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June 6, 2001

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JUN 6 2001

Service Commission

The Honorable Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission 200 Madison Street, Suite 650 Jefferson City, Mo 65102

In Re: Matter of the Investigation into the Signaling Protocols, Call Records, Trunking Arrangements, and Traffic Measurement

Case No. TO-99-593

Dear Judge Roberts:

Please accept for filing with the Missouri Public Service Commission, an original and eight (8) copies of the Comments of Sprint Missouri, Inc., and Sprint Communications, L.P. (collectively Sprint) in the Case No. TO-99-593. Thank you for your assistance.

If you have any questions, please contact me at (913) 345-7918.

Very truly yours,

Lisa Creighton Hendricks

**Enclosures** 

cc: Dana Joyce, General Counsel

Martha Hogerty, Public Counsel

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## BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of the Investigation into the	)	
Signaling Protocols, Call Records,	)	Case No. TO-99-593
Trunking Arrangements, and Traffic	)	
Measurement	)	

## **COMMENTS OF SPRINT**

Comes now Sprint-Missouri, Inc. and Sprint Communications Company, L.P. (collectively "Sprint") and hereby files the following comments in the above captioned matter:

In a Report and Order issued June 10, 1999, in Case No. TO-99-254, et al., the intraLATA Primary Toll Carrier Plan was eliminated in Missouri. During that proceeding, some of the small ILECs alleged that not all billing records and related compensation for interexchange traffic that terminated to them via the LEC-to-LEC (FGC) network was being received. As a result, the Commission established this case to investigate technical issues related to signaling protocols, call records, trunking arrangements, and traffic measurement. Notice was provided to all telecommunications companies certificated in Missouri. In early the part of 2000 Technical Workshops were held by the Commission Staff, wherein network, billing records and traffic measurement issues were discussed at length by several parties. In addition, an industry recording and record test was conducted in July 2000. Testimony was then filed by the parties, the Commission held hearings late last year, and post-hearing briefs were filed.

On May 17, 2001, the Commission issued an Order Directing Additional Notice for the purpose of addressing three issues arising during the course of these proceedings that "may be beyond the scope of the original notice." These issues in general terms are:

(1) a change in the business relationships among telecommunications carriers whereby the former PTCs would be held responsible for all traffic terminated to other parties based on terminating records; (2) division of the responsibility for unidentified traffic/discrepancies between originating and terminating recordings; and, (3) blocking of non-compensated traffic.

While these issues surrounding the small ILECs' proposal for a new business relationship between the parties are beyond the technical issues of this proceeding, Sprint earlier identified some of the challenges faced in trying to resolve them. As a result, Sprint will not burden the record further with repetition of all the infirmaries already shown to be inherent in the small ILECs' proposals.

One of the main concerns with any Commission's action at this time is due process. The small ILECs propose a new "business relationship" which would hold the tandem providers responsible for all traffic terminating to them based on terminating records, regardless of the originating party or ownership of that traffic. If the small ILECs' proposals are adopted by the Commission, tariffs and interconnection agreements would be affected and would require modification and re-negotiation. Thus, parties who have not participated in this case would be impacted. Some of the parties are now receiving notice and, therefore, did not actively participate in the contested hearing portion of this docket, cross witnesses or file briefs. Furthermore, even the additional notice did not go to all parties who stand to be affected by the issues contained in the Commission's May 17 Notice. The additional notice provided by the Commission only went to certified telecommunications companies. However, all parties who have interconnection agreements will be impacted - including wireless providers who are not

certified by the State. Finally, with respect to all affected parties, the Commission cannot satisfy the due process requirements of the Federal and State constitutions by sending notice out after the hearing. *Cleveland Bd. of Education v.Loudermill*, 470 US 532, 542 (1985). Thus, any decision by the Commission on the merits of the small ILECs' proposal would face due process concerns.

The fact remains that the Commission, by its June 10, 1999 Order in TO-99-254 et al., not only eliminated the intraLATA Primary Toll Carrier Plan but also put in place a new records exchange/compensation process using the very medium the small ILECs had requested (Category 11 records exchange). Implementation of the changes that the small ILECs supported and the Commission ordered, required the former PTCs to make modifications to their billing systems and related procedures. If the Commission now sanctions the small ILECs' latest proposals, still more changes in billing systems, intercarrier contracts, and tariffs would need to be implemented at additional cost. Further, the blocking of selected parties' traffic terminated to a small LEC, as envisioned by certain parties in this proceeding, would be no small task and would require substantial network personnel resources. Additional costs incurred as a result of these matters should not be taken lightly as the Commission considers these matters.

Additionally, the terminating records, proposed by the small ILECs as the basis on which to establish this "new" business relationship, have been found to be inaccurate and questionable. To Sprint's knowledge, no other state has implemented the use of such records for purpose of intercompany intraLATA toll compensation. This is for good reason - the process is unreliable.

Should such a method be sanctioned by the Commission and implemented by the small ILECs - to bill the tandem company for all traffic that terminates to them, regardless of who the originating party may be - there will be numerous additional complications needlessly added to the process of intercarrier compensation. Under this proposal, identification and billing of the originating or responsible carrier will add needless complexity and effort to simply validate the traffic volume that the small ILECs claim is being terminated to them and will require enormous time and additional expense for Sprint and the other tandem companies in Missouri.

Further, there is no need for a radical departure from the existing records exchange/billing process, as has been demonstrated in testimony and hearings in this case to date. The modifications put in place by the Order in TO-99-254 et al., in part at the small ILECs' urging, have been shown to be adequate. Sprint is committed to ensure that this process continues to be an accurate and reliable one for the traffic it terminates to the other ILECs.

If, however, the Commission should sanction the small ILECs' proposed terminating billing arrangement (despite the due process concerns), Sprint recommends that some form of shared responsibility for the identification of that traffic be implemented as well. Sprint submits that there is a disincentive for the small companies to work with the tandem company to ensure that the correct originating party is being billed. Under the small companies' proposal, they would receive terminating intrastate switched access for all traffic they claim to measure. Thus, there would be no incentive for the small company to aid in identification of any unaccounted for or unidentified traffic. Rather, the small company will receive full payment for all traffic they claim is

terminated to them, regardless of the accuracy or presence of billing identification information that could aid in identification of the originating party.

Thus, if the Commission opts to accept the small ILECs' proposal, Sprint submits that it would be more practical and reasonable to make both the small ILEC and the tandem owner jointly responsible, on a 50/50 shared basis, for identification of any discrepancies in terminating traffic. This would add needed incentive to ensure that both the small ILEC and tandem company have an interest in addressing the identification of the originating, responsible party terminating traffic to the small ILEC.

Accordingly, Sprint suggests no changes are needed in the current process and, further, that without a hearing where these issues may be properly argued and all affected parties are provided the opportunity to be heard, the Commission cannot not rule on the small ILECs' plan.

Respectfully submitted, SPRINT MISSOURI, INC. SPRINT COMMUNICATIONS COMPANY, L.P.

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