Sprint.

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August 7, 2000

00-00691

Mr. David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Re: Sprint Communications Company L.P. Arbitration Petition with BellSouth Telecommunications, Inc.

Dear Mr. Waddell:

Enclosed for filing are the original and thirteen copies of the Petition of Sprint Communications Company L.P. for Arbitration with BellSouth Telecommunications, Inc. Pursuant to Section 252(b) of the Telecommunications Act of 1996. Also enclosed is a check in the amount of $25.00 for the filing fee. BellSouth is being served with a copy of this Petition.

Please contact me if you have any questions.

Very truly yours,

James B Wright
James B. Wright

JBW:sm

Enclosure
cc: Guy Hicks (with enclosure)

#18330

BEFORE THE

TENNESSEE REGULATORY AUTHORITY

In re:

Petition of Sprint Communications Company L.P. for Arbitration with BellSouth Telecommunications, Inc. Pursuant to Section 252(b) of the Telecommunications Act of 1996.	)))))	Docket No.: 00-00691

PETITION OF SPRINT COMMUNICATIONS COMPANY L.P.
FOR ARBITRATION

Pursuant to Section 252(b) of the Telecommunications Act of 1996 ("Act")[1] and through its undersigned counsel, Sprint Communications Company L.P. ("Sprint") hereby petitions the Tennessee Regulatory Authority ("TRA" or "Authority") to arbitrate certain unresolved terms and conditions of a proposed renewal of the current interconnection agreement between Sprint and BellSouth Telecommunications, Inc. ("BellSouth" or "BST"). Absent the Authority's intervention and arbitration of the unresolved issues identified herein, Sprint will be unable to compete with BellSouth in the provision of competitive local exchange service to consumers in Tennessee.

As explained below, the TRA should require BellSouth to provide interconnection pursuant to the rates, terms, and conditions agreed to by the parties and where no agreement exists, pursuant to the rates, terms and conditions proposed by Sprint.

PARTIES

1.

Sprint, the Petitioner, is a Delaware Limited Partnership having its principal place of business at 8140 Ward Parkway, Kansas City, Missouri. Sprint is authorized to transact business, and is conducting business, within the State of Tennessee as a

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[1] Pub. L. No. 104-104,110 Stat. 70, 47 U.S.C. 252(b)

certificated interexchange carrier ("IXC") and is a telecommunications carrier as that term is defined in the Act. Further, Sprint is certificated to provide competing local exchange service in Tennessee.[2]

Sprint's business address is 7301 College Boulevard, Overland Park, Kansas 66210.

The name and address of Sprint's representatives in these proceedings are:

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-and-

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2.

BellSouth is a corporation organized and formed under the laws of the State of Georgia, with offices located at 675 West Peachtree Street, Atlanta, Georgia 30375, and 333 Commerce Street, Suite 2101, Nashville, Tennessee 37201-3300. BellSouth is an incumbent local exchange carrier ("ILEC") in Tennessee as defined under Section 251(h) of the Act, 47 U.S.C. 251(h).

[2]See Order dated October 3, 1996, Docket No. 96-01153.

JURISDICTION AND TIMELINESS

3.

The Authority has jurisdiction over this Petition pursuant to Section 252(b)(1) of the Act, wherein Congress created an arbitration procedure for requesting telecommunications carriers and ILECs to obtain an interconnection agreement through "compulsory arbitration" by petitioning a "State commission to arbitrate any open issues" unresolved by negotiation under Section 252(a) of the Act. In accord with this procedure, either party to an interconnection negotiation may petition a State commission for arbitration "during the period from the 135th to the 160th day (inclusive) after the date on which an incumbent local exchange carrier receives a request for negotiation . . ."

4.

The window for arbitration of this matter opened on July 14, 2000, and will close on August 8, 2000. A copy of the parties' correspondence stipulating to this timeframe is attached as Exhibit "A". Accordingly, this Petition is timely filed.

NEGOTIATIONS

5.

Sprint is currently engaged in ongoing negotiations with BellSouth in a good faith effort to enter into an agreement that would allow Sprint to interconnect with BellSouth, resell BellSouth's retail service offerings by purchasing BellSouth's retail services at wholesale prices, and purchase and provision on an unbundled element-by-element basis, the features and functions that comprise local exchange service. Since the first face-to-face negotiations in October 1999, the parties have met for at least ten separate face-to-face negotiation sessions, five of which lasted for more than one day. In addition, the parties have held many extensive telephonic negotiation sessions in an effort to reach agreement. Nevertheless, there remain several issues for which the parties have not been able to reach an agreement.

6.

At the outset of negotiations, Sprint agreed to use the BellSouth interconnection agreement template as the starting point for negotiations on each of the contract sections. Further, BellSouth agreed at the outset of negotiations to be the keeper of the official draft interconnection Agreement between the parties. During the course of negotiations, Sprint accepted some of BellSouth's proposed language with no changes, and suggested alternative language for some agreement provisions. For other agreement provisions, Sprint has proposed new language in place of or in addition to BellSouth's proposed language. BellSouth volunteered to be the keeper of the official draft interconnection Agreement between the parties, and, accordingly, is in possession of the entire current draft agreement with all of the competing language included therein. Accordingly, the parties have agreed that BellSouth will file the entire official draft Agreement with the TRA along with its Response to this Petition, with the most recent changes and Sprint proposed language included therein. Although negotiations initially focused on the state of Georgia, the parties agreed that the negotiations would cover several southeastern states, including Tennessee. For this reason, Sprint has assumed that positions taken in Georgia apply to Tennessee, unless BellSouth has indicated otherwise.

UNRESOLVED ISSUES FOR ARBITRATION

7.

Sprint requests that the TRA require BellSouth to enter into an agreement pursuant to the rates, terms and conditions agreed to by the parties, and where no agreement exists, pursuant to the terms and conditions proposed by Sprint. The issues on which the parties have appeared to reach an impasse are described in detail below and identified as arbitration issues 1 through 26. The remaining open issues between the parties are identified and summarized in Exhibit "B" to this Petition. Sprint hereby incorporates by reference the open issues identified in Exhibit "B", and respectfully requests arbitration for all the issues stated below and in Exhibit "B". Sprint anticipates, however, that many of the issues in Exhibit "B" will be resolved prior to the hearing in connection with this matter. If BellSouth disagrees with the status of any contract

provision as characterized by Sprint, Sprint requests that the Authority also arbitrate such disagreement.

ISSUE NO. 1: Terms and Conditions, Section 18.7 – Resolution of conflicts between Agreement and BellSouth tariff

8.

a) Statement of the Issue: In the event that a provision of this Agreement or an Attachment thereto, and a BellSouth tariff provision cannot be reasonably construed to avoid conflict, should the provision contained in this Agreement prevail?

b) Sprint's Position: Yes, in the event of conflict, the terms of the Agreement between the parties should prevail.

c) BellSouth's Position: In many cases, no. Only if the service in question is ordered from the interconnection Agreement, and the Agreement refers to the tariff merely with regards to the rate, or if the service in question is a resold service, should the terms of the Agreement prevail.

d) Discussion: Interconnection agreements pursuant to Section 252 of the Act, and commercial contracts in general, are intended and designed to constitute the entire agreement between the parties. Further, large portions of the renewal interconnection agreement between the parties that will in due course be approved by this Authority will have been voluntarily negotiated and agreed upon by the parties. In the event that an Agreement provision and a tariff provision cannot be construed by the parties in order to avoid conflict, it is entirely appropriate that the provision of the Agreement between the parties should prevail.

Moreover, BellSouth is obligated pursuant to Section 252(b)(5) of the Act to negotiate in good faith with Sprint to enter into a binding interconnection agreement. Sprint believes that BellSouth's proposal to, in many cases, retain the ability to modify

the Sprint/BellSouth interconnection agreement by unilaterally amending its tariffs is anticompetitive and contrary to the spirit of the Act.

ISSUE NO. 2: Attachment 1, Resale, Section 3.18 and Attachment 6, Ordering and Provisioning, Section 2.2 – access to Sprint's customer records information.

9.

a) Statement of the Issue: Should Sprint be compelled to provide BellSouth with faxed copies of customer records information within two (2) business days of BellSouth's request?

b) Sprint's Position: No. As a fledgling local market entrant, Sprint does not currently have sufficient experience with the applicable systems and processes in order to warrant in its interconnection Agreement with BellSouth that it can respond to all BellSouth requests for customer records information within two business days.

c) BellSouth's Position: Yes.

d) Discussion: Section 222 of the Act requires all carriers, including CLECs such as Sprint, to provide other carriers with access to customer records information. Sprint is very much aware of this requirement, and intends to comply fully. Section 222 does not, however, mandate the method by which, or the time period in which such access should be supplied. Although incumbent LECs such as BellSouth have parity obligations under Section 251(c)(3) of the Act to provide nondiscriminatory access to Operational Support Systems ("OSS"), including the electronic transmittal of customer records information, Congress did not bestow a reciprocal obligation upon CLECs. As a new local market entrant with very limited experience, Sprint's CLEC should not be put in a position of guaranteeing to BellSouth that it can send hard copy responses to BellSouth's requests for customer records information within two business days. Until Sprint CLEC gains more operational and systems experience in

the local market, it is simply not in a position to warrant under what time constraints such information can be provided. Sprint is willing to agree to a provision stating that the parties will establish a mutually agreeable time interval for the transmittal of customer records information to BellSouth after Sprint CLEC has been operating in the Tennessee local exchange market for a given period of time (e.g., one year).

ISSUE NO. 3: Attachment 1, Resale – Resale of stand-alone vertical features

10.

a) Statement of the Issue: Should BellSouth make its Custom Calling features available for resale on a stand-alone basis?

b) Sprint's Position: Yes. Except as otherwise expressly ordered in a resale context by the relevant state Commission in the jurisdiction in which the services are ordered, Custom Calling Services should be available for resale on a stand-alone basis.

c) BellSouth's Position: BellSouth apparently believes that stand-alone vertical services and/or vertical features should be available for resale only to the extent such services and features are available on a stand-alone basis in a BellSouth tariff.

d) Discussion: As one of the obligations imposed upon incumbent LECs, Section 251(c)(4) of the Act specifies:

> The duty:
>
> (A) to offer for resale at wholesale rates any telecommunications service that the carrier provides at retail to subscribers who are not telecommunications carriers; and
> (B) not to prohibit, and not to impose unreasonable or discriminatory conditions or limitations on, the resale of such telecommunications service . . .

With the exception of cross-class selling restrictions and limits on wholesale pricing for promotional offers, "an incumbent LEC may impose a restriction only if it proves to the state commission that the restriction is reasonable and nondiscriminatory". 47 CFR 613(b). BellSouth provides custom calling features at retail to "customers who are not telecommunications carriers," and any refusal to provide such features for resale on a stand-alone basis would be discriminatory.

If BellSouth's position is that Sprint may purchase stand-alone vertical services and/or vertical features for resale only to the extent such services and features are available on a stand-alone basis in a BellSouth tariff, such a position would be contrary to Section 251(c)(4) of the Act, and would constitute an impermissible restriction on the resale of a service. Accordingly, Sprint requests that the Commission adopt its proposed language, which clearly states that Custom Calling features are available for resale on a stand-alone basis unless the relevant state Commission has ordered otherwise.

ISSUE NO. 4: Attachment 2, Network Elements and Other Services, Sections 1.3, 12, 13 -- UNE Combinations

11.

a) Statement of the Issue: Pursuant to Federal Communications Commission ("FCC") Rule 51.315(b) should BellSouth be required to provide Sprint at forward-looking incremental rates combinations of UNEs that BellSouth typically combines for its own retail customers, whether or not the specific UNEs have already been combined for the specific end-user customer in question at the time Sprint places its order?

b) Sprint's Position: Yes, BellSouth should be required to provide to CLECs UNEs that are ordinarily combined in BellSouth's network in the manner in which they are typically combined.

c) BellSouth's Position: BellSouth should not be required to combine UNEs for CLECs unless the network elements are in fact already combined by BellSouth in the BellSouth network to provide service to a particular end-user at a particular location.

d) Discussion: Sprint asserts that "currently combines", as that phrase is used in FCC Rule 315(b), means those network elements that are ordinarily combined within BellSouth's network, in the manner in which they are typically combined. BellSouth contends that it is only obligated to provide combinations to Sprint if the elements are already combined and providing service to the customer in question at a particular location. Sprint's interpretation concurs with the plain meaning of the reinstated FCC Rule 315(b)[3], which provides that "[e]xcept upon request, an incumbent LEC shall not separate requested network elements that the incumbent LEC currently combines."

Accordingly, Sprint urges the TRA to reject BellSouth's narrow reading of Rule 315(b) and require BellSouth to provide to Sprint at incremental rates those combinations of UNEs that BellSouth ordinarily and typically combines for its own retail customers.

ISSUE NO. 5: Attachment 2, Network Elements and Other Services, Sections 4.2.6, 11 – Access to DSLAM, unbundled packet switching

12.

a) Statement of the Issue: Should the Authority require BellSouth to provide access to packet switching UNEs under the limited circumstances specified in the FCC's UNE Remand Order?

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[3] Rule 315(b) was reinstated by the Supreme Court in AT&T Corporation v. Iowa Utilities Board, 119 S.Ct. 721 (1999).

b) Sprint's Position: Yes, the Authority should specify that BST must unbundle packet switching to the full extent of the limited circumstances described in the UNE Remand Order.

c) BellSouth's Position: BellSouth's position is unclear.

d) Discussion: At the very least, the parties' interconnection agreement should provide for the availability of unbundled packet switching in the limited circumstances currently required by the FCC. Under the FCC's rule, if BellSouth has deployed a digital loop carrier system and has deployed packet switching for its own use, it must provide unbundled packet switching if, in addition, there are no spare copper loops capable of supporting the xDSL service a CLEC seeks to provide and the CLEC is not permitted to collocate a DSLAM in the remote terminal or other interconnection point. BellSouth apparently believes that in order to avoid this obligation, it is sufficient that there are spare copper loops available somewhere in its network and that BellSouth as a general matter allows CLECs to collocate in remote terminals ("RTs").[4] However, the correct interpretation of Rule 319(c)(5) is that where an ILEC has deployed a digital loop carrier system and packet switching in a particular location, there are no spare copper loops available in that location for service to a

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[4] See *Petition for Arbitration of the Interconnection Agreement Between BellSouth Telecommunications, Inc. and Intermedia Communications, Inc. Pursuant to Section 252(b) of the Telecommunications Act of 1996*, Georgia PSC Docket No. 11644-U, Prefiled Direct Testimony of Alphonso J. Varner, at 35:

> Basically, in its Rule 51.319(c)(5), the FCC identified four conditions that, only where all four conditions are present, would an ILEC have to unbundle packet switching. All of these conditions do not exist in BellSouth's network. BellSouth has taken the necessary measures to ensure that ALECs have access to necessary facilities so that BellSouth is not required to unbundle packet switching.

See also Docket No. 11811-U Hearing Transcript (May 9, 2000) at 182 (Varner):

> Q. If you[r] pedestals don't accommodate DSLAMs, how are you in compliance with this third condition?
> A. Because under this condition, we're only required to offer this collocation where in fact we have the space for you to put the equipment.

particular customer that are capable of supporting the specific xDSL service a CLEC intends to provide, and the CLEC is not permitted for any reason (including space availability) to collocate in the specific remote terminal or similar location that provides access to the specific customer, the ILEC must provide unbundled packet switching to permit the CLEC to provide a packet switched service to that customer. Such circumstances could arise in a variety of instances, including the combination of a loop length that is too long to support the xDSL service the CLEC desires to provide and inadequate space for the CLEC's DSLAM in the serving remote terminal.

To read FCC Rule 319(c)(5) according to BellSouth's apparent interpretation would permit ILECs to completely avoid the obligation to provide unbundled packet switching through anticompetitive design of their networks. Accordingly, the parties' interconnection Agreement must require BellSouth to provide unbundled packet switching to Sprint in any individual case where the FCC's four conditions are met.

ISSUE NO. 6: Attachment 2, Network Elements and Other Services, Sections 12, 13 – Enhanced Extended Links (EELs")

13.

a) Statement of the Issue: Should BellSouth be required to generally provide access to EELs that it ordinarily and typically combines in its network at UNE rates?

b) Sprint's Position: Yes, BellSouth should be required to provide to Sprint access to EELs that are ordinarily combined in BellSouth's network in the manner in which they are typically combined.

c) BellSouth's Position: BellSouth will make available to Sprint new and existing combinations of loop and transport network elements in density Zone 1 in the Nashville MSA. Outside of the aforementioned MSA, BellSouth's obligation to provide access to EELs should be restricted to those combinations that are in fact

already combined by BellSouth in the BellSouth network to provide service to a particular end-user at a particular location.

d) Discussion: Sprint seeks the ability to generally obtain from BellSouth not only those loop and transport network elements constituting EELs that are already combined in BellSouth's network for service to a particular end-user at a specific location, but also those combinations that BellSouth ordinarily and typically combines for its own retail customers. As mentioned previously, Sprint's position concurs with the plain meaning of Rule 315 (b), which provides that "[e]xcept upon request, an incumbent LEC shall not separate requested network elements that the incumbent LEC currently combines." In addition, the Authority has recently determined in another BellSouth arbitration case in Tennessee that BellSouth must offer EELs at the sum of UNE prices. (See Docket No. 99-00377, ICG Telecom Group, Inc and BellSouth arbitration, Transcript of March 14, 2000 proceedings at page 6). Accordingly, Sprint urges this Authority to reaffirm its previous ruling and require BellSouth to generally provide Sprint with access to EELs that BellSouth ordinarily and typically combines in its network.

ISSUE NO. 7: Attachment 2, Network Elements and Other Services, Sections 8.4, 8.5 -- conversion of switching UNEs to market-based rate upon addition of fourth line

14.

a) Statement of the Issue: In situations where a CLEC's end-user customer who is located in density zone 1 in one of the top fifty Metropolitan Statistical Areas ("MSAs") and who currently has three lines or less, adds additional lines, should BellSouth be able to convert all the lines to a negotiated rate?

b) Sprint's Position: No. The FCC has not ruled upon the specific situation described above, and in the meantime, it is not appropriate for BellSouth to attempt to

implement a more costly pricing structure with regard to Sprint's existing customers whose telecommunications needs grow along with their businesses.

c) BellSouth's Position: Yes, BellSouth believes that upon the addition of a fourth or more line, the FCC's language authorizes BellSouth to charge negotiated rates for all of the customer's lines.

d) Discussion: In the 319 UNE Remand Order[5], the FCC exempted ILECs from unbundling local circuit switching under certain circumstances with regard to the top fifty (50) MSAs. Specifically, where the ILEC has "provided nondiscriminatory, cost-based access to the enhanced extended link ("EEL") throughout density zone 1" in one of the top 50 MSAs, the ILEC does not have to provide the requesting ALEC with access to unbundled local circuit switching when the ALEC serves customers with four or more lines in density zone 1.[6] However, the FCC has not yet addressed the specific issue of what treatment should be given to those existing ALEC customers in density zone 1 with three or fewer lines, who add additional lines.

From the narrowly-tailored exception to the general unbundling requirement for local circuit switching, BellSouth has extrapolated the authority to establish an unfair pricing scheme for CLECs' customers who currently have three or fewer lines, who are located in density zone 1 in one of the top 50 MSAs, and who, because of new business growth requirements, add additional lines. The Commission should reject BellSouth's attempt to convert all the customer's lines to a market-based rate. Instead, where a customer with three or less lines residing in zone 1 adds additional lines, BellSouth's charge for the added lines should continue to be based on a forward-looking unbundled local switching rate. Only when the existing customer reaches forty or more lines (a line number that is more accurately associated with

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[5] See *Third Report and Order and Fourth Further Notice of Proposed Rulemaking*, CC Docket No. 96-98 (issued November 5, 1999) (hereinafter "319 UNE Remand Order").

[6] See 319 UNE Remand Order, at Paragraph 278.

medium-sized businesses) should BellSouth be allowed to convert all of the existing customer's lines to a negotiated rate.

Accordingly, Sprint requests that the Commission adopt its proposed contract language and allow Sprint's existing small business customers located in density zone 1 the ability to expand their telecommunications needs as their businesses grow without incurring punitive additional charges.

ISSUE NO. 8: Attachment 3, Interconnection, Section 2.8 – Point of Interconnection.

15.

a) Statement of the Issue: Should BellSouth be able to designate the network Point of Interconnection ("POI") for delivery of its local traffic?

b) Sprint's Position: No. Sprint should have the ability to designate the point of Interconnection for both the receipt and delivery of local traffic at any technically feasible location within BellSouth's network. This right includes the right to designate the POI in connection with traffic originating on BellSouth's network.

c) BellSouth's Position: Yes, BellSouth can designate the network POI for delivery of its local traffic.

d) Discussion: In its Local Competition Order[7], the FCC clearly stated that the specific obligation of ILECs to interconnect with local market entrants pursuant to Section 251(c)(2) the Act[8] engenders the local entrant's right to designate the point or points

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[7] See *First Report and Order,* CC Docket No. 96-98 (issued August 8, 1996) (hereinafter "Local Competition Order").

[8] Section 251(c)(2) provides as follows: "Interconnection. The duty to provide, for the facilities and equipment of any requesting telecommunications carrier, interconnection with the local exchange carrier's network –

(A) for the transmission and routing of telephone exchange service and exchange access;

(B) at any technically feasible point within the carrier's network;

of interconnection at any technically feasible point within the Local Exchange Carrier's network:

> The interconnection obligation of section 251(c)(2) allows competing carriers to choose the most efficient points at which to exchange traffic with incumbent LECs, thereby lowering the competing carriers' cost of, among other things, transport and termination of traffic.
>
> . . . . Of course, requesting carriers have the right to select points of interconnection at which to exchange traffic with an incumbent LEC under Section 251(c)(2).

Local Competition Order, at Paragraphs 172, 220, fnte. 464. In other words, Congress and the FCC intended to give CLECs the flexibility to designate the POI for the receipt and delivery of local traffic in order that the CLEC may minimize entry costs and achieve the most efficient network design. No such right is given to the incumbent carrier, only to new entrants. Sprint's right to designate the point of interconnection so as to lower its costs, including its cost of transport and termination of traffic, includes the right to designate the point of interconnection associated with traffic that originates on BellSouth's network, which Sprint must terminate.

BellSouth may wish to designate its end offices as the point of interconnection for traffic it originates. Such a designation would force Sprint to build facilities to each BellSouth end office or to pay to transport BellSouth traffic to Sprint's network. This position would be inconsistent with the FCC's Local Competition Order and the Act. Sprint is not required to extend its facilities to each BellSouth end office or to any other point designated by BellSouth. Instead, BellSouth is obligated to provide interconnection for Sprint facilities at points within BellSouth's network designated by Sprint. It is neither appropriate nor consistent with the Act and associated FCC

(C) that is at least equal in quality to that provided by the local exchange carrier to itself or to any subsidiary, affiliate, or any other party to which the carrier provides interconnection; and

(D) on rates, terms and conditions that are just, reasonable, and nondiscriminatory, in accordance with the terms and conditions of the agreement and the requirements of this section and section 252 of this title."

Orders for the monopolist incumbent to increase entrant's costs and potentially decrease the entrant's network efficiencies by arbitrarily designating where in the LATA it chooses to hand its traffic off to Sprint and other local market entrants.

ISSUE NO. 9: Attachment 3, Interconnection -- Multi-jurisdictional traffic over any type trunk group

16.

a) Statement of the Issue: Should the parties' Agreement contain language providing Sprint with the ability to transport multi-jurisdictional traffic over the same trunk groups, including access trunk groups?

b) Sprint's Position: Yes. Several state Commissions have previously sided with Sprint's position in connection with this issue.

c) BellSouth's Position: Sprint is permitted to route multi-jurisdictional traffic over the same trunk group, but not over any type trunk group it chooses.

d) Discussion: Sprint believes, and BellSouth admitted as much during the first Georgia arbitration proceeding with Sprint,[9] that it is technically feasible to mix different traffic types over the same trunk group. Further, the ability to route multi-jurisdictional traffic over any type trunk group allows Sprint as a local market entrant to save costs and design a more efficient network. The Florida Commission has indicated that BellSouth must make multi-jurisdictional trunks available so long as PLU factors are utilized. See, *In re: Consideration of BellSouth Telecommunications, Inc.'s entry into interLATA services pursuant to Section 271 of the Federal Telecommunications Act of 1996*, Docket No. 960786-TL; Order No. PSC-97-1459-FOF-TL, 97 FPSC 11:297. In its previous Order in connection

[9] See Hearing Tr., Docket No. 6958-U, December 10, 1996, at 335: "Q. In your pre-filed direct testimony regarding this issue, Mr. Scheye, you seem to be saying that it's possible technically to route different types of traffic on a single trunk, is that correct? A. Correct."

with the first Sprint/BellSouth arbitration in Georgia, that Commission stated the following:

> The Commission finds that Sprint's request is not technically infeasible. The Commission finds that currently, interexchange carriers mix interstate and intrastate traffic over the same trunk group. The Commission rules that for a reasonable period of time, Sprint shall be permitted to pass both local and toll traffic over a single trunk group, utilizing a percent local usage factor to jurisdictionally separate the traffic. This factor shall be subject to audit.

Order Ruling on Arbitration, GPSC Docket No. 6958-U (issued January 7, 1997), at 20 (emphasis added). During negotiations, BellSouth has not objected to the concept of routing multi-jurisdictional traffic over the same trunk group, but apparently does object to Sprint's proposed language that would clarify Sprint's right to route the multi-jurisdictional traffic, where technically feasible, over any type trunk group that Sprint chooses, including trunks that were purchased from BellSouth's access tariff. Sprint's request is certainly technically feasible. In addition, Sprint will make the appropriate billing records available to BellSouth. The parties may then utilize a percent local usage ("PLU") factor to separate the traffic by jurisdiction, and such PLU factor will be subject to audit. Accordingly, Sprint respectfully requests that the TRA adopt Sprint's proposed language for this provision:

> In instances where Sprint combines traffic as set forth in this Section, BellSouth shall not preclude Sprint in any way from using existing facilities procured in its capacity as an interexchange carrier. In this circumstance, Sprint will preserve the compensation scheme for each jurisdiction of traffic that is combined. Sprint's failure to preserve this scheme and compensate BellSouth accordingly would constitute a violation of this Agreement.

ISSUE NO. 10: Attachment 3, Interconnection, Sections 6.1.1, 6.1.1.1, 6.9, 7.7.8 – definition of "Local Traffic" for purposes of Reciprocal Compensation, characterization of ISP traffic as switched access traffic

17.

a) Statement of the Issue: Should Internet Service Provider ("ISP") bound traffic be included in the definition of "local traffic" for purposes of reciprocal compensation under this Agreement?

b) Sprint's Position: Yes, ISP traffic is local in nature and should be included in the definition of "local traffic" for purposes of reciprocal compensation under the Agreement.

c) BellSouth's Position: No. ISP traffic is largely interstate in nature, and thus should not be included in the definition of "local traffic" for purposes of reciprocal compensation.

d) Discussion: As the Authority is aware, the FCC determination that ISP bound traffic is jurisdictionally mixed and appears to be largely interstate has been vacated and remanded to the FCC.[10] However, in its previous decision,[11] the FCC recognized that parties may have agreed to reciprocal compensation for ISP bound traffic, or that a state Commission in the exercise of its authority to arbitrate interconnection disputes under Section 252 of the Act may have imposed reciprocal compensation obligations for this type of traffic. The FCC concluded in its previous Order that until the effective date of a federal rule regarding the appropriate method of inter-carrier compensation for this type of traffic, parties are bound by their existing interconnection agreements as interpreted by the relevant state Commission: "[I]n the absence of a federal rule, state commissions have the authority under Section 252 of the Act to determine inter-carrier compensation for this traffic."[12] Accordingly, the TRA clearly has the authority to determine that for purposes of the Sprint/BellSouth

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[10] Bell Atlantic Telephone Cos. v. FCC, 206 F.3d 1 (D.C.Cir., March 24, 2000).

[11] *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Intercarrier Compensation for ISP-Bound Traffic,* CC Docket Nos. 96-98, 99-68, 14 FCC Rcd 3689 (1999).

[12] Id., at 3706.

interconnection agreement, ISP traffic should be subject to reciprocal compensation.[13] In the event that upon remand, the FCC subsequently adopts a different compensation scheme for ISP traffic and applies its determination to then existing interconnection agreements, the parties could then modify their Agreement to reflect that determination.

e) TRA Arbitrations. In addition, the Authority has recently determined in other BellSouth arbitration cases in Tennessee that ISP traffic should be subject to reciprocal compensation (See Docket No. 98-00530, AVR of TN d/b/a Hyperion of Tennessee and BellSouth arbitration, Transcript of May 23, 2000 proceedings; and Docket No. 99-00797, Time Warner Telecom of the Midsouth, L.P. and BellSouth arbitration, Transcript of the March 14, 2000 proceedings at Page 6).

ISSUE NO. 11: Attachment 3, Interconnection, Section 6.1.6 – Tandem charges for comparable area

18.

a) Statement of the Issue: Where the switch of a carrier other than an incumbent LEC serves a geographic area comparable to the area served by the incumbent LEC's tandem switch, should the rate for such other carrier be the incumbent LEC's tandem interconnection rate?

b) Sprint's Position: Yes. Where Sprint's local switch covers a comparable geographic area to the area serviced by BellSouth's tandem, Sprint is permitted under FCC Rule 711(a)(3) to charge BellSouth the tandem interconnection rate.

c) BellSouth's Position: No. In order for a CLEC to appropriately charge tandem rate elements, the CLEC must demonstrate to the Commission that: 1) its switch serves a comparable geographic area to that served by the ILEC's tandem switch; and 2) its switch

[13] The D.C. Circuit's *vacatur* and remand of the FCC's ruling did not consider the FCC's determination that state Commissions have the authority to require ILEC payments to ALECs for ISP reciprocal compensation.

performs local tandem functions. BellSouth believes the CLEC should only be compensated for the functions that it actually provides.

d) Discussion: FCC Rule 711(a) generally provides for symmetrical rates for the transport and termination of local traffic. Specifically, FCC Rule 711(a)(3) requires that where Sprint's local switch covers a comparable geographic area to the area served by BellSouth's tandem, Sprint may assess BellSouth the tandem interconnection rate. See also Local Competition Order, at Paragraph 1089: "Given the advantages of symmetrical rates, we direct states to establish presumptive symmetrical rates based on the incumbent LEC's costs for transport and termination of traffic when arbitrating disputes under section 252(d)(2) . . ." BellSouth has not agreed to Sprint's language specifying symmetrical rate treatment in this situation, and Sprint requests that the Commission adopt Sprint's proposed language.

ISSUE NO. 12: Attachment 3, Interconnection, Sections 6.1.7, 6.7.1, 7.7.9 – inclusion of IP telephony in definition of "Switched Access Traffic"

19.

a) Statement of the Issue: Should voice-over-Internet ("IP telephony") traffic be included in the definition of "Switched Access Traffic", thus obligating Sprint to pay switched access charges for such calls?

b) Sprint's Position: No. IP telephony traffic should be considered local traffic for purposes of reciprocal compensation.

c) BellSouth's Position: Yes, the definition of "Switched Access Traffic" should include IP telephony, and Sprint should pay switched access charges for these calls.

d) Discussion: IP telephony should not be included in the definition of Switched Access Services Traffic in the parties' interconnection agreement. Although the FCC has suggested that some IP telephony resembles switched access traffic, it has not made a definitive determination regarding the regulatory treatment of IP

telephony. Accordingly, the parties' interconnection agreement should not prejudge this issue, but should be silent on it.

ISSUE NO. 13: Attachment 4 and 4A, Collocation, Section 6.4 --Provisioning intervals for physical and virtual collocation.

20.

a) Statement of the Issue: Should the parties' interconnection agreement include provisioning intervals proposed by Sprint for physical and virtual collocation and other provisioning intervals?

b) Sprint's Position: Yes.

c) BellSouth's Position: No. Upon a firm order by an applicant carrier, BellSouth will provision physical collocation as quickly as possible, but within a maximum of 120 calendar days under ordinary circumstances and 180 calendar days under extraordinary conditions. As to virtual collocation, BellSouth will provision a firm order as quickly as possible, but within 50 business days under ordinary circumstances and 75 business days under extraordinary conditions. BellSouth has not communicated to Sprint that it has altered its position relative to the Tennessee negotiations.

d) Discussion: In Section 6.4 of the parties' agreement, BellSouth proposes a single provisioning interval of up to 120 calendar days for both physical caged and cageless collocation, ordinary conditions. Sprint's proposed collocation intervals, which include ninety (90) calendar days for physical caged collocation and sixty (60) calendar days for physical cageless and virtual collocation, are substantially more reasonable. If BellSouth is held accountable and required by the TRA to commit to a reasonable firm interval for provisioning physical and virtual collocation, this accountability will provide the incentive for BellSouth to better manage its work activities and concurrent processes. Sprint requests the Authority adopt Sprint's proposed contract language containing Sprint's recommended provisioning intervals.

Issue No. 14: Attachment 4, Collocation, Section 6.4 -- Construction and provisioning interval

21.

a) Statement of the issue: Is it appropriate for BellSouth to exclude from its physical caged collocation interval the time interval required to secure the necessary building licenses and permits?

b) Sprint's position: No. BellSouth should be held accountable for the time required to complete all of the necessary tasks related to the provisioning of physical collocation, which includes the time required to obtain necessary building permits.

c) BellSouth's position: In the Georgia arbitration proceeding, BellSouth's position is yes. BellSouth should not be held responsible for the time required to obtain building permits, because this process is largely outside of BellSouth's control. BellSouth has not communicated to Sprint that it has altered its position relative to the Tennessee negotiations.

d) Discussion: It is not appropriate to exclude permit-processing times from BellSouth's physical caged collocation provisioning interval. BellSouth should be required to manage the provisioning of physical collocation so that the permitting runs concurrently with other work activity that BellSouth performs in order to complete the collocation provisioning process. If BellSouth is held accountable for the entire collocation provisioning interval, this accountability will provide the incentive for BellSouth to better manage its work activities and concurrent processes. Accordingly, Sprint urges the Authority not to allow BellSouth to exclude the permitting interval from the measurement.

In its recent Comments filed in another jurisdiction in connection with this issue, BellSouth has stated that "[I]t would be unfair to hold BellSouth accountable for missing an interval in circumstances where the cause for the miss is an unusually long

interval for obtaining a permit caused by third party governmental officials over which BellSouth has no control."[14] While BellSouth does not have specific control over the actions of officials, it does have complete control over the extent to which it compresses its provisioning processes so that work activities run as concurrently as possible. Similarly, BellSouth has complete control over the manner and the frequency with which it follows up with the appropriate officials in order to assure that permits are obtained in a timely manner. BellSouth asserts its lack of "control", but it possesses substantially more control over the situation than the CLEC, who is entirely dependent upon BellSouth to provision physical collocation arrangements in a timely manner. Accordingly, Sprint urges the TRA to adopt Sprint's modifications to BellSouth's proposed language and require BellSouth to include permit processing time in its physical collocation provisioning interval.

ISSUE NO. 15: Attachment 4, Collocation, Section 2.2.2 – Time frame to provide reports regarding space availability

22.

a) Statement of the Issue: Regarding multiple requests for collocation space availability reports on specific BellSouth central offices, should BellSouth provide such reports within the time intervals proposed by Sprint?

b) Sprint's Position: Yes. Sprint should not be penalized for requesting space availability reports for multiple central office locations.

c) BellSouth's Position: BellSouth has proposed that the response time for report requests for more than five central offices will be negotiated between the parties.

[14] See BellSouth's Comments on Open Issues List, Louisiana Public Service Commission Docket No. U-22252, Subdocket C, dated March 20, 2000, at 50 (Issue 27) .

d) Discussion: Sprint has suggested reasonable firm time intervals in which BellSouth should respond to Sprint's multiple requests for collocation space availability reports for specific central offices. If the central office is located in one of the top 100 Metropolitan Statistical Areas ("MSAs"), Sprint asserts that BellSouth should be able to respond to all multiple requests for space availability reports within ten calendar days. For multiple requests involving central offices that are located in areas outside of one of the top 100 MSAs but inside the same state, Sprint has proposed a detailed schedule of firm response times. Sprint's proposal is equitable, and clearly sets forth in the parties' Agreement the response times for situations involving multiple requests for space availability reports.

ISSUE NO. 16: Attachment 4, Collocation, Section 2.7 – Priority of space assignment for "space exhausted" Central Offices

23.

a) Statement of the Issue: Should Sprint be given space priority over other CLECs in the event that Sprint successfully challenges BellSouth's denial of space availability in a given central office, and the other CLECs who have been denied space do not challenge?

b) Sprint's Position: Yes. It would be inequitable for CLECs that did not contest BellSouth's claims of space exhaust in a particular central office to reap the benefits of Sprint's legal challenge to the detriment of Sprint.

c) BellSouth's Position: BellSouth's position is to assign space strictly on a "first-come, first served" basis.

d) Discussion: In the situation where Sprint is on a waiting list with other CLECs for space availability in a given central office, and the TRA accepts Sprint's arguments challenging BellSouth's denial of space for that central office, it is reasonable that Sprint should be given priority of space assignment over other CLECs on the waiting

list who chose not to legally challenge BellSouth's denial of space. First, it would be inequitable in the above described situation for CLECs to ride the legal "coattails" of Sprint and benefit from Sprint's expenditure of resources to the potential detriment of Sprint. Second, such a result might have a chilling effect on Sprint and other CLECs who decide not to challenge a dubious denial of space in a given central office due to the real possibility that such action may not at all benefit the company who mounts the legal challenge, but rather that company's competitors. Lastly, BellSouth's "first come, first serve" policy gives BellSouth the incentive to deal less equitably with those companies who are further down on the waiting list without incurring any serious risk of legal repercussions from such conduct. Sprint requests that the Commission adopt Sprint's proposed language and allow the CLEC who mounts a successful legal challenge to space denials to receive the benefit.

Issue No. 17: Attachment 4, Collocation, Section 5.4 - Demarcation point

24.

a) Statement of the Issue: Should Sprint have the ability to designate the point of demarcation, in or adjacent to its collocation space, between Sprint's collocated equipment and BellSouth's equipment?

b) Sprint's Position: Yes. Sprint should also have the option to utilize the Point of Termination ("POT") bay as the point of demarcation if it so chooses.

c) BellSouth Position: No. BellSouth should be allowed to designate the points of demarcation between Sprint's and BellSouth's networks. Further, POT Bays should not serve as the termination point.

d) Discussion: BellSouth's position that it be permitted to designate the point of demarcation between Sprint's and BellSouth's networks violates Sprint's right to interconnect with BellSouth's network and to obtain access to unbundled network

elements "at any technically feasible point." 47 U.S.C. 251(c)(2)(B), 251(c)(3). FCC Rule 51.321 (d) states:

> An incumbent LEC that denies a request for a particular method of obtaining interconnection or access to unbundled network elements on the incumbent LEC's network must prove to the state commission that the requested method of obtaining interconnection or access to unbundled network elements at that point is not technically feasible.

In order to deny Sprint's request to interconnect or to access UNEs at a demarcation point selected by Sprint, including the POT bay, BellSouth must prove that interconnection or access at that point is not technically feasible. Because interconnection and access to UNEs at the POT bay or at other points within BellSouth central offices is technically feasible, BellSouth must permit interconnection at such points.

In accordance with the Act and FCC rules, Sprint's proposed language would give Sprint as the requesting carrier the ability, if it so chooses, to designate the point of demarcation between BellSouth's central office equipment and Sprint's collocated equipment. Sprint asserts that if it cannot select the most efficient demarcation points between Sprint's collocated equipment and BellSouth's central office equipment, BellSouth will have the incentive and ability to increase Sprint's market entry costs by designating less efficient or more expensive demarcation points than Sprint would have chosen. For instance, BellSouth could designate the point of termination at an intermediate, conventional distribution frame ("CDF") located some distance from Sprint's collocation space. This would cause Sprint to incur additional cabling costs.

Sprint further desires the ability, if it so chooses, to designate the Point of Termination ("POT") bay, frame or digital cross-connect in or adjacent to Sprint's collocation space as the point of termination. In its recent Order in the generic collocation proceedings, the Florida Public Service Commission observed that "[a]lthough the FCC prohibits ILECs from requiring POT bays or other intermediate

points of interconnection, ALECS are not prohibited from choosing to use them."[15] Accordingly, Sprint urges the Commission to specify that this option is available to Sprint if it so chooses.

Issue No. 18: Attachment 4, Collocation, Section 6.4.1 - Additions and augmentations

25.

a) Statement of the Issue: In instances where Sprint desires to add additional collocation equipment that would require BellSouth to complete additional space preparation work, should BellSouth be willing to commit to specific completion intervals for specific types of additions and augmentations to the collocation space?

b) Sprint's Position: Yes.

c) BellSouth's Position: In the Georgia arbitration BellSouth's position is "No." BellSouth states that it will have different implementation intervals depending on the type of addition or augmentation, so each one needs to be reviewed individually. Thus, according to BellSouth, each addition or augmentation should be treated in the same manner as a new application. Ultimately, the amount of work and associated time to complete the work depends on the requested change and the central office. The same augmentation work can be done in different central offices and require different infrastructure, building and power jobs to meet the needs of the request. BellSouth has not communicated to Sprint that it has altered its position relative to the Florida negotiations.

d) Discussion: BellSouth should be willing to commit to Sprint's proposed firm provisioning intervals in the situation where Sprint wishes to add equipment to

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[15] See Order, FPSC Dockets 981834-TP, 990321-TP (issued May 11, 2000), (hereinafter

Sprint's existing collocated space that would cause BellSouth to do additional space preparation work. Sprint's proposed language also provides for the manner in which BellSouth will inform Sprint of any additional charges or increases in provisioning time intervals when the changes will require BellSouth to do additional space preparation work. During negotiations, BellSouth has stated that it is not ready to commit to any specific provisioning intervals for additions and augmentations. In the absence of any alternative proposed intervals from BellSouth, Sprint asserts that its proposed intervals are reasonable and urges the Commission to adopt Sprint's proposed contract language.

ISSUE NO. 19: Attachment 4, Collocation, Section 6.5 - Use of BellSouth certified vendor to perform work required outside of Sprint's collocation space.

26.

a) Statement of the Issue: Should BellSouth be responsible for performing any or all engineering and installation work that is outside Sprint's collocation space?

b) Sprint's Position: Yes. In some instances, BellSouth will be the best-qualified and most logical choice to be responsible for performing the necessary work functions in the most time-efficient and cost-efficient manner.

c) BellSouth's Position: In the Georgia arbitration proceeding BellSouth's position is no. BellSouth is a telecommunications carrier and, as such, there is no requirement for BellSouth to perform as a contractor or vendor for Sprint. BellSouth provides a list of certified vendors to all CLECs including Sprint. The list is the same list BellSouth uses for its own installation work. Sprint should use the list in the same manner as BellSouth. BellSouth does not do its own installations. BellSouth has not

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"Florida Collocation Order"), at Issue IX, p. 49.

communicated to Sprint that it has altered its position relative to the Tennessee negotiations.

a) Discussion: BellSouth has proposed that Sprint must select a "BellSouth Certified Vendor" to perform all engineering and installation required on Sprint's side of the demarcation point. While Sprint does not entirely object to the use of BellSouth Certified Vendors for some types of work, Sprint asserts that for certain engineering and installation work outside of Sprint's collocation space that needs to be performed in BellSouth common areas or BellSouth reserved space (such as cabling), BellSouth is the most logical, the most time-efficient, and possibly the most cost-efficient choice. The Florida Commission appears to agree with Sprint's position on this point:

> The record demonstrates that the ILEC has a responsibility to provide an environment to meet its own needs and the needs of ALEC tenants, particularly for major mechanical systems. The record also shows that work activities that involve major or common mechanical systems may be necessary, and that these types of functions are likely to be outside of a collocator's space. We believe those tasks should be coordinated and performed by the ILEC.

See Florida Collocation Order, at Issue 15. Accordingly, Sprint requests that the Authority adopt Sprint's proposed language permitting Sprint to use BellSouth at Sprint's option to complete the installation and engineering work outside Sprint's collocation space.

ISSUE NO. 20: Attachment 4, Collocation, Section 6.9 – Transition from virtual collocation to physical collocation

27.

a) Statement of the Issue: Are there situations where Sprint should be permitted to convert in place when transitioning from a virtual collocation arrangement to a cageless physical collocation arrangement?

b) Sprint's Position: Yes. If Sprint does not request any changes to an arrangement other than to transition from virtual to cageless physical collocation, Sprint should be allowed to convert the arrangement in place. Further, BellSouth should not be permitted to charge full application fees in such situations.

c) BellSouth's Position: BellSouth has rejected Sprint's proposed language and has proposed unreasonable restrictions on Sprint's ability to convert in place.

d) Discussion: There are no legitimate reasons why BellSouth cannot convert in place Sprint's virtual collocations to cageless physical collocations where Sprint has not requested to add equipment or otherwise change the collocation space. Sprint's position concurs with the Florida Commission's Generic Collocation Order:

> Furthermore, regarding relocation of equipment, the record supports that the ALEC's equipment may remain in place even if it is in the ILEC's equipment line-up when converting from virtual to cageless physical collocation. It appears that to require relocation of equipment under these circumstances would be unduly burdensome and costly to the ALEC without any benefit.

See FPSC Generic Collocation Order, at Issue 5. Such conversions in place should also be accomplished without Sprint incurring full application fees. Sprint urges the TRA to adopt Sprint's proposed language.

ISSUE NO. 21: Attachment 8, Rights-of-Way, Conduits, and Pole Attachments, Sections 6.2, 9.5: Payment in advance for make-ready work performed by BellSouth

28.

a) Statement of the Issue: Should Sprint be required to pay the entire cost of make-ready work prior to BellSouth's satisfactory completion of the work?

b) Sprint's Position: It is customary in situations involving construction-related work for payment or a portion thereof, to be due upon satisfactory completion of the work.

c) BellSouth's Position: Sprint must pay for all make-ready work in advance. BellSouth will not schedule the work to be performed until payment is received.

d) Discussion: By seeking to make Sprint pay for make-ready work entirely in advance, BellSouth would arbitrarily deprive Sprint of its primary recourse in the event that the work is not performed in a satisfactory manner. Sprint has offered to pay for half of the estimated costs in advance and the remainder upon completion of the work to Sprint's satisfaction, but BellSouth has apparently rejected this reasonable alternative language. Sprint's request is reasonable, and Sprint requests that the Commission adopt Sprint's proposed language.

ISSUE NO. 22: Attachment 9, Performance Measurements, Section 3.3.1 -- Benchmark Based on BellSouth Affiliate Performance

29.

a) Statement of the Issue: Should the Agreement contain a provision stating that if BellSouth has provided its affiliate preferential treatment for products or services as compared to the provision of those same products or services to Sprint, then the applicable standard (i.e., benchmark or parity) will be replaced for that month with the level of service provided to the BellSouth affiliate?

b) Sprint's Position: Yes, it is appropriate to require BellSouth to provide to Sprint the identical standard of service that it provides to: a) its affiliate; or b) its retail end-user, whichever level of service is better.

c) BellSouth's Position: No. BellSouth wishes to address all remedies-related provisions in connection with its VSEEM III penalties proposal.

d) Discussion: BellSouth's parity obligations under the Act require that BellSouth provide the same quality of service to its competitors as it provides to itself. See FCC Rule 51.305(a): "An incumbent LEC shall provide, for the facilities and equipment of any requesting telecommunications carrier, interconnection with the incumbent LEC's network: . . . 3) that is at a level of quality that is equal to that which the incumbent LEC provides itself, a subsidiary, an affiliate, or any other party. . ." (emphasis added). See also 47 U.S.C. 251(c)(3), which articulates BellSouth's obligation under the Act to provide nondiscriminatory access to UNEs. In those situations where BellSouth is providing a superior level of service to its affiliates or retail end-users, the only real way in which to ensure that BellSouth is meeting its parity obligations and actually providing nondiscriminatory access to UNEs is to require BellSouth to provide CLECs with the identical level of service as BellSouth provides to its affiliates or retail end-users.

For purposes of measuring BellSouth affiliate performance, Sprint believes that "affiliate" should be defined as provided in 47 U.S.C. 153: "The term "affiliate" means a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term "own" means to own an equity interest (or the equivalent thereof) of more than 10 percent."

If this Commission concludes that BellSouth has provided its affiliate or retail end-user preferential treatment of products/services over those same products/services provided to any CLEC, then the parties' Agreement should provide that the standard, either parity or a benchmark, should be replaced for that month with the level of service provided to the BellSouth affiliate or retail end-user. This revised affiliate-based standard should be used to calculate all applicable penalties. During negotiations, BellSouth, without a great deal of comment, rejected Sprint's proposal, stating simply that all remedies-related contract language should be discussed in connection with BellSouth's VSEEM III penalties proposal. Sprint urges the TRA to adopt Sprint's language and make parity in this instance a tangible requirement for BellSouth.

ISSUE NO. 23: Attachment 9, Performance Measurements, Section 5.9 -- Disaggregation of Measurement Data

30.

a) Statement of the Issue: Should BellSouth geographically disaggregate its measurement data consistent with the geographic units that BellSouth currently utilizes when producing external or internal performance related reports in Tennessee, and, if BellSouth has not established geographical units in Tennessee smaller than state-wide reporting, should Metropolitan Statistical Area ("MSA") level reporting be the default level of geographic disaggregation?

b) Sprint's Position: Yes, BellSouth should disaggregate its measurement data consistent with the manner in which it geographically disaggregates its other external or internal performance-related reports. If no such smaller unit of geographic disaggregation is utilized in Tennessee, BellSouth should be required to disaggregate data on the MSA level.

c) BellSouth's Position: BellSouth contends that state level reporting is the appropriate default level of geographic disaggregation.

d) Discussion: Sprint strongly believes that performance measurements reporting on the basis of a smaller geographic unit than an entire state is critical in order for CLECs such as Sprint to effectively evaluate whether BellSouth is providing nondiscriminatory interconnection and access to unbundled network elements. To the extent that BellSouth has not established such reporting subdivisions, reporting at the MSA level is an appropriate default. In its interim Order in connection with the Louisiana Public Service Commission's ("LPSC") pending performance measurements

proceedings, the Louisiana Commission required BellSouth "to report its performance measurements at the regional, state, and MSA." [16]

ISSUE NO. 24: Attachment 9, Performance Measurements, Section 6 – Audits

31.

a) Statement of the Issue: Should the Agreement include BellSouth's limited performance measurements audit proposal that provides for one annual, aggregate level audit, as reflected in Appendix C of BellSouth's current Service Quality Measurement ("SQM") document?

b) Sprint's Position: No. Sprint's proposal, which provides for an initial comprehensive audit, and up to three "mini-audits" per year, more realistically provides the scope, level and frequency of performance-related data so that Sprint can accurately verify whether BellSouth is providing nondiscriminatory interconnection and access to unbundled network elements.

c) BellSouth's Position: Yes, BellSouth's annual audit proposal as reflected in the SQM is a sufficient audit mechanism.

d) Discussion: BellSouth's currently proposed audit mechanism is woefully inadequate and will not provide the detailed, comprehensive data that CLECs such as Sprint need in order to adequately assess whether BellSouth is providing nondiscriminatory interconnection and access to UNES. Moreover, BellSouth's proposed language bestows upon BellSouth the very broad right to make unilateral changes to its audit plan "as growth and changes in the industry dictate." Sprint's proposal provides for an "initial audit" that would include an evaluation of the systems and procedures associated with the compilation and reporting of performance measurements data.

[16] General Order, LPSC Docket U-22252, Subdocket C (issued August 31, 1998), at 2.

BellSouth would pay for the services of an independent auditor to complete the initial audit. Under certain circumstances, Sprint would also have the right to conduct up to three "mini-audits" of individual performance measures and or sub-measures during the calendar year. These "mini audits" would be based on at least two months of data or raw data supporting the performance measurements results in question. Under Sprint's language, Sprint would in most cases pay for the costs of the independent auditor performing the "mini-audit" (unless, e.g., BellSouth is found to have materially misrepresented data). Sprint respectfully submits that its proposed audits mechanism will provide Sprint with the assessment tools it needs in order to adequately determine whether BellSouth is fulfilling its parity obligations under the Act.

ISSUE NO. 25: Attachment 9, Performance Measurements, and Section 7.2 Effective Date of BellSouth's VSEEM III Remedies Proposal

32.

a) Statement of the Issue: Should the effective date of BellSouth's VSEEM III remedies proposal be tied to the date that BellSouth receives interLATA authority for the jurisdiction in question?

b) Sprint's Position: No.

c) BellSouth's Position: Yes, in fact, BellSouth's offer of the VSEEM III remedies proposal is contingent upon Sprint's acceptance of BellSouth's proposed effective date.

d) Discussion: The FCC's ultimate approval or rejection of BellSouth's application for Section 271 relief for the jurisdiction in question has little or nothing to do with establishing appropriate performance measures and thereby verifying BellSouth's nondiscriminatory provision of interconnection and access to unbundled network elements to Sprint and other CLECs. The Authority should summarily reject BellSouth's attempt to link interLATA relief with the establishment of appropriate

remedies for poor performance. Since BellSouth has completely refused to negotiate the particulars of its remedies plan unless Sprint agrees to BellSouth's unreasonable and self-serving proposed effective date for the plan, Sprint requests that the TRA adopt Sprint's proposed language.

ISSUE NO. 26: Attachment 9, Performance Measurements, Exhibit B ("Statistical Methods") – Application of statistical methodology to Service Quality Measurements ("SQM") document.

33.

a) Statement of the Issue: Should BellSouth be allowed to omit the statistical methodology in Exhibit B from its SQM performance measures provided to Sprint?

b) Sprint's Position: No. Without the application of BellSouth's statistical methodology to the SQM set of measures, Sprint will have no way to accurately determine whether there are statistically significant differences between BellSouth's performance when provisioning service to its own retail customers and affiliates and its performance to Sprint.

c) BellSouth's Position: Yes. The statistical methodology contained in Exhibit B is part of and was developed in connection with the VSEEM III set of remedy measures. Since BellSouth will not discuss the VSEEM III remedy plan with Sprint unless Sprint agrees with BellSouth's proposed effective date for the remedy plan, BellSouth also will not discuss or offer the statistical methodology included in Exhibit B.

d) Discussion: During recent negotiations, Sprint discovered that BellSouth does not intend to offer the statistical methodology contained in Exhibit B to Sprint because it is BellSouth's position that Exhibit B is part of and developed in connection with BellSouth's VSEEM III remedy plan that BellSouth has withdrawn from discussion between the parties unless or until Sprint consents to BellSouth's proposed effective date for the VSEEM III plan (see above). This position is illogical. BellSouth has

offered to Sprint the SQM set of performance measures contained in Exhibit A of Attachment 9, and Sprint contends that those measures are largely meaningless unless Sprint can employ mutually agreed upon statistical techniques in order to determine whether there are statistically significant differences between BellSouth's performance when provisioning service to its own retail customers and affiliates and its performance to Sprint. Sprint requests that the TRA require BellSouth to provide the Statistical Methods in Exhibit B in conjunction with the SQM measures contained in Exhibit A.

CONTRACT PROVISIONS CURRENTLY UNDER NEGOTIATION

34.

As indicated earlier, Sprint and BellSouth are continuing to negotiate issues. The status of most of these remaining issues can be accurately described as a matter of drafting mutually acceptable contract language or the parties further considering their respective positions. Sprint has identified the contract provisions it believes to be remaining open between the parties at this time in Exhibit "B" to this Petition, and has summarized the subject matter and status for each of these open issues. These open contract provisions are numbered in Exhibit "B" from 27 to 74, consecutively. As well as the issues discussed above, Sprint also requests arbitration of the open issues in Exhibit B. Many of the issues in Exhibit B, however, should be resolved prior to the hearing in connection with this matter.

ISSUES DISCUSSED AND RESOLVED BY THE PARTIES

35.

Sprint and BellSouth have reached agreement on some issues, as should be indicated in the official version of the draft interconnection Agreement to be filed by BellSouth in this matter. If BellSouth disagrees with the status of any issues currently indicated as agreed, or if Sprint disagrees with the wording that purportedly reflects the agreement of the parties in the official version of the draft interconnection Agreement to be filed by BellSouth, Sprint respectfully reserves the right to seek arbitration of any such additional issues.

CONCLUSION

36.

WHEREFORE, in recognition of the foregoing arguments and positions set forth herein and in the Exhibits attached hereto, Sprint requests that the TRA require BellSouth to agree to the terms and conditions proposed by Sprint as reflected herein and in the draft interconnection agreement between the parties, and any such further relief as the Authority deems just and proper.

Respectfully submitted this 7th day of August, 2000.

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-And-

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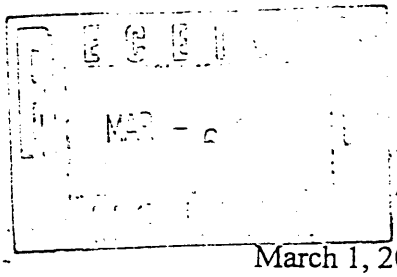
EXHIBIT A



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March 1, 2000

VIA FACSIMILE AND FEDERAL EXPRESS

Ms. Chris Boltz
Manager – Interconnection Services
BellSouth Telecommunications, Inc.
675 West Peachtree Street
Room 34S91
Atlanta, Georgia 30375

RE: Sprint/BellSouth interconnection negotiations for the State of Tennessee

Dear Ms. Boltz:

Pursuant to Section 252 of the Telecommunications Act of 1996 ("Act"), Sprint Communications Company L.P. ("Sprint") hereby requests commencement of negotiations with BellSouth Telecommunications, Inc. ("BellSouth"), for an agreement providing interconnection, resale, access to unbundled network elements, and ancillary services in order that Sprint may provide competing local exchange service within the State of Tennessee. As indicated in my letter to you, dated September 14, 1999, and confirmed in BellSouth's letter to Sprint's Ms. Closz, dated September 17, 1999, Sprint and BellSouth anticipate that the Georgia negotiations will serve to create a template for negotiations between the parties for the other states in the BellSouth region, including Tennessee.

Please acknowledge to me, by way of e-mail, facsimile or U.S. Mail, that you have received this letter. Sprint looks forward to entering into a fair and equitable interconnection agreement with BellSouth in accordance with the requirements of the Act. Please contact me if you should have any questions regarding this matter.

Sincerely,

William R. Atkinson

William R. Atkinson

Cc: Ms. Melissa L. Closz
Mr. Mark G. Felton
Mr. Tony Key
Ms. Monica Barone

BELLSOUTH ISSUES MATRIX

Exhibit B

Issue	Attachment	Section	Description	Status
27	Terms and Conditions	29	Responsibility for Environmental Hazards	Parties comparing environmental language in T&Cs to environmental language in Attachment 4
28	Terms and Conditions	Part B	Definitions	Open - Most definitions agreed to - Parties offering competing language for some definitions
29	Attachment 1 - Resale	4.5 (specifically,4.5.1.3.2; 4.5.1.3.3; 4.5.1.4; and 4.5.2.2)	Support Functions	Open subject to Sprint and BellSouth review.
30	Attachment 1 - Resale	Exhibit B	Exclusions/limitations on Services Available for resale	OK for Ga. Open for other BST states subject to Sprint review.
31	Attachment 2 - Network Elements and Other Services	2.2.11	Order Coordination - Time Specific	Ga. rates OK. Rates for other states open to Sprint
32	Attachment 2 - Network Elements and Other Services	2.2.14	Order Coordination - Time Specific for Unbundled Copper Loops	Ga. rates OK. Rates for other states+E13 open to Sprint
33	Attachment 2 - Network Elements and Other Services	2.3.2.6	HDSL2-Compatible ULL	Open to BellSouth to validate code provided by Sprint
34	Attachment 2 - Network Elements and Other Services	7.2.1.2	Unbundled Sub-Loop	Open. BellSouth to reword in order to incorporate concept of line and station transfer.
35	Attachment 2 - Network Elements and Other Services	7.4	Unbundled Network Terminating Wire	Open to both Parties. BellSouth to provide 2nd Qtr 2000 standard language.

BELLSOUTH ISSUES MATRIX

Issue	Attachment	Section	Description	Status
36	Attachment 2 - Network Elements and Other Services	11	Packet Switching	Sprint review of BellSouth's proposed packet switching section. BellSouth drafted collocation in RT language and recently submitted for Sprint review. Sprint to submit location-specific packet switching language.
37	Attachment 2 - Network Elements and Other Services	12	Enhanced Extended Link ("EEL")	Sprint review of BellSouth's proposed EELs section (including rates).
38	Attachment 2 - Network Elements and Other Services	12.4	Special access service conversions	Open. Sprint to propose that parties conform BST's proposed contract language to FCC's Supplemental Order Clarification in CC Docket No. 96-98 (issued 6/2/00), especially paragraphs 22 and 23.
39	Attachment 2 - Network Elements and Other Services	13	Loop/port combinations	Open to Sprint review of BellSouth's proposed Loop/Port Combination section. Sprint to provide alternative definition of loop/port combination.
40	Attachment 2 - Network Elements and Other Services	14.4.4.1	Branding for facilities-based carriers	Open to Sprint and BellSouth regarding software solution.
41	Attachment 2 - Network Elements and Other Services	14.4.4.2	Charges for Customized Branding	Open for BellSouth to check with subject matter experts.
42	Attachment 2 - Network Elements and Other Services	Exhibit C	UNE Rates	Open to Sprint Review
43	Attachment 3 - Network Interconnection	Entire Attachment		Open. Initial discussions regarding a substantial re-write of this Attachment were conducted on 6/2. Because fundamental interconnection concepts are now open, sections previously agreed to are necessarily affected and must be considered open as well.

BELLSOUTH ISSUES MATRIX

Issue	Attachment	Section	Description	Status
44	Attachment 3 - Network Interconnection	Exhibit A	Local Interconnection Rates	Open to Sprint Review
45	Attachment 4 - Physical Collocation		Space reservation	Open for BellSouth to consider Sprint proposed language
46	Attachment 4 and 4A - Physical Collocation, Virtual Collocation and Remote Terminal Collocation	Passim	Calculation of intervals for physical, virtual and remote terminal collocation with calendar days versus business days	BellSouth has recently agreed to convert all intervals subsequent to BST's acceptance of firm order from business to calendar days. For intervals prior to acceptance of firm order, BST apparently want to use business days to calculate intervals.
47	Attachment 4 - Physical Collocation	2.3	Provision of full-sized (24" x 36") engineering drawings and forecasts prior to the premises tour.	Open. Sprint to consider BellSouth proposal to provide floorplan on diskette.
48	Attachment 4 - Physical Collocation	2.5.1	Notification process when new space becomes available	BellSouth to propose alternative language for 2.5.1
49	Attachment 4 - Physical Collocation	2.6	Time frame to post public notification that space is not available	Disagree on interval – business days versus Sprint's proposed calendar days
50	Attachment 4 - Physical Collocation	6.2	Application response - business vs. calendar days	Open to Sprint and BellSouth; parties to discuss intervals and Sprint to review new BST proposed language
51	Attachment 4 - Physical Collocation	6.3	Bona Fide Firm Order intervals; business vs. calendar days	Open to Sprint and BellSouth: disagree on business versus calendar days

BELLSOUTH ISSUES MATRIX

Issue	Attachment	Section	Description	Status
52	Attachment 4 - Physical Collocation	6.8	Space preparation	Open – Sprint to review new space prep language added by Bellsouth
53	Attachment 4 - Physical Collocation	6.9	Virtual Collocation Transition	Open to Sprint and BellSouth. Disagree relates Sprint's ability to transition in place. See Arbitration Issue
54	Attachment 4 - Physical Collocation	Exhibit A	Rates for Physical Collocation	Open for Sprint's review; BellSouth researching designation of certain rates as interim.
55	Attachment 4 – Physical Collocation	Exhibit B	Environmental and Safety Principles	Open for Bellsouth to consider Sprint's proposed revisions
56	Attachment 4 - Physical Collocation	Attachment A	Microwave Collocation	"Microwave Collocation Rates" open for BellSouth to submit true-up language
57	Remote Terminal Collocation			Entire attachment open to both Parties.
58	Attachment 4A - Virtual Collcation		Inclusion of Rates, Terms and Conditions for Virtual Collocation	Open to BellSouth and Sprint to draft language for new Attachment .
59	Attachment 5 - Access to Numbers and Number Portability	6.2	Permanent Number Solution – guidelines in BST Local Number Portability Ordering Guide for CLECs	OK as modified subject to check

BELLSOUTH ISSUES MATRIX

Issue	Attachment	Section	Description	Status
60	Attachment 5 - Access to Numbers and Number Portability	6.2.4	Permanent Number Solution -- customer support for PNP requests	OK as modified subject to Sprint check
61	Attachment 5 - Access to Numbers and Number Portability	7.1.1	Coordinated cutovers	Open to Sprint - Sprint to propose alternative language regarding customer service support, and BST will then priceout accordingly
62	Attachment 5 - Access to Numbers and Number Portability	7.4	Engineering and Maintenance	Open to Sprint. BST wants to delete 7.4, or revise language to the effect that Sprint and BST will cooperate to ensure that performance of trunking and signalling capacity are at levels in accordance with any FCC or state Commission requirements.
63	Attachment 5 - Access to Numbers and Number Portability	Exhibit A	Number Portability Rates	Open to Sprint review
64	Attachment 6 - Ordering and Provisioning	3.2	Single Point of Contact	Open to Sprint - consideration of process for Loss Notification Reports
65	Attachment 6 - Ordering and Provisioning	3.6	Cancellation charges	Open to Sprint and BST; review of appropriateness & applicability of cancellation charges
66	Attachment 6 - Ordering and Provisioning	3.7	Acknowledgement receipts for interface network processing	Open to BellSouth; BellSouth to propose language in response to Sprint proposed language
67	Attachment 6 - Ordering and Provisioning	3.8 - 3.20	Miscellaneous ordering and provisioning guidelines	New Sections open to Sprint review.

BELLSOUTH ISSUES MATRIX

Issue	Attachment	Section	Description	Status
68	Attachment 6 - Ordering and Provisioning	Exhibit A	OSS Rates Table	Open to Sprint review.
69	Attachment 7 - Billing and Billing Accuracy Certification	Exhibit A	ODUF/EODUF/ADUF/ CMDS Rates	Open to Sprint review.
70	Attachment 9 - Performance measurements	2.1	Reporting	Open for BST to consider.
71	Attachment 9 - Performance measurements	7	Enforcement mechanisms	All of Section 7 open . Because of disagree on 7.2 ("Effective Date" – see arbitration issue 27), BST will not discuss Sprint 's changes to rest of Section 7, and states that BST's enforcement mechanism proposal is contingent on Sprint's acceptance of
72	Attachment 9 - Performance measurements	Exhibit C	Technical Descriptions (related to statistical methodology)	See notes on Section 7.
73	Attachment 9 - Performance measurements	Exhibit D	BST VSEEM Remedy Procedure	See notes on Section 7.
74	Attachment 9 - Performance measurements	Exhibit A	SQM	OK subject to verification that SQM incorporates latest La. SQM changes.