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August 23, 1996

**BY HAND DELIVERY**

Ms. Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: Docket No. 960838-TP

Dear Ms. Bayo:

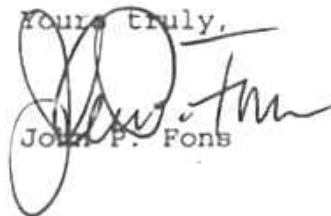
Enclosed for filing in the above docket are the original and fifteen (15) copies of Sprint United/Centel's Joint Prehearing Statement.

We are also submitting the Joint Prehearing Statement on a 3.5" high-density diskette generated on a DOS computer in WordPerfect 5.1 format.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning the same to this writer.

Thank you for your assistance in this matter.

Yours truly,



John P. Fons

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU Shelley \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG 2 \_\_\_\_\_
- LIN 5 \_\_\_\_\_
- JPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC 1 \_\_\_\_\_
- NAS \_\_\_\_\_
- JTH \_\_\_\_\_

Enclosure  
cc: All parties of record  
utd\838.byo

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**9038** AUG 23 1996  
FILED AT TALLAHASSEE, FLORIDA

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In the matter of )  
 )  
 MFS COMMUNICATIONS COMPANY, )  
 INC. )  
 )  
 Petition for Arbitration )  
 Pursuant to 47 U.S.C. § 252(b) )  
 of Interconnection Rates, )  
 Terms, and Conditions with )  
 )  
 SPRINT UNITED-CENTEL OF )  
 FLORIDA, INC. (also known as )  
 CENTRAL TELEPHONE COMPANY OF )  
 FLORIDA AND UNITED TELEPHONE )  
 COMPANY OF FLORIDA) )  
 )

DOCKET NO. 960838-TP  
Filed: August 23, 1996

SPRINT UNITED/CENTEL'S  
JOINT PREHEARING STATEMENT

Pursuant to Order No. PSC-96-0964-PCO-TP, United Telephone Company of Florida ("Sprint/United") and Central Telephone Company of Florida ("Sprint/Centel") (collectively "Sprint"), through its undersigned counsel, files its Prehearing Statement.

A. WITNESS: Sprint will offer the prepared direct testimony of William E. Cheek, James D. Dunbar, Jr. and Randy G. Farrar, and the rebuttal testimony of William E. Cheek and Randy G. Farrar. Mr. Cheek will address Issues 1 through 13; Mr. Dunbar will address Issue 3; and Mr. Farrar will address Issues 2 through 6.

To the extent that any other issues are included in this proceeding, Sprint reserves the right to provide additional testimony and furnish its position on any such issues.

B. EXHIBITS: Sprint will offer the exhibits attached to the prepared direct testimony of William E. Cheek (WEC-1 and WEC-2); James D. Dunbar, Jr. (JDD-1); and Randy G. Farrar (Revised RGF-1 and RGF-2); and the prepared rebuttal testimony of William E. Cheek (WEC-3).

C. BASIC POSITION: This arbitration proceeding has been instituted at the request of MFS pursuant to Section 252(b) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996 ("Act"). In its Petition, MFS has specifically identified issues which MFS contends the parties have not been able to resolve, and seeks arbitration on those issues. Sprint has negotiated with MFS in good faith for months to resolve these issues. In an effort to quickly bring to closure the ongoing negotiations with MFS, Sprint has responded to each of the issues raised in MFS' Petition and has furnished additional information to assist the Commission in arbitrating these issues. The positions taken by Sprint are fair and reasonable and, if adopted by the Commission, will achieve the requirements of the Act; will promote efficient and effective local competition; and will bring the full benefits of competition to the broadest number of telecommunications consumers as quickly as possible.

Contrary to MFS' assertions, the parties are not in disagreement as to most of the issues specifically identified in MFS' Petition. Of those issues that MFS contends remain unresolved, several were resolved by this Commission, pursuant to Chapter 364, Florida Statutes (1995), in Order Nos. PSC-96-0668-

FOF-TP and PSC-96-0811-FOF-TP; other issues have been addressed by the Federal Communications Commission in its First Report and Order and Rules ("FCC Order"), issued on August 8, 1996, in CC Docket No. 96-98; its Second Report and Order ("Second Order"), also issued on August 8, 1996, in Docket No. 96-98; and some issues (stipulated damages, information pages, and information services traffic) are not included within the scope of Section 251 of the Act. It would serve no purpose for this Commission now to rearbitrate those issues already decided in Docket Nos. 950984-TP and 950985-TP, or to arbitrate issues already addressed by the FCC or which are not appropriate to an arbitration proceeding governed by Sections 251 and 252 of the Act.

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

**ISSUE 1: What are the appropriate arrangements for the network interconnection architecture between MFS-FL and Sprint United/Centel?**

**Position:** Sprint agrees to interconnect with MFS at those interconnection points set forth in the FCC's Order, ¶ 210, as follows:

- trunk-side local switch (main distribution frame)
- line-side local switch
- tandem switch
- central office cross-connect points
- out-of-band signaling transfer points
- points of access to unbundled elements

In addition, Sprint agrees to interconnect on a meet-point basis as set forth in the FCC's Order, ¶ 553. In a meet-point arrangement, each party pays its portion of the costs to build out the facilities to the meet point, typically the wire center boundary.

**ISSUE 2: What is the appropriate reciprocal compensation rate and arrangement for local call termination between MFS-FL and Sprint United/Centel?**

Position: Sprint agrees to provide local interconnection consisting of three elements: network tandem switching, transport, and end office or local switching.

The appropriate interim rates are the proxy rates established by the FCC Order, ¶¶ 824, 1060 and 1061. Sprint will charge MFS these rates until cost studies using the FCC's TELRIC methodology can be developed.

**ISSUE 3: Is it appropriate for Sprint United/Centel to offer the following unbundled loops and, if so, at what rate:**

- a. 2-wire analog voice grade loop;
- b. 4-wire analog voice grade loop; and
- c. 2-wire ISDN digital grade loop.

Position: Sprint will provide the following unbundled loops as requested by MFS at the corresponding prices for an interim period:

- a. 2-wire analog voice grade loop - \$13.68 per month;
  - b. 4-wire analog voice grade loop - \$27.36 per month;
- and

- c. 2-wire ISDN digital grade loop - \$13.68 per month plus any recurring and/or nonrecurring cost for conditioning.

These prices are consistent with the default proxy prices established by the FCC Order.

**ISSUE 4: Is it appropriate for Sprint United/Centel to provide MFS with 2-wire ADSL compatible, and 2-wire and 4-wire HDSL compatible loops? If so, what are the appropriate rates for these loops?**

Position: Assuming the technical requirements of these facilities can be adequately identified, Sprint agrees to provide MFS with 2-wire ADSL compatible, and 2-wire and 4-wire HDSL compatible loops. As determined by the FCC Order, ¶ 382, the rates for these loop compatibilities will be based upon the cost of conditioning the loops. Until Sprint knows more precisely what MFS is seeking in the way of compatibility, Sprint is unable to determine the appropriate costs.

**ISSUE 5: What are the appropriate rates, terms and conditions, if any, for billing, collection and rating of information services traffic between MFS-FL and Sprint United/Centel?**

Position: Sprint does not agree that it is Sprint's responsibility to act as MFS' intermediary with information services providers. This issue was previously decided by this Commission in Docket No. 950985-TP, Order No. PSC-96-0668-FOF-TP, page 39.

Nothing has changed since the Commission's prior decision to require any revision.

**ISSUE 6: What is the appropriate rate for interim number portability via remote call forwarding provided by Sprint to MFS-FL pursuant to the order issued July 2, 1996, in FCC Docket 95-116?**

Position: Sprint is entitled to reasonable compensation for this service, provided such compensation is based on the incremental cost of providing the services, and recognizes that interim number portability provides an inferior method of providing number portability.

Sprint proposes to charge MFS \$0.53 per month for residential Remote Call Forwarding ("RCF"), including six call paths, and \$1.00 per month for business RCF, also including six call paths. The price for each additional path, residential and business, is \$0.36.

**ISSUE 7: Does the Commission have the authority and jurisdiction to require the inclusion of a clause for liquidated damages in an interconnection agreement between MFS and Sprint?**

Should the interconnection agreement between MFS-FL and Sprint include provisions for liquidated damages for specified performance breaches? If so, what provisions should be included?

Position: No. The Commission does not have the authority and jurisdiction to require the inclusion of a clause for liquidated damages in an interconnection agreement between MFS and Sprint. Moreover, what MFS proposes is not a liquidated damages clause; it is a

penalty provision. Such a provision cannot be imposed by the Commission and is, in any event, not legally enforceable.

**ISSUE 8: What arrangements, if any, are appropriate for the assignment of NXX codes to respective ALECs?**

Position: This issue was decided by the Commission in Docket No. 950985-TP. As the Commission noted in its Order No. PSC-96-0668-FOF-TP, page 47, Sprint is not the numbering administrator for its region. Nonetheless, Sprint agrees to make telephone number resources available to MFS, as set forth in the Sprint Draft Interconnection and Resale Agreement, dated August 9, 1996 ("Sprint Model Agreement"), Exhibit No. WEC-2, Section VIII.

**ISSUE 9: What are the appropriate arrangements for tandem subtending and Meet-Point Billing?**

Position: Sprint will provide MFS interconnection at the Sprint local tandem, the access tandem or a mid-span meet-point within the exchange. Sprint will also provide MFS with exchange access meet-point billing arrangements on the same terms and conditions as such arrangements are made available to other incumbent LECs.



**ISSUE 10: What are the appropriate arrangements for trunking and signaling between MFS-FL and Sprint?**

**Position:** This issue has been decided by the Commission in Docket No. 950985-TP, Order No. PSC-96-0668-FOF-TP, pages 40 and 41. Sprint will provide MFS with interconnection for trunking and signaling at its tandems, end offices and at mid-span meets with two-way and/or one-way industry standard trunking facilities and signaling arrangements.

**ISSUE 11: Is it appropriate for Sprint customers to be allowed to convert their bundled service to an unbundled service and assign such service to MFS-FL, with no penalties, rollover, termination or conversion charges to MFS or the customer?**

**Position:** No. This issue has been decided by this Commission in Docket No. 950984-TP, Order No. PSC-96-0811-FOF-TP, pages 29 and 30. As MFS agreed in that proceeding, there are costs for converting bundled service to unbundled loops and that MFS should pay for the nonrecurring costs of conversion.

However, with respect to termination liability provisions, Sprint proposes that a customer may cancel an agreement with Sprint that contains a termination liability provision without incurring the termination liability during a brief period - not to exceed ninety (90) days - after MFS commences its marketing activities in Sprint's market area or the Commission approves a negotiated or arbitrated agreement, whichever

occurs first. Any contractual relationship between a customer and Sprint entered into after the expiration of the initial 90-day period will not be subject to a "fresh look," and the termination liability provision will be fully enforceable if the customer cancels for any reason, including to take similar service from MFS. Additionally, any customer who takes advantage of this "fresh look" window should be eligible to return to Sprint within 90 days without incurring termination charges from MFS.

**ISSUE 12: What are the appropriate arrangements for the following:**

**a. Interconnection between MFS and other collocated entities**

Position: Sprint agrees to allow MFS, when it is collocated in Sprint's wire center, to have direct connections with other collocated entities as long as the cross-connecting facilities between MFS and the other entities are provided by Sprint. Sprint's position is consistent with the FCC Order, ¶¶ 594-95.

**b. 911-E-911**

Position: Sprint will provide MFS with interconnection to Sprint's 911/E911 service in the manner set forth in the Sprint Model Agreement, Exhibit No. WEC-2, Section VII.A.

**c. Directory listings and distribution**

Position: United Telephone Company of Florida has secured agreement with Sprint Publishing and Advertising to include the traditional customer listing in the White Pages Directory for MFS' customers and distribute the directory at no charge to MFS. Central Telephone Company of Florida has its directory published by CenDon Partnership, a partnership composed of Reuben H. Donnelley Corporation and Centel Directory Company. A similar agreement with CenDon does not exist. Sprint agrees to work with MFS in seeking the same arrangement for customer listings and distribution.

**d. Directory assistance service**

Position: Sprint's position on Directory Assistance services is set forth in the Sprint Model Agreement, Exhibit No. WEC-2, Section VII.C. Basically, as required by the FCC Second Report and Order, ¶ 148, Sprint will comply with reasonable, technically feasible requests by MFS for the rebranding of directory assistance services in MFS' name. MFS will be responsible for the costs incurred by Sprint to implement such a request.

**e. Yellow page maintenance**

Position: Sprint will work cooperatively with MFS to maintain appropriate records for billing of Yellow Pages

advertising for customers transferring from Sprint to MFS.

**f. Transfer of service announcements**

Position: Sprint's position on transfer of service announcements is set forth in the Sprint Model Agreement, Exhibit WEC-2, Section XVII.B.

**g. Coordinated repair calls**

Position: Sprint's position with respect to coordinated repair calls is set forth in the Sprint Model Agreement, Exhibit No. WEC-2, Section XVII.C.

**h. Busy line verify and interrupt**

Position: Sprint will work with MFS to jointly establish procedures to offer Busy Line Verification and Interrupt services on calls between MFS and Sprint's end users. Sprint will provide these retail services to MFS on a non-discriminatory basis at wholesale rates.

**i. Information pages**

Position: United Telephone Company of Florida has secured agreement with Sprint Publishing and Advertising to include consumer-oriented information about MFS in the White Pages Directory Information (Call Guide) pages at no cost. Central Telephone Company of Florida has its

directory published by CenDon Partnership, a partnership composed of Reuben H. Donnelley Corporation and Centel Directory Company. A similar agreement with CenDon does not exist. Sprint agrees to work with MFS in seeking the same arrangement with these White Pages Directory Information publishers. However, these publishers have not agreed to allow MFS or any other competitive LEC to place its logo on these pages at no cost. MFS needs to deal directly with the White Pages Directory publishers on this issue.

**j. Operator reference database**

Position: Sprint's position on operator reference database is set forth in the Sprint Model Agreement, Exhibit WEC-2, Section VII.A.2.

**ISSUE 13: What are the appropriate physical collocation terms, conditions and rates?**

Position: Sprint's position on this issue is set forth in the Sprint Model Agreement, Exhibit No. WEC-2, Sections IV.A.5.a. and b., and 7.1. Basically, Sprint agrees to collocate MFS' local interconnection and transmission equipment, including loop concentration equipment, in Sprint's wire centers. MFS will be able to lease space under non-discriminatory tariff or contract terms from Sprint equal to the most favorable terms, including rates (provided such rates are based on market price) that Sprint otherwise makes such facilities available

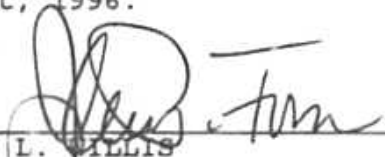
(including to other LECs, its own affiliates, and/or most favored customers).

H. STIPULATIONS: Sprint is not aware of any pending stipulations at this time.

I. PENDING MOTIONS: Sprint has pending its Motion to Dismiss and its Motion for a Protective Order. MFS has pending its Motion to Compel Sprint to Respond to MFS' First Set of Interrogatories and Request for Production of Documents. Sprint requests that the Prehearing Officer hear and rule on these motions at the Prehearing Conference.

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

Dated this 23rd day of August, 1996.

  
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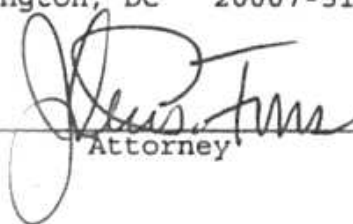
ATTORNEYS FOR CENTRAL TELEPHONE  
COMPANY OF FLORIDA AND UNITED  
TELEPHONE COMPANY OF FLORIDA

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U. S. Mail, hand delivery (\*) or overnight express (\*\*) this 23rd day of August, 1996, to the following:

Michael Billmeier \*  
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