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December 7, 2010

Secretary Rosemary Chiavetta
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: AT&T Communications of Pennsylvania, Inc. v. Verizon North, Inc. and Verizon
Pennsylvania Inc.
Docket No. C-20027195

Dear Secretary Chiavetta:

Enclosed please find the Prehearing Conference Memorandum of Sprint Communications Company, L.P., Sprint Spectrum, L.P., Nextel Communications of the Mid-Atlantic, Inc., and NPCR, Inc. This Memorandum was e-filed today. Copies have been served in accordance with the attached Certificate of Service.

If you have any questions, please feel free to contact me.

Best Regards,

STEVENS & LEE



Michael A. Gruin

cc: ALJ Cynthia Fordham
Certificate of Service

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in Pennsylvania. The presiding officer should particularly note the November 30, 2005 Recommended Decision in which she concluded that Verizon's carrier charge should be eliminated and Verizon's intrastate access rates be reduced to parity with interstate rate levels.

II. Issues

The issues to be examined in this phase of the investigation were identified in the Commission's May 11th Order as follows:

“the participating parties shall address and provide record evidence on the legal, ratemaking and regulatory accounting linkages between

(a) any FCC ruling that may have an impact on intrastate switched access charges;

(b) the intrastate access charge reform for ILECs in view of the new Chapter 30 law and its relevant provision at 66 Pa. C.S. §§ 3015(g), pertaining to “Rate change limitations,” and 3017, pertaining to “Access charges;” and

(c) the potential effects on rates for Verizon's basic local exchange services.

In addition, should the resulting rate changes from this investigation occur within the context of the Verizon Companies' subsequent Price Change Opportunity filing, the ALJ shall address the potential implications of the resulting rate changes in the calculations associated with the relevant PCO filing and why those resulting rate changes would be considered lawful, just and reasonable pursuant to the Chapter 30 law.

May 11th Order at 22. The Commission also indicated that the investigation in the instant docket should “consider those issues that still need to be resolved in the reopened investigation and whether any parts of the developed record in the investigation can be used or whether they need to be refreshed.” May 11th Order at 21. The Commission also indicated that the parties may address supplemental issues, and that should the FCC issue any rulings pertinent to the instant docket in relation to the FCC's National Broadband Plan, such ruling(s) should be addressed as well.

Based on the above, it is Sprint's position that the scope of the new phase of the proceeding is limited to

1) refreshing the record in order to determine the methodology for implementation of the access charge reform conclusions contained in the November 30, 2005 Recommended Decision, and

2) addressing the limited additional items identified by the Commission in its May 11th Order. To the extent that statutory revenue neutral rebalancing requirements dictate rate increases to other non-competitive services, such increases should also be addressed in this phase of the proceeding.

It should be noted that the burden of proof rests with Verizon in this case. In an Opinion and Order entered on December 24, 2002 in the instant docket, the Commission consolidated AT&T's formal complaint "into an on-the-record investigation before the Commission's Office of Administrative Law Judge." *Id.* at 15. The Commission later explained, in an Order entered December 30, 2006, that the burden of proof rests with Verizon (as the utility whose rates were being examined) pursuant to Section 315(a) of the Public Utility Code, notwithstanding the fact that the instant docket bears a "C" designation.¹ This ruling is still binding on the conduct of the instant proceeding and cannot now be collaterally attacked or changed some four (4) years after the relevant Order was issued.

¹ See Opinion and Order, *AT&T Communications of Pennsylvania, LLC v. Verizon North, Inc. and Verizon Pennsylvania, Inc.*, Docket No. C-20027195 (entered November 30, 2006).

III. Prior Discovery Rulings.

Sprint believes that any discovery schedule or rulings issued earlier in this docket should be revisited and addressed anew. A shortened timeframe for discovery is appropriate, to allow parties ample time for the preparation of testimony. Sprint is amenable to AT&T's proposal to have discovery responses due within 10 days, and objections due within 5 days.

IV. Witnesses

Sprint intends to submit the written testimony of James A. Appleby. Sprint reserves the right to identify additional witnesses to submit Direct and/or Reply Testimony, and if additional witnesses are identified, Sprint will supplement this Memorandum accordingly.

V. Procedural Schedule.

Sprint proposes the following procedural schedule, which envisions 3 days of hearings:

Direct Testimony :	January 14, 2011
Reply Testimony:	February 11, 2011
Hearings:	Feb 28 - Mar 2, 2011
Main Briefs:	March 30, 2011
Reply Briefs:	April 20, 2011
Recommended Decision:	June 1, 2011

VI. Settlement

While Sprint is not aware of any settlement discussions to date, Sprint is amenable to discussing settlement and will consider settlement proposals made by Verizon and the other parties to the proceeding.

Respectfully Submitted,

Sprint Communications Company, L.P.,
Sprint Spectrum, L.P., Nextel Communications
of the Mid-Atlantic, Inc., and NPCR, Inc.



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Dated: December 7, 2010

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

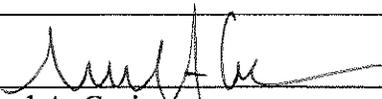
AT&T Communications of Pennsylvania, Inc. :
v. : Docket No. C-20027195
Verizon North Inc. and Verizon Pennsylvania Inc. :

CERTIFICATION OF SERVICE

I hereby certify that I have this day served by First Class U.S. Mail and Electronic Mail a true and correct copy of the foregoing Prehearing Conference Memorandum upon the parties listed below, in accordance with the requirements of § 1.54 (relating to service by a party)

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December 7, 2010



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