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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

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January 5, 2004

Federal Express

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

NEW YORK
WASHINGTON
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FLORHAM PARK
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WILMINGTON

RE: Petition of Cellco Partnership d/b/a Verizon Wireless For Arbitration Pursuant to Section 252 of the Telecommunications Act of 1996, Docket No. A-310489

Dear Mr. McNulty:

Enclosed please find for filing in the above-referenced matter the Prehearing Memo of Cellco Partnership.

DOCUMENT

Respectfully submitted,



Christopher M. Arfaa

CMA/cms
Enclosure

cc: Hon. Robert a. Christianson (Via Email and Federal Express)
Hon. Marlane R. Chestnut (Via Email and Federal Express)
Certificate of Service (Via Email and Federal Express)

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BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Petition of CELLCO Partnership :

DOCUMENT

Docket No. A-310489F7004

d/b/a Verizon Wireless

PREHEARING MEMORANDUM OF CELLCO PARTNERSHIP

Pursuant to the Prehearing Conference Order entered December 16, 2002 by Administrative Law Judge Marlane R. Chestnut and 52 Pa. Code § 5.222, Cellco Partnership d/b/a Verizon Wireless ("Verizon Wireless") respectfully submits this Prehearing Memorandum.

A. History of the Proceeding.

This proceeding is an interconnection arbitration brought pursuant to the arbitration provisions of the federal Telecommunications Act of 1996, 47 U.S.C. § 252(b), and the Commission's order implementing those provisions.¹ Verizon Wireless made a formal request for negotiation of an interconnection and reciprocal compensation agreement with ALLTEL Pennsylvania, Inc. ("ALLTEL") on June 26, 2003. Verizon Wireless filed and served its petition for arbitration of fourteen open issues on November 26, 2003. On December 19, 2003, Verizon Wireless served its first set of interrogatories (which included requests for the production of documents) on ALLTEL. On December 22, 2003, ALLTEL filed and served its

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¹ Order, *In re: Implementation of the Telecommunications Act of 1996*, Pa. PUC Docket No. M-0096079 (June 3, 1996) [hereinafter *Implementation Order*]; Order on Reconsideration, *In re: Implementation of the Telecommunications Act of 1996*, Pa. PUC Docket No. M-0096079 (Sept. 5, 1996) [hereinafter *Implementation Reconsideration Order*].

response to the petition, which set forth ALLTEL's position with respect to the fourteen issues raised by Verizon Wireless and also raised eighteen additional issues for arbitration.

Pursuant to federal law, the Commission must render its decision on Verizon Wireless's petition within nine months of the date of the request for interconnection, or March XX, 2004. The Commission's implementation order, however, requires the Arbitrator to issue the recommended arbitration decision 220 days after the date of the interconnection request, or by February 1, 2004. This extremely short deadline will require the parties to streamline the issues and their presentations to the greatest extent possible.

The parties have raised thirty-two issues to be arbitrated. However, as set forth in detail below, it appears that eight of the issues raised by ALLTEL are contract drafting issues that depend upon, and will be resolved by, resolution of the substantive legal issues raised by Verizon Wireless. In addition, the parties appear to have reached agreement with respect to one of the issues raised by Verizon Wireless and seven of the issues raised by ALLTEL. Assuming this is confirmed at the prehearing conference, only 16 issues require substantive arbitration. Moreover, it appears that nine of these remaining issues present issues of law or otherwise do not require resolution of disputed issues of material fact; thus, pursuant to the Commission's implementation orders, these issues may be arbitrated on the parties' documentary submissions and briefs, without oral hearings.² Therefore, oral hearings are required only with respect to the remaining seven issues.

² See *Implementation Order*, Westlaw slip op. at 16 ("If no party raises disputed facts or if the arbitrator determines that the disputed facts are not material, the remainder of the arbitration will be conducted on the documents consistent with a schedule established at the preliminary conference by the arbitrator. . . . If disputed, material facts are present, the arbitrator will schedule oral arbitration proceedings required to resolve the disputed material facts. Oral

(continued...)

B. Issues Verizon Wireless Intends to Present

1. Issues proposed by Verizon Wireless.

Issue 1: Are Rural LECs subject to the negotiation and arbitration process set forth in Section 252(b) for disputes under Section 251(b)(5) for traffic indirectly exchanged between CMRS providers?

Verizon Wireless intends to show that the arbitration process of Section 252(b) applies to any disputes arising under Section 251(a)-(c). This issue does not require the resolution of disputed issues of material fact and therefore may be resolved on the written testimony and briefs submitted by the parties. This issue is not “moot” as asserted by ALLTEL because ALLTEL has “reserved” its alleged right to invoke the rural exemption for certain purposes. *See* ALLTEL Response at 12-13.

Issue 2: Do the FCC’s rules interpreting the scope of an ILEC’s reciprocal compensation obligations under 252 (b)(5) apply to IntraMTA traffic that is exchanged indirectly through a third-party LEC’s Tandem facilities?

Verizon Wireless intends to show that the FCC’s reciprocal compensation rules apply to all traffic defined as “telecommunications traffic” by section 51.701(b)(2) of the FCC’s rules, 47 CFR § 51.701(b)(2). This issue does not require the resolution of disputed issues of material fact and therefore may be resolved on the written testimony and briefs submitted by the parties. This issue is not “moot” as asserted by ALLTEL because while ALLTEL has conceded in its Response that reciprocal compensation will apply to intraMTA traffic, the rates proposed by ALLTEL and the scope of the transport charges which it agrees to pay are inconsistent with Verizon Wireless’s interpretation of the FCC’s reciprocal compensation requirements. For example, during the course of negotiations, ALLTEL has asserted inconsistent legal positions

(..continued)

arbitration proceedings shall be strictly confined to the material facts disputed by the parties. Other advocacy or evidence will not be permitted [at the oral arbitration proceedings.]”.

that it is entitled to compensation for certain costs of transport and termination for calls originated by ALLTEL and terminated by Verizon Wireless . Despite the fact that the plain meaning of 47 C.F.R. § 51.703(b), prohibits originating LECs from shifting the costs to terminating carriers for the transport and termination of LEC originated traffic.

Issue 3(a): Does Section 252 (b)(5) impose an obligation on the originating LEC to pay a CMRS provider for its traffic when it transits the network of a third party LEC and terminates on the network of a CMRS provider?

Verizon Wireless intends to show that section 251(b)(5) of the federal Communications Act, 47 U.S.C. § 251(b)(5), obligates the originating carrier to bear the costs of transport and termination, for telecommunications traffic terminated on a CMRS provider's network. This issue does not require the resolution of disputed issues of material fact and therefore may be resolved on the written testimony and briefs submitted by the parties. Like Issue 2, this issue is not "moot" as asserted by ALLTEL because while ALLTEL has conceded in its Response that reciprocal compensation will apply to intraMTA traffic, it has asserted during negotiations the inconsistent position that it is entitled to compensation for certain costs of transport and termination for calls originated by ALLTEL and terminated by Verizon Wireless. Furthermore, without a definitive ruling on this issue, the parties will be unable to agree on language addressing this issue—language such as that raised by ALLTEL in its proposed Issues 27 and 31. Conversely, a definitive ruling on this issue will resolve Issues 27 and 31.

Issue 3 (b): Pursuant to Section 251(b)(5), is a LEC required to pay any transit charges on traffic it originates indirectly to a CMRS provider?

Verizon Wireless intends to show that the FCC's rules obligate the originating carrier to pay transit charges due third-party carriers for telecommunications traffic terminated on a CMRS providers network. This issue does not require the resolution of disputed issues of material fact and therefore may be resolved on the written testimony and briefs submitted by the

parties. Resolution of this legal issue should also resolve ALLTEL Issue 28, which relates to contract language. See Response of ALLTEL at p. 36.³

Issue 4: Does a third party transit provider “terminate” traffic within the meaning of Section 251(b)(5)?

Verizon Wireless intends to show that the answer to this question is “no” because the FCC has ruled that a transiting carrier is not the “terminating carrier” for the purposes of payment of reciprocal compensation charges to the originating carrier, but the originating carrier still must pay the terminating carrier for transport and termination. This issue does not require the resolution of disputed issues of material fact and therefore may be resolved on the written testimony and briefs submitted by the parties. This issue is related, but not identical, to Issue 3(b). Issue 3(b) concerns whether ALLTEL is liable for transit costs associated with indirect traffic that it originates and that is terminated on Verizon Wireless’s network. Issue 4 concerns whether ALLTEL is entitled to payment from Verizon Wireless for transit charges associated with that traffic. ALLTEL incorrectly uses the term “terminate” with respect to third-party transit providers such as Verizon Pennsylvania. *See* ALLTEL Response at 21. Because this term has legal significance with respect to the payment of reciprocal compensation, this issue remains unresolved and requires clarification to avoid ambiguity in the interconnection agreement.

Issue 5: Where a third party provider provides indirect interconnection facilities, must the interconnection agreement that establishes the terms and conditions for the exchange of the traffic between the originating and terminating carriers include the terms and conditions on which the originating carrier will pay the third party transiting provider for transiting service?

³ ALLTEL stated, “Therefore in the absence of mutual agreement, Verizon PA cannot utilize its interconnection with ALLTEL to *terminate* Verizon Wireless’ traffic to ALLTEL.” (Emphasis added.)

Verizon Wireless intends to present its position that the answer to this question is “no” because reciprocal compensation sets up a system for two parties to establish arrangements and bill each other for traffic terminating on their respective networks. This question may present disputed issues of material fact with respect to the nature and terms of third-party transit arrangements and therefore may require oral hearings for purposes of cross examination.

Issue 6: Can CMRS traffic be combined with other traffic types over the same trunk group?

Verizon Wireless intends to present its position that there is no technological reason for requiring CMRS provider traffic to be deliver over segregated trunk groups and that it is also economically inefficient to require separate and distinct trunk groups for CMRS traffic. This question requires the resolution of disputed issues of material fact with respect to the feasibility and efficiency of indirect trunking arrangements. This issue is not “moot” as ALLTEL contends. Although the parties are completing traffic indirectly in both directions via the existing facilities, ALLTEL continues to assert that the use of these common facilities is governed by ITORP and not subject to reciprocal compensation until the parties come to an agreement through the instant arbitration or Verizon Wireless agrees to and pay for and construct segregated interconnection facilities, for which ALLTEL will only agree to reciprocal compensation up to a point of interconnection on its network. Verizon Wireless will not agree to these terms, and believes its indirect traffic may be co-mingled on the existing facilities and be subject to reciprocal compensation, rather than rates, terms and conditions of the ITORP arrangement, to which Verizon Wireless is not a party. Once the PUC determines whether the existing exchange of indirect traffic through common trunk groups on a commingled basis is

subject to the reciprocal compensation requirements of Section 251(b)(5), the issue raised by ALLTEL Issue 27, will also be resolved.

Issue 7: Is an incumbent local exchange provider required to provide dialing parity to a CMRS provider's NPA NXXs that are locally rated where traffic is exchanged indirectly?

Verizon Wireless intends to present its position that where Verizon Wireless has local rated numbers to ALLTEL's subscribers local calling areas and extended local calling areas, CMRS originated calls should be afforded dialing parity and be treated as local calls. ALLTEL has proposed contract language addressing this issue in its response. Verizon Wireless will agree to the contract language proposed by ALLTEL in its response provided it is applicable to both direct and indirect traffic. Assuming ALLTEL is amenable to that clarification, this issue may be resolved by the Arbitrator's ratification of the parties' agreement.

Issue 8: Should a LEC be required to share in cost of dedicated two-way interconnection facilities between its switch and the CMRS carriers switch?

Verizon Wireless intends to present its position that the answer to this question is "yes" and that where the parties have agreed to construct or lease two-way interconnection facilities on a dedicated basis, both parties should share in their proportionate use of such facilities, regardless of whether such facilities extend beyond the LEC's rate center boundary or "interconnected network." While this is in large part a legal question, it may require the resolution of disputed issues of material fact relating to the nature of the costs of the facilities in question and whether they are properly considered "transport and termination" costs for purposes of reciprocal compensation. This issue is related to the contract-language questions raised in ALLTEL Issues 24, 25 and 27, and its resolution should also serve to resolve those issues.

Issue 9: What is the appropriate pricing methodology for establishing a reciprocal compensation rate for the exchange of indirect traffic?

Verizon Wireless intends to present its position with respect to whether ALLTEL's proposed rates based on a forward-looking cost study that complies with applicable requirements and, if not, what changes to that study or what alternative methodology should be used to meet those requirements. This issue requires the resolution of disputed issues of material fact with respect to costing methodology and inputs that must be addressed at oral hearings. The issue is not "moot" as ALLTEL argued in its Response simply because ALLTEL contends its proposed rates are based on an ALLTEL cost study. Despite repeated requests during contract negotiations, ALLTEL did not provide that cost study to Verizon Wireless until December 22, 2003. The rate levels ALLTEL's cost study has produced appear inordinately high, and therefore inconsistent with the statutory pricing requirement of Section 252(d)(2) of the Act. Verizon Wireless is currently evaluating the validity of the cost study, in light of the statutory requirements, and will present expert testimony on the issues it raises.

Issue 10: Can the Parties implement a traffic factor to use as a proxy for the mobile-to-land and land-to-mobile traffic balance if the CMRS provider does not measure traffic?

Verizon Wireless intends to present its position that the answer to this question is "yes" and that there are circumstances under which the Parties may need to use factors to determine traffic balances for purposes of reciprocal compensation. This issue appears to require the resolution of disputed issues of material fact that will require oral hearings. This issue is related to the contract-language questions raised in ALLTEL Issues 29 and 30, and its resolution should also serve to resolve those issues.

Issue 11: Where a CMRS provider's switch serves the geographically comparable area of LEC tandem, can it charge a termination rate equivalent to a tandem rate for traffic terminated in the Land to Mobile direction?

Verizon Wireless intends to present its position that the answer to this question is “yes.” While Verizon Wireless believes this is a legal issue that can be resolved on the papers, oral hearings may be required if ALLTEL intends to contest the fact that Verizon Wireless’s switch serves a geographical area equivalent to an ILEC tandem.

Issue 12: Should the Parties establish a factor to delineate what percentage of traffic is interMTA and thereby subject to access rates? If so, what should the factor be? (Appendix A.II)

Verizon Wireless intends to present its position that the answer to this question is “yes.” Determination of what the factor should be will likely require resolution of disputed issues of material fact.

Issue 13: After a requesting carrier sends a formal request for interconnection under Section 252 (b) of the Act, what interim reciprocal compensation terms apply to the parties until an agreement has been negotiated and arbitrated by the Commission?

Verizon Wireless intends to present its position that section 51.715 of the FCC’s rules provides for interim reciprocal compensation rates, where a requesting carrier has requested negotiations of an interconnection agreement. This is a legal issue that may be resolved on the parties’ written testimony and briefs.

Issue 14: Under what circumstances should either party be permitted to terminate the agreement or block traffic as a remedy in cases of default or breach?

Verizon Wireless accepts the resolution of this issue proposed by ALLTEL in its Response, pursuant to which the parties will incorporate the following language into the interconnection agreement: “Either Party will have the right to terminate this Agreement at any time upon written notice to the other Party in the event a Party is in material breach of the provisions of this Agreement and that breach continues for a period of thirty (30) days after the other Party notifies the breaching Party of such breach, including a reasonable detailed statement

of the nature of the breach.” This issue may be either withdrawn or resolved by the Arbitrator’s ratification of the parties’ agreement.

2. **Issues proposed by ALLTEL**

Issue 15: Payment due date, General Terms and Conditions, paragraph 8.2 and Attachment 3, paragraph 1.1 of Verizon’s Exhibit 1.

Verizon Wireless intends to present its position that the contract should provide that “Payment for all undisputed charges are due within thirty (30) days of receipt of the invoice. In Attachment 3, paragraph 1.1, Verizon states that bills rendered by either party shall be paid within forty-five (45) calendar days of receipt of the invoice.” This issue does not require the resolution of disputed issues of material fact and thus may be resolved on the parties’ written testimony and briefs.

Issue 16: Bona Fide Dispute, General Terms and Conditions, paragraph 9.1.1.3

Verizon Wireless intends to present its position that the contract should provide that dispute resolution for billing disputes that cover all billing disputes. The language provided by ALLTEL seeks to limit Verizon Wireless’s recourse for disputing bills. Additionally, ALLTEL is seeking to define the term “Bona Fide Dispute” in a manner that would allow it to seek damages for billing disputes from the prior interconnection agreement which expired on March 16, 2003, for which there is a pending complaint before already before the commission. Verizon Wireless will not agree to language which will undermine its legal arguments in the pending action. However this issue does not require the resolution of disputed issues of material fact and thus may be decided on the parties’ written testimony and briefs. Resolution of this issue will also resolve ALLTEL Issue 17.

Issue 17: Removal of Bona Fide in the dispute language, General Terms and Conditions, paragraph 9.1.1.4

Verizon Wireless intends to present its position that the contract should provide that for billing dispute language that would allow the disputing party to withhold payment on disputed amounts. Verizon Wireless is willing to make payments on “non-disputed” amounts pending resolution of billing disputes. This issue does not require the resolution of disputed issues of material fact and thus may be decided on the parties’ written testimony and briefs. This issue is related to ALLTEL Issue 16.

Issue 18: Limitations on disputes, General Terms and Conditions, paragraph 9.1.2.

In its Response, ALLTEL has agreed to the language proposed by Verizon Wireless in Petition Exhibit 1: “No action or demand for arbitration, regardless of form, arising out of the subject matter of this agreement may be brought by either party more than two (2) years after the cause of action has accrued. The Parties waive the right to invoke any different limitation on the bringing of actions provided under state or federal law unless such waiver is otherwise barred by law.” Therefore, this does not appear to be an issue for arbitration. Alternatively, this issue may be resolved by the Arbitrator’s ratification of the parties agreement.

Issue 19: Arbitration, General Terms and Conditions, paragraph 9.6.1

In its Response, ALLTEL has agreed to Verizon’s proposal reflected in Petition Exhibit 1, i.e., that consensual commercial arbitration shall be an elective remedy. Therefore, this does not appear to be an issue for arbitration. Alternatively, this issue may be resolved by the Arbitrator’s ratification of the parties agreement.

Issue 20: Most Favored Nation, General Terms and Conditions, paragraph 31.1

Verizon Wireless intends to show that 47 U.S.C. § 251(i) provides interconnecting carriers the right to “most favored nation” or “MFN” treatment with respect to agreements subsequently negotiated by the interconnecting ILEC and that the interconnection

agreement with ALLTEL should reflect the law. This is a legal issue that does not require the resolution of disputed issues of material fact and thus may be resolved on the parties' written testimony and briefs.

Issue 21: Identification of parties to the agreement.

Verizon Wireless believes this issue was raised by ALLTEL as the result of a misunderstanding between the parties. Verizon Wireless had believed that ALLTEL wished the language referenced in its Response to be deleted. It appears from ALLTEL's response that this is not so and that both parties wish to have the language reinstated. Upon confirmation by ALLTEL, this issue need not be resolved through arbitration. Alternatively, this issue may be resolved by the Arbitrator's ratification of the parties agreement.

Issue 22: Type 1 Interconnection Facilities to be grandfathered, Attachment 2, paragraph 1.1.1.

Verizon Wireless has previously agreed to ALLTEL's proposal that the following language be added to Verizon's Attachment 2, § 1.1.1:

"CMRS Provider shall not request new Type 1 facilities. Existing Type 1 facilities as of the effective date of this interconnection agreement may be retained until the parties migrate the Type 1 facilities to Type 2B facilities."

Therefore, this does not appear to be an issue for arbitration. Alternatively, this issue may be resolved by the Arbitrator's ratification of the parties agreement.

Issue 23: Type 2A and Type 2B, Attachment 2, paragraph 1.1.2 and paragraph 1.1.3 of Verizon's Exhibit 1.

Verizon Wireless believes this issue was raised as the result of a misunderstanding between the parties. Verizon Wireless has not requested SS7 signaling at all locations regardless of availability. To the contrary, Verizon Wireless would like ALLTEL to provide SS7 signaling where it is available and agrees that where multi-frequency signaling is

the only signaling available in ALLTEL's network, it will continue to be utilized. It appears from ALLTEL's response that they would agree to this arrangement. Upon confirmation by ALLTEL, this issue need not be resolved through arbitration. Alternatively, this issue may be resolved by the Arbitrator's ratification of the parties agreement.

Issue 24: Incumbent Local Exchange Carrier Requirement, Attachment 2, paragraph 1.4.2 of Verizon's Exhibit 1.

Resolution of this issue will be determined by the resolution of Issue 8.

Issue 25: Direct Routed Traffic Mobile to Land Traffic, Attachment 2, paragraph 2.1.1.1, paragraph 2.1.1.2, paragraph 2.1.2.1, and paragraph 2.1.2.2 of Verizon's Exhibit 1.

Resolution of this issue will be determined by the resolution of Issue 8.

Issue 26: Direct Routed Traffic Land to Mobile Traffic, Attachment 2, paragraph 2.1.2.2 of Verizon's Exhibit 1.

Verizon Wireless has agreed to the deletion of the reference to third-party tandems objected-to by ALLTEL. Therefore, this does not appear to be an issue for arbitration. Alternatively, this issue may be resolved by the Arbitrator's ratification of the parties agreement.

Issue 27: Indirect Network Interconnection, Attachment 2, paragraph 2.1.5 of Verizon's Exhibit 1.

Resolution of this issue will be determined by the resolution of Issue 8.

Issue 28: NPA-NXX's with different rating and routing points, Attachment 2, paragraph 2.1.

Resolution of this issue will be determined by the resolution of Issue 3(b).

Issue 29: Factors for billing of direct routed traffic instead of actual call recordings, Attachment 3, Section 1.1 of Verizon Exhibit 1.

Resolution of this issue will be determined by the resolution of Issue 10.

Issue 30: Land to Mobile traffic factor, Attachment 4 of Verizon's Exhibit 1.

Resolution of this issue will be determined by the resolution of Issue 10.

Issue 31: Definition of Interconnection Point, Attachment 8 of Verizon Exhibit 1.

Resolution of this issue will be determined by the resolution of Issue 3(a).

Issue 32: Definition of Interexchange Carrier

Verizon Wireless intends to present its position that the definition of Interexchange Carrier is necessary in order to ensure that ALLTEL does not later argue that third-party LECs providing transiting services are Interchange Carriers for purposes of reciprocal compensation. This is a legal issue that may be resolved on the parties' written testimony and briefs.

3. **Table of issues.**

	Status	Oral hearings required?	Related issues
Issue 1	Disputed	No	
Issue 2	Disputed	No	
Issue 3(a)	Disputed	No	31
Issue 3(b)	Disputed	No	28
Issue 4	Disputed	No	
Issue 5	Disputed	Yes	
Issue 6	Disputed	Yes	
Issue 7	Possibly AGREED	No	
Issue 8	Disputed	Yes	24, 25, 27
Issue 9	Disputed	Yes	
Issue 10	Disputed	Yes	29, 30
Issue 11	Disputed	Undetermined	
Issue 12	Disputed	Yes	
Issue 13	Disputed	No	

Issue 14	AGREED	No	
Issue 15	Disputed	No	
Issue 16	Disputed	No	17
Issue 17	Disputed	No	Will be resolved with 16
Issue 18	AGREED	No	
Issue 19	AGREED	No	
Issue 20	Disputed	No	
Issue 21	Apparently AGREED	No	
Issue 22	AGREED	No	
Issue 23	Apparently AGREED	No	
Issue 24	Disputed	As part of 8	Will be resolved with 8
Issue 25	Disputed	As part of 8	Will be resolved with 8
Issue 26	Apparently AGREED	No	
Issue 27	Disputed	As part of 8	Will be resolved with 8
Issue 28	Disputed	No	Will be resolved with 3(b)
Issue 29	Disputed	As part of 10	Will be resolved with 10
Issue 30	Disputed	As part of 10	Will be resolved with 10
Issue 31	Disputed	As part of 3(a)	Will be resolved with 3(a)
Issue 32	Disputed	No	

C. Witness List

Verizon Wireless proposes to present the testimony of the following witnesses on the follows subjects:

1. **Marc B. Sterling.**

Mr. Sterling's business address is as follows:

Marc B. Sterling
Member Technical Staff - Contract Negotiator
Verizon Wireless
One Verizon Place
Alpharetta, GA 30004

Mr. Sterling's testimony will cover the following subjects:

1. Technical, regulatory and statutory aspects of interconnection;
2. Technical, regulatory and statutory aspects of reciprocal compensation;
3. Technical, regulatory and statutory aspects of the transport and termination of telecommunications traffic;
4. Direct and indirect exchange of telecommunications traffic;
5. Third-party transiting arrangements;
6. Definitions of various kinds of traffic (e.g., interexchange traffic, local traffic);
7. The use of direct, indirect, and shared Trunking facilities to exchange traffic;
8. The facilities required for direct and indirect interconnection;
9. The measurement of traffic and use of traffic factors for determining reciprocal compensation;
10. The differences in costs of various types of transport and termination arrangements;
11. The interconnection negotiations between the parties.

2. **Don J. Wood.**

Mr. Wood's business address is as follows:

Don J. Wood
Wood & Wood
100 Milton Park
30000 Mill Creek Avenue
Suite 395
Alpharetta, GA 30022
770-475-9971 (voice)
770-475-9972 (fax)

Mr. Wood's testimony will cover the following subjects:

1. The methodology required by law and sound economics to calculate reciprocal compensation rates for the transport and termination of telecommunications traffic;
2. The forward-looking costs of transport and termination of telecommunications traffic;
3. The cost elements of transport and termination of telecommunications traffic;
4. The propriety of the methodology, inputs, and assumptions of ALLTEL's cost study;
5. The appropriate methodology, inputs, and assumptions that should be used for the calculation of ALLTEL's costs of providing transport and termination of telecommunications traffic.
6. The appropriate forward-looking, cost-based rates for reciprocal compensation based upon the information provided by ALLTEL;
7. The appropriate alternative reciprocal compensation rates if ALLTEL has provided information insufficient to calculate its forward-looking costs of providing transport and termination of telecommunications traffic.

D. Proposed Schedule

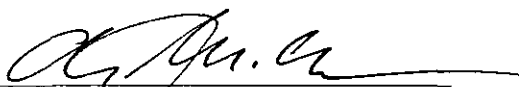
The Commission's rules provide very little time for the completion of this phase of the arbitration. Although federal law provides the Commission with nine months after the date of the interconnection request in which to complete the arbitration – in this case until March 19, 2004, the Commission requires arbitrators to issue their recommended decisions within 220 days,

or by January 29, 2004 in this case. In order to meet this deadline, Verizon Wireless proposed the following schedule and procedures:

- 1/7/04 Prehearing conference.
- 1/15/04 Prefiled direct testimony served.
- 1/19/04 Oral hearings limited to issues requiring resolution of disputed issues of material fact. On those issues, the witnesses may provide concise rebuttal of the other party's direct testimony.
- 1/23/04 Main briefs filed together with proposed disposition of each issue.
- 1/27/04 Reply briefs filed.
- 1/29/04 Recommended decision issued.

In order to facilitate the issuance of a recommended decision by the time required, Verizon Wireless respectfully suggest that the Arbitrator select among the parties' proposed dispositions of each issue and incorporate them into the recommended decision.

Respectfully submitted,


Christopher M. Arfaa
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18th & Cherry Streets
Philadelphia, PA 19103
(215) 988-2700

Counsel for Cellco Partnership d/b/a
Verizon Wireless

Dated: January 5, 2004

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused to be served a copy of the foregoing document upon the persons listed below by the means indicated in accordance with the requirements of 52 Pa. Code § 1.54:

Via Federal Express, Overnight Delivery

D. Mark Thomas, Esq.
Thomas Thomas Armstrong & Niesen
212 Locust Street
Harrisburg, PA 17108-9500

Lynn Hughes
Director - Negotiations
ALLTEL Communications, Inc.
One Allied Drive
Little Rock, AR 72202

Charles F. Hoffman, Esq.
Office of Trial Staff
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105

Irwin A. Popowsky, Esq.
Office of Consumer Advocate
555 Walnut Street, 5th Floor
Forum Place
Harrisburg, PA 17101-1923


Carol Pennington, Esq.
Office of Small Business Advocate
1102 Commerce Building
300 North Second Street
Harrisburg, PA 17101

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**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

Dated: January 5, 2004



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Counsel for
Cellco Partnership d/b/a Verizon Wireless

Thomas, Thomas, Armstrong & Niesen
Attorneys and Counsellors at Law

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CHARLES E. THOMAS
(1913 - 1998)

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Harrisburg, PA 17105-3265

DOCUMENT FOLDER

In re: Cellco Partnership d/b/a Verizon Wireless For Arbitration Pursuant to Section 252
of the Telecommunications Act of 1996
Docket No. A-310489 F7004

Dear Secretary McNulty:

Enclosed for filing are an original and three (3) copies of ALLTEL Pennsylvania, Inc.'s Prehearing Memorandum in the above referenced proceeding.

Copies of the Prehearing Memorandum have been served in accordance with the attached Certificate of Service as prescribed by Judge Chestnut's Prehearing Order.

Very truly yours,

THOMAS, THOMAS, ARMSTRONG & NIESEN

By 

Patricia Armstrong

Enclosures

cc: Certificate of Service
Stephen B. Rowell, Esquire (w/encl.)
Lynn Hughes (w/encl.)

ORIGINAL

Before The
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Re: Cellco Partnership d/b/a Verizon Wireless : Docket No. A-310489
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PREHEARING CONFERENCE MEMORANDUM

OF
ALLTEL PENNSYLVANIA, INC.

DOCKETED
FEB 03 2004

I. INTRODUCTION

AND NOW, comes, ALLTEL Pennsylvania, Inc. ("ALLTEL"), by its attorneys, and submits this prehearing memorandum in compliance with the Prehearing Conference Order of Administrative Law Judge Marlane Chestnut dated December 16, 2003.

1. The names, addresses, telephone and fax numbers, and email addresses of ALLTEL's counsel for this matter are as follows:

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2. This proceeding involves the Petition filed by Cellco Partnership d/b/a Verizon Wireless ("Verizon Wireless") on November 26, 2003, seeking arbitration pursuant to Section 252 of the Telecommunications Act of 1996 ("Act"). On December 22, 2003, ALLTEL filed its Response to the Petition. The Petition has been docketed at A-310489. ALLTEL respectfully submits that the said Petition does not satisfy the requirements of the Commission's Implementation Order¹ or Section 252(b)(2)(A) of the Act.

3. The traffic subject to this arbitration includes both direct and indirect interconnections between Verizon Wireless and ALLTEL. The direct point of interconnection is traffic being exchanged between the parties within ALLTEL's Meadville service territory. The indirect interconnection is three-way traffic transiting Verizon Pennsylvania, Inc. ("Verizon PA") tandems and being transported over intraLATA toll trunks for ultimate termination to the parties' customers. In order to gain a full understanding of the circumstances giving rise to this arbitration proceeding, an understanding of the pending complaint proceeding at Docket No. C-20039321 between ALLTEL and Verizon Wireless' affiliate, Verizon PA, is necessary.

II. HISTORY OF THE RELATED PROCEEDING - DOCKET No. C-20039321

4. ALLTEL filed a Complaint with the Commission against Verizon PA on January 22, 2003, at Docket No. C-20039321, challenging Verizon PA's unilateral

¹In re: Implementation of the Telecommunications Act of 1996, Docket No. M-00960799, Order entered June 3, 1996.

decision to cease paying ITORP² compensation to ALLTEL for the termination of Verizon Wireless' indirect wireless traffic which transits a Verizon PA tandem.

5. On or about February 13, 2003, Verizon PA filed an Answer in which it admitted that, beginning in April 2002, it stopped billing Verizon Wireless and ceased remitting payment to ALLTEL for its termination of the indirect traffic. In defense of its actions, Verizon PA alleged that Verizon Wireless and ALLTEL had entered a separate interconnection agreement that purportedly superseded the Exhibit G Agreement under ITORP. However, the existing Exhibit G Agreement between ALLTEL and Verizon Wireless had never been modified or terminated by ALLTEL or Verizon PA. Subsequently, Verizon PA filed a motion seeking to join Verizon Wireless as an indispensable party.

6. On or about May 19, 2003, Verizon Wireless filed an Answer, New Matter and Counterclaim in the complaint proceeding in which it (1) denied that ITORP is the Commission approved method by which wireless traffic delivered through a Verizon PA tandem is intended to be compensated and claimed that an

²ALLTEL and Verizon PA are parties to a Telecommunications Services and Facilities Agreement ("TSFA"). The TSFA had an effective date of January 1, 1986, and specifies terms and conditions for the joint provision of certain services and facilities between ALLTEL and Verizon PA. The TSFA provides for the "services and facilities associated with" intraLATA telecommunications services, including toll and exchange access services. The TSFA, its Appendices and Exhibits are commonly recognized as the ITORP process.

The TSFA also includes an Appendix 2 - Ancillary Services, which, although executed September 10, 1987, became effective January 1, 1986. Effective January 1, 1991, Exhibit G - Provision of Cellular Billing was made an integral part of TSFA Appendix 2 ("Exhibit G Agreement"). The Exhibit G Agreement specifies the terms and conditions for the provision of billing to cellular carriers by Verizon PA and the terms and conditions for Verizon PA's compensation to ALLTEL for the exchange access services that it performs in connection with the wireless traffic Verizon PA transports over the ITORP joint-use toll trunks to ALLTEL for termination. The vast majority of the incumbent local exchange carriers ("ILECs") operating in Pennsylvania participate in the ITORP process and have similar agreements with Verizon PA.

interconnection agreement between 360 Communications ("360") and ALLTEL, dated September 17, 1997 ("360/ALLTEL Agreement"), and assigned to Verizon Wireless controlled (Verizon Wireless having become successor to 360 by virtue of its acquisition of certain 360 properties in July 2000); (2) acknowledged only limited Commission jurisdiction; and (3) counterclaimed for reciprocal compensation allegedly due to it from ALLTEL under the said 360/ALLTEL Agreement for wireline originated local telecommunications traffic terminating on the Verizon Wireless network from April 2002 through April 2003. Significantly, Verizon Wireless, however, acknowledged the termination of the 360/ALLTEL Agreement.³

7. On May 30, 2003, ALLTEL filed a Reply to New Matter and Motion to Dismiss or, in the alternative, Reply to the Verizon Wireless Counterclaim. ALLTEL explained that (1) the monies which were the subject of its Complaint were due and owing to ALLTEL by Verizon PA pursuant to the Exhibit G Agreement under the ITORP settlement process; (2) the terminated 360/ALLTEL Agreement had no application to compensation for the indirect wireless traffic being delivered to ALLTEL through a Verizon PA tandem; and (3) the 360/ALLTEL Agreement was applicable only to the direct traffic delivered over the Meadville point of direct interconnection.⁴

³In the C-20039321 proceeding, ALLTEL was of the position that the 360/ALLTEL Agreement was terminated on September 26, 2002, whereas Verizon Wireless contended that the agreement was terminated on March 17, 2003.

⁴Verizon Wireless has only a single direct interconnection point with ALLTEL which is located in Meadville. The remaining wireless traffic in ALLTEL's other service territories is indirect traffic delivered via Verizon PA tandems pursuant to the Exhibit G Agreement.

8. An evidentiary hearing was held before Administrative Law Judge Paist on June 5, 2003. Briefs have been submitted in accordance with the briefing schedule and the parties are now awaiting an initial decision.

III. HISTORY OF THE INSTANT PROCEEDING - DOCKET NO. A-310489

9. Verizon Wireless on January 14, 2003, provided ALLTEL a letter with respect to negotiation of a new interconnection agreement to replace the 360/ALLTEL Agreement. Verizon Wireless provided another communication on February 28, 2003. The parties discussed a possible exchange of letters stating that the previous agreement would continue to be effective while the parties negotiated a successor agreement, but this exchange never occurred. ALLTEL subsequently on March 20, 2003 discussed amending the prior 360/ALLTEL Agreement to continue on a month-to-month basis pending resolution of the above-described complaint proceeding, but such amendment was never executed.

10. ALLTEL has consistently asserted that with respect to indirect wireless traffic, ALLTEL must be compensated pursuant to the Exhibit G Agreement under ITORP until interconnection agreements between ALLTEL and both Verizon Wireless and Verizon PA are negotiated and approved providing terms, conditions and rates that supercede the Exhibit G Agreement.

11. ALLTEL and Verizon Wireless have been negotiating the terms of an agreement that will apply to both direct and indirect three-way traffic subject to ALLTEL's demand that a new agreement with Verizon PA is necessary for the indirect traffic. However, ALLTEL and Verizon PA have not yet negotiated terms of a new

agreement that would apply to three-way tandem traffic and supercede the Exhibit G Agreement.

12. It is important to recognize that Verizon Wireless is not seeking to change the existing three-way carrier arrangement among Verizon Wireless, Verizon PA, and ALLTEL from a network facilities standpoint. Verizon Wireless is actually seeking to change only the billing and compensation terms and process applicable to the exchange of this traffic. In addition, Verizon Wireless is seeking to change the compensation and terms applicable to the traffic being exchanged at the Meadville direct interconnection location. Neither Verizon Wireless nor Verizon PA have made any request to ALLTEL to establish totally new network interconnection arrangements applicable to either the indirect three-way tandem traffic or the direct traffic.

IV. THE ARBITRATION PETITION

13. ALLTEL respectfully submits that the Petition is deficient under both the Commission's Implementation Order and the Act, and does not accurately reflect the status of negotiations. Verizon Wireless failed to file either timely notice of its interconnection request with the Commission or a 125-day status report in compliance with the Implementation Order. The Act, Section 252(b)(2), places the explicit duty on a petitioner to provide the state commission with all relevant documentation concerning

- (i) the unresolved issues;
- (ii) the position of each of the parties with respect to these issues; and
- (iii) any other issue discussed and resolved by the parties.

The Verizon Wireless Petition does not satisfy these requirements. The Petition misrepresents the status of the negotiations that has taken place between the parties, fails to document the proper positions of ALLTEL, leaves the issues confused, and acts to shift the burden of this Section 252(b)(2) duty to ALLTEL. Verizon Wireless' list of issues is incomplete and Verizon Wireless has failed to provide documentation that properly reflects all of the other issues that have been discussed and resolved in the course of negotiations. Verizon Wireless attaches a draft agreement (Exhibit 1) to its Petition that in itself reveals issues not identified in the Petition and other unresolved issues not identified in the Petition or not determinable except by comparison to documents not provided by Verizon Wireless. As a result, it is clear that resolution through arbitration of only the issues presented by Verizon Wireless will not result in or resolve an interconnection agreement between the parties, because there are many additional issues open for resolution.

14. It is not the duty of the responding ILEC to fulfill those requirements established by the Implementation Order and the Act that are the responsibility of the petitioner in an arbitration. Without waiving its rights with respect to the inadequacy of the Petition, ALLTEL has identified additional unresolved issues in its Answer and Exhibit A thereto (a draft agreement which reflects ALLTEL's position on unresolved issues and indicates by underlining or highlighting ALLTEL's proposed language with respect to all issues that ALLTEL believes to be unresolved between the parties.) Thus, it is imperative that a clear identification of all issues must be developed before the arbitration can commence.

15. Further, complete resolution of the outstanding issues between Verizon Wireless and ALLTEL is also dependent on a new agreement between ALLTEL and Verizon PA applicable to the three-way tandem traffic. ALLTEL respectfully submits that it and Verizon Wireless have no standing to unilaterally change the existing Exhibit G Agreement under ITORP without Verizon PA and ALLTEL entering a new agreement superceding the existing Exhibit G Agreement.

V. RELEVANT ISSUES

16. Based upon review of the Verizon Wireless Petition and ALLTEL's Response, ALLTEL believes that the following issues have been raised with some issues needing further clarity:

Issue No 1: Whether rural local exchange carriers are subject to the negotiation and arbitration process set forth in Section 252 (b) for disputes under Section 251 (b)(5) for traffic indirectly exchanged?

Status: Resolved unless it is determined that ALLTEL will be required to extend facilities or bear the costs of use of facilities to extend its delivery of traffic outside of its network and local exchange area, in which event, ALLTEL reserves the right to assert its rural exemption, and to seek a suspension or modification as a 2% rural carrier?

Issue No. 2: Whether the scope of a LEC's reciprocal compensation obligations under 252 (b)(5) apply to IntraMTA traffic that is exchanged indirectly through a third-party LEC's Tandem facilities?

Status: Resolved.

Issue No 3(a): Does Section 252 (b)(5) impose an obligation on the originating LEC to pay a CMRS provider for its traffic when it transits the network of a third party LEC and terminates on the network of a CMRS provider?

Status: Resolved.

Issue No. 3(a)(1): Can CMRS traffic be combined with other traffic types over the same trunk group? Refers to Verizon Wireless' Issue 6 in its Petition for Arbitration.

Status: Resolved.

Issue No 3(b): Whether pursuant to Section 251 (b)(5), a local exchange carrier is required to pay any transit charges on traffic it originates indirectly to a CMRS provider?

Status: Unresolved.

Issue No 4: Does a third party transit provider "terminate" traffic within the meaning of Section 251 (b)(5)?

Status: Uncertain. Issue is unclear.

Issue No 5: Where a third party provider provides indirect interconnection facilities, should the interconnection agreement that establishes the terms and conditions for the exchange of the traffic between the originating and terminating carriers include the terms and conditions on which the originating carrier will pay the third party transiting provider for transiting service?

Status: Unresolved.

Issue No. 6: Can CMRS traffic be combined with other traffic types over the same trunk group?

Status: Resolved.

Issue No. 7: Is an incumbent local exchange provider required to provide dialing parity to a CMRS provider's NPA NXXs that are locally rated where traffic is exchanged indirectly? Refers to Verizon Wireless' Issue 7 in its Petition for Arbitration.

Status: Resolved.

Issue No. 8: Whether a LEC is required to share in cost of dedicated two-way interconnection facilities between its switch and the CMRS carrier's switch to extend traffic beyond the LEC's local exchange area and network?

Status: Unresolved.

Issue No. 9: What is the appropriate pricing methodology for establishing a reciprocal compensation rate for the exchange of indirect traffic? Refers to Verizon Wireless' Issue 9 in its Petition for Arbitration.

Status: Uncertain, as the issue is not clear.

Issue No. 10: Can the Parties implement a traffic factor to use as a proxy for the mobile-to-land and land-to-mobile traffic balance if the CMRS provider does not measure traffic?

Status: Uncertain.

Issue No. 11: Where a CMRS provider's switch serves the geographically comparable area of LEC tandem, can it charge a termination rate equivalent to a tandem rate for traffic terminated in the Mobile to Land direction?

Status: Unresolved.

Issue No. 12: Should the Parties establish a factor to delineate what percentage of traffic is interMTA and thereby subject to access rates? If so, what should the factor be? (Appendix A.II)

Status: Resolved as to whether to establish a factor and premature as to what the factor should be.

Issue No. 13: After a requesting carrier sends a formal request for interconnection under Section 252 (b) of the Act, what interim reciprocal compensation terms apply to the parties until an agreement has been negotiated and arbitrated by the Commission? Refers to Verizon's Issue 13 in its Petition for Arbitration.

Status: Unresolved.

Issue No. 14: Under what circumstances should either party be permitted to terminate the agreement or block traffic as a remedy in cases of default or breach?

Status: Unresolved.

Issue No. 15: Whether the payment due date for invoices rendered under the agreement should be determined from the date of the invoice or the date of receipt of the invoice and whether the allotted time should be 30 or 45 days thereafter?

Status: Unresolved.

Issues No. 16 & 17: Bona Fide Dispute, General Terms and Conditions, paragraph 9.1.1.3. and 9.1.1.4. Whether the agreement should include the following: "A Bona Fide dispute does not include the refusal to pay all or part of a bill or bills when no written documentation is provided to support the dispute, nor should a Bona Fide dispute include the refusal to pay other amounts owed by the disputing Party pending resolution of the dispute. Claims by the disputing Party for damages of any kind should not be considered a Bona Fide dispute." And, therefore, whether once a Bona Fide dispute has been processed in accordance with this subsection 9.1.1, the disputing party must make payment on any of the disputed amount owed to the billing party by the next billing due date, or the billing party must have the right to pursue normal treatment procedures. Any credits due to the disputing party resulting from the Bona Fide dispute process would be applied to the disputing party's account by the billing party by the next billing cycle upon resolution of the dispute.

Status: Unresolved.

Issue No. 18: Limitations on disputes, General Terms and Conditions, paragraph 9.1.2. Refers to ALLTEL's Issue 18 in its Response to Verizon's Petition for Arbitration.

Status: Resolved, because the Verizon Wireless Petition Exhibit 1 proposed the following language, which ALLTEL accepts: "No action or demand for arbitration, regardless of form, arising out of the subject matter of this agreement may be brought by either party more than two (2) years after the cause of action has accrued. The Parties waive the right to invoke any different limitation on the bringing of actions provided under state or federal law unless such waiver is otherwise barred by law."

- Issue No. 19: Whether the agreement should provide for commercial arbitration only by consent of the parties as provided in Arbitration, General Terms and Conditions, paragraph 9.6.1 of Verizon Wireless Petition Exhibit 1?
- Status: Resolved, as ALLTEL agrees to the Verizon proposal.
- Issue No. 20: Whether, as Verizon Wireless proposes in Petition Exhibit 1 section entitled, "Most Favored Nation, General Terms and Conditions," paragraph 31.1, Verizon Wireless should have the right to opt out of this agreement during its term and into any other agreement that ALLTEL may execute with another carrier.
- Status: Unresolved.
- Issue No. 21: Whether the agreement should identify all the parties to the agreement?
- Status: Uncertain.
- Issue No. 22 : Whether with respect to the section of the agreement referred to as, "Type 1 Interconnection Facilities to be grandfathered," Attachment 2, paragraph 1.1.1, there should be included the following language: "CMRS Provider shall not request new Type 1 facilities. Existing Type 1 facilities as of the effective date of this interconnection agreement may be retained until the parties migrate the Type 1 facilities to Type 2B facilities."
- Status: Uncertain.
- Issue No. 23: Whether Verizon Wireless can require SS7 signaling from ALLTEL at all locations, even if SS7 is not available from ALLTEL at a location and only multi-frequency signaling is available?
- Status: Unresolved.
- Issue No. 24: Whether agreement section referred to as "Incumbent Local Exchange Carrier Requirement," Attachment 2, paragraph 1.4.2 of Verizon's Exhibit 1, should specify that ALLTEL's obligations to provide service under the agreement is with respect to that service area where ALLTEL is authorized to provide service?

Status: Unresolved.

Issue No. 25: Whether the phrase "within ALLTEL's interconnected network" should be inserted in the agreement section entitled "Direct Routed Traffic Mobile to Land Traffic," Attachment 2, paragraph 2.1.1.1, paragraph 2.1.1.2, paragraph 2.1.2.1, and paragraph 2.1.2.2 of Verizon's Exhibit 1, to clearly indicate that when Verizon Wireless connects to one of ALLTEL's separate segregated networks, it is able to exchange traffic and is achieving interconnection, only with that individual segregated ALLTEL network.

Status: Unresolved.

Issue No. 26: Whether it is appropriate to insert language with respect to indirect connection to tandems into a section that addresses direct connection, specifically, the section entitled "Direct Routed Traffic Land to Mobile Traffic," Attachment 2, paragraph 2.1.2.2 of Verizon's Exhibit 1?

Status: Unresolved.

Issue No. 27: Whether the agreement section entitled "Indirect Network Interconnection," Attachment 2, paragraph 2.1.5 of Verizon Wireless' Exhibit 1, should require the establishment of a direct interconnection facility when the capacity of the indirect traffic reaches a DS1 level?

Status: Unresolved.

Issue No. 28: Whether Verizon Wireless may establish NPA-NXXs in ALLTEL rate centers, regardless of actual delivery point of the associated calls, and require ALLTEL to bear all transport costs to the point of delivery?

Status: Unresolved.

Issue No. 29: Whether, ALLTEL should be required to bill by factor rather than actual minutes, even though ALLTEL can record the actual terminating traffic minutes originating from Verizon Wireless that is routed through a direct interconnection and terminated to ALLTEL?

Status: Unresolved.

Issue No. 30: Whether a 60/40 land to mobile traffic factor must be used by both Parties when either Party cannot record the terminating minutes originating from the other Party routed over a direct interconnection facility, even though ALLTEL has the ability to record all terminating traffic originating from Verizon Wireless over direct interconnection facilities and even though Verizon's proposed factor of 60/40 land to mobile is inconsistent with the shared facilities factor of 70/30 land to mobile proposed by Verizon Wireless?

Status: Unresolved.

Issue No. 31: Whether the agreements definition of "Interconnection Point," Attachment 8 of Verizon Wireless Exhibit 1 should be clear in appropriately defining the parties' responsibilities and reflect that the POI divides the responsibilities of network between the parties, which in ALLTEL's case will be on its network.

Status: Unresolved.

Issue No. 32: Whether the agreement should include a definition of Interexchange Carrier, a term not used in the agreement.

Status: Unresolved.

VI. IDENTIFICATION OF WITNESSES

17. At this time, it is anticipated that ALLTEL will address the aforesaid issues through the testimony of the following witnesses: S. Lynn Hughes-Director Negotiations, ALLTEL Communications, Inc.; Cesar Caballero-Director-Costs, ALLTEL Communications, Inc.; and Steven E. Watkins-Consultant, Kraskin Lesse & Cosson. ALLTEL respectfully reserves the right to call additional witnesses should any further issue arise in this proceeding.

VII. PROPOSED SCHEDULE

18. At the present time, ALLTEL believes that the time limitations imposed by the Commission's Implementation Order and the Act, do not provide for a practical resolution of this arbitration under the existing circumstances. Pursuant to the Implementation Order, the ALJ's recommended decision is due within 220 days of the interconnection request, which date appears to be on or around January 29, 2004.⁵ This date allows no time to conduct an appropriate arbitration or allow the Administrative Law Judge reasonable time to issue a recommended decision.

19. Under these circumstances, ALLTEL respectfully believes the parties should endeavor to agree upon an extension of the time limitations to permit arbitration conferences to resolve many of the aforesaid unresolved issues thereby limiting the issues to be presented to the Administrative Law Judge through written testimony and

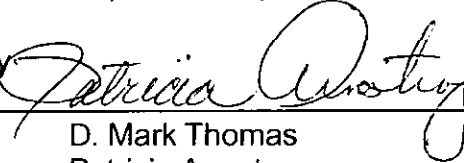
⁵Section 252(b)(4)(C) of the Act requires the Commission's final order to be entered by March 19, 2004.

briefing. ALLTEL respectfully urges Verizon Wireless to work with ALLTEL at the prehearing conference to work out a reasonable time schedule to resolve this matter.

Respectfully submitted,

THOMAS, THOMAS, ARMSTRONG & NIESEN

By



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Dated: January 5, 2004

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PA 1st Fl.
SECRETARY'S BUREAU

Before The
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Re: Cellco Partnership d/b/a Verizon : Docket No. A-310489
Wireless For Arbitration Pursuant to :
Section 252 of the Telecommunications :
Act of 1996 :

CERTIFICATE OF SERVICE

I hereby certify that I have this 5th day of January, 2004, served a true and correct copy of the foregoing Prehearing Memorandum on behalf of ALLTEL Pennsylvania, Inc. upon the persons listed below by e-mail, prior to Twelve O'clock Noon and via first class mail or hand-delivery as noted:

Honorable Marlane R. Chestnut
1302 Philadelphia State Office Building
1400 West Spring Garden Streets
Philadelphia, PA 19130
(via e-mail and first class mail)


Honorable Robert A. Christianson
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**COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Office Of Administrative Law Judge
P.O. Box 3265, Harrisburg, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

January 5, 2004

In Re: A-310489F7004

(See letter dated 1/15/2003)

Petition of CELLCO Partnership d/b/a Verizon Wireless

For Arbitration of Interconnection Rates, Terms, Conditions and
Related Arrangements, with ALLTEL, Pennsylvania, Inc.

Hearing Change Notice

This is to inform you that the Initial Prehearing Conference
on the above-captioned case has been changed and will be held as
follows:

Type: Initial Prehearing Telephone Conference

Date: Tuesday, January 6, 2004

Time: 10:00 a.m.

Location: Hearing Room Number 2
Plaza Level
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania

DOCUMENT

Chief Administrative Law Judge Robert A.
Christianson will be taking this Initial Prehearing
Telephone Conference only. Administrative Law Judge
Marlane R. Chestnut remains as the Administrative Law
Judge of record.

DOCKETED
FEB 03 2004

Presiding: Administrative Law Judge Marlane R. Chestnut
1302 Philadelphia State Office Building
1400 West Spring Garden Street
Philadelphia, PA 19130
Telephone: (215) 560-2105
Fax: (215) 560-3133

At the above date and time the presiding officer will contact the following parties as follows:

D. Mark Thomas, Esquire (717) 255-7619
Christopher M. Arfaa, Esquire ((215) 988-2715

Please change your records accordingly.

If you are a person with a disability, and you wish to attend the hearing, we may be able to make arrangements for your special needs. Please call the scheduling office at the Public Utility Commission:

- Scheduling Office: (717) 787-1399.
- AT&T Relay Service number for persons who are deaf or hearing-impaired: 1-800-654-5988.

pc: Chief Judge Christianson
Judge Chestnut
Steve Springer, Scheduling Officer
Beth Plantz
Docket Section
Calendar File



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Office Of Administrative Law Judge
P.O. Box 3265, Harrisburg, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

DOCUMENT

January 7, 2004

In Re: A-310489F7004

(See letter dated 01/05/2004)

Petition of CELLCO Partnership d/b/a Verizon Wireless

For Arbitration of Interconnection Rates, Terms, Conditions and
Related Arrangements, with ALLTEL, Pennsylvania, Inc.

Hearing Notice

This is to inform you that the Administrative Law Judge in
the above captioned case has been changed from Administrative Law
Judge Marlane R. Chestnut to Administrative Law Judge Wayne L.
Weismandel.

This is to further inform you that Hearings on the above-
captioned case have been scheduled as follows:

Type: Initial and Further Hearings

Date: Tuesday-Wednesday February 10-11, 2004

Time: 10:00 a.m.

Location: Hearing Room Number 1
Second Floor
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania

Presiding: Administrative Law Judge Wayne L. Weismandel
P.O. Box 3265
Harrisburg, PA 17105-3265
Telephone: (717) 783-5452
Fax: (717) 787-0481

DOCKETED
FEB 04 2004

Attention: You may lose the case if you not come to this hearing and present facts on the issues raised.

If you intend to file exhibits, 2 copies of all hearing exhibits to be presented into evidence must be submitted to the reporter. An additional copy must be furnished to the Presiding Officer. A copy must also be provided to each party of record.

Individuals representing themselves do not need to be represented by an attorney. All others (corporation, partnership, association, trust or governmental agency or subdivision) must be represented by an attorney. An attorney representing you should file a Notice of Appearance before the scheduled hearing date.

If you are a person with a disability, and you wish to attend the hearing, we may be able to make arrangements for your special needs. Please call the scheduling office at the Public Utility Commission:

- Scheduling Office: 717-787-1399.
- AT&T Relay Service number for persons who are deaf or hearing-impaired: 1-800-654-5988.

pc: Judge Weismandel
Judge Chestnut
Steve Springer, Scheduling Officer
Beth Plantz
Docket Section
Calendar File