BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of Sprint Communications Company L.P. for Arbitration with Whidbey Telephone Company	Docket No. UT-073031 DECLARATION OF JAMES R. BURT

I, James R. Burt, hereby declare under penalty of perjury under the laws of the State of Washington that the following statements are true and correct.

1. I am Director – Policy for Sprint Nextel. My business address is 6450 Sprint Parkway, 2nd Floor, Overland Park, KS 66251. As part of my responsibilities I provide regulatory support and have personal knowledge about Sprint's wholesale business model.

2. Sprint is authorized to provide telecommunications services throughout the state of Washington as a Competitive Local Exchange Carrier (CLEC) pursuant to the Orders issued in Dockets UT-971048 and UT-971049.

3. Sprint is seeking to interconnect with Whidbey Telephone Company for the purpose of exchanging telephone exchange and exchange access traffic pursuant to Section 251(a) and 251(b) of the Communications Act of 1934, as amended. Initially this interconnection agreement will serve the wholesale business model and would also serve to address any future Sprint retail offerings.

4. Since 2003, Sprint has been offering wholesale telecommunications services to cable companies that wish to enter the competitive voice market. The Sprint/cable business model has resulted in arrangements with cable companies across the United States serving over 3 million subscribers in 36 states.

5. Sprint is seeking interconnection in support of its entry into the competitive voice market with Millennium Digital Media Systems, L.L.C. which serves within the Whidbey Telephone Company's (ILEC's) service territory. Sprint's arrangement with Millennium allows for the provisioning of voice service consistent with the Sprint/cable business model explained below and is similar to the other arrangements that Sprint has entered into with other cable companies. Sprint's relationship with its wholesale customer, Millennium, follows the same business model that was examined by the FCC in the Time Warner case and in the various federal court decisions, as referenced below.

6. The Sprint/cable business model provides significant benefits for Sprint, the cable television companies and subscribers within the serving footprint of the cable television

companies. Sprint and the cable television companies are able to combine and leverage resources, capabilities, expertise, assets and market position to bring facilities-based competitive voice service to subscribers in urban, suburban and rural markets. The service is positioned to compete directly with ILEC voice services and in some instances is the first facilities-based alternative to ILEC service. The service carries the brand of the cable company.

7. The Sprint cable/ business model being deployed by Sprint and the cable companies is a joint provisioning arrangement. The service provided to the end user is a jointly-provided service by Sprint and the cable company, with each contributing based on its unique capabilities. Among other things, Sprint provides:

- end office switching;
- public switched telephone network ("PSTN") interconnectivity including all inter-carrier compensation;
- numbering resources, administration and porting;
- domestic and international toll service;
- operator and directory assistance;
- 911 connectivity and database administration;
- directory listings; and
- numerous back-office functions, e.g., address and telephone number validation.

The cable company provides:

- last-mile facilities to the customer premise (commonly referred to as the loop);
- sales and marketing;
- billing;
- customer service; and
- installation.

8. The voice service at the customer premise is a fixed interconnected VoIP service, i.e., the service is confined to the customer premises to which the service is installed. The cable company installs the appropriate customer premises equipment (CPE) which is connected to the end user's telephone(s) and connected to the hybrid fiber coax (HFC) system owned by the cable company. The HFC system transports voice traffic to a cable company aggregation point for transport to Sprint's end office switch. Sprint converts all traffic to Time Division Multiplexed (TDM) traffic prior to termination to the PSTN over traditional TDM interconnection trunks or access facilities. Traffic originating on the PSTN directed to the end user being served by the Sprint/cable service is converted from TDM to Internet Protocol (IP) prior to being delivered to the cable company for termination to the appropriate end user.

9. Each end user is assigned a number from the North American Numbering Plan (NANP). This number is either ported from another carrier, e.g., the ILEC, or will be assigned from blocks of telephone numbers Sprint acquires from the North American Numbering Plan Administrator (NANPA). Sprint acquires telephone numbers specific to each rate center within which service is provided. The intent of the service is to provide end users of the Sprint/cable service the same experience as they have with their current service provider. Therefore, end

users dial calls as they did prior to switching to the Sprint/cable service. Calls to the Sprint/cable end users dial the telephone number assigned to the end user just as they did prior to switching to the Sprint/cable service.

10. As part of its arrangement Sprint provides 911 services routed to the appropriate PSAP based on the rate center within which the customer resides. Customer location information is provided in the traditional manner via the Automatic Location Indicator database. Sprint provides 911 database administration to ensure a valid and proper physical address is populated.

11. Through this business model, Sprint and the cable companies jointly provide a competitive voice service. The business model has proven effective, capitalizing on the resources and capabilities of each company to enable market entry far sooner than if either company were to attempt to enter the market alone.

12. Implementation of the Sprint/cable business model permits residential and small business customers to have a meaningful alternative for voice services. The presence of that choice, alone, will produce competitive advantages to customers in the form of lower prices and better services as competitors respond to the new competition offered through this business model.

13. The Sprint/cable business model has been challenged by other rural telephone companies. Those challenges related to the wholesale business model and the regulatory classification of the end-user service - the same issues raised by Whidbey Telephone Company. Sprint has prevailed every time that a federal court has issued a ruling - in New York, Texas, Illinois and Nebraska. These federal district court cases were all filed before the FCC issued its declaratory ruling in the Time Warner case finding that Sprint was a telecommunications carrier under its wholesale business model. The Iowa board decision referenced below was appealed to the Iowa federal district court prior to the issuance of the Time Warner order, but that federal district court has not ruled.

14. In addition, except for Nebraska and South Carolina, the state commissions presented with the issue have ruled that wholesale carriers are entitled to interconnection under the Act. The state commissions that have ruled affirmatively on the right of wholesale carriers to interconnect are Illinois, Indiana, Iowa, New York, Ohio, Oklahoma, Pennsylvania and Texas. On the other hand, the Nebraska and South Carolina decisions were specifically cited as being inconsistent with the Act by the FCC in the Time Warner case referenced below. The Nebraska decision was subsequently overturned by the federal district court.

15. The right of a wholesale carrier to interconnect was confirmed earlier this year by the FCC in WC Docket No. 06-55 released March 1, 2007. The FCC in WC Docket No. 06-55 released March 1, 2007, in response to a petition filed by Time Warner Cable, conducted a thorough examination of the Sprint/cable business model and confirmed its validity. In addition, as noted above, multiple federal courts and state commissions have thoroughly analyzed the issues surrounding the Sprint/cable business model and determined that the business model is

consistent with the Act and as a result, Sprint is entitled to Section 251 interconnection. The federal court decisions referenced above ruling on this issue are:

- *Berkshire Telephone Corp. v. Sprint Communications Company, L.P.*, 2006 WL 3095665, (WDNY, October 30, 2006);

- *Consolidated Communications of Fort Bend Company v. The Public Utility Commission of Texas*, 497 F. Supp. 2d. 836 (W.D. Tex., July 24, 2007);

- *Harrisonville Telephone Company, et. al., v. Illinois Commerce Commission, et. al.*, "Memorandum and Order", Civil No. 06-73-GPM (D. Ill., September 5, 2007); and,

- *Sprint Communications Company, L.P. v. Nebraska Public Service Commission*, 2007 WL 2682181, (D. Neb., September 7, 2007).

16. The wholesale business model that Sprint will use in Washington is the same business model that was examined by the FCC in the Time Warner declaratory ruling and by the federal district courts listed above.

Executed on the 6th day of December, 2007.

Jim Burt

James R. Burt

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned authority, by JAMES R. BURT who is personally known to me, who executed the foregoing in my presence and who did take an oath this 6th day of December, 2007.

Rhamie Glade

Notary Public

My commission expires: 9-12-08

NOTARY PUBLIC – State of Kansas
RHAMIE GLADE
My Appt. Exp. 9-12-08

Johnson County