

MEMORANDUM

July 12, 2000

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TO: DIVISION OF RECORDS AND REPORTING
FROM: DIVISION OF LEGAL SERVICES (CALDWELL) *DWC*
RE: DOCKET NO. 000075-TP - Investigation into appropriate methods to compensate carriers for exchange of traffic subject to Section 251 of the Telecommunications Act of 1996.

Attached is a Memorandum to all parties and interested persons to be filed in the above-referenced docket. Please note that copies have been electronically faxed to everyone in CMS with the exception of the 21 names on the attached list. These names had no fax number available.

(Number of pages in document - 4)

DWC/dm

Attachment

cc: Division of Competitive Services (Marsh)

I:\000075IS.DWC

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DOCUMENT NUMBER-DATE
08439 JUL 12 8
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000100

2001 Telecommunications Inc.
5373 North Dixie Highway
Oakland Park FL 33334-3403

D & B Productions, Inc.
2917 Glenpark Road
Palm Harbor FL 34683-2031

ABC Connect
P. O. Box 787
Powder Springs GA 30127-0787

EXCELINK COMMUNICATIONS, INC.
P. O. Box 6434
Clearwater FL 33758-6434

All Kinds Cashed, Inc.
P. O. Box 297
Eaton Park FL 33840-0297

Gulf Coast Communications, Inc.
4016 Barrancas Avenue, Suite C
Pensacola FL 32507-3467

Anns Communication
% ABS Wireless
2010 West Tennessee Street
Tallahassee FL 32304-3117

Interlink Telephony, Inc.
570 South Ellis Road, #200
Jacksonville FL 32254-3555

Bizy Phones, Inc.
P. O. Box 61596
Palm Bay FL 32905-1596

Intermedia Communications Inc.
c/o Kelley Law Firm
Jonathan Canis
1200 19th St. NW, Fifth Floor
Washington DC 20036

Cleartel Communications, Inc.
Ms. Hope G. Colantonio
1255 22nd Street, N.W., 6th Floor
Washington DC 20037-1208

Jones Phones
4404 Rainer Road
Jacksonville FL 32210-7056

COMUSA, Inc.
P. O. Box 3584
New Bern NC 28564

Netcon Telecom, Inc.
P. O. Box 305
Ft. Walton Beach FL 32549-0305

000101

One EZ Call, Inc.
P. O. Box 1311
Middleburg FL 32050-1311

Total for Docket: 000075 = 21
07/12/00

OpTel
1111 West Mockingbird Lane, Suite 1000
Dallas TX 75247-5010

Phone-Out/Phone-On
1012 Gregg Street
Leesburg FL 34748-4388

Public Telephone Network, Inc.
900 N.W. 54th Street
Miami FL 33127-1818

Southeastern Telecommunications Service Inc.
12295 Rockledge
Boca Raton FL 33428-4811

T-Netix, Inc.
67 Inverness Drive East, Suite 100
Englewood CO 80112-5136

Telrite
2120 Corporate Square Blvd., Suite 25
Jacksonville FL 32216-1900

000102



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: July 12, 2000
TO: All Parties and Interested Persons
FROM: Diana W. Caldwell, Staff Counsel *DWC*
RE: Docket No. 000075-TP - Investigation into appropriate methods to compensate carriers for exchange of traffic subject to Section 251 of the Telecommunications Act of 1996

Attached is the list of proposed issues that have been submitted for consideration at the issue identification conference scheduled for Thursday, July 13, 2000, at 10:00 a.m. For those who plan to attend, please note that the room has been changed to Room 309 from Room 362. A reminder that a teleconference call number has been attained for those who cannot attend. The non-Suncom number is (850) 410-0960 or Suncom (850) 210-0960.

If you have any questions about this meeting, please call me at (850) 413-6175 or Anne Marsh at (850) 413-6554.

DWC

Attachment

c: Division of Records and Reporting
Division of Competitive Services (Marsh)

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

PROPOSED ISSUES

Commission staff's proposed issues:

1. What types of traffic should be subject to compensation under section 251 of the Telecommunications Act of 1996?
2. Which facilities may be used to deliver each type of traffic identified in Issue 1?
3. What are the costs associated with the facilities identified in Issue 2?
4. What is the appropriate compensation mechanism for each type of traffic identified in Issue 1?
5. Should the Commission establish default rates for delivery of each type of traffic identified in Issue 1?
6. Should this docket be closed?

BellSouth Telecommunications, Inc.'s proposed issues:

1. What traffic exchanged between carriers is subject to the reciprocal compensation provisions of Section 251 of the Telecommunications Act of 1996 (the Act)?
2. Should the Commission establish a compensation mechanism for traffic exchanged between carriers that is not subject to the reciprocal compensation provisions of Section 251 of the Act?
3. What actions should the Commission take, if any, with respect to establishing an appropriate compensation mechanism for the traffic at issue in this proceeding in light of current decisions and activities of the courts and the FCC?
4. What network components are used in transporting and terminating the circuit switched traffic at issue in this proceeding?

5. What are the costs associated with the transport and termination of the circuit switched traffic at issue in this proceedings/ How do these costs vary, if at all when:

- a. Typical circuit-based switched are used;
- b. Remote Access Services (RAS) or other alternative architectures are used; or
- c. Traffic is delivered outside the originating local calling area through the use of a foreign exchange service or similar arrangement?

6. What is the appropriate mechanism for the recovery of costs associated with the transport and termination of the traffic at issue in this proceeding?

7. What are the public policy considerations, if any, of paying reciprocal compensation for traffic bound to the Internet through an internet Service Provider on a per minute of use basis?

Orlando Telephone Company, Inc.'s proposed issues:

1. a. What is the rate charge to OBT and other companies from Sprint, when an extended area call is made and OTC carries the call 85 percent of the way to Sprint Tandems and end offices.
 - b. Should the ALEC be charged an intraLATA rate of over \$.05 per minute?
 - c. Should the call be treated as a local call?

GTE Florida Incorporated's proposed issues:

1. Does the Florida Public Service Commission, through a generic proceeding, have the jurisdiction to adopt an inter-carrier compensation mechanism for transport and termination of telecommunications to internet service providers (ISPs)?
2. Should the Commission establish such arrangements pending the FCC's own decision establishing inter-carrier compensation measures for ISP-bound traffic? If so, should these arrangements be interim in nature until the FCC adopts its rule establishing the appropriate compensation mechanism?
3. Even if the Commission establishes inter-carrier compensation measures for ISP-bound traffic, does it still recognize carriers' ability to establish compensation measures through their own negotiations and private dispute resolution mechanisms?
4. If the Commission adopts inter-carrier compensation measures for ISP-bound traffic, does it still recognize carriers' ability to

establish compensation measures through their own negotiations and private dispute resolution mechanisms?

5. Must inter-carrier compensation arrangements reflect the cost of the technology, functions, and network configuration employed in delivering ISP-bound traffic?

6. What network and switching architecture is required in order to originate and then switch ISP-bound traffic?

7. Should ALECs be required to provide studies reflecting their costs to switch internet-bound traffic? If they do not submit such studies, what conclusions should the Commission make about the cost differences between delivery of voice and ISP-bound calls?

8. How can ISP-bound traffic be separated from non-ISP bound traffic for purposes of addressing reciprocal compensation payments?

9. How do the calling patterns and traffic characteristics of ISP-bound traffic differ from calling patterns and traffic characteristics of voice traffic?

10. If the Commission determines that it has the authority to and should establish an inter-carrier compensation mechanism for delivery of ISP-bound traffic, what should that mechanism be?

11. Should inter-carrier compensation for delivery of ISP-bound traffic be limited to carrier and ISP arrangements involving circuit-switched technologies?

12. What policy considerations should inform the Commission's decision in this docket (including, for example, how the compensation mechanism will affect ALECs' competitive entry decisions; cost recovery issues and implications; economically efficient cost recovery solutions in the short term and in the long term)?

MCI WorldCom's proposed issues:

1. Should the definition of "local traffic" for purposes of reciprocal compensation obligations under Section 251(b)(5) of the 1996 Act include ISP traffic?