

Before the

FLORIDA PUBLIC SERVICE COMMISSIONEB 12 PM 4:49

In re:

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Investigation into Appropriate Methods to Compensate Carriers for Exchange of Traffic Subject to Section 251 of the Telecommunications Act of 1996 RECORDS AND REPORTING

Docket No.: 000075-TP

GLOBAL NAPs, INC.'S OBJECTIONS TO INTERROGATORIES FROM BELSOUTH TELECOMMUNICATIONS

General Objections:

The following objections apply generally to all of the interrogatories propounded by BellSouth Telecommunications ("BST").

- 1. The instructions and definitions accompanying the interrogatories from BST are overly broad and burdensome. Global NAPs, Inc. ("Global NAPs") will undertake reasonable efforts to respond to those of BST's questions that are not otherwise objectionable. To the extent that any interrogatory calls for more than reasonable efforts on Global NAPs' part in responding, Global NAPs, to that extent, objects to such interrogatory.
- 2. The definition of "document" is so broad that it necessarily encompasses a great deal of material that constitutes attorney-client privileged or otherwise privileged material. Global NAPs will not produce any privileged material in response to BST's interrogatories.
- 3. Some of the interrogatories call for information that Global NAPs does not maintain, either in the form requested or at all. Global NAPs will not perform special studies or analyses of its data in order to derive or develop data not already included in an appropriate form in its records. Failure to object to a particular interrogatory should not be taken as an indication that Global NAPs will have any information to produce in response to that request.
- Particular information called for by a particular objectionable interrogatory may be subject to attorney-client privileged, commercially sensitive and confidential, or otherwise exempt from disclosure. With respect to any interrogatory to which Global NAPs asserts and objection, Global NAPs reserves the right to claim privilege and/or commercial confidentiality with respect to any information which Global NAPs might, following any Motion to Compel that BST might file, be called upon to produce.

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Specific Objections:

Interrogatory:

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2. <u>Identify each person whom you expect to call as an expert witness at the arbitration hearing.</u> With respect to each such expert, please state the subject matter on which the expert is expected to testify, the substance of the facts and opinions to which the expert is expected to testify, and a summary of the grounds for each opinion.

Objection:

The question is unintelligible as stated. This is a generic investigation by the Commission into certain policy issues, not an "arbitration." There will, therefore, be no "arbitration hearing" in this matter. Global NAPs understands this question to be seeking information as to any expert witnesses that Global NAPs will sponsor at the hearing in this generic policy investigation.

This question is also improper because under the Commission's procedures, BST already knows this by virtue of pre-hearing submissions of which Global NAPs is a partial sponsor, so the question seeks information which is readily available to BST.

Notwithstanding these objections, Global NAPs will respond to this question.

Interrogatory:

3. <u>Identify all documents which refer or relate to any issues raised in the Generic ISP</u> <u>Proceeding that were provided or made available to any expert identified in response to</u> <u>Interrogatory No. 2.</u>

Objection:

The question is overly broad as stated. As BST is aware, Global NAPs is a sponsor of the testimony of Dr. Lee Selwyn, an expert with more than 30 years' experience in the fields of regulatory economics and telecommunications policy. Global NAPs is not necessarily aware of "all documents" which may have been "provided or made available" to Dr. Selwyn.

Notwithstanding this objection, as a courtesy, Global NAPs will respond to this question as it relates to any documents that Global NAPs provided to Dr. Selwyn in this specific proceeding for the purpose of developing his testimony in this specific proceeding.

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4. <u>Identify all documents which refer or relate to any issue raised in Phase I of the Generic</u> <u>ISP Proceeding.</u>

Objection:

This question is unduly broad. The "issues raised in Phase I of the Generic ISP Proceeding" encompass matters that have been controversial within the telecommunications industry for at least the past 3-1/2 years. The number of "documents" which "refer or relate to" these issues, nationwide, is almost certainly measured in the dozens of thousands, including numerous public submissions to regulators by industry participants, innumerable trade press reports touching on the issues, etc. Global NAPs, therefore, will not respond to this interrogatory.

Interrogatory:

6. <u>Has GNAPS requested that any state commission outside of BellSouth's region arbitrate,</u> pursuant to Section 252 of the Telecommunications Act of 1996, any of the issues raised in the Generic ISP Proceeding? If the answer to this Interrogatory is in the affirmative, please identify the specific issue on which arbitration was sought; identify the state commission before which GNAPS sought arbitration, including the case name, docket number, and date the petition was filed; and describe with particularity the state commission's resolution of the issue and identify the state commission Order in which such resolution was made.

Objection:

This question is unduly broad. The results of state arbitrations conducted under Section 252 of the Telecommunications Act of 1996 are public documents as available to BST as they are to Global NAPs.

Also, Global NAPs assumes that BST's legal and regulatory departments have access to standard computerized legal search tools such as LEXIS, with which one can input search terms (such as "(ISP or Internet) w/20 (intercarrier or inter-carrier or reciprocal) w/5 compensat!") and automatically retrieve all reported state regulatory and/or court decisions relating to this topic. If BST's legal and regulatory departments do not have access to these standard research tools, please expressly so advise Global NAPs to determine if BST would like to engage Global NAPs and/or its counsel to perform legal research for BST.

Moreover, the particular phrasing and meaning of "issues" raised in one arbitration in one state at one point in time may or may not be viewed as the same as an issue raised in this proceeding within the current regulatory context. In these circumstances, the question is objectionable and Global NAPs will not respond to it.

As a courtesy, however, Global NAPs will provide BST with the non-BST states in which Global NAPs has sought arbitration, in the context of a newly negotiated interconnection

agreement, of issues generally relating to compensation for ISP-bound calling, as well as the approximate dates of any such arbitrations, to facilitate BST's own legal research into this topic.

Interrogatory:

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7. <u>Identify the number of access lines in Florida for which GNAPS provides local telephone</u> <u>service.</u>

Objection:

This interrogatory seeks information which is completely irrelevant to this generic proceeding. No issue in this proceeding depends for its resolution in any respect on any aspect of Global NAPs' particular operations or financial results for any period or in any location.

The question is also unclear. Without waiving any other objection, Global NAPs requests that BST specifically clarify whether connections to the public switched telephone network provided to Internet Service Providers ("ISPs) constitute "local telephone service" provided to such ISPs.

Interrogatory:

8. <u>Please state the total number of end user customers that GNAPS serves within the state of</u> <u>Florida, separated into residential and business customers.</u>

Objection:

This interrogatory seeks information which is completely irrelevant to this generic proceeding. No issue in this proceeding depends for its resolution in any respect on any aspect of Global NAPs' particular operations or financial results for any period or in any location.

The question is also unclear. Without waiving any other objection, Global NAPs requests that BST specifically clarify whether ISPs constitute "end user customers."

Interrogatory:

9. <u>Please state the total number of end user customers that GNAPS serves off of its own</u> network ("on-net" customers) within Florida.

Objection:

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This interrogatory seeks information which is completely irrelevant to this generic proceeding. No issue in this proceeding depends for its resolution in any respect on any aspect of Global NAPs' particular operations or financial results for any period or in any location.

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10. <u>Please state the total number of GNAPS's on-net customers in Florida that are Internet</u> Service Providers ("ISPs").

Objection:

This interrogatory seeks information which is completely irrelevant to this generic proceeding. No issue in this proceeding depends for its resolution in any respect on any aspect of Global NAPs' particular operations or financial results for any period or in any location.

Interrogatory:

11. <u>Please state on a monthly basis the total amount of revenue that GNAPS expects to earn</u> from providing services within Florida to its end-user customers for the years 2001 and 2002.

Objection:

This interrogatory seeks information which is completely irrelevant to this generic proceeding. No issue in this proceeding depends for its resolution in any respect on any aspect of Global NAPs' particular operations or financial results for any period or in any location.

The question is also unintelligible as phrased (particularly in light of the use of certain terms in other interrogatories), in that it appears to be confusing the accounting concepts of receipt of "revenue" (generally, cash obtained from operations) and "earnings" (generally, money remaining (if any) after deducting expenses and other costs from revenue).

Interrogatory:

12. <u>Please state on a monthly basis the total amount of revenue that GNAPS expects to earn</u> from providing services within Florida to its "on-net" end-user customers for the years 2001 and 2002.

Objection:

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This interrogatory seeks information which is completely irrelevant to this generic proceeding. No issue in this proceeding depends for its resolution in any respect on any aspect of Global NAPs' particular operations or financial results for any period or in any location.

The question is also unintelligible as phrased (particularly in light of the use of certain terms in other interrogatories), in that it appears to be confusing the accounting concepts of receipt of "revenue" (generally, cash obtained from operations) and "earnings" (generally, money remaining (if any) after deducting expenses and other costs from revenue).

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13. For the Florida ISP customers identified in response to Interrogatory No. 9, please state, on an annual basis, (a) the total amount GNAPS expects to earn for service to those customers for the years 2001 and 2002; (b) the amounts of any credits, rebate, or adjustments expected to be given to such customers for the years 2001 and 2002; and (c) the total amount of revenue GNAPS expects to collect from such customers for the years 2001 and 2002.

Objection:

This interrogatory seeks information which is completely irrelevant to this generic proceeding. No issue in this proceeding depends for its resolution in any respect on any aspect of Global NAPs' particular operations or financial results for any period or in any location.

The question is also unintelligible as phrased. It appears to direct Global NAPs both to calculate its actual and projected "earnings" for certain future periods, and to use some (unspecified) methodology to allocate any aggregate "earnings" that may be projected to unspecified "service" to a particular group of customers. While it is a near-certainty that Global NAPs does not have any such projections or allocations, the question as phrased, by failing to specify the type of projection and/or allocation methodology to be applied, makes it objectionable irrespective of whether any such projections and/or allocations might exist.

Interrogatory:

14. <u>Please provide GNAPS's total dollar investment in Florida, including total dollar</u> investment in switches, outside plant, and support assets.

Objection:

This interrogatory seeks information which is completely irrelevant to this generic proceeding. No issue in this proceeding depends for its resolution in any respect on any aspect of Global NAPs' particular operations or financial results for any period or in any location.

The question is also unintelligible as phrased in that the terms "outside plant" and "support assets" are not defined, particularly in the context of the operations of an Alternative Local Exchange Carrier ("ALEC"), such as Global NAPs, which is not subject to the Part 32 accounting rules from which the terms "outside plant" and "support assets" appear to be derived.

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15. Please provide the total number of switches GNAPS has deployed in Florida.

Objection:

This interrogatory seeks information which is completely irrelevant to this generic proceeding. No issue in this proceeding depends for its resolution in any respect on any aspect of Global NAPs' particular operations or financial results for any period or in any location.

Interrogatory:

16. <u>Identify any cost study or other data or documents concerning the actual cost to GNAPS</u> to transport ISP traffic from the point of interconnection with BellSouth to the ISP server being served by a GNAPS switch.

Objection:

This interrogatory seeks information which is completely irrelevant to this generic proceeding. As a matter of law, compensation to Global NAPs (or any other ALEC) for transporting traffic to ISP customers is to be based on the costs that BST incurs in the transport and termination of local traffic, unless in a specific proceeding an ALEC makes a showing that it is entitled to a higher amount. This issue cannot arise, as a matter of law, in a generic proceeding such as this one.

The information sought is also irrelevant to this generic proceeding in another sense, which is that no issue in this proceeding depends for its resolution in any respect on any aspect of Global NAPs' particular operations, costs. or financial results for any period or in any location.

The question is also unintelligible as phrased. Specifically, BST is well aware of the substantial controversy within the industry for the past five years regarding the relevant cost methodology to use to assess costs for purpose of pricing unbundled network elements and/or call termination. Global NAPs is unaware of any generally accepted meaning of the phrase "actual cost" within this regulatory context. Without waiving any other objections, it is impossible to attempt to answer this question without a clear definition from BST of the term "actual cost."

In addition, as BST may be aware, the term "ISP server" can cover a wide variety of equipment, including equipment that in many cases may not be directly connected to the public switched network at all. In these circumstances, and without waiving any other objections, it is impossible to attempt to answer this question without a clear definition from BST of the types of ISP equipment that it has in mind by the general term "ISP server."

Interrogatory:

17. <u>Does GNAPS contend that there is a difference between the place where a call</u> <u>"terminates" for jurisdictional purposes and the place where a call "terminates" for</u> Global NAPs Objections to BST Interrogatories Docket No. 000075-TP Page 8 of 12

reciprocal compensation purposes? If the answer to the foregoing is in the affirmative, please: (a) explain in detail the distinction between call termination for jurisdictional and reciprocal compensation purposes; (b) state the date and describe the circumstances when GNAPS first concluded that there was a distinction between call termination for jurisdictional and reciprocal compensation purposes; (c) state the date and describe the circumstances when GNAPS first stated publicly that there was a distinction between call termination for jurisdictional and reciprocal compensation purposes; (c) state the date and describe the circumstances when GNAPS first stated publicly that there was a distinction between call termination for jurisdictional and reciprocal compensation purposes; (d) identify all documents that refer or relate to or support a distinction between call termination for jurisdictional and reciprocal compensation purposes; (e) identify all internal GNAPS memoranda or other documents that discuss, relate to or touch upon the issue of whether reciprocal compensation may be owed for calls delivered to ISPs.

Objection:

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Global NAPs will respond to the unnumbered first question and item (a).

As to item (b), the question is irrelevant to any issue in this proceeding. Global NAPs cannot comprehend how the evolution over time of its understanding (*see* below) of the legal and regulatory rules and principles applicable to reciprocal compensation could reasonably affect the Commission's assessment of any issue in this case. In addition, Global NAPs is a corporation, not a natural person. Different people associated with Global NAPs (including, e.g., its general counsel, its outside regulatory counsel, consultants it may have retained to provide testimony in regulatory proceedings with respect to these issues) almost certainly had different subjective understandings, however, reasonably or necessarily constitutes the view or conclusion of "Global NAPs" as such with respect to these issues. While this question (or one like it) might be appropriate in a case involving a natural person as to which that person's subjective "intent" is relevant to some issue, it has no proper place in a proceeding in which the issues involve the appropriate forward-looking regulatory policies to apply to corporations and/or similar legal entities.

As to item (c) Global NAPs has made various public filings with respect to this general issue at various times, but those Global NAPs positions are irrelevant to any issues in this case, which must be decided on the basis of the legal and regulatory environment as it exists today.

In addition, as to items (b), (c) and (d) — as will be evident from Global NAPs' substantive response to the unnumbered first question and to item (a) — the question as posed is both legally and technically incoherent.

Finally, item (e) is hopelessly overbroad and cannot meaningfully be responded to.

Interrogatory:

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18. <u>Has GNAPS provided telecommunications services to any person with whom GNAPS</u> <u>has entered into any arrangement or agreement that involves the sharing of reciprocal</u> <u>compensation received by GNAPS from BellSouth?</u> If the answer to the foregoing is in

Objection:

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This interrogatory seeks information which is completely irrelevant to this generic proceeding. No issue in this proceeding depends for its resolution in any respect on any aspect of Global NAPs' particular operations or financial results for any period or in any location. Moreover, Global NAPs' marketing strategy, as it may evolve from time to time, is extremely confidential and may not properly be provided either to other ALECs or to any in-house BST personnel with any responsibility relating to BST's operations or strategy regarding customers for which BST and Global NAPs may be competing from time to time.

Interrogatory:

19. <u>Identify all state and federal legal authority that supports GNAPS's contention that traffic to ISPs is local traffic.</u>

Objection:

This question is objectionable in that it seeks to compel Global NAPs to perform legal analysis for BST. The question is also unduly burdensome because the extent of authority supporting the contention that traffic to ISPs is local traffic is so great that Global NAPs should not be required to identify it all — particularly since it is publicly available — for BST.

Without waiving these objections, as a courtesy Global NAPs will identify some of the most recent and/or most prominent regulatory and court decisions that establish that traffic to ISPs is local traffic.

Interrogatory:

21. <u>If not provided in a previous answer, has GNAPS ever taken the position before a</u> regulatory body that ISP traffic is interstate or non-local traffic? If so, identify the proceeding wherein GNAPS took said position, including the name and date of any documents wherein said position was expressed.

Objection:

The question as phrased is unclear. Please advise Global NAPs whether a Global NAPs position that the status of ISP traffic as interstate is irrelevant to the issue of reciprocal compensation would be responsive.

Interrogatory:

Objection:

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This interrogatory seeks information which is completely irrelevant to this generic proceeding. No issue in this proceeding depends for its resolution in any respect on any aspect of Global NAPs' particular operations or financial results for any period or in any location.

Interrogatory:

23. <u>Does GNAPS own or have an interest in an ISP?</u> Is GNAPS affiliated in any way with an <u>ISP (other than a customer relationship)?</u> If so, explain in full the nature of such interest or affiliation.

Objection:

This interrogatory seeks information which is completely irrelevant to this generic proceeding. No issue in this proceeding depends for its resolution in any respect on any aspect of Global NAPs' particular operations or financial results for any period or in any location.

Also, without addressing the merits in any way, Global NAPs notes that any substantive response to this question could consist of extremely commercially sensitive information.

Moreover, the question is overbroad. If the general subject is not irrelevant, for purposes of this proceeding the only possibly relevant response would relate to affiliations with respect to Global NAPs' operations in Florida.

Interrogatory:

24. <u>State the actual cost incurred by GNAPS to transport ISP traffic from the point of interconnection with BellSouth to the ISP server being served by a GNAPS switch.</u>

Objection:

See objections to Interrogatory No. 16, all of which apply fully to this question.

25. <u>State the number of resold lines GNAPS has in Florida, broken down by residence and business lines, if not provided in response to an earlier interrogatory.</u>

Objection:

This interrogatory seeks information which is completely irrelevant to this generic proceeding. No issue in this proceeding depends for its resolution in any respect on any aspect of Global NAPs' particular operations or financial results for any period or in any location.

Respectfully submitted,

GLOBAL NAPS, INC.

By:

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Dated: February 12, 2001

Global NAPs Objections to BST Interrogatories Docket No. 000075-TP Page 12 of 12

I HEREBY CERTIFY that a true and correct copy of the foregoing Global NAPs Objections to BellSouth Telecommunications, Inc.'s Interrogatories was delivered by U.S. Mail to Nancy B. White, Esq., c/o Nancy H. Sims, 150 South Monroe Street, Suite 400, Tallahassee FL 32301, and to R. Douglas Lackey and E. Earl Edenfield, Jr., Suite 4300, 675 West Peachtree Street, N.E., Atlanta, GA 30375, this 124 day of February, 2001.

Cathy/M/Sellers