



Kimberly Caswell  
Vice President and General Counsel, Southeast  
Legal Department

FLTC0007  
201 North Franklin Street (33602)  
Post Office Box 110  
Tampa, Florida 33601-0110

Phone 813 483-2606  
Fax 813 204-8870  
kimberly.caswell@verizon.com

November 29, 2001

Ms. Blanca S. Bayo, Director  
Division of the Commission Clerk  
and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

RECEIVED-FPSC  
MAY 29 PM 12:15  
COMMISSION  
CLERK

Re: Docket No. 010795-TP  
Petition by Sprint Communications Company Limited Partnership for  
arbitration with Verizon Florida Inc. pursuant to Section 251/252 of the  
Telecommunications Act of 1996

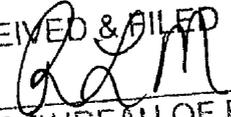
Dear Ms. Bayo:

Please find enclosed an original and 15 copies of Verizon Florida Inc.'s Prehearing  
Statement for filing in the above matter. Also enclosed is a diskette with a copy of the  
Prehearing Statement in .pdf format. Service has been made as indicated on the  
Certificate of Service. If there are any questions concerning this filing, please contact  
me at (813) 483-2617.

Sincerely,

  
Kimberly Caswell

APP \_\_\_\_\_ KC:tas  
CAF \_\_\_\_\_ Enclosures  
CMP \_\_\_\_\_  
COM 3  
CTR \_\_\_\_\_  
ECR \_\_\_\_\_  
LEG \_\_\_\_\_  
OPC \_\_\_\_\_  
PAI \_\_\_\_\_  
RGO \_\_\_\_\_  
SEC 1  
SER \_\_\_\_\_  
OTH Cover pg

RECEIVED & FILED  
  
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

15006 NOV 29 01

FPSC-COMMISSION CLERK

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition of Sprint ) Docket No. 010795-TP  
Communications Company Limited ) Filed: November 29, 2001  
Partnership for Arbitration with Verizon )  
Florida Inc. f/k/a GTE Florida )  
Incorporated, Pursuant to Section )  
252(b) of the Telecommunications Act )  
of 1996. )  
\_\_\_\_\_ )

**VERIZON FLORIDA INC.'S PREHEARING STATEMENT**

Verizon Florida Inc. ("Verizon Florida") files its Prehearing Statement in accordance with Order number PSC-01-1753-PCO-TP in this docket and Commission Rule 25-22.038.

**A. Witnesses**

Verizon Florida's witnesses in this proceeding and the issues to which they will testify are as follows:

William Munsell: Issues 1(a), 2(a) and 2(b).

Terry Dye: Issue 3.

Susan Fox: Issues 6(a) and 6(b).

John Ries: Issues 12 and 15.

**B. Exhibits**

Verizon Florida will introduce the following exhibits:

1. Exs. WM-1, WM-2, WM-3, WM-4, WM-5, WM-6 and WM-7, all attached to witness Munsell's Direct Testimony.
2. Ex. SF-1, attached to witness Fox's Rebuttal Testimony.
3. Sprint's responses to Verizon Florida's discovery requests

DOCUMENT NUMBER DATE

15006 NOV 29 2001

FPSC-COMMISSION CLERK

Verizon Florida reserves the right to introduce additional exhibits at the hearing or other appropriate points.

### **C. Verizon Florida's Basic Position**

In this interconnection agreement arbitration, the Commission should reject Sprint's proposed language for the new interconnection agreement between Sprint Communications Limited Partnership ("Sprint") and Verizon Florida, and, when Verizon Florida has proposed contract language, the language proposed by Verizon Florida should be adopted by the Commission and ordered to be integrated into the final interconnection agreement that will result from this arbitration.

More specifically, the Commission should rule in Verizon Florida's favor on each of the outstanding issues in this case:

- Verizon Florida's definition of local traffic should be adopted because it is consistent with applicable law and does not permit Sprint to reclassify access calls as "local" for compensation purposes.
- Sprint should not be entitled to create multi-jurisdictional trunks due to the technical, operational and contractual problems it would create. Moreover, Sprint's attempt to create a multi-jurisdictional trunking issue by reclassifying certain access calls as local should be rejected.
- Verizon Florida should not be required to provide Sprint with stand-alone vertical features at wholesale rates because neither Verizon Florida's provision of those features at retail to non-telecommunications carriers nor Verizon Florida's provision of stand-alone vertical features to ESPs obliges it do so.
- Verizon Florida should not be required to provide multiplexing as a UNE and to provide multiplexing in combination with UNE and non-UNE services in such a configuration that would permit Sprint to commingle UNE and access facilities and traffic. Multiplexing is not a UNE, and the commingling Sprint seeks is contrary to applicable law.

- Verizon Florida should be permitted to incorporate future revisions to its Commission-approved collocation tariff to streamline interconnection agreements with ALECs and to assure nondiscriminatory treatment of ALECs.
- Sprint should be required to permit Verizon Florida to collocate as an efficient means to satisfy its duty to interconnect with Sprint.

#### **D., E., F. Verizon Florida's Specific Positions**

Verizon Florida believes the issues identified for resolution in this arbitration are mixed questions of fact, law and policy.

#### **Issue A: What is the Commission's jurisdiction in this matter?**

**Verizon Florida's position:** The Commission's jurisdiction in this matter is to decide the remaining disputed issues between Sprint and Verizon Florida regarding their new interconnection agreement, in accordance with the Telecommunications Act of 1996 (the "Act") and the FCC's implementing regulations. The Commission's rulings and the resulting interconnection agreement should also comply with Florida law to the extent that it is consistent with the Act.

#### **Issue 1: In the new Sprint/Verizon interconnection agreement: (a) For the purposes of reciprocal compensation, how should local traffic be defined? (b) What language should be included to properly reflect the FCC's recent *ISP Remand Order*?**

**Verizon Florida's position:** The Commission should adopt Verizon Florida's proposed definition of local traffic (Issue 1(a)) and Verizon Florida's language reflecting the *ISP Remand Order* (Issue 2(b)) because both are consistent with applicable law; the Commission should reject Sprint's proposed language on those issues because it is not. Sprint's language conflicts with applicable law regarding reciprocal compensation, because it includes in its definition of local traffic certain calls to which reciprocal

compensation does not apply (Sprint's "00-" dial-around calls). Moreover, Sprint's language purporting to reflect the *ISP Remand Order* is vague.

**Issue 2: For the purposes of the new Sprint/Verizon interconnection agreement: (a) Should Sprint be permitted to utilize multi-jurisdictional interconnection trunks? (b) Should reciprocal compensation apply to calls from one Verizon customer to another Verizon customer, that originate and terminate on Verizon's network within the same local calling area, utilizing Sprint's "00-" dial-around feature?**

**Verizon Florida's position:** The Commission should reject Sprint's proposed language regarding multi-jurisdictional trunks. If Sprint was permitted to create such multi-jurisdictional trunks: (i) it would be impossible for Sprint to accurately bill the appropriate party for each jurisdiction of traffic routed over such trunks; (ii) Sprint would interfere with Verizon Florida's contractual obligations with other facilities-based carriers in Florida requiring, among other things, the use of separate trunk groups for separate jurisdictions of traffic; and (iii) Sprint would be inconsistent with how its ILEC business unit treats its own ALEC business unit as well as other ALECs in Florida, as evidenced by their respective interconnection agreements requiring the use of separate trunk groups for separate jurisdictions of traffic.

In this issue, Sprint masks its attempt to avoid access charges by mischaracterizing this as a multi-jurisdictional trunking issue. Specifically, Sprint proposes to reclassify as "local" certain access calls that historically have and will continue to be routed over access trunks -- Sprint's "00-" dial-around calls. Only after reclassifying access traffic as "local" can Sprint then claim that the access trunks over which such calls are routed are "multi-jurisdictional." This Commission should not permit Sprint to reclassify its "00-" dial-around calls as local (Issue 1(a) and 2(b)).

Accordingly, there is no multi-jurisdictional trunking issue with respect to “00-” dial-around calls.

**Issue 3: For the purposes of the new Sprint/Verizon interconnection agreement, should Verizon be required to provide custom calling/vertical features, on a stand-alone basis, to Sprint at wholesale discount rates?**

**Verizon Florida’s position:** Verizon Florida cannot be required to provide custom calling/vertical features to Sprint on a stand-alone basis at the wholesale discount. Verizon Florida provides Sprint with stand-alone vertical features. The parties’ dispute relates only to price -- whether Sprint is entitled to the Act’s § 251(d)(3) wholesale discount, which is triggered by § 251(c)(4) of the Act. Verizon Florida’s retail offering of vertical features to non-telecommunications carriers, which is *only* in conjunction with basic dial tone service, does not require Verizon Florida pursuant to § 251(c)(4) of the Act to offer those features on a *stand-alone* basis at a wholesale discount. Nor does Verizon Florida’s wholesale offering of stand-alone vertical features to enhanced service providers (“ESPs”) oblige Verizon Florida to offer a § 251(d)(3) wholesale discount on stand-alone vertical features. Similar to Sprint’s anticipated use of stand-alone vertical features, ESPs use vertical features as input components for their enhanced service offerings. Finally, it would be inappropriate to apply a § 251(d)(3) discount to Verizon Florida’s sale of stand-alone vertical features, because Verizon Florida would not avoid the costs contemplated by the wholesale discount calculation. In fact, Verizon Florida may incur costs to modify its ordering, provisioning and/or billing systems in order to provide stand-alone vertical features at the wholesale discount. Verizon Florida should be permitted to recover any such costs from Sprint.

**Issue 6:** For the purposes of the new Sprint/Verizon interconnection agreement, should Sprint be permitted to: (a) Require Verizon to provide UNE Multiplexing? (b) Route access traffic over UNEs leased from Verizon at cost-based rates?

**Verizon Florida's position:** The Commission should reject Sprint's attempt to compel Verizon Florida to provide Sprint with new combinations of UNEs and non-UNE services and facilities, including multiplexing, so that Sprint can use UNE facilities to avoid access charges applicable to Sprint's long distance traffic. First, Verizon Florida does not offer the network elements and configuration that Sprint seeks. Second, the multiplexing that Sprint seeks is not a UNE, and may not be made a UNE because Sprint can obtain multiplexers and provide itself with the multiplexing it seeks. Third, Sprint should not be permitted to use its interconnection agreement with Verizon Florida to enable Sprint in its capacity as an IXC to use UNEs to avoid the existing access regime. The Act's unbundling and interconnection requirements are intended to allow ALECs the opportunity to enter and compete in the *local* market without having to replicate ILEC facilities -- not to allow Sprint to game the access regimes governed by this Commission and the FCC.

**Issue 12:** Should changes made to Verizon's Commission-approved collocation tariffs, made subsequent to the filing of the new Sprint/Verizon interconnection agreement, supersede the terms set forth at the filing of this agreement?

**Verizon Florida's position:** The Commission should adopt Verizon Florida's proposed language incorporating future revisions to its Commission-approved collocation tariffs. By virtue of its agreement to include Section 1.5 of Article II of the Agreement, Sprint already has agreed to the incorporation of future tariff revisions. That language demonstrates that Verizon Florida is not, as Sprint claims, seeking to avoid its interconnection agreement obligations or the right to "unilaterally" change its tariffs.

Rather, Verizon Florida seeks to streamline interconnection agreements and ensure consistency for all ALECs. Because ALECs can pick and choose from, or opt into, each others' interconnection agreements, Verizon Florida must ensure that it remains consistent and uniform in its provision of products and services. Referencing tariffs as they may change from time to time ensures nondiscriminatory treatment of ALECs. Moreover, there is nothing "unilateral" about a tariff filing. Sprint has the right to challenge proposed changes to Verizon Florida's collocation tariff. There is no reason for the Commission to sanction duplication of this right under the guise of an interconnection agreement dispute, especially when Sprint has already agreed to contract language that incorporates tariffs and applicable tariff review procedures. Furthermore, Verizon Florida's proposal is fair to Sprint and all other ALECs, because it prevents the creation of arbitrage opportunities that would arise if Verizon Florida's tariff changes from time to time.

**Issue 15: For the purposes of the new Sprint/Verizon interconnection agreement, should Sprint be required to permit Verizon to collocate equipment in Sprint's central offices?**

**Verizon Florida's position:** The Commission should adopt Verizon Florida's proposed language requiring Sprint to permit Verizon Florida to collocate in Sprint's central offices. Verizon Florida is obligated to interconnect with Sprint under the Act and is seeking collocation as a reasonable means to comply with that obligation. In effect, Sprint is a monopoly provider of access to its network. As such, Verizon Florida should have the same options to establish interconnection points as it affords to Sprint so that Verizon Florida can make an economic and efficient choice between collocating or purchasing transport to interconnect. Absent an option to collocate, Verizon Florida

would be forced to purchase transport to deliver traffic to Sprint's interconnection points, which may require Verizon Florida to haul local traffic over great distances to a distant point of interconnection and to hire Sprint as Verizon Florida's transport vendor. Consistent with the goals of the Act, Verizon Florida seeks to collocate its facilities with Sprint's, so that Verizon Florida can self-provision network elements in the most efficient and cost-effective manner.

### **G. Stipulated Issues**

On October 23, 2001 the parties filed a stipulation reporting that several issues had been resolved or withdrawn by Sprint.

- Issue 4 was resolved by the parties;
- Issue 5 was withdrawn by Sprint;
- Issue 8 was resolved by the parties;
- Issue 9 was withdrawn by Sprint;
- Issue 10 was withdrawn by Sprint;
- Issue 11 was resolved by the parties;
- Issue 13 was withdrawn by Sprint;
- Issue 14 was resolved by the parties; and
- Issue 16 was resolved by the parties.

### **H. Pending Matters**

Verizon Florida is unaware of any pending matters.

#### **I. Pending Requests or Claims for Confidentiality**

There are no pending confidentiality claims or requests in this case.

## J. Procedural Requirements

To the best of its knowledge, Verizon Florida can comply with all requirements set forth in the procedural order in this arbitration.

## K. Relevant FCC and Court Decisions

Verizon Florida identifies the following FCC or court decisions that may preempt or otherwise affect the Commission's ability to resolve the issues presented or the relief requested in this matter:

- *In the Matter of Amendment of Sections 64.702 of the Commission's Rules and Regulations (Third Computer Inquiry)*, 104 FCC 2d 958 (1986).
- *In re Implementation of the Local Competition Provision in the Telecommunications Act of 1996*, First Report and Order, 11 FCC Rcd 15499 (1996).
- *Deployment of Wireline Services Offering Advanced Telecommunications Capability*, Second Report and Order, 14 FCC Rcd 19237 (1999).
- *In re Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, Third Report and Order and Fourth Further Notice of Proposed Rulemaking, 15 FCC Rcd 3696 (1999).
- *In the Matter of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, Supplemental Order Clarification, 15 FCC Rcd 9587 (2000).
- *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Intercarrier Compensation for ISP-Bound Traffic*, Order on Remand and Report and Order, 16 FCC Rcd 9151(2001).
- *Iowa Utils. Bd. v. FCC*, 120 F.3d 753 (8<sup>th</sup> Cir. 1997), *aff'd in part, rev'd in part*, 525 U.S. 366 (1999).
- *Iowa Utils. Bd. v. FCC*, 219 F.3d 744 (8<sup>th</sup> Cir. 2000), *cert. granted*, in part, 121 S.Ct. 877 (2001).
- *Assoc. of Communications Enterprises v. FCC*, 253 F.3d 29 (D.C. Cir. June 26, 2001).

**L. Objections to Expert Witness Qualifications**

At this time, Verizon Florida has no objections to Sprint's witnesses' respective qualifications as experts. However, Verizon Florida reserves the right to conduct voir dire of Sprint's witnesses at the hearing regarding such witnesses' respective qualifications on the subject matters on which they seek to present expert testimony.

Respectfully submitted on November 29, 2001.

By:   
\_\_\_\_\_  
Kimberly Caswell  
Verizon Florida Inc.  
P. O. Box 110, FLTC0007  
Tampa, Florida 33601-0110  
Telephone No. (813) 483-2617

Kelly L. Faglioni  
Meredith Miles  
Hunton & Williams  
951 East Byrd Street  
Richmond, Virginia 23219  
Telephone No. (804) 788-8200

Attorneys for Verizon Florida Inc.

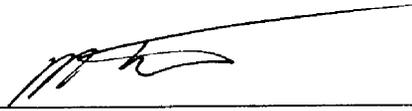
**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that copies of Verizon Florida Inc.'s Prehearing Statement in Docket No. 010795-TP were sent via overnight mail on November 28, 2001 to:

Staff Counsel  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Susan S. Masterton  
Charles Rehwinkel  
Sprint  
1313 Blair Stone Road  
Tallahassee, FL 32301

Joseph P. Cowin  
Sprint  
7301 College Boulevard  
Overland Park, KS 66210



---

Kimberly Caswell