</sup>

3

4 **Q. Has AT&T addressed the FCC's statements on VoIP jurisdiction?**

5 A. Yes. AT&T has generally agreed with Sprint in its advocacy with the FCC. For  
6 example, in a 2008 ex parte AT&T urged the FCC "to formally extend the  
7 preemptive effect of the *Vonage Order* to fixed-location VoIP services".<sup>32</sup>

8

9 **Q. Has the FCC determined what intercarrier compensation applies to**  
10 **Interconnected VoIP traffic?**

11 A. No. The FCC has not determined the appropriate intercarrier compensation for  
12 interconnected VoIP traffic or whether any compensation is due.<sup>33</sup> The issue has  
13 been before the FCC on numerous occasions, but the FCC has yet to address the

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<sup>31</sup> See *In the Matter of Vonage Holdings Corporation Petition for Declaratory Ruling Concerning an Order of the Minnesota Public Utilities Commission*, FCC WC Docket No. 03-211, Memorandum Opinion and Order, 19 FCC Rcd 22404, 22424, ¶32, Released November 12, 2004.

<sup>32</sup> AT&T Letter to Marlene Dortch, *Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92, July 17, 2008, page 2.

<sup>33</sup> See, e.g., *In the Matter of Time Warner Cable Request for Declaratory Ruling that Competitive Local Exchange Carriers may Obtain Interconnection Under Section 251 or the Communications Act of 1934, as Amended, to Provide Wholesale Telecommunications Services to VoIP Providers*, FCC WC Docket No. 06-55, Memorandum Opinion and Order, 22 FCC Rcd 3513, 3523 Released March 1, 2007, ¶ 17 ("Certain commenters ask us to reach other issues, including the application of section 251(b)(5) and the classification of VoIP services. We do not find it appropriate or necessary here to resolve the complex issues surrounding the interpretation of Title II more generally or the subsections of section 251 more specifically that the Commission is currently addressing elsewhere on more comprehensive records... We do not, however, prejudice the Commission's determination of what compensation is appropriate, or any other issues pending in the Intercarrier Compensation docket.") (citations omitted).

1 issue – even though the FCC has addressed other issues relative to Interconnected  
2 VoIP such as USF contributions, 911 requirements, etc.

3  
4 **Q. Is there any federal authority of which the Commission should be aware that**  
5 **access charges are inapplicable to VoIP?**

6 A. Yes. The United States District Court for the District of Columbia (where the FCC  
7 sits) recently found that access charges are inapplicable to VoIP traffic.<sup>34</sup>

8  
9 **Q. Does this Commission have jurisdictional authority to establish a rate for the**  
10 **exchange of interconnected VoIP traffic?**

11 A. No. The FCC has stated that Interconnected VoIP traffic is interstate and subject to  
12 FCC jurisdiction. It would be inappropriate for this Commission to determine a rate  
13 for such traffic until the FCC either determines any rate is applicable and, if so, the  
14 rate or rate methodology applicable to such traffic. Moreover, Chapter 364, Florida  
15 Statutes, explicitly removes VoIP from the Commission's jurisdiction.<sup>35</sup>

16  
17 **Q. How should this Commission decide this issue?**

18 A. The Commission should adopt Sprint's position and determine that Interconnected  
19 VoIP traffic should be exchanged at Bill and Keep until such time as the FCC  
20 determines otherwise. Sprint asks the Commission to adopt Sprint's language in  
21 Attachment 3 Pricing Sheet that states:

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<sup>34</sup> See *PAETEC Communs. v. CommPartners, LLC*, 2010 U.S. Dist. LEXIS 51926 (D.D.C. 2010).

<sup>35</sup> See, Sections 364.01(3), 364.011(3), and 364.013, Florida Statutes.

1 Interconnected VoIP Rate: Bill & Keep until otherwise determined by the FCC.

2

3 **Issue 54. [III.A.6.(2)]: Should AT&T's language governing Other Telecomm.**  
4 **Traffic, including Interconnected VoIP traffic, be included in the CLEC ICA?**  
5 **(CLEC Section 6.4, 6.4.3- 6.4.5 and 6.23.1)**

6

7 **Q. Please describe Issue 54 [III.A.6.(2)].**

8 A. Issue 54 [III.A.6.(2)] encompasses the interconnected VoIP compensation issue as  
9 previously discussed in Issue 53 [III.A.6.(1)] as well as compensation for ISP and  
10 Internet traffic excluding ISP-Bound Traffic, but in the context of the CLEC ICA as  
11 opposed to the CMRS ICA. AT&T wants to categorize ISP and Internet traffic  
12 other than ISP-Bound Traffic as "Other Telecommunications Traffic" and subject  
13 these forms of traffic to compensation terms found elsewhere in the Agreement as  
14 specified by AT&T. AT&T's position with respect to Interconnected VoIP traffic  
15 is that access charges should apply if the End Users are physically located in  
16 different local calling areas. As previously stated, Sprint's position is that the FCC  
17 has not determined what or whether compensation is due for interconnected VoIP  
18 traffic and it would be inappropriate to determine such in this proceeding.

19

20 **Q. Is the Interconnected VoIP compensation issue the same as issue 53**  
21 **[III.A.6.(1)]?**

22 A. Yes. The Interconnected VoIP compensation issue, from Sprint's perspective, is  
23 the same whether the traffic is exchanged over CMRS or CLEC Interconnection



1 Facilities. I will not repeat Sprint's rationale for its position here, but will state that  
2 Sprint's arguments for Interconnected VoIP compensation pursuant to the CLEC  
3 ICA are the same as for the CMRS ICA.  
4

5 **Q. What is Sprint CLEC's position with respect to the compensation for ISP and**  
6 **Internet traffic that may meet or fall under the category of traffic that AT&T**  
7 **identifies as "Other Telecommunications Traffic" (i.e., FX Traffic, Optional**  
8 **EAS Traffic, IntraLATA Toll Traffic or 800/888/877/8YY traffic)?**

9 A. ISP-Bound traffic and FX traffic are addressed elsewhere in my testimony. As for  
10 Optional EAS Traffic and IntraLATA Toll Traffic, there is no reason why it is not  
11 treated like any other traffic, based upon dialed digits. As for 800/888,877/8YY  
12 traffic, it involves a toll-free service provider that is responsible for any charges to  
13 the originating and terminating local exchange carrier and, therefore, does not give  
14 rise to charges between Sprint CLEC and AT&T. No need exists for AT&T's  
15 additional category language with regard to the subject of Interconnected VoIP  
16 traffic.  
17

18 **Q. How should the Commission resolve Issue 54 [III.A.6.(2)]?**

19 A. The Commission should adopt Sprint CLEC's language as provided in Attachment  
20 3 Pricing Sheet that states:

21 Interconnected VoIP Rate: Bill & Keep until otherwise determined by the FCC.  
22

23 **Section V. Miscellaneous**

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**Issue 91. [V.B.]: What is the appropriate definition of “Carrier Identification Code?” (CLEC)**

**Q. Please describe Issue 91 [V.B.].**

A. Issue 91 [V.B.] encompasses a disagreement between the Parties regarding the appropriate definition of the term Carrier Identification Code.

**Q. Has Sprint been able to consider any further either of the alternative language AT&T proposed in the Joint DPL for this Issue?**

A. Yes. Sprint is willing to (and has conveyed the same to AT&T) accept AT&T’s proposed language identified as Alternative #2 in the Joint DPL with the addition of an important clarifying statement. Below is AT&T’s Alternative #2 language and Sprint’s addition, with Sprint’s addition underlined.

CIC (Carrier Identification Code) A numeric code that uniquely identifies each carrier. These codes are primarily used for routing from the local exchange network to the access purchaser and for billing between the LEC and the access purchaser. For the purpose of clarity, the phrase “access purchaser” as referred to in this definition does not include either Party as a purchaser of Interconnection Services under this Agreement.

**Q. Why is Sprint willing to accept AT&T’s Alternative #2 with the Sprint addition?**

A. The language in AT&T’s Alternative #2 definition is comparable to the definition of CIC found in industry documents. The industry definitions and AT&T’s definition focus on the CIC code as a means of identifying an “access purchaser” or a purchaser of access services contained in the Part 69 regulations. Sprint’s

1 additional clarifying statement is intended to differentiate an “access purchaser”  
2 under Part 69 from Sprint CLEC, who is seeking an ICA with AT&T pursuant to  
3 the Part 51 regulations.

4  
5 **Q. Has AT&T accepted Sprint CLEC’s alternative language?**

6 A. As of August 16, 2010, AT&T advised that it cannot agree to the additional  
7 sentence that Sprint CLEC has proposed to AT&T’s Alternative #2 CIC  
8 definition, but has not provided any reason for its rejection of Sprint CLEC’s  
9 proposed compromise.

10  
11 **Q. How does Sprint propose the Commission resolve Issue 91 [V.B.]?**

12 A. Sprint CLEC recommends the Commission adopt Sprint CLEC’s offered  
13 compromise, which consists of accepting AT&T’s Alternative #2 CIC definition  
14 with the added Sprint CLEC clarifying sentence, as follows:

15 CIC (Carrier Identification Code) A numeric code that uniquely identifies  
16 each carrier. These codes are primarily used for routing from the local  
17 exchange network to the access purchaser and for billing between the LEC  
18 and the access purchaser. For the purpose of clarity, the phrase “access  
19 purchaser” as referred to in this definition does not include either Party as  
20 a purchaser of Interconnection Services under this Agreement.  
21

22 **Issue 92. [V.C.(1)]: Should the ICA include language governing changes to**  
23 **corporate name and/or d/b/a? (CLEC and CMRS)**

24 **Issue 93. [V.C.(2)]: Should the ICA include language governing company code**  
25 **changes? (CLEC and CMRS)**

1 **Q. Please describe Issues 92 and 93 [V.C.(1) and V.C.(2)].**

2 A. Issues 92 and 93 [V.C.(1) and V.C.(2)] are similar, so I will address them together  
3 rather than separately. AT&T's proposed language is an attempt by AT&T to  
4 inappropriately shift its internal record keeping expenses to Sprint.

5

6 **Q. Is the language proposed one-sided such that it is to AT&T's benefit,  
7 comparable to many other disputed issues in this arbitration proceeding?**

8 A. Yes. Self-serving language seems to be a common theme throughout AT&T's  
9 positions. The AT&T proposed language appears to always require Sprint to pay  
10 AT&T for AT&T's recordkeeping in the context of a Sprint name change or  
11 company code change. However, if comparable name or code changes were  
12 undertaken by AT&T, it doesn't appear that Sprint would be compensated for its  
13 internal recordkeeping expenses.

14

15 **Q. Would you anticipate AT&T incurring any incremental costs to complete its  
16 internal recordkeeping?**

17 A. I seriously doubt that AT&T would incur any incremental costs to complete its  
18 internal record keeping. In all likelihood, AT&T would utilize in-place  
19 employees to perform these functions as a normal course of their work load.

20

21 **Q. Are AT&T's suggested charges justified?**

22 A. I am not aware of AT&T presenting any form of cost study to justify the  
23 recordkeeping costs it would like to pass along to Sprint.

1

2 **Q. Does AT&T's attempt to charge Sprint what appears to be a complete record**  
3 **order charge seem appropriate, given the activity addressed by Issue 92 or 93**  
4 **[V.C.(1) or V.C.(2)] does not appear to constitute a "new" service?**

5 A. No. AT&T is suggesting Sprint pay for what appears to be just for record keeping  
6 which requires considerably less effort on the part of AT&T as compared to an  
7 order for new service.

8

9 **Q. How does Sprint propose the Commission address Issue 92 and 93 [V.C.(1)**  
10 **and V.C.(2)]?**

11 A. Sprint asks the Commission to reject AT&T's proposed language for both Issues  
12 92 and 93 [V.C.(1) and V.C.(2)] for the reasons stated.

13

14 **Q. Does this conclude your Direct Testimony?**

15 A. Yes.

16

**EXHIBIT PNS-1**

**Docket Nos. 100176-TP and 100177-TP**  
**Sprint Witness Testimony Key**  
**Exhibit PNS-1, Page 1 of 9**

Issue No.			Issue Description (& Sub Issues)	Sprint Witness
	<b>I.</b>		<b>Provisions related to the Purpose and Scope of the Agreements</b>	
1.	I.A.	(1)	What legal sources of the parties' rights and obligations should be set forth in section 1.1 of the CMRS ICA and in the definition of "Interconnection" (or "Interconnected") in the CMRS ICA? (Section 1.1 and Part B interconnection definition)?	Peter N. Sywenki
2.		(2)	Should either ICA state that the FCC has not determined whether VoIP is telecommunication service or information service? (Section 1.3)	"
3.		(3)	Should the CMRS ICA permit Sprint to send Interconnected VoIP traffic to AT&T? (CMRS section 1.3)	"
4.		(4)	Should Sprint be permitted to use the ICAs to exchange traffic associated with jointly provided Authorized Services to a subscriber through Sprint wholesale arrangements with a third party provider that does not use NPA-NXXs obtained by Sprint? (Section 1.4)	"
5.		(5)	Should the CLEC Agreement contain Sprint's proposed language that requires AT&T to bill a Sprint Affiliate or Network Manager directly that purchases services on behalf of Sprint? (Section 1.5)	"
6.		(6)	Should the ICAs contain AT&T's proposed Scope of Obligations language? (Section 1,6)	"
	<b>I.B.</b>		<b>Miscellaneous service or traffic-related definitions</b>	
7.		(1)	What is the appropriate definition of Authorized Services?	Peter N. Sywenki
8.		(2)(a)	Should the term "Section 251(b)(5) Traffic" be a defined term in either ICA?	"
9.		(2)(b)	If so, what constitutes Section 251(b)(5) Traffic for (i) the CMRS ICA and (ii) the CLEC ICA?	"
10.			<b>RESOLVED</b>	"
11.		(3)	What is the appropriate definition of Switched Access Service?	"
12.		(4)	What are the appropriate definitions of InterMTA and IntraMTA traffic for the CMRS ICA?	"

**Docket Nos. 100176-TP and 100177-TP**  
**Sprint Witness Testimony Key**  
**Exhibit PNS-1, Page 2 of 9**

Issue No.			Issue Description (& Sub Issues)	Sprint Witness
13.		(5)	Should the CMRS ICA include AT&T's proposed definitions of "Originating Landline to CMRS Switched Access Traffic" and "Terminating InterMTA Traffic"?	Peter N. Sywenki
	<b>I.C.</b>		<b>Transit traffic related issues.</b>	Randy G. Farrar
14.		(1)	What are the appropriate definitions related to transit traffic service?	"
15.		(2)	Should AT&T be required to provide transit traffic service under the ICAs?	"
16.		(3)	If the answer to Issue 15 [I.C. (2)] is yes, what is the appropriate rate that AT&T should charge for such service?	"
17.		(4)	If the answer to Issue 15 [I.C. (2)] is yes, should the ICAs require Sprint either to enter into compensation arrangements with third party carriers with which Sprint exchanges traffic that transits AT&T's network pursuant to the transit provisions in the ICAs or to indemnify AT&T for the costs it incurs if Sprint does not do so?	"
18.		(5)	If the answer to Issue 15[I.C. (2)] is yes, what other terms and conditions related to AT&T transit service, if any, should be included in the ICAs?	"
19.		(6)	Should the ICAs provide for Sprint to act as a transit provider by delivering Third Party-originated traffic to AT&T?	"
20.		(7)	Should the CLEC ICA require Sprint either to enter into compensation arrangements with third party carriers with which Sprint exchanges traffic or to indemnify AT&T for the costs it incurs if Sprint does not do so?	"
	<b>II.</b>		<b>How the Parties Interconnect</b>	
21.	<b>II.A.</b>		Should the ICA distinguish between Entrance Facilities and Interconnection Facilities? If so, what is the distinction?	Mark G. Felton
	<b>II.B.</b>		<b>Combined Use Trunking</b>	
22.		(1)	Should the ICA include Sprint's proposed language that would permit Sprint to combine multi-jurisdictional traffic on the same trunk groups (e.g., traffic subject to reciprocal compensation and traffic subject to access charges)?	Peter N. Sywenki



**Docket Nos. 100176-TP and 100177-TP  
Sprint Witness Testimony Key  
Exhibit PNS-1, Page 3 of 9**

Issue No.			Issue Description (& Sub Issues)	Sprint Witness
23.		(2)	Should the ICAs include Sprint's proposed language that would permit Sprint to combine its CMRS wireless and CLEC wireline traffic on the same trunk groups that may be established under either ICA?	Peter N. Sywenki
	<b>II.C.</b>		<b>911 Trunking</b>	
24.		(1)	Should Sprint be required to maintain 911 trunks on AT&T's network when Sprint is no longer using them?	Mark G. Felton
25.		(2)	Should the ICA include Sprint's proposed language permitting Sprint to send wireline and wireless 911 traffic over the same 911 Trunk Group when a PSAP is capable of receiving commingled traffic?	"
26.		(3)	Should the ICA include AT&T's proposed language providing that the trunking requirements in the 911 Attachment apply only to 911 traffic originating from the Parties' End Users?	"
	<b>II.D.</b>		<b>Points of Interconnection</b>	
27.		(1)	Should Sprint be obligated to establish additional Points of Interconnection (POI) when its traffic to an AT&T tandem serving area exceeds 24 DS1s for three consecutive months?	Mark G. Felton
28.		(2)	Should the CLEC ICA include AT&T's proposed additional language governing POI's?	"
	<b>II.E.</b>		<b>RESOLVED</b>	
	<b>II.F.</b>		<b>Facility/Trunking Provisions</b>	
29.		(1)	Should Sprint CLEC be required to establish one way trunks except where the parties agree to establish two way trunking?	Mark G. Felton
30.		(2)	What Facilities/Trunking provisions should be included in the CLEC ICA e.g., Access Tandem Trunking, Local Tandem Trunking, Third Party Trunking?	"
31.		(3)	<b>RESOLVED</b>	
32.		(4)	Should the CLEC ICA contain terms for AT&T's Toll Free Database in the event Sprint uses it and what those terms?	"
	<b>II.G.</b>		<b>Direct End Office Trunking</b>	
33.			Which Party's proposed language governing Direct End Office Trunking ("DEOT"), should be included in the ICAs?	Mark G. Felton
	<b>II.H.</b>		<b>Ongoing network management</b>	

**Docket Nos. 100176-TP and 100177-TP  
Sprint Witness Testimony Key  
Exhibit PNS-1, Page 4 of 9**

Issue No.			Issue Description (& Sub Issues)	Sprint Witness
	<b>II.H.</b>		<b>Ongoing network management</b>	
34.		(1)	What is the appropriate language to describe the parties' obligations regarding high volume mass calling trunk groups?	Mark G. Felton
35.		(2)	What is appropriate language to describe the signaling parameters?	“
36.		(3)	Should language for various aspects of trunk servicing be included in the agreement e.g., forecasting, overutilization, underutilization, projects?	“
	<b>III.</b>		<b>How the Parties Compensate Each Other</b>	
	<b>III.A.</b>		<b>Traffic categories and related compensation rates, terms and conditions</b>	
37.		(1)	As to each ICA, what categories of exchanged traffic are subject to compensation between the parties?	Randy G. Farrar
38.		(2)	Should the ICAs include the provisions governing rates proposed by Sprint?	“
39.		(3)	What are the appropriate compensation terms and conditions that are common to all types of traffic?	“
	<b>III.A.1</b>		<b>Traffic Subject to Reciprocal Compensation</b>	
40.		(1)	Is IntraMTA traffic that originates on AT&T's network and that AT&T hands off to an IXC for delivery to Sprint subject to reciprocal compensation?	Mark G. Felton
41.		(2)	What are the appropriate compensation rates, terms and conditions (including factoring and audits) that should be included in the CMRS ICA for traffic subject to reciprocal compensation?	“
42.		(3)	What are the appropriate compensation rates, terms and conditions (including factoring and audits) that should be included in the CLEC ICA for traffic subject to reciprocal compensation?	“
			<b>Conversion to Bill and Keep</b>	“
43.		(4)	Should the ICAs provide for conversion to a bill and keep arrangement for traffic that is otherwise subject to reciprocal compensation but is roughly balanced?	“

**Docket Nos. 100176-TP and 100177-TP**  
**Sprint Witness Testimony Key**  
**Exhibit PNS-1, Page 5 of 9**

Issue No.			Issue Description (& Sub Issues)	Sprint Witness
44.		(5)	If so, what terms and conditions should govern the conversion of such traffic to bill and keep?	Mark G. Felton
	<b>III.A.2</b>		<b>ISP-Bound Traffic</b>	
45.			What compensation rates, terms and conditions should be included in the ICAs related to compensation for ISP-Bound traffic exchanged between the parties?	Mark G. Felton
	<b>III.A.3</b>		<b>CMRS ICA-specific, InterMTA traffic</b>	
46.		(1)	Is mobile-to-land InterMTA traffic subject to tariffed terminating access charges payable by Sprint to AT&T?	Randy G. Farrar
47.		(2)	Which party should pay usage charges to the other on land-to-mobile InterMTA traffic and at what rate?	“
48.		(3)	What is the appropriate factor to represent land-to-mobile InterMTA traffic?	“
	<b>III.A.4</b>		<b>CLEC-specific, Switched Access Service traffic</b>	
49.		(1)	What compensation rates, terms and conditions should be included in the CLEC ICA related to compensation for wireline Switched Access Service Traffic?	Peter N. Sywenki
50.		(2)	What compensation rates, terms and conditions should be included in the CLEC ICA related to compensation for wireline Telephone Toll Service (i.e., intraLATA toll) traffic?	“
51.		(3)	Should Sprint CLEC be obligated to purchase feature group access services for its InterLATA traffic not subject to meet point billing?	“
	<b>III.A.5</b>		<b>FX Traffic</b>	
52.			Should the CLEC ICA include AT&T's proposed provisions governing FX traffic?	Peter N. Sywenki
	<b>III.A.6</b>		<b>Interconnected VoIP traffic</b>	
53.		(1)	What compensation rates, terms and conditions for Interconnected VoIP traffic should be included in the CMRS ICA?	Peter N. Sywenki
54.		(2)	Should AT&T's language governing Other Telecomm. Traffic, including Interconnected VoIP traffic, be included in the CLEC ICA?	“

**Docket Nos. 100176-TP and 100177-TP**  
**Sprint Witness Testimony Key**  
**Exhibit PNS-1, Page 6 of 9**

Issue No.			Issue Description (& Sub Issues)	Sprint Witness
	<b>III.A.7</b>		<b>CMRS ICA Meet Point Billing Provisions</b>	
55.		(1)	Should the wireless meet point billing provisions in the ICA apply only to jointly provided, switched access calls where both Parties are providing such service to an IXC, or also to Transit Service calls, as proposed by Sprint?	Mark G. Felton
56.		(2)	What information is required for wireless Meet Point Billing, and what are the appropriate Billing Interconnection Percentages?	“
	<b>III.B.</b>		<b>RESOLVED</b>	
	<b>III.C.</b>		<b>Reconfiguration Costs</b>	
57.			Should Sprint be required to pay AT&T for any reconfiguration or disconnection of interconnection arrangements that are necessary to conform with the requirements of this ICA?	Mark G. Felton
	<b>III.D.</b>		<b>RESOLVED</b>	
	<b>III.E.</b>		<b>Shared facility costs</b>	
58.		(1)	How should Facility Costs be apportioned between the Parties under the CMRS ICA?	Randy G. Farrar
59.		(2)	Should traffic that originates with a Third Party and that is transited by one Party (the transiting Party) to the other Party (the terminating Party) be attributed to the transiting Party or the terminating Party for purposes of calculating the proportionate use of facilities under the CMRS ICA?	“
60.		(3)	How should Facility Costs be apportioned between the Parties under the CLEC ICA?	“
61.		(4)	Should traffic that originates with a Third Party and that is transited by one Party (the transiting Party) to the other Party (the terminating Party) be attributed to the transiting Party or the terminating Party for purposes of calculating the proportionate use of facilities under the CLEC ICA?	“
	<b>III.F.</b>		<b>CLEC Meet Point Billing Provisions</b>	
62.			What provisions governing Meet Point Billing are appropriate for the CLEC ICA?	Mark G. Felton
	<b>III.G.</b>		<b>Sprint's Pricing Sheet</b>	
63.			Should Sprint's proposed pricing sheet language be included in the ICA?	Randy G. Farrar

**Docket Nos. 100176-TP and 100177-TP**  
**Sprint Witness Testimony Key**  
**Exhibit PNS-1, Page 7 of 9**

Issue No.			Issue Description (& Sub Issues)	Sprint Witness
	<b>III. H.</b>		<b>Facility Pricing</b>	
64.		(1)	Should Sprint be entitled to obtain from AT&T, at cost-based (TELRIC) rates under the ICAs, facilities between Sprint's switch and the POI?	Randy G. Farrar
65.		(2)	Should Sprint's proposed language governing "Interconnection Facilities / Arrangements Rates and Charges" be included in the ICA?	"
66.		(3)	Should AT&T's proposed language governing interconnection pricing be included in the ICAs?	"
	<b>III. I.</b>		<b>Pricing Schedule</b>	
67.		(1)(a)	If Sprint orders (and AT&T inadvertently provides) a service that is not in the ICA, should AT&T be permitted to reject future orders until the ICA is amended to include the service?	Mark G. Felton
68.		(1)(b)	If Sprint orders (and AT&T inadvertently provides) a service that is not in the ICA, should the ICAs state that AT&T's provisioning does not constitute a waiver of its right to bill and collect payment for the service?	"
69.		(2)	Should AT&T's language regarding changes to tariff rates be included in the agreement?	"
70.		(3)	What are the appropriate terms and conditions to reflect the replacement of current rates?	"
71.		(4)	What are the appropriate terms and conditions to reflect the replacement of interim rates?	"
72.		(5)	Which Party's language regarding prices noted as TBD (to be determined) should be included in the agreement?	"
	<b>IV.</b>		<b>Billing Related Issues</b>	
73.	<b>IV. A.</b>	(1)	What general billing provisions should be included in Attachment 7?	Mark G. Felton
74.		(2)	Should six months or twelve months be the permitted back-billing period?	"

**Docket Nos. 100176-TP and 100177-TP  
Sprint Witness Testimony Key  
Exhibit PNS-1, Page 8 of 9**

<b>Issue No.</b>			<b>Issue Description (&amp; Sub Issues)</b>	<b>Sprint Witness</b>
75.	IV.B.	(1)	What should be the definition of "Past Due"?	Mark G. Felton
76.		(2)	What deposit language should be included in each ICA?	"
77.		(3)	What should be the definition of "Cash Deposit"?	"
78.		(4)	What should be the definition of "Letter of Credit"?	"
79.		(5)	What should be the definition of "Surety Bond"?	"
80.	IV.C.	(1)	Should the ICA require that billing disputes be asserted within one year of the date of the disputed bill?	Mark G. Felton
81.		(2)	Which Party's proposed language concerning the form to be used for billing disputes should be included in the ICA?	"
82.	IV.D.	(1)	What should be the definition of "Non-Paying Party"?	Mark G. Felton
83.		(2)	What should be the definition of "Unpaid Charges"?	"
84.		(3)	Should the ICA include AT&T's proposed language requiring escrow of disputed amounts?	"
85.	IV.E.	(1)	Should the period of time in which the Billed Party must remit payment in response to a Discontinuance Notice be 15 or 45 days?	Mark G. Felton
86.		(2)	Under what circumstances may a Party disconnect the other Party for nonpayment, and what terms should govern such disconnection?	"
87.	IV.F.1		Should the Parties' invoices for traffic usage include the Billed Party's state specific Operating Company Number (OCN)?	Mark G. Felton
88.	IV.F.2	(1)	How much notice should one Party provide to the other Party in advance of a billing format change?	"
	IV.G.1		<b>RESOLVED</b>	
89.	IV.G.2		What language should govern recording?	Mark G. Felton
90.	IV.H.		Should the ICA include AT&T's proposed language governing settlement of alternately billed calls via Non-Intercompany Settlement System (NICS)?	"
	V.		<b>Miscellaneous</b>	

**Docket Nos. 100176-TP and 100177-TP**  
**Sprint Witness Testimony Key**  
**Exhibit PNS-1, Page 9 of 9**

Issue No.			Issue Description (& Sub Issues)	Sprint Witness
	V.A.		<b>RESOLVED</b>	
91.	V.B.		What is the appropriate definition of "Carrier Identification Codes"?	Peter N. Sywenki
92.	V.C.	(1)	Should the ICA include language governing changes to corporate name and or d/b/a?	Peter N. Sywenki
93.		(2)	Should the ICA include language governing company code changes?	"
	V.D.		<b>RESOLVED</b>	
	V.E.		<b>RESOLVED</b>	
	V.F.		<b>RESOLVED</b>	
	V.G.		<b>RESOLVED</b>	
	V.H.		<b>RESOLVED</b>	
	V.I.		<b>RESOLVED</b>	

**EXHIBIT PNS-2**



**Sprint**

**Sprint – Access Strategy**  
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September 2, 2009

**Via Overnight and Electronic Mail:**

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Atlanta, GA 30375

Re: Sprint Nextel / BellSouth Interconnection Negotiations for Commonwealth of Florida

Dear Lynn and Randy:

Pursuant to Sections 251, 252 and 332 of the Communications Act of 1934, as amended (“Act”), General Terms and Conditions – Part A Section 3 of the parties’ current interconnection agreements (“Section 3”), and AT&T Merger Commitment No. 3<sup>1</sup>, Sprint Communications Company L.P., Sprint Spectrum L.P., Nextel South Corp. and NPCR,

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<sup>1</sup> *In the Matter of AT&T Inc. and BellSouth Corporation Application for Transfer of Control*, Memorandum and Opinion, at p. 149, Appendix F, Merger Commitment No. 3 under “Reducing Transaction Costs Associated with Interconnection Agreements”, WC Docket No. 06-74 (Adopted: December 29, 2006, Released: March 26, 2007) which provides: “The AT&T/BellSouth ILECs shall allow a requesting telecommunications carrier to use its pre-existing agreement as the starting point for negotiating a new agreement.”

Letter

Ms. Lynn Allen-Flood, Mr. Randy Ham  
AT&T CLEC Account Team, and AT&T General Attorney  
September 2, 2009  
Page 2

Inc. d/b/a Nextel Partners (collectively "Sprint") request commencement of interconnection negotiations for a Subsequent Agreement (as defined in Section 3) with BellSouth Telecommunications, Inc. d/b/a AT&T Florida ("AT&T") using the parties' pre-existing Florida interconnection agreement ("Florida ICA") as the starting point for such negotiations.

Sprint is agreeable to a 3-year extension of the existing Florida ICA without further revisions at this time. If AT&T is not agreeable to such an extension, Sprint requests AT&T to provide an electronic, soft-copy redline of the Florida ICA that reflects any and all changes that AT&T seeks to the Florida ICA. Sprint recognizes that in the context of Kentucky ICA adoption proceedings over the past year the parties have negotiated mutually acceptable updates to several of the ICA Attachments. From Sprint's perspective, if AT&T's redlines essentially end up tracking the parties' prior updates to the Kentucky ICA Attachments, the parties' may be able to quickly narrow the likely remaining open issues to Attachment 3. Upon receiving AT&T's proposed redline of the Florida ICA, Sprint can determine what, if any, proposed changes it may have to the Florida ICA and at that point propose the scheduling of an initial negotiation call.

Pursuant to 47 U.S.C. § 252(b)(1), AT&T's receipt of Sprint's request for negotiations commences the statutory day 135 and 160 timelines for filing an arbitration petition under the Act. Using AT&T's e-mail receipt of this letter on September 3, 2009, Sprint calculates the respective statutory 135 and 160 days to be January 15, 2010 and February 9, 2010.

Please acknowledge to me by way of e-mail, facsimile or U.S. Mail that you have received this letter, whether AT&T agrees with Sprint's statutory timeline calculations, and when Sprint can expect to receive AT&T's redline of the Florida ICA.

Sincerely,

Fred Broughton

cc: Mr. Ralph Smith  
Mr. Joseph P. Cowin  
Mr. Joseph M. Chiarelli