





COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE  
REFER TO OUR FILE

JUNE 5, 2000

A-310824F0002

LAWRENCE A WALKE ESQUIRE  
PAUL B HUDSON ESQUIRE  
SWIDLER BERLIN  
SHEREFF FRIEDMAN LLP  
3000 K STREET NW SUITE 300  
WASHINGTON DC 20007-5116

Joint Application of The United Telephone Company of Pennsylvania,  
d/b/a Sprint and DSLnet Communications, LLC for  
Approval of a Master Interconnection and Resale Agreement  
Under Sections 252(a)(1) and (e) of the Telecommunications Act of 1996

SECRETED  
JUN 07 2000

To Whom It May Concern:

This is to advise you that an Opinion and Order has been adopted by the Commission in Public Meeting on June 2, 2000 in the above entitled proceeding.

An Opinion and Order has been enclosed for your records.

Very truly yours,

James J. McNulty  
Secretary

DOCUMENT  
FOLDER

Enclosure  
Certified Mail  
FG

See Attached Listing for Additional Parties of Record

PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
Harrisburg, PA 17105-3265

Public Meeting held June 2, 2000

Commissioners Present:

John M. Quain, Chairman  
Robert K. Bloom, Vice Chairman  
Nora Mead Brownell  
Aaron Wilson, Jr.  
Terrance J. Fitzpatrick

Joint Application of The United Telephone Company  
of Pennsylvania, d/b/a Sprint and DSLnet  
Communications, LLC for Approval of a Master  
Interconnection and Resale Agreement Under  
Sections 252(a)(1) and (e) of the Telecommunications  
Act of 1996

A-310824F0002

**OPINION AND ORDER**

**BY THE COMMISSION:**

Before the Commission for consideration is the Joint Application of The United Telephone Company of Pennsylvania, d/b/a Sprint (Sprint), and DSLnet Communications, LLC (DSLnet), for Approval of a Master Interconnection and Resale Agreement (the Master Agreement) Under Sections 252(a)(1) and (e) of the Telecommunications Act of 1996 (the Act), Pub. L. No. 104-104, 110 Stat. 56 (codified as amended in scattered sections of Title 47, United States Code), including 47 U.S.C. §§251, 252, and 271, and the Commission's June 3, 1996 Order in *In Re: Implementation of the Telecommunications Act of 1996*, Docket No. M-00960799 (*Implementation Order*).

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## History of the Proceeding

On March 14, 2000, Sprint and DSLnet filed the instant Joint Application seeking approval of the aforementioned Master Agreement that would provide for the interconnection of the two (2) companies' networks and make available to DSLnet access to unbundled network elements (UNEs), wholesale telecommunications services, ancillary services, as well as the resale of tariffed services offered by Sprint.

The Commission published notice of the Joint Application and the Master Agreement in the *Pennsylvania Bulletin* on March 25, 2000, advising that any interested parties could file comments within ten (10) days. To date, no comments have been received.

## Discussion

### **A. Standard of Review**

The Commission's standard of review of a negotiated interconnection agreement is set forth at 47 U.S.C. §252(e)(2), which provides, in pertinent part, that:

The state Commission may only reject -- (A) an agreement (or any portion thereof) adopted by negotiation under subsection (a) if it finds -- (i) the agreement (or portion thereof) discriminates against a telecommunications carrier not a party to the agreement; or (ii) the implementation of such agreement or portion is not consistent with the public interest, convenience and necessity . . .

## **B. Summary of Terms**

The Master Agreement specifies the rights and obligations of each Party with respect to the establishment, purchase, and sale of local interconnection, resale of telecommunications services and UNEs. Except as otherwise provided, Sprint and DSLnet agree to provide service to each other under the terms of the Master Agreement for a period of two (2) years ending November 1, 2001. (Agreement, p. 15, ¶ 3.2). It is the intent of the Parties, however, to provide for interim service arrangements between the Parties at the time of expiration so that service to end users will not be interrupted should a new agreement not be consummated prior to November 1, 2001. (Agreement, p. 15, ¶3.3).

The key provisions of the Master Agreement are:

### **1. Resale Discounts:**

A resale discount of 15.26% will apply in instances where DSLnet provides its own Operator/Directory Assistance Service and a resale discount of 10.87% will apply in instances where Sprint provides Operator/Directory Assistance Service to DSLnet.

### **2. Unbundled Local Loops**

The charges that DSLnet will pay to Sprint for unbundled local loops are set forth in the Master Agreement for Analog 2-wire, Analog 4-wire, DS0 2-Wire Digital Data Loop or Interconnection ADSL/ISDN-BRI, DS0 4-Wire Digital Data Loop 56 or 64Kbps and DS1 4-Wire Digital Data DS1/T1/ISDN-PRI. The specific rates for the Analog 2-wire Unbundled Local Loop by Rate Band are as follows:

Analog 2-Wire Local Loop

Recurring Rate

Band 1	\$24.11
Band 2	\$25.81
Band 3	\$27.18
Band 4	\$30.21
Band 5	\$34.01
Band 6	\$39.05
Band 7	\$50.63
Band 8	\$75.19

**3. Reciprocal Compensation**

A reciprocal compensation rate of \$0.005951 per minute of use will apply during the life of the Master Agreement.

**4. Interim Number Portability**

The following Interim Number Portability Rates will apply until such time that permanent local number portability is established:

<u>Interim Number Portability</u>	<u>Recurring Charge</u>	<u>Non-Recurring Charge</u>
RCF Residential	\$0.13	\$0.41
RCF Business	\$0.68	\$0.41
Call Path Residential	\$0.02	\$0.36
Call Path Business	\$0.11	\$0.36

**5. Local Switching**

The following rates will apply for Local Switching service:

<u>Local Switching</u>	<u>Recurring Charge</u>
Band 1	\$ 5.62
Band 2	\$ 6.26
Band 3	\$ 8.15

Band 4	\$ 8.82
Band 5	\$12.05
ISDN	ICB *
Centrex	ICB *
PBX	ICB *
DS1	ICB *

\* ICB = Individual Case Basis.

In addition, the originating and terminating Carrier Common Line rate will be assessed based on the current tariffed rates.

## 6. 911

The following rates will apply for services associated with 911:

<u>911 Service</u>	<u>Recurring Charge</u>	<u>Non-Recurring Charge</u>
911 Tandem Port	\$18.74	\$111.99
Street Index Guide	\$41.00	--
Tape Charge		\$ 50.00

In addition to the rates summarized above, Table 1 of the Master Agreement also includes or references the agreed-upon rates for: usage file charges, various miscellaneous service order charges, Network Interface Device, Custom Calling features and packages, tandem switching transport, operator services (toll, local and Directory Assistance), common channel signaling interconnection service, collocation and the Line Information Database. The Master Agreement also notes that Sprint will add Operation Support Systems (OSS) rates as they are developed.

Sprint and DSLnet aver that the Master Agreement complies with the criteria identified in the Act at 47 U.S.C. §252(e)(2)(A) quoted above, pursuant to which we must determine whether to accept or reject the Master Agreement. The Parties assert that the Master Agreement is not discriminatory and that the interconnection arrangements contained in the Master Agreement are available to any other local exchange carrier certified to operate in Pennsylvania. Furthermore, the Parties note that

other carriers are not bound by the terms of the Master Agreement and are free to negotiate independently with Sprint pursuant to Section 252 of the 1996 Act. (Agreement, p. 2).

The Master Agreement is an important step towards allowing DSLnet to compete as a facilities-based carrier and reseller of local exchange service for both residential and business customers. These are two (2) very important objectives which the Act contemplated and the Pennsylvania General Assembly envisioned when it enacted Section 3009(a) of the Public Utility Code, 66 Pa. C.S. §3009(a). As such, the proposed Master Agreement protects the public interest, convenience, and necessity.<sup>1</sup>

### C. Disposition

Having reviewed the Master Agreement, we shall approve it, finding that it satisfies the two-pronged criteria of Section 252(e) of the Act. We shall minimize the potential for discrimination against other carriers not a party to the Master Agreement by providing here that our conditional approval of this Master Agreement shall not serve as precedent for agreements to be negotiated or arbitrated by other parties. This is consistent with our policy of encouraging settlements. (52 Pa. Code §5.231; *see also*, 52 Pa. Code §69.401, *et seq.*, relating to settlement guidelines, and our Statement of Policy relating to the Alternative Dispute Resolution Process, 52 Pa. Code §69.391, *et seq.*). On the basis of the foregoing, we find that the Master Agreement does not discriminate against any telecommunications carrier not a party to the negotiations.

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<sup>1</sup> It is noted that, regardless of the types of services covered by this Interconnection Agreement, it would be a violation of the Public Utility Code if the Applicant began offering services or assessing surcharges, to end users, for which it has not been authorized to provide and for which tariffs have not been authorized.

The Act requires that the terms of the Master Agreement be made available for other parties to review (§252(h)). However, this availability is only for purposes of full disclosure of the terms and arrangements contained therein. The accessibility of the Master Agreement and its terms to other parties does not connote any intent that our approval will affect the status of negotiations between other parties. In this context, we will not require Sprint or DSLnet to embody the terms of the Master Agreement in a filed tariff, but we will require that the Parties file the Master Agreement with this Commission. It shall be retained in the public file for inspection and copying consistent with the procedures relating to public access to documents.

With regard to the public interest element of this matter, we note that no negotiated interconnection agreement may affect those obligations of the telecommunications carrier in the areas of protection of public safety and welfare, service quality, and the rights of consumers. (*See, e.g.*, Section 253(b) of the Act). This is consistent with the Act and with Chapter 30 of the Public Utility Code, wherein service quality and standards, *e.g.*, universal service, 911, Enhanced 911, and Telecommunications Relay Service, are inherent obligations of the local exchange company, and continue unaffected by a negotiated agreement. We have reviewed the original Master Agreement's terms relating to 911 and E911 services and conclude that these provisions of the Master Agreement are consistent with the public interest.

### **Conclusion**

Based on the foregoing and pursuant to Section 252, *supra*, and our *Implementation Order*, we will approve the Master Agreement between Sprint and DSLnet filed on March 14, 2000, consistent with the conditions delineated in this Opinion and Order; **THEREFORE,**

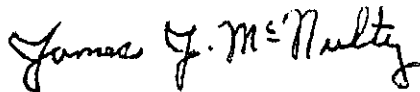
**IT IS ORDERED:**

1. That the Joint Application of The United Telephone Company of Pennsylvania d/b/a Sprint (Sprint), and DSLnet Communications, LLC seeking the approval of a Master Interconnection and Resale Agreement filed March 14, 2000, pursuant to the Telecommunications Act of 1996 and the Commission's June 3, 1996 Order in *In Re: Implementation of the Telecommunications Act of 1996*, Docket No. M-00960799, is hereby approved consistent with this Opinion and Order.

2. That approval of the Master Agreement shall not serve as binding precedent for negotiated or arbitrated agreements between non-parties to the instant agreement.

3. That the Parties shall file a true and correct copy of the Master Agreement, with appropriate amendment, with this Commission within thirty (30) days of the date of entry of this Opinion and Order.

**BY THE COMMISSION,**



James J. McNulty  
Secretary

(SEAL)

ORDER ADOPTED: June 2, 2000

ORDER ENTERED: **JUN 05 2000**

LAWRENCE A WALKER ESQUIRE  
PAUL B HUDSON ESQUIRE  
SWIDLER BERLIN  
SHEREFF FRIEDMAN LLP  
3000 K STREET NW SUITE 300  
WASHINGTON DC 20007-5116

JOSEPH R STEWART ESQUIRE  
50 WEST BROAD STREET  
SUITE 3600  
COLUMBUS, OH 43215

WENDY BLUEMLING DIR REG AFF  
545 LONG WARF DRIVE 5<sup>TH</sup> FLOOR  
NEW HAVEN CT 06511

NORMAN JAMES KENNARD ESQ  
CRAIG R BURGRAFF ESQ  
MALATESTA HAWKE & MCKEON  
100 NORTH TENTH STREET  
PO BOX 1778  
HARRISBURG PA 17105-1778

JULIA A CONOVER ESQUIRE  
BELL ATLANTIC-PENNSYLVANIA  
1717 ARCH STREET 7TH FLOOR  
PHILADELPHIA PA 19103