

BEFORE THE TENNESSEE REGULATORY AUTHORITY

Nashville, Tennessee

In re:)
)
PETITION FOR ARBITRATION OF)
INTERCONNECTION AGREEMENT BETWEEN)
BELLSOUTH TELECOMMUNICATIONS, INC.) Docket No. 10-00042
D/B/A AT&T TENNESSEE AND SPRINT)
SPECTRUM L.P., NEXTEL SOUTH CORP., AND)
NCPR, INC. D/B/A NEXTEL PARTNERS)

And

PETITION FOR ARBITRATION OF)
INTERCONNECTION AGREEMENT BETWEEN)
BELLSOUTH TELECOMMUNICATIONS, INC.) Docket No. 10-00043
D/B/A AT&T TENNESSEE AND SPRINT)
COMMUNICATIONS COMPANY L.P.)

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

NCPR, INC. D/B/A NEXTEL PARTNERS

AND

SPRINT COMMUNICATIONS COMPANY L. P.

DIRECT TESTIMONY

OF

JAMES R. BURT

FILED AUGUST 31, 2010

Introduction

Q. Please state your name and business address.

A. My name is James R. Burt. My business address is 6450 Sprint Parkway, Overland Park, Kansas 66251.

Q. On whose behalf are you testifying?

A. I am testifying in this proceeding on behalf of Sprint Spectrum L.P. ("Sprint PCS"), Nextel South Corp. and NPCR, Inc. (collectively "Nextel") and Sprint Communications Company L.P. ("Sprint CLEC"). Sprint PCS and Nextel may be collectively referred to as "Sprint wireless" or "Sprint CMRS". The Sprint wireless and Sprint CLEC entities may also be collectively referred to as "Sprint".

Q. By whom are you employed?

A. Sprint United Management Company ("Sprint United"), which is the management subsidiary of Sprint's parent entity, Sprint Nextel Corporation ("Sprint Nextel", i.e., as itself and its affiliated operating companies).

Q. What is your position with Sprint United?

A. I became Director – Regulatory Policy in February of 2001.

Q. Please summarize your educational and professional background.

1 A. I received a Bachelor of Science degree in Electronics Engineering from the
2 University of South Dakota – Springfield in 1980 and a Masters in Business
3 Administration with an emphasis in Finance from Rockhurst College in 1989.

4
5 I am responsible for developing state and federal regulatory policy and legislative
6 policy for Sprint Nextel, including the coordination of regulatory and legislative
7 policies across the various Sprint business units, and the advocacy of such
8 policies before regulatory and legislative bodies. In addition, I interpret various
9 orders, rules, or laws for implementation by Sprint Nextel.

10
11 From 1997 to February of 2001, I was Director-Local Market Planning. I was
12 responsible for policy and regulatory position development and advocacy from a
13 CLEC perspective. In addition, I supported Interconnection Agreement
14 negotiations and had responsibility for various other regulatory issues pertaining
15 to Sprint CLEC's efforts.

16
17 From 1996 to 1997, I was Local Market Director responsible for Sprint CLEC's
18 Interconnection Agreement negotiations with BellSouth.

19
20 I was Director – Carrier Markets for Sprint Nextel's former Local Telecom
21 Division ("LTD") from 1994 to 1996. My responsibilities included inter-
22 exchange carrier account management and management of one of LTD's Inter-
23 exchange Carrier service center.

1
2 From 1991 to 1994, I was General Manager of United Telephone Long Distance,
3 a long distance subsidiary of the former Sprint/United Telephone Company. I had
4 profit and loss, marketing and operations responsibilities.

5
6 From 1989 to 1991, I held the position of Network Sales Manager responsible for
7 sales of business data and network solutions within LTD.

8
9 From 1988 to 1989, I functioned as the Product Manager for data and network
10 services also for LTD.

11
12 Prior to Sprint Nextel I worked for Ericsson Inc. for eight years with positions in
13 both engineering and marketing.

14
15 **Q. Have you testified before any regulatory commissions?**

16 Yes. I have testified in Arkansas, Florida, Georgia, Illinois, Indiana, Iowa,
17 Louisiana, Maryland, Nebraska, Nevada, North Carolina, Ohio, Oklahoma,
18 Pennsylvania, South Dakota, Texas and Wisconsin and have supported the
19 development of testimony in many other states.

Organization of Sprint Witness Testimony

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

A. There are three Sprint witnesses: myself, Mr. Randy G. Farrar and Mr. Mark G. Felton. The open Issues are addressed within the testimony of all three Sprint witnesses as shown in Attachment JRB-1 attached to my Direct Testimony. This Attachment states the “Issue No.” and “Issue Description (& Sub Issues)” as stated in the parties’ Joint Decision Point List (“Joint DPL”) and then identifies by name the Sprint witness that has primary responsibility to address a given Issue.

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

A. The purpose and scope of my Direct Testimony is twofold. First, I provide an overview perspective to assist the Tennessee Regulatory Authority (“Authority”) in understanding the existence of these proceedings in the proper context. In addition to general background, such context includes not only how the parties are currently interconnected and have exchanged traffic since 2001, but also the significant industry changes that have occurred between 2001 and today. Second, on an Issue by Issue basis, I address each of the Issues in the Prehearing Order and Attachment JRB-1 that identify me as the Sprint witness. I address various Issues that are contained within Section I.– Provisions related to the Purpose and Scope of the Agreements; Section II. - How the Parties Interconnect; Section III. – How the Parties Compensate Each Other; and, Section V. - Miscellaneous Issues.

1 **Q. Are you sponsoring any Attachments to your Direct Testimony?**

2 A. Yes. I am sponsoring the following attachments:

3 Attachment JRB-1: Sprint Witness Testimony Key

4 Attachment JRB-2: Sprint Request for Negotiations

5

6 **Background and Overview Perspective**

7

8 **Q. Please briefly describe Sprint's presence and commitment to the State of**

9 **Tennessee.**

10 A. Throughout its history, Sprint Nextel has been and continues to be a leader in
11 competitive innovation, providing Tennessee customers a competitive
12 communications choice for three decades. It is a leader in deploying fiber optic
13 networks, deploying the first nationwide 100% fiber long distance network. Today,
14 Sprint Nextel continues to provide customers a choice as a significant wireless
15 provider serving nearly 800,000 customers throughout the State of Tennessee. It is
16 not only leading the way in 3G mobile broadband, but is the only national provider
17 to offer 4G wireless mobility *now* - - made possible through Sprint Nextel's
18 significant investment in Clearwire. In addition, Sprint Nextel promotes
19 competition in its unique role providing wholesale services of every type - wireless,
20 CLEC cable telephony and long distance - all of which challenge incumbent
21 telephone companies in the provision of voice communications services. Sprint
22 Nextel's presence in Tennessee is significant, including hundreds of millions of

1 dollars in wireline and wireless capital investments and approximately 300

2 Tennessee employees.

3
4 **Q. What interconnection agreement are the parties currently operating under?**

5 A. The current Sprint PCS/Sprint CLEC/AT&T interconnection agreement is the
6 Authority-approved three-party agreement that became effective in January, 2001
7 (the "Sprint ICA"). Following protracted litigation between AT&T and Nextel
8 arising from AT&T's refusal to acknowledge Nextel's rights to adopt the Sprint
9 ICA based upon AT&T's merger promises and § 252(i) of the Act¹, the Authority
10 approved Nextel's adoption of the Sprint ICA, effective May 19, 2008.²

11
12 **Q. How did the negotiations for a new interconnection agreement come about?**

13 A. Sprint sent AT&T a timely request to initiate negotiations for a subsequent
14 agreement as contemplated by the Sprint ICA. A copy of Sprint's request is
15 attached as Attachment JRB-2.

16
17 **Q. Was Sprint willing to continue the Sprint ICA with a further extension?**

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

¹ The Communications Act of 1934, as amended ("Act").

² See *In re: Petition Regarding Notice of Election of Interconnection Agreement by Nextel South Corp.*; *In re: Notice of Election of Interconnection Agreement by Nextel Partners*, Docket Nos. 07-00161 and 07-00162, Order Granting Nextel South Corp.'s and Nextel Partners' Motions for Summary Judgment ("Nextel Adoption Final Order"), July 17, 2008.

1

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

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

17

18 While Sprint was not opposed to modifications to the Sprint ICA that are
19 necessary and consistent with the Act, it could not accept the wholesale changes
20 proposed by AT&T that are driving many of the now disputed Issues. To the
21 extent possible, Sprint’s proposed language on disputed items is intended to
22 accomplish two overarching purposes. First, where a change really isn’t
23 necessary, to propose existing Sprint ICA language that has been time tested and

1 proven to be workable for the past 10 years. Second, where change may be
2 warranted, to propose language that is both a) consistent with Sprint's rights as a
3 competing carrier under federal law; and b) wireless/wireline technology neutral.
4

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

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

- 11 • Without any showing that any imbalance exists in the exchange of
12 traffic, AT&T seeks to implement billing and collection for some
13 (but not all) traffic that is subject to reciprocal compensation,
14 rather than the continued use of bill and keep – AT&T has no
15 problem, however, in proposing bill and keep when it is most
16 likely to suit a unilateral AT&T interest (e.g., AT&T's proposal
17 regarding FX-ISP service);
- 18 • AT&T proposes treatment for Interconnection facilities that not
19 only eliminates AT&T's obligations to pay for its use of such
20 facilities to serve AT&T's customers, but completely avoids
21 AT&T's obligation to provide such facilities to Sprint at Total
22 Element Long Run Incremental Cost ("TELRIC") prices;
- 23 • AT&T purports to seek elimination of any obligation to provide
24 Transit Service from the ICA; but, what it is really proposing is
25 avoidance of its obligation to provide Transit Service at TELRIC
26 prices to deliver Sprint-originated traffic to third-parties *while*
27 retaining its ability to send its wholesale third-party originated
28 Transit traffic to Sprint for termination;

- As to the Sprint wireless entities, in addition to seeking to avoid its obligation to pay reciprocal compensation for IntraMTA traffic³ AT&T delivers to Sprint via an IXC, AT&T seeks to avoid its own obligation to pay Sprint for AT&T-originated InterMTA traffic and, instead, make Sprint pay for InterMTA traffic in both directions at access rates; and
- AT&T is attempting to reverse a more efficient form of interconnection referred to as multi-jurisdictional trunking that is allowed in the current agreement.

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

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

- 1) The purpose of the communications industry is to connect people so that they can communicate with each other - without regard to who their "carrier" may be;
- 2) The communications industry is a network of many separate networks owned and operated by competing carriers;

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

- 1 3) Consumers, businesses, and the overall economy benefit from robust
- 2 competition in the communications industry;
- 3 4) Just, reasonable, and nondiscriminatory interconnection is the linchpin to
- 4 robust competition and remains the law of the land; and
- 5 5) Efficient carrier-to-carrier interconnection serves the public interest.

6

7 While industry competition is driving promising technology advancements, one

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

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

10 consolidations which produced the “new” AT&T has created a powerful force.⁴

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

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

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

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

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

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

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

18 both the motive and the means to thwart competition.

19

20 The current generation of interconnection contracts which the parties operate under

21 today were fought for in a period of time when the former AT&T, not the original

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

1 AT&T or “new” AT&T, was a major force in the cause of *advancing* competition.
2 Prior to being swallowed up by the monopolist Regional Bell Operating Companies
3 (“RBOCs”), the pro-competition AT&T and MCI were potent leaders and allies
4 with Sprint and other competitive carriers in fighting for just, reasonable, and non-
5 discriminatory interconnection with the RBOCs to pry open these monopoly
6 markets to the enablement of competition. The pro-competitive provisions in
7 existing interconnection contracts were obtained during this time period.
8 Competitive rivals fully understood and correctly predicted that with RBOC/AT&T
9 consolidation, the agenda of the “new” AT&T would be to revert to the tradition of
10 the RBOC monopolies and the original AT&T to stifle competition through the
11 imposition of unreasonable and discriminatory interconnection rates, terms, and
12 conditions and to do so in an environment in which the former pro-competition
13 AT&T no longer exists to aid the cause of competition. For this reason,
14 competitors opposed the AT&T merger with BellSouth, and for this reason the FCC
15 imposed interconnection conditions on the “new” AT&T. However, immediately
16 upon merger approval, as Sprint and others sought to invoke the very AT&T-
17 merger interconnection conditions that were expressly promised for the purpose of
18 reducing competitors’ interconnection transaction costs, the “new” AT&T wasted
19 no time implementing its anti-competition agenda and proving correct the
20 prediction of would-be competitors. As this Authority and every other state
21 commission throughout the nine-state legacy BellSouth region well know, AT&T
22 refused to honor the merger conditions and instead forced costly, counter-

1 productive litigation.⁵ This same AT&T tact has likewise been followed throughout
2 its remaining thirteen-state territories as well.⁶

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

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

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

1 As the Georgia Public Service Commission (“GPSC”) astutely observed in its 2006
2 Order which also approved the AT&T-BellSouth merger with conditions, at page
3 14: “The impact that this merger has on competition may not be experienced
4 immediately. It is important for the Commission to continue to monitor the effects
5 of the merger and take whatever actions it deems lawful and appropriate.”⁷
6 Further, the GPSC stated that “[BellSouth/AT&T] shall not, either directly or
7 through affiliated companies, engage in any anticompetitive act or practice.”⁸ An
8 arbitration proceeding such as this one presents an important opportunity for the
9 Authority to ensure the new AT&T cannot move to hinder competition in
10 Tennessee through unlawful and unreasonable interconnection terms.

11

12 In Section I – Purpose and Scope of the Agreements, Sprint proposes language
13 which permits both parties to provide all Authorized Services⁹ using this contract.
14 In stark contrast, AT&T would impose definitions intended to restrict Sprint’s
15 market-place offerings in another attempt to impose outdated regulatory labels on
16 new technologies.

17

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

⁸ *Id.*, at page 17.

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

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

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

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

18
19 In Section V – Miscellaneous, Sprint proposes reasonable contract language
20 covering issues not covered in Sections I through IV. As with the other sections,
21 AT&T proposes unreasonable contract terms.
22

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

7
8 **Q. Describe some of the market and industry trends the Authority should**
9 **consider when deciding the disputed issues in this arbitration.**

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

17
18 While the predecessor of what we now know as the Internet was around for
19 decades, the Internet as we know it today was just beginning to take off in the
20 1990s. Now it is available virtually everywhere. Such is the case for wireless
21 communications. The first cell phone conversation took place in 1973 leading to
22 over a million users by 1987, and to the point today where there are more wireless
23 phones than traditional landline telephones.

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

Service providers like Sprint are evolving and modifying their networks to enable them to meet the demands of the marketplace. The days of segregated products are behind us and so are the days of segregated network platforms. Sprint, like AT&T

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

11
12 **Q. Please summarize your introductory statements.**

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

22
23 **Section I. Provisions related to the Purpose and Scope of the Agreements**

1

2 **Issue I.A.(1): What legal sources of the parties' rights and obligations should be set**
3 **forth in section 1.1 of the CMRS ICA and in the definition of**
4 **"Interconnection" (or "Interconnected") in the CMRS ICA? (CMRS)**

5

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

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

15 **"Interconnection or Interconnected"** means as defined at 47 C.F.R. §
16 20.3 and 51.5.¹⁰
17

18 Apparently, upon reading the Georgia testimony AT&T came to appreciate the
19 obvious inconsistency between *AT&T's stated arbitration position* that "the source

¹⁰ The referenced §§ 20.3 and 51.5 definitions are:

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

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

1 of the Parties' rights and obligations in the ICA is Section 251(b) and (c) of the
2 [Act] as implemented by the FCC's Part 51 regulations",¹¹ and *the parties'*
3 *negotiated undisputed language* that also expressly relies upon the FCC's Part 20
4 provisions. Rather than concede its position on Issue I.A.(1), on Wednesday,
5 August 18, 2010 AT&T contacted Sprint's attorneys to withdraw its prior
6 agreement and, instead, place the definition of "Interconnection" back in dispute.

7
8 **Q. Please describe Issue I.A.(1).**

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

17
18 **Q. Why does Sprint think it is necessary to reference Part 20 regulations?**

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

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

11

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

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

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

18

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

21

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

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

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

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

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

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

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

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

12

13 **Q. How should the Authority resolve Issue I.A.(1)?**

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

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

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

25

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

2 A. Issue I.A.(2) relates to whether the ICAs should reflect the fact that the FCC has not
3 determined whether Interconnected Voice Over Internet Protocol (“VoIP”) service
4 is a Telecommunications Service or an Information Service. It is important to
5 recognize this fact in both agreements because it provides the basis upon which the
6 Authority should require the exchange of such traffic on a Bill and Keep basis
7 under both the CMRS and CLEC ICA. To the contrary, AT&T claims the
8 statement has no bearing on the parties’ dealings without even acknowledging an
9 issue exists as to this traffic based upon current FCC inaction, or the federal
10 authority addressing the impact of such inaction¹².

11

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

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

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

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

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

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

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

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

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

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

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

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

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

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

16 A. Yes. It has been common practice since the commercial availability of VoIP
17 service a decade ago to utilize Interconnection Facilities/trunks for the exchange of
18 such traffic.
19

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

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

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

15

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

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

23

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

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

6

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

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

13

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

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

21

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

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

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

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

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

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

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

17 A. No. I am not aware of any regulatory basis for AT&T’s apparent discriminatory
18 treatment with respect to Sprint CMRS. I am not aware of any restrictions in either
19 Sections 251 or 332 of the Act, or Parts 51 or 20 of the FCC’s regulations that even
20 suggest AT&T may prohibit Sprint CMRS from sending AT&T Interconnected
21 VoIP traffic pursuant to the CMRS ICA.
22

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

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

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

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

16

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

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

22

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

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

9

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

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

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

19

20

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

25

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

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

8

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

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

15

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

1 Sprint. In fact, an affiliate of Southwestern Bell (now AT&T) called SBC IP
2 Communications, Inc. sought and received such a waiver from the FCC in 2005.¹⁸
3

4 The second example could involve another telecommunications carrier that has
5 acquired its own telephone numbers, but for whatever reason wishes to utilize a
6 wholesale interconnection provider such as Sprint.
7

8 The third example is AT&T itself. AT&T certainly will be sending traffic to Sprint
9 over the CMRS and CLEC Interconnection Facilities that result from the ICAs in
10 this proceeding. Some of the traffic delivered by AT&T to Sprint will have been
11 originated by other carriers or non-carrier service providers that have their own
12 telephone numbers. As I understand the SBC IP Communications, Inc. request I
13 previously mentioned, SBC IP (now an AT&T affiliate) intended to utilize
14 Southwestern Bell (now AT&T) for PSTN Interconnection.
15

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

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

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

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

3

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

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

9

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

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

17

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

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

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

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

13 **Issue I.A.(5): Should the CLEC Agreement contain Sprint's proposed language that**
14 **requires AT&T to bill a Sprint Affiliate or Network Manager directly that**
15 **purchases services on behalf of Sprint? (CLEC Section 1.5)**
16

17 **Q Please describe this issue.**

18 A. Issue I.A.(5) relates to whether Sprint CLEC is allowed to select and utilize an
19 affiliate or third party to construct and operate a portion of Sprint CLEC's wireline
20 network without the approval of AT&T even though Sprint CLEC will remain
21 solely responsible for traffic to and from that network, as well as any
22 Interconnection Facilities that may be obtained under the ICA for Sprint CLEC's
23 benefit.
24

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

26 A. Yes.
27

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

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

11

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

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

19

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

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

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

6

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

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

16

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

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

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

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

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

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

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

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

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

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

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

5
6 **Q. How should the Authority resolve this issue?**

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

9 1.5 Affiliates and Network Managers

10
11 1.5.1 Nothing in this Agreement shall prohibit Sprint from enlarging its wireline
12 network through the use of a Sprint Affiliate or management contracts with non-
13 Affiliate third parties (hereinafter "Network Manager(s)") for the construction and
14 operation of a wireline system under a Sprint or Sprint Affiliate license. Traffic
15 traversing such extended networks shall be deemed to be and treated under this
16 Agreement (a) as Sprint traffic when it originates on such extended network and
17 either (i) terminates upon the AT&T-9STATE network or (ii) is transited by the
18 AT&T-9STATE network to a Third Party, and (b) as AT&T-9STATE traffic
19 when it originates upon AT&T-9STATE's network and terminates upon such
20 extended network. All billing for or related to such traffic and for the
21 interconnection facilities provisioned under this Agreement by AT&T-9STATE to
22 Sprint for use by a Sprint Affiliate or Network Managers under a Sprint or Sprint-
23 Affiliate license will (a) be in the name of Sprint, (b) identify the Sprint Affiliate
24 or Network Manager as applicable, and (c) be subject to the terms and conditions
25 of this Agreement; and, Sprint will remain liable for all such billing hereunder.
26 To expedite timely payment, absent written notice to the contrary from Sprint,
27 AT&T-9STATE shall directly bill the Sprint Affiliate or Network Manager that
28 orders interconnection facilities for all charges under this Agreement associated
29 with both the interconnection facilities and the exchange of traffic over such
30 facilities.

31
32 1.5.2 A Sprint Affiliate or Network Manager identified in Exhibit A may
33 purchase on behalf of Sprint, services offered to Sprint in this Agreement at the
34 same rates, terms and conditions that such services are offered to Sprint provided
35 that such services should only be purchased to provide Authorized Services under
36 this Agreement by Sprint, Sprint's Affiliate and its Network Managers.
37 Notwithstanding that AT&T-9STATE agrees to bill a Sprint Affiliate or Network
38 Manager directly for such services in order to expedite timely billing and payment

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

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

11 **Issue I.A.(6): Should the ICAs contain AT&T's proposed Scope of Obligations**
12 **language? (CLEC & CMRS section 1.6)**
13

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

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

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

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

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

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

7
8 **Q. What restriction would AT&T's proposed section 1.6 language place on**
9 **Sprint?**

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

21
22 With respect to the UNE restriction, Sprint CLEC may want to purchase a UNE
23 from AT&T and connect it to Sprint CLEC's own facilities to serve a customer

1 outside AT&T's serving area and in the rural ILEC area I previously mentioned.

2 Likewise, AT&T's collocation restriction could be construed to not allow Sprint to
3 utilize equipment collocated at an AT&T location to serve any Sprint CLEC
4 customers outside of AT&T's serving area.

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

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

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

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

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

3
4 **Q. Is there a regulatory basis for the “Sprint customer must reside in AT&T**
5 **territory” restrictions that AT&T is attempting to interject into the ICAs?**

6 A. Absolutely not.

7
8 **Q. How should the Authority resolve this issue?**

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

11
12
13 **Issue I.B.(1): What is the appropriate definition of Authorized Services?**

14
15 **Q. Please describe the disputed issue.**

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

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

3
4 **Q. How does AT&T's proposed language restrict lines of business which Sprint is**
5 **legally authorized to provide?**

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

16
17 **Q. How would AT&T's proposed language deny Sprint's right to collect**
18 **applicable terminating reciprocal compensation on traffic identified as AT&T-**
19 **originated traffic?**

20 A. AT&T proposes a definition of Section 251(b)(5) traffic that explicitly excludes a
21 category of traffic that includes AT&T wholesale interconnection customer traffic
22 that, on its face, will appear to Sprint to be AT&T traffic. Specifically, AT&T
23 proposes that 251(b)(5) Traffic means calls "that originate on either Party's

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

12
13 **Q: How does AT&T's proposed language deny Sprint's right to indirect**
14 **interconnection?**

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

20
21 **Q. Why do you think AT&T wants to restrict not only Sprint's ability to provide**
22 **a transit service to provide third parties an alternative means to indirectly**

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

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

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

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

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

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

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

11 **Q. What language does Sprint recommend the Authority adopt regarding Issue**
12 **I.(B).(1)?**

13 A. Sprint recommends the Authority adopt Sprint's proposed definition:

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

19 **Issue I.B.(2): (a) Should the term "Section 251(b)(5) Traffic" be a defined term in**
20 **either ICA and, if so, (b) what constitutes Section 251(b)(5) Traffic for (i) the**
21 **CMRS ICA and (ii) the CLEC ICA?**

22

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

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

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

7
8 **Q. What is required under Section 251(b)(5) of the Act?**

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

17
18 **Q. How should the Authority rule on Issue I.B.(2)?**

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

Issue I.B.(3): What is the appropriate definition of Switched Access Service?

Q. Please describe this disputed issue.

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

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

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

1 **Q. How should the Authority rule on the definition of Switched Access Service?**

2 A. The Authority should adopt Sprint’s definition which correctly identifies the AT&T
3 ILEC as the party offering switched access service pursuant to its AT&T ILEC
4 tariffs, and correctly identifies IXCs as the parties to which AT&T ILEC offers its
5 switched access services:

6 **“Switched Access Service”** means an offering to an IXC of access by
7 AT&T-9STATE to AT&T-9STATE’s network for the purpose of the
8 origination or the termination of traffic from or to End Users in a given
9 area pursuant to Switched Access Services tariff.
10

11 The Authority should reject AT&T’s definition as an inappropriate attempt to
12 expansively incorporate its access tariff into interconnection agreements with
13 parties to which AT&T’s switched access service does not apply.
14

15 **Issue I.B.(4) What are the appropriate definitions of InterMTA and IntraMTA**
16 **traffic for the CMRS ICA?**

17
18 **Q. Please describe this disputed issue.**

19 A. Sprint proposes a straightforward approach for identifying interMTA and intraMTA
20 which: 1) is based on specific and relevant network points for both parties; and 2)
21 provides for ease of administration for both parties. Specifically, Sprint’s
22 definitions distinguish the IntraMTA and InterMTA nature of exchanged traffic
23 based upon the location of the parties’ Point of Interconnection (“POI”) and the
24 AT&T end office involved in a given call (i.e., if same points are located in the
25 same MTA it is IntraMTA; if the POI and AT&T end office are in different MTAs,

1 then it is an InterMTA call). AT&T's proposed definition requires the parties to
2 distinguish the InterMTA/IntraMTA nature of exchanged traffic based on the
3 location of cell-sites and AT&T end user locations.
4

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

6 A. Mobile service inherently transcends artificial geographic boundary lines, such as
7 MTA borders. And the networks which serve mobile users are designed based on a
8 number of factors (engineering, propagation, coverage, zoning) which have nothing
9 to do with MTA boundaries. The inter/intraMTA distinction as to a given call
10 between a mobile end user and a stationary end user is a purely regulatory artifact
11 which AT&T seeks to exploit in order to increase Sprint CMRS's costs and unduly
12 enrich AT&T. Sprint's proposal simply recognizes that since AT&T's cost of
13 exchanging traffic with Sprint does not differ whether the traffic is InterMTA or
14 IntraMTA, there really is no need for complicated mechanisms to determine the
15 location of a mobile end user. AT&T's proposed definition, coupled with its
16 proposal to impose the inflated access charge regime and rates on InterMTA traffic,
17 is designed to maximize Sprint CMRS's cost and AT&T's profit. The disputed
18 InterMTA compensation rate issue will be covered in Section III testimony, but
19 here the issue is establishment of an efficient basis for delineating Inter/IntraMTA
20 traffic.
21

22 **Q. Is Sprint's proposal consistent with FCC guidance regarding CMRS-ILEC**
23 **interconnection?**

1 A. Absolutely. The FCC recognized the difficulty inherent with mobile service for
2 CMRS providers to determine in real time which cell site a mobile customer is
3 connected to, let alone the customer's specific location. Although the FCC allows
4 the initial cell site to be used to determine the location of a mobile end user at the
5 beginning of the call, it also expressly authorized the further alternative that "LECs
6 and CMRS providers can use the point of interconnection between the two carriers
7 at the beginning of the call to determine the location of the mobile caller or called
8 party."²⁰ Knowing that mobility creates unique challenges in determining a mobile
9 user's location for a given call, and given that the mobile end user's location has no
10 bearing on the cost an ILEC incurs to terminate traffic handed to it by a wireless
11 provider, the FCC provided flexibility in selecting a basis for determining such
12 location.

13
14 **Q. What benefits arise from adopting Sprint's definition?**

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

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

1

2 **Q. What language does Sprint recommend the Authority adopt regarding Issue**
3 **I.B.(4)?**

4 A. Sprint recommends the Authority adopt Sprint's proposed definitions:

5

6

"IntraMTA Traffic" means Telecommunications traffic to or from Sprint's wireless network that, at the beginning of the call, originates on the network of one Party in one MTA and terminate on the network of the other Party in the same MTA (as determined by the geographic location of the POI between the Parties and the location of the End Office Switch serving the AT&T-9STATE End User).

11

12

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19

"InterMTA Traffic" means Telecommunications traffic to or from Sprint's wireless network that, at the beginning of the call, originates on the network of one Party in one MTA and terminate on the network of the other Party in another MTA (as determined by the geographic location of the POI between the Parties and the location of the End Office Switch serving the AT&T-9STATE End User).

20 **Issue I.B.(5): Should the CMRS ICA include AT&T's proposed definition of**

21 **"Originating Landline to CMRS Switched Access Traffic" and "Terminating**
22 **InterMTA Traffic"?**

23

24 **Q. Should the CMRS ICA include AT&T's proposed definitions for either**

25 **"Originating Landline to CMRS Switched Access Traffic" or "Terminating**
26 **InterMTA Traffic"?**

27 A. Absolutely not. This issue epitomizes AT&T's disregard for just, reasonable, and
28 non-discriminatory interconnection, which is evident throughout AT&T's proposed
29 contract provisions. AT&T's proposed definitions, coupled with AT&T's proposed
30 compensation language, would permit AT&T to unilaterally and improperly impose

1 the outdated access charge regime with its inflated access rates to the exchange of
2 InterMTA land-to-mobile and mobile-to-land traffic. There is no basis for AT&T's
3 proposal in law or the interconnection rules, or sound public policy.
4

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

6 A. AT&T seeks to define InterMTA traffic exchanged between Sprint CMRS
7 customers and AT&T ILEC customers in a manner that would allow AT&T to
8 impose access charges on Sprint CMRS for traffic when it flows in either direction,
9 i.e., for InterMTA calls from Sprint CMRS customers to AT&T customers = Sprint
10 pays; and, for InterMTA calls from AT&T customers to Sprint CMRS customers =
11 Sprint pays. Moreover, with its proposed definition, AT&T would simultaneously
12 shield itself from paying compensation for InterMTA traffic AT&T originates and
13 Sprint CMRS terminates. In effect, AT&T would improperly impose costs on
14 Sprint CMRS and unduly enrich AT&T. The dispute over AT&T's proposed
15 compensation scheme is more fully addressed in Sprint's Section III testimony, but
16 the definition AT&T proposes in this Section of the contract is designed by AT&T
17 to set-up AT&T's faulty InterMTA compensation scheme and should be rejected.
18

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

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

1 “A local exchange carrier shall pay reasonable compensation to a
2 commercial mobile radio service provider in connection with terminating
3 traffic that originates on the facilities of the local exchange carrier.”
4

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

6 A. No. The standard for mobile-to-land traffic compensation is set out in FCC Rule
7 20.11(b)(2), specifically:

8 “A commercial mobile radio service provider shall pay reasonable
9 compensation to a local exchange carrier in connection with terminating
10 traffic that originates on the facilities of the commercial mobile radio
11 service provider.”
12

13 While 47 C.F.R. Section 51.701 includes rules regarding compensation for
14 intraMTA traffic, the standard is reciprocal compensation, not access charges. As
15 further explained in the testimony of Sprint witness Randy Farrar, as to InterMTA
16 traffic, there is no rule other than § 20.11, and 20.11 does not provide for AT&T to
17 charge a CMRS provider access charges, much less access charges in both the
18 originating and terminating directions. As indicated above, Section 20.11 is
19 premised upon CMRS providers and ILECs charging each other mutual, reasonable
20 compensation for termination of one another’s traffic.
21

22 **Q. Are access rates under the current access regime “reasonable compensation”?**

23 A. No. It is widely understood that the access rates under the outdated access regime
24 are inflated, grossly exceeding the cost of performing the traffic termination
25 function. AT&T itself understands this and correctly describes the public policy
26 harms caused by the imposition of access rates. As early as comments in the
27 rulemaking establishing federal interconnection rules pursuant to the Telecom Act

1 of 1996, AT&T stated that incremental cost, not access rates, is the appropriate
2 standard for establishing just, reasonable, and non-discriminatory interconnection
3 pricing, specifically:

4 "TSLRIC is compatible with both the 1996 Act and the Commission's
5 own congruent goal of pricing policies that 'replicate market-based
6 incentives and prices' and thereby 'ensure the availability to consumers of
7 goods and services at lower overall cost' and 'an efficient level of
8 innovation ... as well as the efficient entry of new firms.'" "The ILECs'
9 existing interstate access charges, for example, are based on embedded,
10 not economic, costs, are the product of complex and discretionary
11 'regulatory allocations,' and reflect subsidies. The result is access rates
12 which bear no relation to the cost of providing access itself, much less the
13 cost of providing unbundled network elements, interconnection, and
14 collocation."²¹

15
16 And as recently as testimony filed by AT&T in an access rate proceeding in
17 Kentucky, AT&T correctly pointed out that "excessive access rates harm
18 consumers, harm competition, and distort investment."²²

19

20 **Q. Given AT&T's stance regarding the harms caused by the imposition of high**
21 **access rates, why is AT&T seeking to impose its high access rates on Sprint**
22 **CMRS?**

23 A. AT&T's interest in its own financial gains and harming a competitor is
24 understandably greater than its interest in maintaining a consistent public policy
25 stance, and these same AT&T self-interests are apparently greater than the public

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

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

1 harms AT&T intends to inflict through its proposed imposition of access rates. The
2 Authority should weigh in favor of the public interest which, in other venues,
3 AT&T correctly advocates is harmed by the imposition of high access rates – and
4 reject AT&T’s asymmetrical InterMTA access compensation scheme.
5

6 **Q. How should the Authority rule on Issue I.B.(5)?**

7 A. The Authority should reject AT&T’s attempt to create definitions for land-to-
8 mobile and mobile-to-land traffic which are intended to permit AT&T to
9 improperly impose access charges on InterMTA traffic.
10

11 **Section II. How the Parties Interconnect**
12

13 **Issue II.B.(1): Should the ICA include Sprint’s proposed language that would**
14 **permit Sprint to combine multi-jurisdictional traffic on the same trunk groups**
15 **(e.g., traffic subject to reciprocal compensation and traffic subject to access**
16 **charges? (CMRS & CLEC Section 2.5.4)**
17

18 **Q. Please describe this issue.**

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

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

9

10 Turning specifically to Issue II.B.(1), multi-jurisdictional trunking relates to
11 whether a given Sprint entity will be allowed to combine over a common
12 interconnection trunk all the types of traffic that it is authorized to carry. Put
13 another way, this issue relates to whether traffic that the Authority may find to be
14 subject to access charges and traffic that is subject to either reciprocal compensation
15 or no compensation for that matter (e.g., Interconnected VoIP), can all be
16 combined on a common Interconnection trunk. This issue relates to both the CLEC
17 and CMRS Interconnection trunks.

18

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

21 A. No. It is important to separate the ability to mix traffic on a common trunk from the
22 rates that apply to the different traffic types. Sprint's position is that it should have
23 the ability to mix traffic types regardless of whether different rates may apply to the

1 different traffic types. In addition, Sprint agrees to pay, and receive payment from,
2 AT&T at the appropriate rates for different types of traffic, whatever such rates may
3 ultimately be determined to be.

4
5 **Q. Why is it important to decide this issue separately and distinctly, rather than**
6 **tying it to the traffic rates that may ultimately apply to the different traffic**
7 **types?**

8 A. It is important to decide the issue of multi-jurisdictional trunking separate from the
9 issue of traffic rates because it is fundamentally a different issue. Multi-
10 jurisdictional trunking is an issue regardless of whether the same or different rates
11 apply to the traffic. Addressing the issue of physically combining traffic for
12 delivery separately from the rates that may apply to the different traffic types is
13 important as a matter of efficient network interconnection. The simple fact is that
14 the communications industry is converging services, and the application of different
15 rates to combined service traffic should not be a basis for disallowing efficient
16 interconnection.

17
18 **Q. Why is this issue important to Sprint?**

19 A. Multi-jurisdictional trunking permits more efficient trunking between the parties.
20 By combining Sprint's traffic onto a single PSTN interconnection, the Parties will
21 improve network efficiency, reduce network costs, expand coverage for all services,
22 and support integrated or converged services such as converged VoIP services and
23 converged wireless and wireline services. There have been advancements in

switching technology that enable Sprint to combine its different types of traffic onto a common switching platform. It would be highly inefficient for Sprint to combine the different traffic types onto a common switching platform on a single network but then have to segregate that traffic onto separate trunks where it interconnects with AT&T. Rather, Sprint seeks a single interconnection with AT&T by combining traffic of different jurisdictions on a single trunk group. A term used by Sprint and the industry to describe the consolidation of network platforms and service offerings is called convergence. Sprint is merely “keeping up with the times” by utilizing the latest technology has to offer and responding to customer demands to provide converged or integrated services. In addition, new services that customers are demanding are also pushing Sprint to a common switching platform. It only follows that the form of interconnection for these converged platforms and services be supported through efficient PSTN interconnections.

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

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

1 **Q. Do more efficient interconnection and reduced interconnection costs serve the**
2 **public interest?**

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

6

7 **Q. Has the Authority addressed the issue of combining different types of traffic on**
8 **interconnection trunks?**

9 A. Yes. The Authority has determined that segregating traffic is inefficient and
10 needlessly increases costs. In an April 2002 Interim Order of Arbitration Award
11 involving an interconnection between CLECs MCImetro and Brooks Fiber and
12 BellSouth, the Authority ruled as follows:

13 This issue centers on the efficient use of trunks. If an ILEC were to require
14 a CLEC to fragment traffic, then efficiencies are lost because the CLEC is
15 forced to duplicate the ILEC's network architecture. This scenario also
16 increases the CLEC's costs. Section 51.305 of the FCC Rules provides:
17 "An incumbent LEC shall provide, for the facilities and equipment of any
18 requesting telecommunications carrier, interconnection with the
19 incumbent LEC's network: (1) For the transmission and routing of
20 telephone exchange traffic, exchange access traffic or both; (2) At any
21 technically feasible point" [Footnote omitted] The Arbitrators read
22 this Section as providing CLECs with the ability to combine local,
23 intraLATA and transit traffic at any technically feasible [*36] point and to
24 transport this traffic on one trunk from their POI. The specific traffic type
25 should be readily distinguishable using SS7 signaling on all trunks.²³

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

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

²³ See Interim Order of Arbitration Award, TRA Docket No. 00-00309 (MCImetro-BellSouth Arbitration), April 3, 2002.

1
2 In the 2001 Florida Sprint-BellSouth arbitration proceeding, the Florida Public
3 Service Commission determined it was appropriate to transport multi-jurisdictional
4 traffic over a single trunk group. It said:

5 “Upon consideration, we find that the parties’ agreement shall contain
6 language providing Sprint with the ability to transport multi-jurisdictional
7 traffic over a single trunk group, including an access trunk group.”²⁴
8

9 In a 2004 Indiana arbitration order addressing interconnection between Level 3 and
10 SBC Indiana, the Indiana Utility Regulatory Commission (“IURC”) decided that
11 interconnection trunks could be used for all forms of traffic.²⁵ Specifically, the
12 IURC found that:

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

²⁴ *In re: Petition of Sprint Communications company Limited Partnership for arbitration of certain unresolved terms and conditions of a proposed renewal of current interconnection agreement with BellSouth Telecommunications, Inc.*, Docket No. 000828-TP, Order No: PSC-01-1095-FOF-TP, Issued May 8, 2001, pp. 37-38.

²⁵ *In the Matter of Level 3 Communications, LLC’s Petition for Arbitration Pursuant to Section 252(b) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996, and the Applicable State Laws for Rates, Terms, and Conditions of Interconnection with Indiana Bell Telephone Company d/b/a SBC Indiana*, Indiana Utility Regulatory Commission, Cause No. 42663 INT-01, Arbitration Order at 10-11, (December 22, 2004) (“Level 3 Order”). Sprint is aware that this Order was vacated by the Commission on March 10, 2005, in response to a joint motion to vacate the decision by Level 3 and SBC Indiana, when those parties reached a 13 state agreement after the IURC issued its Arbitration Order, but before the parties filed a conforming agreement. However, Sprint has no reason to believe that the Indiana Commission would rule any differently in this proceeding than it previously ruled in the Level 3 proceeding on the identical substantive issue.

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

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

13 We believe, however, that measures less costly than establishing
14 separate trunking may be available to ensure that Verizon receives
15 appropriate payment.²⁶
16
17

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

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

²⁶ *Id.* at 10. (citing *Memorandum Opinion and Order, Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration*, 17 FCC Rcd 27039 (2002), ¶ 180-182, ("Virginia Arbitration Order")).

²⁷ *In the matter of the application of Sprint Communications Company, L.P., for arbitration to establish an interconnection agreement with Ameritech Michigan*, Before the Michigan Public Service commission, Case No. U-11203, January 15, 1997, page 5-6.

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

3 “Because Sprint has indicated that it is technically possible to perform the
4 measurement of traffic, but that it simply has not yet implemented those
5 procedures, the Board will approve provisions related to commingling
6 various types of traffic on individual trunks.”²⁸
7

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

10

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

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

17

18 **Q. How should the Authority decide this issue?**

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

²⁸ *In the Arbitration of Sprint Communications Company L.P. Petitioning Party, vs. Ace Communications Group., et. al. Responding Parties*, Iowa Utilities Board, Docket Nos. Arb-05-2, Arb-05-5, and Arb-05-6, March 24, 2006.
p. 15.

2.5.4 Use of Interconnection Facilities.

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

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

Q. Please describe this issue.

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

Q. How is this issue related to the previous issue, Issue II.B.(1)?

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

12

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

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

22

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

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

13

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

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

1 between the wireless telephone and the desk telephone during a conversation. This
2 reality creates the situation where carriers exchanging traffic over segregated trunks
3 will not know which trunk to place the call on because its true nature is not known
4 until the call is answered, and may change mid-conversation. From a user's
5 perspective, services are no longer viewed as wireless or wireline, but rather are
6 viewed as integrated or converged services.
7

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

9 A. Yes. As with the multi-jurisdictional trunking issue, multi-use trunking allows
10 more traffic to be placed on fewer trunks. Rather than a separate CMRS and CLEC
11 trunk, a combined multi-use trunk can be utilized reducing the overall number of
12 trunks. Fewer trunks mean fewer trunk ports are used on both Sprint's and AT&T's
13 switches and fewer trunk orders need to be processed. Multi-use trunking also
14 permits better trunk utilization by combining different traffic types which may peak
15 at different times allowing more overall traffic to be placed on fewer trunks.
16

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

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

1 **Q. Has the Authority addressed the issue of combining wireless and wireline**
2 **traffic on the same trunk groups?**

3 A. Yes. In an arbitration involving several CMRS providers, including Sprint, and
4 several Tennessee rural local exchange carriers (“RLECs”), the Authority ruled in
5 favor of permitting CMRS traffic to be combined with other traffic on the same
6 trunk groups. At issue in that case was a claim by the RLECs that CMRS carrier
7 traffic carried over trunks provisioned by BellSouth to the RLECs could not be
8 identified and billed properly. Thus the case involved multiple carriers’ traffic and
9 different types of traffic. The Authority voted unanimously to allow combining the
10 traffic, specifically that “the combining of traffic types over the same trunk should
11 be permitted, provided the calls are properly timed, rated and billed.”²⁹

12

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

15 A. Yes. In a Sprint arbitration the IURC ruled that multi-use trunking was allowable.³⁰
16 The IURC stated that:

17 “Sprint’s arguments on the general issue of whether the Interconnection
18 Agreement permits the combination of differing types of traffic on the
19 same multi-use interconnection trunks are persuasive. No technical
20 reasons have been raised by the RTCs why Sprint’s proposal here should
21 not be adopted..... We agree that the combination of wireline, wireless,
22 and IP-PSTN traffic as the parties have defined it in the proposed

²⁹ See In re: Petition for Arbitration of Cellco Partnership d/b/a Verizon Wireless et. al., Order of Arbitration Award, TRA Docket No. 03-00585, January 12, 2006, pp. 32-34.

³⁰ *In the Matter of Sprint Communications Company, L.P.’s Petition for Arbitration Pursuant to Section 252(B) of the Communications Act of 1934, As Amended by the Telecommunications Act of 1996, and the Applicable State Laws for the Rates, Terms and Conditions of Interconnection with Ligonier Telephone Company, Inc.*, Indiana Utility Regulatory Commission, Cause No. 43052-INT-01, September 6, 2006, p. 16-17.

1 interconnection agreement would create network efficiencies for both
2 parties.”

3
4 “We further agree with Sprint that the intercarrier compensation aspects
5 do not pose roadblocks to combining the different types of traffic on the
6 same trunks.”
7

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

10 “Because Sprint has indicated that it is technically possible to perform the
11 measurement of traffic, but that it simply has not yet implemented those
12 procedures, the Board will approve provisions related to commingling
13 various types of traffic on individual trunks.”³¹
14

15 The IUB order actually ruled that Sprint could utilize both multi-use and multi-
16 jurisdictional trunking.
17

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

20 A. Yes. Sprint CLEC generally subtends AT&T’s tandem switch and does not have
21 direct interconnections with wireless carriers or wireline carriers. Therefore,
22 carriers subtending AT&T, both wireless and wireline, terminating traffic to Sprint
23 CLEC telephone numbers do so through AT&T’s tandem switch. The Sprint CLEC
24 interconnection trunks connected to AT&T’s tandem will carry both the wireless
25 and wireline traffic transiting AT&T’s network.

³¹ *In the Arbitration of Sprint Communications Company L.P. Petitioning Party, vs. Ace Communications Group., et. al. Responding Parties*, Iowa Utilities Board, Docket Nos. Arb-05-2, Arb-05-5, and Arb-05-6, March 24, 2006.
p. 15.

1

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

4 A. Yes. Sprint CMRS also generally connects to the AT&T tandem switch for the
5 indirect-interconnection exchange of traffic with carriers that subtend AT&T's
6 tandem. The connection between the Sprint CMRS wireless switch and the AT&T
7 tandem will be the AT&T-Sprint CMRS interconnection trunks. Any call destined
8 for a Sprint CMRS telephone number from AT&T's subtending transit customers
9 will pass through the AT&T tandem and over the AT&T-Sprint CMRS
10 interconnection trunk, regardless of whether it is a wireless or wireline originated
11 call.

12

13 **Q. How should the Authority decide this issue?**

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

18 2.5.4 Use of Interconnection Facilities.

19

20 (b) Multi-Use/Multi-Jurisdictional Trunking. Generally, there will be
21 trunk groups between a Sprint MSC and a POI, and between a Sprint
22 CLEC switch and a POI. Nothing in this Agreement shall be construed to
23 prohibit a Sprint wireless entity or Sprint CLEC from sending and
24 receiving all of such entity's respective Authorized Services traffic over its
25 own respective trunks on a combined trunk group. *Further, provided the*
26 *Sprint wireless entity or Sprint CLEC can demonstrate an ability to*
27 *identify each other's respective Authorized Services traffic as originated*
28 *by each other's respective switches, upon ninety (90) days notice, either*
29 *the Sprint wireless entity or Sprint CLEC may also commence delivering*

1 *each other's originating Authorized Services traffic to AT&T-9STATE*
2 *over such Sprint entity's combined trunk group.*
3

4 **Section III. How the Parties Compensate Each Other**
5

6 **Issue III.A.4.(1): What compensation rates, terms, and conditions should be**
7 **included in the CLEC ICA related to compensation for wireline Switched**
8 **Access Service Traffic?**
9

10 **Q. Please describe the dispute over this issue.**

11 A. Each party proposes provisions that address the essential issue that a party will not
12 represent switched access traffic as traffic subject to reciprocal compensation (see
13 Sprint 6.1.4 and AT&T 6.9). AT&T proposes additional language which is
14 unnecessary, inaccurate, and written in a manner designed to expand the application
15 of access charges. AT&T's proposed language would apply access charges to any
16 traffic AT&T deems is not explicitly subject to reciprocal compensation (AT&T
17 6.4.1). In effect, AT&T's language would improperly subject all Information
18 Service traffic (be it ISP or Interconnected VoIP) to being jurisdictionalized – and
19 thereby charged – as switched access traffic based on end points rather than based
20 on the service being provided.
21

22 **Q. Are the end points of a call the sole basis by which compensation is**
23 **determined?**

1 A. No. Compensation is based on the underlying service provided. Information
2 Services traffic (whether ISP or Interconnected VoIP) is not subject to access
3 charges. ISP traffic is subject to the FCC ISP compensation regime capped at
4 \$0.0007 per minute, not access charges. With respect to Interconnected VoIP, until
5 the FCC determines the compensation regime, access charges do not apply and the
6 default compensation is bill & keep.

7
8 **Q. Are there other problems with AT&T's proposed language?**

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

13
14 **Q. How should the Authority rule on this disputed issue?**

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

20 6.1.4_Except as may be otherwise provided by Applicable Law, neither
21 Party shall represent switched access services traffic (e.g., FGA, FGB, FGD)
22 as traffic subject to the payment of reciprocal compensation.

23
24 7.1.2. Notwithstanding the foregoing, neither Party waives its position on
25 how to determine the end point of any traffic, and the associated
26 compensation.
27

1

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

5

6 **Q. Please describe this dispute.**

7 A. Sprint proposes language which appropriately applies compensation based on the
8 Act's statutory definition of Telephone Toll Service. AT&T proposes language
9 which references "local calling area" as an additional criterion for determining
10 compensation. It is unclear what AT&T intends with reference to "local calling
11 area," but it would be inappropriate to base compensation on a geographic
12 distinction without regard to determining the compensation that applies to the
13 underlying service. Sprint is willing to pay applicable access charges for Telephone
14 Toll Service traffic, but is neither obligated nor willing to pay access charges for
15 traffic that is not Telephone Toll Service, regardless of the calling area.

16

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

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

20

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

22 A. Yes. These tariff charges are paid by the Interexchange Carrier providing the 8YY
23 service. It is both unnecessary and inappropriate to include 8YY query charges in a

CLEC ICA since the query charge is a matter between the LEC and the 8YY service provider IXC, not between the parties to this ICA.

Q. How should the Authority rule on this disputed issue?

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

(6.16)7.3.5 Compensation for Sprint Telephone Toll Service traffic.

(6.16.1)7.3.5.1 Telephone Toll Service traffic. For purposes of this Attachment, Telephone Toll Service traffic is defined as any telecommunications call between Sprint and AT&T-9STATE End Users that originates and terminates in the same LATA and results in Telephone Toll Service charges being billed to the originating end user by the originating Party. Moreover, AT&T-9STATE originated Telephone Toll Service will be delivered to Sprint using traditional Feature Group C non-equal access signaling.

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

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

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

1 intraLATA 8XX customers.

2
3 7.3.5.5 8XX Access Screening. AT&T-9STATE's provision of 8XX Toll
4 Free Dialing (TFD) to Sprint requires interconnection from Sprint to
5 AT&T-9STATE 8XX SCP. Such interconnections shall be established
6 pursuant to AT&T-9STATE's Common Channel Signaling Interconnection
7 Guidelines and Telcordia's CCS Network Interface Specification
8 document, TR-TSV-000905. Sprint shall establish CCS7 interconnection at
9 the AT&T-9STATE Local Signal Transfer Points serving the AT&T-
10 9STATE 8XX SCPs that Sprint desires to query. The terms and conditions
11 for 8XX TFD are set out in AT&T-9STATE's Intrastate Access Services
12 Tariff as amended.
13

14 **Issue III.A.4.(3): Should Sprint CLEC be obligated to purchase feature group**
15 **access services for its InterLATA traffic not subject to meet point billing?**

16
17 **Q. Please describe this issue.**

18 A. AT&T seeks to improperly impose access charges on the basis of call end points
19 without regard to whether the underlying service is subject to access charges.
20 Moreover, AT&T seeks to improperly dictate the means by which Sprint delivers
21 traffic to AT&T by proposing that Sprint be required to purchase feature group
22 access service from state and federal tariffs rather than using interconnection trunks
23 pursuant to the ICA.
24

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

26 A. The first basis for determining compensation is the service being provided. For
27 example, if the service is Telephone Toll Service, then exchange access rates apply.
28 The end points of a call then determine which access rates apply, e.g., interstate or
29 intrastate. For those services for which access charges do not apply (e.g., services

1 subject to reciprocal compensation, Information services, CMRS services), LATA
2 boundary lines, and local calling area distinctions have no effect on compensation.

3

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

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

11

12 **Q. How should the Authority rule on this disputed issue?**

13 A. The Authority should reject AT&T's proposal to dictate the form of compensation
14 and to require the purchase of feature group access service based on the end points
15 of a call.

16

17 **Issue III.A.5: Should the CLEC ICA include AT&T's proposed provisions**
18 **governing FX traffic? (CLEC)**

19

20 **Q. Please describe Issue III.A.5.**

21 A. Issue III.A.5 relates to a disagreement between the parties as to the CLEC ICA
22 language related to Foreign Exchange ("FX") and ISP-Bound Traffic, if
23 provisioned via an FX-type arrangement. Sprint CLEC's position is that there is no

1 need for specific language since FX traffic can be handled today based on the
2 calling and called party numbers. ISP-Bound Traffic should be treated as the FCC
3 has dictated regardless of how it is provisioned. AT&T suggests a complicated and
4 system intensive means of identifying FX traffic and the ISP-Bound Traffic and that
5 it be subject to Bill and Keep.

6
7 **Q. What is FX traffic?**

8 A. Generally, FX traffic is a service purchased by End Users that enable an End User
9 to obtain service from a local calling area that is different from the local calling area
10 where the End User is physically located. End Users are generally businesses that
11 want the appearance of being in a given location when they are actually located
12 somewhere else or want their customers to be able to make a locally dialed call
13 rather than a toll call. For example, a business that is physically located in town A
14 wants the appearance of being located in town B by having a telephone number
15 associated with town B and/or wants to enable customers in town B to call the
16 business using a locally dialed town B telephone number rather than making a toll
17 call to a town A telephone number.

18
19 **Q. How do AT&T and Sprint CLEC compensate each other for FX traffic in the**
20 **current interconnection agreements?**

21 A. The current AT&T/Sprint interconnection agreement appears to call for the extreme
22 opposite of the treatment that AT&T is asking for in the replacement ICA. The
23 current agreement appears to require Sprint CLEC to pay AT&T intrastate access

1 rates for calls from AT&T end users terminating to Sprint end users. Payment by
2 Sprint CLEC to AT&T for AT&T originated traffic is contrary to the general
3 principle of payment being made by the originating carrier. Further, there appears
4 to be no mention of a payment by AT&T to Sprint for AT&T FX traffic. The
5 current agreement is completely one-sided to AT&T's benefit. Attachment 3 of the
6 current AT&T/Sprint CLEC agreement states the following:

7 6.1.5 For BellSouth and Sprint CLEC traffic, the jurisdiction of a call is
8 determined by its originating and terminating (end-to-end) points, not the
9 telephone number dialed.

10
11 6.1.5.1 Further, if Sprint CLEC assigns NPA/NXXs to specific BellSouth rate
12 centers within a BellSouth originating end user's local calling area, and then
13 assigns numbers from those NPA/NXXs to Sprint CLEC end users physically
14 located outside of the BellSouth originating end user's local calling area, Sprint
15 CLEC agrees to identify such traffic to BellSouth and to compensate BellSouth
16 for originating and transporting such traffic to Sprint CLEC at BellSouth's
17 intrastate switched access tariff rates. If Sprint CLEC does not identify such
18 traffic to BellSouth, to the best of BellSouth's ability BellSouth shall determine
19 which whole Sprint CLEC NPA/NXXs on which to charge the applicable rates for
20 originating intrastate switched access service as reflected in BellSouth's Intrastate
21 Access Service Tariff. BellSouth shall make appropriate billing adjustments if
22 Sprint CLEC can provide sufficient information for BellSouth to determine
23 whether said traffic is Local Traffic.

24
25 6.1.5.2 Notwithstanding the foregoing, neither Party waives its position on how
26 to determine the end point of ISP traffic and the associated compensation.
27

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

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

3 6.4.2.3 FX Traffic is not Section 251(b)(5) Traffic and instead the
4 transport and termination compensation for FX Traffic is subject to a Bill
5 and Keep arrangement in AT&T-9STATE.

6 6.4.2.3.1 To the extent that ISP-Bound Traffic is provisioned via an FX-
7 type arrangement, such traffic is subject to a Bill and Keep arrangement.
8 "Bill and Keep" refers to an arrangement in which neither of two
9 interconnecting parties charges the other for terminating FX traffic that
10 originates on the other party's network.
11

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

13 A. AT&T's proposal is certainly better than the current contract language because it
14 eliminates the one-sided treatment that benefits AT&T and would require the traffic
15 be treated as Bill & Keep. However, AT&T's current proposal is not acceptable to
16 Sprint CLEC. Sprint CLEC prefers that FX traffic be treated based on the calling
17 and called party telephone numbers. Sprint believes that is how traditional FX
18 traffic is generally treated today unless there is some unique arrangement between
19 any carriers to treat it differently. AT&T's suggestion that the terminating party
20 track and report to the originating party a usage summary for traffic terminating to
21 its FX telephone numbers is overly burdensome and unnecessary.
22

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

25 A. No. I will address ISP-Bound traffic below, but from Sprint's perspective, there is
26 not enough FX traffic to warrant the creation of an entirely new tracking
27 mechanism for FX traffic. AT&T has not identified the amount of its FX traffic

1 and Sprint has either no FX traffic or only a minimal amount. Besides, with the
2 nomadic nature of Interconnected VoIP traffic, it is impossible to determine where
3 an end-user is physically located.
4

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

8 A. Yes. AT&T generally wants to receive and pay compensation for traffic exchanged
9 between the parties. However, with the FX traffic, AT&T is taking the opposite
10 position, i.e., it wants FX traffic to be at Bill & Keep. I believe AT&T's position
11 on this issue relates to its inclusion of ISP-Bound traffic. AT&T has apparently
12 determined that it can avoid paying the FCC prescribed compensation for ISP-
13 Bound traffic by including it within AT&T's proposed FX language.
14

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

16 A. Yes – if it applied to all traffic exchanged between the parties rather than only when
17 it benefits AT&T. While addressed elsewhere in testimony, it is Sprint's position
18 that the traffic exchanged between the Parties should be at Bill & Keep.
19

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

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

1

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

4 A. Yes. Generally, the FCC has determined that a maximum rate of \$0.0007 should
5 apply to ISP-Bound Traffic.³²

6

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

8 A. The FCC determined that some carriers, primarily CLECs, were taking advantage
9 of the intercarrier compensation system by providing high-volume one-way
10 services to ISPs at below market rates. The intercarrier compensation system at the
11 time allowed the CLEC to be compensated in whole or in part based on the
12 compensation it would receive from the carriers, predominantly ILECs, whose end
13 users were calling the ISPs for Internet access. The FCC determined that this
14 created a market distortion in which one service was subsidized at the expense of
15 other services. The FCC attempted to resolve the issue by setting a very low rate
16 for ISP-Bound Traffic.

17

18 **Q. How does Sprint suggest the Authority resolve this issue?**

19 A. Sprint requests the Authority to adopt Sprint's position, which would eliminate the
20 need for the proposed AT&T language. Adopting Sprint's position would subject
21 FX traffic and ISP Bound traffic to rates addressed elsewhere in the Agreement.

³² See *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 and Intercarrier Compensation for ISP-Bound Traffic*, CC Docket No. 96-98 and CC Docket No. 99-68, Order on Remand and Report and Order, Released April 27, 2001, 16 FCC Rcd 9151, 9156-57, ¶ 8.

1 Unless bill and keep is ordered by the Authority as to all traffic, FX should be
2 charged at the same rate as any other CLEC/AT&T Telephone Exchange Service or
3 Telephone Toll Service traffic, based on dialed digits, and the parties' ISP-Bound
4 Traffic would be charged at the FCC rate of \$0.0007 (whether it is "FX" or not).

5
6
7 **Issue III.A.6.(1): What compensation rates, terms and conditions for**

8 **Interconnected VoIP traffic should be included in the CMRS ICA? (CMRS**
9 **Section 6.1.3)**

10
11 **Q. Please describe Issue III.A.6.(1).**

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

19
20 **Q. Is there an inconsistency between AT&T's position on this issue and another**
21 **issue in this arbitration?**

22 A. Yes, it appears there is. AT&T's position and proposed language for this issue
23 recognizes that VoIP traffic will be exchanged between each Sprint entity and

1 AT&T. However, in Issue I.A.(3) AT&T takes the position that Sprint CMRS is
2 not allowed to send VoIP traffic to AT&T over wireless Interconnection Facilities.
3 The position AT&T appears to be taking on this issue confirms my testimony on
4 Issue I.A.(3), i.e., that the CMRS agreement should include Interconnected VoIP
5 traffic. In other words, the issue isn't whether Interconnected VoIP traffic should
6 be exchanged or sent by "either" Party (Sprint CMRS or AT&T) to the other, but
7 what compensation arrangement should apply, as the current issue, Issue III.A.6.(1)
8 is meant to address.

9
10 **Q. Has the FCC determined the regulatory classification of Interconnected VoIP**
11 **traffic?**

12 A. The FCC has determined that Interconnected VoIP traffic is interstate traffic and is
13 subject to FCC jurisdiction.³³

14
15 **Q. Has AT&T addressed the FCC's statements on VoIP jurisdiction?**

16 A. Yes. AT&T has generally agreed with Sprint in its advocacy with the FCC. For
17 example, in a 2008 ex parte AT&T urged the FCC "to formally extend the
18 preemptive effect of the *Vonage Order* to fixed-location VoIP services".³⁴

19

³³ See *In the Matter of Vonage Holdings Corporation Petition for Declaratory Ruling Concerning an Order of the Minnesota Public Utilities Commission*, FCC WC Docket No. 03-211, Memorandum Opinion and Order, 19 FCC Rcd 22404, 22424, ¶32, Released November 12, 2004.

³⁴ AT&T Letter to Marlene Dortch, *Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92, July 17, 2008, page 2.

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

3 A. No. The FCC has not determined the appropriate intercarrier compensation for
4 interconnected VoIP traffic or whether any compensation is due.³⁵ The issue has
5 been before the FCC on numerous occasions, but the FCC has yet to address the
6 issue – even though the FCC has addressed other issues relative to Interconnected
7 VoIP such as USF contributions, 911 requirements, etc.

8
9 **Q. Is there any federal authority of which the Authority should be aware that**
10 **access charges are inapplicable to VoIP?**

11 A. Yes. The United States District Court for the District of Columbia (where the FCC
12 sits) recently found that access charges are inapplicable to VoIP traffic.³⁶

13
14 **Q. How should this Authority decide this issue?**

15 A. The Authority should adopt Sprint's position and determine that Interconnected
16 VoIP traffic should be exchanged at Bill and Keep until such time as the FCC

³⁵ See, e.g., *In the Matter of Time Warner Cable Request for Declaratory Ruling that Competitive Local Exchange Carriers may Obtain Interconnection Under Section 251 or the Communications Act of 1934, as Amended, to Provide Wholesale Telecommunications Services to VoIP Providers*, FCC WC Docket No. 06-55, Memorandum Opinion and Order, 22 FCC Rcd 3513, 3523 Released March 1, 2007, ¶ 17 (“Certain commenters ask us to reach other issues, including the application of section 251(b)(5) and the classification of VoIP services. We do not find it appropriate or necessary here to resolve the complex issues surrounding the interpretation of Title II more generally or the subsections of section 251 more specifically that the Commission is currently addressing elsewhere on more comprehensive records... We do not, however, prejudge the Commission's determination of what compensation is appropriate, or any other issues pending in the Intercarrier Compensation docket.”) (citations omitted).

³⁶ See *PAETEC Communs. v. CommPartners, LLC*, 2010 U.S. Dist. LEXIS 51926 (D.D.C. 2010).

determines otherwise. Sprint asks the Authority to adopt Sprint's language in Attachment 3 Pricing Sheet that states:

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

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

Q. Please describe Issue III.A.6.(2).

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

Q. Is the Interconnected VoIP compensation issue the same as issue III.A.6.(1)?

1 A. Yes. The Interconnected VoIP compensation issue, from Sprint's perspective, is
2 the same whether the traffic is exchanged over CMRS or CLEC Interconnection
3 Facilities. I will not repeat Sprint's rationale for its position here, but will state that
4 Sprint's arguments for Interconnected VoIP compensation pursuant to the CLEC
5 ICA are the same as for the CMRS ICA.

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

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

19
20 **Q. How should the Authority resolve Issue III.A.6.(2)?**

21 A. The Authority should adopt Sprint CLEC's language as provided in Attachment 3
22 Pricing Sheet that states:

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

1
2 **Section V. Miscellaneous**
3

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

6 **Q. Please describe Issue V.B..**

7 A. Issue V.B. encompasses a disagreement between the Parties regarding the
8 appropriate definition of the term Carrier Identification Code.

9
10 **Q. Has Sprint been able to consider any further either of the alternative**
11 **language AT&T proposed in the Joint DPL for this Issue?**

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

16 CIC (Carrier Identification Code) A numeric code that uniquely identifies
17 each carrier. These codes are primarily used for routing from the local
18 exchange network to the access purchaser and for billing between the LEC
19 and the access purchaser. For the purpose of clarity, the phrase “access
20 purchaser” as referred to in this definition does not include either Party as
21 a purchaser of Interconnection Services under this Agreement.
22

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

25 A. The language in AT&T’s Alternative #2 definition is comparable to the definition
26 of CIC found in industry documents. The industry definitions and AT&T’s

1 definition focus on the CIC code as a means of identifying an “access purchaser”
2 or a purchaser of access services contained in the Part 69 regulations. Sprint’s
3 additional clarifying statement is intended to differentiate an “access purchaser”
4 under Part 69 from Sprint CLEC, who is seeking an ICA with AT&T pursuant to
5 the Part 51 regulations.
6

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

8 A. As of August 16, 2010, AT&T advised that it cannot agree to the additional
9 sentence that Sprint CLEC has proposed to AT&T’s Alternative #2 CIC
10 definition, but has not provided any reason for its rejection of Sprint CLEC’s
11 proposed compromise.
12

13 **Q. How does Sprint propose the Authority resolve Issue V.B.?**

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

17 CIC (Carrier Identification Code) A numeric code that uniquely identifies
18 each carrier. These codes are primarily used for routing from the local
19 exchange network to the access purchaser and for billing between the LEC
20 and the access purchaser. For the purpose of clarity, the phrase “access
21 purchaser” as referred to in this definition does not include either Party as
22 a purchaser of Interconnection Services under this Agreement.
23

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

1 **Issue V.C.(2): Should the ICA include language governing company code changes?**
2 **(CLEC and CMRS)**
3

4 **Q. Please describe Issues V.C.(1) and V.C.(2).**

5 A. Issues V.C.(1) and V.C.(2) are similar, so I will address them together rather than
6 separately. AT&T's proposed language is an attempt by AT&T to inappropriately
7 shift its internal record keeping expenses to Sprint.
8

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

11 A. Yes. Self-serving language seems to be a common theme throughout AT&T's
12 positions. The AT&T proposed language appears to always require Sprint to pay
13 AT&T for AT&T's recordkeeping in the context of a Sprint name change or
14 company code change. However, if comparable name or code changes were
15 undertaken by AT&T, it doesn't appear that Sprint would be compensated for its
16 internal recordkeeping expenses.
17

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

20 A. I seriously doubt that AT&T would incur any incremental costs to complete its
21 internal record keeping. In all likelihood, AT&T would utilize in-place
22 employees to perform these functions as a normal course of their work load.
23

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

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

4

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

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

11

12 **Q. How does Sprint propose the Authority address Issue V.C.(1) and V.C.(2)?**

13 A. Sprint asks the Authority to reject AT&T's proposed language for both Issues
14 V.C.(1) and V.C.(2) for the reasons stated.

15

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

17 A. Yes.

18

ATTACHMENT JRB-1

Sprint Witness Testimony Key

Issue No.	Issue Description (& Sub Issues)	Sprint Witness
I.	Provisions related to the Purpose and Scope of the Agreements	
I.A.	(1) What legal sources of the parties' rights and obligations should be set forth in section 1.1 of the CMRS ICA and in the definition of "Interconnection" (or "Interconnected") in the CMRS ICA? (Section 1.1 and Part B interconnection definition)?	James R. Burt
	(2) Should either ICA state that the FCC has not determined whether VoIP is telecommunication service or information service? (Section 1.3)	"
	(3) Should the CMRS ICA permit Sprint to send Interconnected VoIP traffic to AT&T? (CMRS section 1.3)	"
	(4) Should Sprint be permitted to use the ICAs to exchange traffic associated with jointly provided Authorized Services to a subscriber through Sprint wholesale arrangements with a third party provider that does not use NPA-NXXs obtained by Sprint? (Section 1.4)	"
	(5) Should the CLEC Agreement contain Sprint's proposed language that requires AT&T to bill a Sprint Affiliate or Network Manager directly that purchases services on behalf of Sprint? (Section 1.5)	"
	(6) Should the ICAs contain AT&T's proposed Scope of Obligations language? (Section 1.6)	"
I.B.	Miscellaneous service or traffic-related definitions	
	(1) What is the appropriate definition of Authorized Services?	James R. Burt
	(2) (a) Should the term "Section 251(b)(5) Traffic" be a defined term in either ICA and, if so, what constitutes Section 251(b)(5) Traffic for (i) the CMRS ICA and (ii) the CLEC ICA?	"
	(3) What is the appropriate definition of Switched Access Service?	"
	(4) What are the appropriate definitions of InterMTA and IntraMTA traffic for the CMRS ICA?	"
	(5) Should the CMRS ICA include AT&T's proposed definitions of "Originating Landline to CMRS Switched Access Traffic" and "Terminating InterMTA Traffic"?	"

Sprint Witness Testimony Key

Issue No.	Issue Description (& Sub Issues)	Sprint Witness
	(6) RESOLVED.	
I.C.	Transit traffic related issues.	Randy G. Farrar
	(1) What are the appropriate definitions related to transit traffic service?	“
	(2) Should AT&T be required to provide transit traffic service under the ICAs?	“
	(3) If the answer to Issue (2) is yes, what is the appropriate rate that AT&T should charge for such service?	“
	(4) If the answer to Issue (2) is yes, should the ICAs require Sprint either to enter into compensation arrangements with third party carriers with which Sprint exchanges traffic that transits AT&T's network pursuant to the transit provisions in the ICAs or to indemnify AT&T for the costs it incurs if Sprint does not do so?	“
	(5) If the answer to Issue 2 is yes, what other terms and conditions related to AT&T transit service, if any, should be included in the ICAs?	“
	(6) Should the ICAs provide for Sprint to act as a transit provider by delivering Third Party-originated traffic to AT&T?	“
	(7) Should the CLEC ICA require Sprint either to enter into compensation arrangements with third party carriers with which Sprint exchanges traffic or to indemnify AT&T for the costs it incurs if Sprint does not do so?	“
II.	How the Parties Interconnect	
II.A.	Should the ICA distinguish between Entrance Facilities and Interconnection Facilities? If so, what is the distinction?	Mark G. Felton
II.B.	Combined Use Trunking	
	(1) Should the ICA include Sprint's proposed language that would permit Sprint to combine multi-jurisdictional traffic on the same trunk groups (e.g., traffic subject to reciprocal compensation and traffic subject to access charges)?	James R. Burt
	(2) Should the ICAs include Sprint's proposed language that would permit Sprint to combine its CMRS wireless and CLEC wireline traffic on the same trunk groups that may be established under either ICA?	“

Sprint Witness Testimony Key

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

Sprint Witness Testimony Key

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

Sprint Witness Testimony Key

Issue No.	Issue Description (& Sub Issues)	Sprint Witness
	ICAs related to compensation for ISP-Bound traffic exchanged between the parties?	
III.A.3	CMRS ICA-specific, InterMTA traffic	
	(1) Is mobile-to-land InterMTA traffic subject to tariffed terminating access charges payable by Sprint to AT&T?	Randy G. Farrar
	(2) Which party should pay usage charges to the other on land-to-mobile InterMTA traffic and at what rate?	“
	(3) What is the appropriate factor to represent land-to-mobile InterMTA traffic?	“
III.A.4	CLEC-specific, Switched Access Service traffic	
	(1) What compensation rates, terms and conditions should be included in the CLEC ICA related to compensation for wireline Switched Access Service Traffic?	James R. Burt
	(2) What compensation rates, terms and conditions should be included in the CLEC ICA related to compensation for wireline Telephone Toll Service (i.e., intraLATA toll) traffic?	“
	(3) Should Sprint CLEC be obligated to purchase feature group access services for its InterLATA traffic not subject to meet point billing?	“
III.A.5	FX Traffic	
	Should the CLEC ICA include AT&T's proposed provisions governing FX traffic?	James R. Burt
III.A.6	Interconnected VoIP traffic	
	(1) What compensation rates, terms and conditions for Interconnected VoIP traffic should be included in the CMRS ICA?	James R. Burt
	(2) Should AT&T's language governing Other Telecomm. Traffic, including Interconnected VoIP traffic, be included in the CLEC ICA?	“
III.A.7	CMRS ICA Meet Point Billing Provisions	
	(1) Should the wireless meet point billing provisions in the ICA apply only to jointly provided, switched access calls where both Parties are providing such service to an IXC, or also to Transit Service calls, as proposed by Sprint?	Mark G. Felton

Sprint Witness Testimony Key

Issue No.	Issue Description (& Sub Issues)	Sprint Witness
	(2) What information is required for wireless Meet Point Billing, and what are the appropriate Billing Interconnection Percentages?	“
III.B.	RESOLVED	
III.C.	Reconfiguration Costs	
	Should Sprint be required to pay AT&T for any reconfiguration or disconnection of interconnection arrangements that are necessary to conform with the requirements of this ICA?	Mark G. Felton
III.D.	RESOLVED	
III.E.	Shared facility costs	
	(1) How should Facility Costs be apportioned between the Parties under the CMRS ICA?	Randy G. Farrar
	(2) Should traffic that originates with a Third Party and that is transited by one Party (the transiting Party) to the other Party (the terminating Party) be attributed to the transiting Party or the terminating Party for purposes of calculating the proportionate use of facilities under the CMRS ICA?	“
	(3) How should Facility Costs be apportioned between the Parties under the CLEC ICA?	“
	(4) Should traffic that originates with a Third Party and that is transited by one Party (the transiting Party) to the other Party (the terminating Party) be attributed to the transiting Party or the terminating Party for purposes of calculating the proportionate use of facilities under the CLEC ICA?	“
III.F.	CLEC Meet Point Billing Provisions	
	What provisions governing Meet Point Billing are appropriate for the CLEC ICA?	Mark G. Felton
III.G.	Sprint's Pricing Sheet	
	Should Sprint's proposed pricing sheet language be included in the ICA?	Randy G. Farrar
III. H.	Facility Pricing	
	(1) Should Sprint be entitled to obtain from AT&T, at cost-based (TELRIC) rates under the ICAs, facilities between Sprint's switch and the POI?	Randy G. Farrar

Sprint Witness Testimony Key

Issue No.	Issue Description (& Sub Issues)	Sprint Witness
	(2) Should Sprint's proposed language governing "Interconnection Facilities / Arrangements Rates and Charges" be included in the ICA?	"
	(3) Should AT&T's proposed language governing interconnection pricing be included in the ICAs?	"
III.I. Pricing Schedule		
	(1) If Sprint orders (and AT&T inadvertently provides) a service that is not in the ICA, (a) Should AT&T be permitted to reject future orders until the ICA is amended to include the service? (b) Should the ICAs state that AT&T's provisioning does not constitute a waiver of its right to bill and collect payment for the service?	Mark G. Felton
	(2) Should AT&T's language regarding changes to tariff rates be included in the agreement?	"
	(3) What are the appropriate terms and conditions to reflect the replacement of current rates?	"
	(4) What are the appropriate terms and conditions to reflect the replacement of interim rates?	"
	(5) Which Party's language regarding prices noted as TBD (to be determined) should be included in the agreement?	"
IV. Billing Related Issues		
IV.A.	(1) What general billing provisions should be included in Attachment 7?	Mark G. Felton
	(2) Should six months or twelve months be the permitted back-billing period?	"
IV.B.	(1) What should be the definition of "Past Due"?	Mark G. Felton
	(2) What deposit language should be included in each ICA?	"
	(3) What should be the definition of "Cash Deposit"?	"
	(4) What should be the definition of "Letter of Credit"?	"

Sprint Witness Testimony Key

Issue No.	Issue Description (& Sub Issues)	Sprint Witness
	(5) What should be the definition of "Surety Bond"?	"
IV.C.	(1) Should the ICA require that billing disputes be asserted within one year of the date of the disputed bill?	Mark G. Felton
	(2) Which Party's proposed language concerning the form to be used for billing disputes should be included in the ICA?	"
IV.D.	(1) What should be the definition of "Non-Paying Party"?	Mark G. Felton
	(2) What should be the definition of "Unpaid Charges"?	"
	(3) Should the ICA include AT&T's proposed language requiring escrow of disputed amounts?	"
IV.E.	(1) Should the period of time in which the Billed Party must remit payment in response to a Discontinuance Notice be 15 or 45 days?	Mark G. Felton
	(2) Under what circumstances may a Party disconnect the other Party for nonpayment, and what terms should govern such disconnection?	"
IV.F.1	Should the Parties' invoices for traffic usage include the Billed Party's state specific Operating Company Number (OCN)?	Mark G. Felton
IV.F.2	(1) How much notice should one Party provide to the other Party in advance of a billing format change?	"
IV.G.1	RESOLVED	
IV.G.2	What language should govern recording?	Mark G. Felton
IV.H.	Should the ICA include AT&T's proposed language governing settlement of alternately billed calls via Non-Intercompany Settlement System (NICS)?	"
V.	Miscellaneous	
V.A.	RESOLVED	
V.B.	What is the appropriate definition of "Carrier Identification Codes"?	James R. Burt
V.C.	(1) Should the ICA include language governing changes to corporate name and or d/b/a?	James R. Burt
	(2) Should the ICA include language governing company code changes?	"
V.D.	RESOLVED	

Sprint Witness Testimony Key

Issue No.	Issue Description (& Sub Issues)	Sprint Witness
V.E.	RESOLVED	
V.F.	RESOLVED	
V.G.	RESOLVED	
V.H.	RESOLVED	
V.I.	RESOLVED	

ATTACHMENT JRB-2

Sprint

Sprint – Access Strategy

Mailstop: KSOPHA0310-3B320
6330 Sprint Parkway
Overland Park, KS 66251
Voice: (913) 762-4070
Fax: (913) 762-0117
Fred.Broughton@Sprint.com

August 13, 2009

Via Overnight and Electronic Mail:

Ms. Lynn Allen-Flood
BellSouth Telecommunications, Inc.
675 W. Peachtree St. N.E.
34S91
Atlanta, GA 30375
la2177@att.com

Mr. Randy Ham
BellSouth Telecommunications, Inc.
600 N. 19th St.
8th Floor
Birmingham, AL 35203
rh8556@att.com

Via Overnight Mail:

BellSouth Telecommunications, Inc.
CLEC Account Team
9th Floor
600 North 19th Street
Birmingham, Alabama 35203

BellSouth Telecommunications, Inc.
General Attorney
Suite 4300
675 W. Peachtree St.
Atlanta, GA 30375

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

Dear Lynn and Randy:

Pursuant to Sections 251, 252 and 332 of the Communications Act of 1934, as amended ("Act"), General Terms and Conditions – Part A Section 3 of the parties' current interconnection agreements ("Section 3"), and AT&T Merger Commitment No. 3¹, Sprint Communications Company L.P., Sprint Spectrum L.P., Nextel South Corp. and NPCR,

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

Letter
Lynn Allen Flood
Randy Ham
August 13, 2009
Page 2

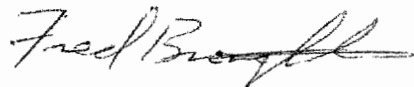
Inc. d/b/a Nextel Partners (collectively "Sprint") request commencement of interconnection negotiations for a Subsequent Agreement (as defined in Section 3) with BellSouth Telecommunications, Inc. d/b/a AT&T Tennessee ("AT&T") using the parties' pre-existing Tennessee interconnection agreement ("Tennessee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

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

Pursuant to 47 U.S.C. § 252(b)(1), AT&T's receipt of Sprint's request for negotiations commences the statutory day 135 and 160 timelines for filing an arbitration petition under the Act. Using AT&T's e-mail receipt of this letter on August 14, 2009, Sprint calculates the respective statutory 135 and 160 days to be December 26, 2009 and January 20, 2010.

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

Sincerely,



Fred Broughton

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

ATTACHMENT RGF-4



February 10, 2006

Electronic Filing

Marlene H. Dortch
Secretary
Office of the Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *Ex Parte* Presentation
CC Docket No. 01-92

Dear Ms. Dortch:

The Alliance for Telecommunications Industry Solutions' (ATIS) Network Interconnection Interoperability Forum (NIIF) is aware that some parties have made proposals to the Commission that discuss the Jurisdiction Information Parameter (JIP) and refer to the ATIS *Rules for Populating JIP* as one part of the solution to the "phantom traffic" issue currently under review. In addition, various press releases have been issued discussing the role of JIP in addressing "phantom traffic" issues. The ATIS NIIF wants to ensure that the Commission understands the intent of the NIIF's *Rules for Populating JIP* and the appropriate uses of JIP by the industry.

What is JIP? JIP is a six digit parameter in the SS7 ISUP Initial Address Message (IAM) used to convey information about call origin, as defined in the industry standard ATIS-PP-1000113.2005, Signalling System No. 7 (SS7) - Integrated Services Digital Network (ISDN) User Part (Revision of T1.113-2000).

The creation of the *Rules for Populating JIP* (a copy of these rules are attached hereto), was the outcome of a successful cooperative effort by wireline and wireless industry participants, and the result of completed work on NIIF Issue #208, *Jurisdiction Information Parameter*. Significant industry progress was made on this complex issue. The JIP rules are intended to foster consistency in the telecommunications industry when signalling JIP in the SS7 network.

The "Rules for Populating JIP" are operational guidelines and assist in the use and population of the JIP SS7 IAM parameter. The rules provide consistency regarding:

- When JIP should be populated (e.g., Rules 1 and 3).
- What information is used to populate the data field (e.g., Rules 2, 4, 5 and 6).
- What to do when switches cover multiple states/LATAs. (e.g., Rule 4).

- o What to do when the origination JIP cannot be populated, when call forwarding occurs, or a new billable call leg is created. (e.g., Rules 5, 6 and 7).

It should be noted that the NIIF *Rules for Populating JIP* do not address the use of JIP with VoIP calls. The NIIF is working an open issue, Issue #0246: *Jurisdiction Information Parameter (JIP) Population Rules when VoIP Technology is Involved for Some Portion of the Call*. The NIIF continues to examine the use of JIP for VoIP calls, but has not made any decisions regarding this matter.

Industry Uses of JIP. When properly populated, JIP can provide information that helps providers identify the call origination point in the SS7 network. Listed below are some common examples:

- In the wireline environment, JIP can be used to identify the originating switch. However, it should be noted that, in the wireline environment, some switches serve an area that spans multiple rate centers, or state/LATA boundaries. The JIP does not necessarily reflect the rate center, LATA, or state of the calling party.
- In a wireless environment, JIP can be used to identify the originating mobile switching center (MSC), where technically feasible. However, it should be noted that the geographic area served by an MSC is generally much larger than the area served by a wireline switch (e.g., MSCs often serve an area spanning state, LATA and/or MTA boundaries.) The JIP does not necessarily reflect the state/LATA/MTA from where the call was made.
- When performing traffic reconciliation audits, observation of the JIP can indicate if a particular traffic routing requires further investigation.
- For trouble ticket resolution, JIP can be used as a tool to identify the originating switch.

JIP Limitations. Although the use of JIP has benefits, there are limitations and constraints such as:

- JIP is not populated in signalling by all providers. (The rules recognize JIP may not always be present and that signalling JIP is subject to technical feasibility).
- JIP can only be sent via SS7 signalling.
- Lack of consistent signalling application by providers; e.g., some providers may not know what or how to populate the six (6) digit data field if they are not familiar with the *Rules for Populating JIP*.

Some points relating to billing made during industry discussions of NIIF Issue #0208 are stated below:

- In general, systems and practices currently in place for intercarrier billing purposes are not configured to interpret or apply JIP, requiring system modifications and either hardware, software or vendor development.
- Wireless JIP is only available at MSC switch level, not at the cell site level. Cell site level enhancements would require vendor development and or extensive switch, system or software modification.
- JIP may not be consistently recorded in switch AMA recordings, requiring additional hardware or software.
- Potential uncertainty surrounding intercarrier compensation reform.

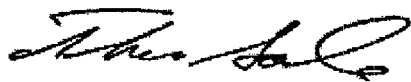
As noted in ATIS Ordering and Billing Forum (OBF) Issue #2308, *Need for Accurate Jurisdictional Information for Accurate Billing*, the OBF identified that the *Rules for Populating JIP* will not always yield an accurate billing jurisdiction as stated in the resolution statement below:

The Billing Committee has reached consensus to use the 7 Rules for Populating JIP approved by NIIF in NIOC Issue 0208 to identify the originating switch or MSC. The Billing Committee supports those rules recognizing that the JIP at a state/LATA level will not provide sufficient detail to determine local jurisdiction.

The Billing Committee's preferred solution would have been to use the JIP at a cell site level. Based on industry limitations, this was an unworkable solution.

The ATIS NIIF has provided this information to assist the Commission in understanding the intent of the NIIF's *Rules for Populating JIP*, some limitations of JIP, and its appropriate uses by the industry. ATIS would be happy to provide more information about this issue or to answer any questions that the Commission might have regarding this matter.

Sincerely,



Thomas Goode
Associate General Counsel

cc: Thomas Navin, Chief, FCC Wireline Competition Bureau (via e-mail)
Catherine W. Seidel, Acting Bureau Chief, FCC Wireless Telecommunications
Bureau (via e-mail)

Attachment

**Alliance for Telecommunications Industry Solutions
Network Interconnection Interoperability Forum (NIIF)
Rules for Populating JIP**

1. JIP should be populated in the IAMs of all wireline and wireless originating calls where technically feasible.
2. JIP should be populated with an NPA-NXX that is assigned in the LERG to the originating switch or MSC.
3. The NIIF does not recommend proposing that the JIP parameter be mandatory since calls missing any mandatory parameter will be aborted. However, the NIIF strongly recommends that the JIP be populated on all calls where technologically possible.
4. Where technically feasible, if the originating switch or MSC serves multiple states/LATAs, then the switch should support multiple JIPs such that the JIP used for a given call can be populated with an NPA-NXX that is specific to both the switch as well as the state and LATA of the caller.

If the JIP cannot be populated at the state and LATA level, the JIP should be populated with an NPA-NXX specific to the originating switch or MSC where it is technically feasible.
5. Where the originating switch cannot signal JIP it is desirable that the subsequent switch in the call path populate the JIP using a data fill default associated with the incoming route. The value of the data fill item is an NPA-NXX associated with the originating switch or MSC and reflects its location.
6. When call forwarding occurs, the forwarded from DN (Directory Number) field will be populated, the JIP will be changed to a JIP associated with the forwarded from DN and the new called DN will be inserted in the IAM.
7. As per T1.TRQ2, the JIP should be reset when a new billable call leg is created.