

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
BellSouth Telecommunications, LLC)	Transmittal No. 106
Revisions to Tariff FCC No.1)	

**PETITION TO SUSPEND AND INVESTIGATE
OF
SPRINT CORPORATION**

Pursuant to Section 1.773 of the Commission’s rules,¹ Sprint Corporation (“Sprint”) hereby respectfully requests that Transmittal No. 106, filed by BellSouth Telecommunications, LLC on September 17, 2015, be suspended and set for investigation. This transmittal proposes a new process for applying service discounts and outage credits that will have the effect of unreasonably reducing the volume/term discounts due to customers of BellSouth’s special access services.

In the instant transmittal, BellSouth has proposed to “clarify” the way it applies Area Commitment Plan (ACP) discounts and Service Assurance Warranty (SAW) credits. ACP discounts are given to customers that make volume and term commitments; SAW credits are issued for service outages. Going forward, BellSouth proposes to adjust any ACP discount in situations in which a SAW credit is also due, to ensure that the SAW credit plus the ACP discount do not exceed the monthly rate for the applicable rate elements. In addition, BellSouth proposes to apply ACP credits by state (see Section 2.4.8(b)(1)).

¹ 47 C.F.R. § 1.773.

Because of the lack of competition in the special access market, Sprint has little choice than to obtain the bulk of its special access facilities from the dominant Bell Operating Companies (BOC). To mitigate the financial impact of the excessively high rates charged by BellSouth and other BOCs, Sprint has entered into volume and term agreements with BellSouth in order to obtain ACP discounts. In most instances, Sprint also purchases some special access facilities in excess of the minimum number of circuits to which it has committed. Sprint expects that in exchange for meeting its volume and term commitment, it will receive the full dollar value of the ACP discount from BellSouth.

Under the terms of the proposed tariff, this will not necessarily happen: if BellSouth experiences a service problem which generates a SAW credit, it may combine the ACP discount and the SAW credit to equal at maximum the monthly charge for the affected rate elements (local channel, multiplexer or channel mileage charges). Sprint's analysis of previous months' invoices indicates that had the instant transmittal been in effect, the net ACP discount received would have been tens of thousands of dollars less per month than the total ACP discount due had there been no SAW credit. In effect, BellSouth would reduce the ACP discount where some of the circuits on which Sprint met its volume purchase commitment failed to perform.

Sprint is not suggesting that BellSouth should issue discounts and credits in excess of the monthly rate for affected rate elements. However, access customers are entitled to receive the entire dollar value of the ACP discount associated with their account to the extent the customer has excess and eligible rate elements available to receive the discounts due under the plan; the total ACP discount amount should not be

reduced by SAW credits. SAW credits are not a “discount” and should not be treated as such. Therefore, where both an ACP discount and a SAW credit are due, any “excess” ACP discounts should be applied to other circuits (even if BellSouth did not originally identify those SAW-eligible circuits as part of the ACP-eligible bucket of circuits) on the customer’s account.

In the instant transmittal, BellSouth also has proposed to apply ACP discounts by state. However, access customers make ACP commitments on a region-wide basis (across all of the BellSouth states). In order to be consistent with how the commitments are made, BellSouth should apply ACP discounts on a region-wide rather than state-by-state basis.

Respectfully submitted,

SPRINT CORPORATION

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