Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45
	)	
1998 Biennial Regulatory Review – Streamlined Contributor Reporting Requirement Associated With Administration of Telecommunications Relay Service, North American Numbering Plan, Local Number Portability, and Universal Service Support Mechanisms	)	CC Docket No. 98-171
	)	
Telecommunications Services for Individuals With Hearing and Speech Disabilities, and the Americans with Disabilities Act of 1990	)	CC Docket No. 90-571
	)	
Administration of the North American Numbering Plan and North American Numbering Plan Cost Recovery Contribution Factor and Fund Size	)	CC Docket No. 92-237 NSD File No. L-00-72
	)	
Number Resource Optimization	)	CC Docket No. 99-200
	)	
Telephone Number Portability	)	CC Docket No. 95-116
	)	
Truth-in-Billing and Billing Format	)	CC Docket No. 98-170
	)	

REPLY OF SPRINT CORPORATION

Sprint, on behalf of its incumbent LEC, long distance/competitive LEC and wireless divisions, hereby replies to the comments and oppositions of other parties to the Petitions For Reconsideration of the Commission's December 13, 2002 order in the above-captioned dockets (FCC 02-329).

Sprint is confining this reply to the issue of whether to permit customer class averaging of USF obligations of local exchange carriers, as proposed by SBC and USTA.

In its initial comments, Sprint supported such class averaging as a reasonable measure to avoid the time-consuming and burdensome billing changes that might otherwise be necessitated for a plan that is only intended to be of interim duration. Sprint also argued that all local-related services purchased by each customer class from LECs, including DSL-based Internet access service, should be included in the permissible class averaging. In that regard, Sprint pointed out that the Commission appears to regard revenues from such services as being subject to USF contributions (even though no order in these dockets has ever made such information services subject to USF), and that the Commission thereby has created a substantial competitive disadvantage for LEC providers of broadband Internet service, as compared with entities using different technologies such as cable modem service whose functionally equivalent services are not subject to USF contributions. Sprint noted that the issue of whether broadband Internet access services should be subject to USF contributions is at issue in another proceeding in CC Docket No. 02-33 which is slated for decision before the end of June, and that there is no reason to force LECs, in the meantime, either to absorb the substantial monthly USF costs related to these services or to place themselves at a price disadvantage vis-a-vis their cable competitors by passing these costs through between now and the time this issue is resolved. Sprint also pointed out that including DSL-based Internet access services in the class averaging would affect the monthly USF recovery charge to consumers by roughly only a dime.

Allowing LECs to engage in customer class averaging was supported by AT&T (at 4) and Verizon (at 3). WorldCom, however, opposed class averaging (at 4, 6) on the grounds that it would not be fair to allow some carriers to class average without allowing other carriers with whom they compete the same latitude. In the context of LEC charges,

however, WorldCom's concerns appear to be unfounded, since the requested relief relates to local-related services provided by the LEC, and not to, for example, interstate interLATA long distance service. AOL Time Warner (at 5) also opposes class averaging on the basis that it could result in undue discrimination as between different customers in the class. However, as pointed out above, class averaging for local exchange carriers only means about a dime's difference per month in the USF recovery charges, based on data for the Sprint ILECs, and is hardly undue discrimination given the anticipated short life of the request.[1]

Accordingly, Sprint urges the Commission to grant the customer class-averaging requests of SBC and USTA and to make clear that such averaging extends to DSL-based Internet access services offered by these carriers.

Respectfully submitted,

SPRINT CORPORATION

Richard Juhnke
401 9th Street, NW, Suite 400
Washington, DC 20004
202-585-1912

March 13, 2003

[1] To the extent that WorldCom and AOL Time Warner also argue against averaging requested by wireless carriers, Sprint would note that this has been rendered moot by the Order and Order on Reconsideration released January 30, 2003 (FCC 03-20).

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing **REPLY OF SPRINT CORPORATION** was sent by e-mail or by United States first-class mail, postage prepaid, on this the 13th day of March, 2003 to the parties on the attached page.

Christine Jackson

Christine Jackson

March 13, 2003

Richard A. Askoff, Esq.
National Exchange Carrier Association, Inc.
80 South Jefferson Road
Whippany, NJ 07981

Lawrence E. Sarjeant, Esq.
Indra Sehdev Chalk, Esq.
Michael T. McMenamin, Esq.
United States Telecom Association
1401 H. Street, NW, Suite 600
Washington, DC 20005

Jeffry A. Brueggeman, Esq.
Gary L. Phillips, Esq.
Paul K. Mancini, Esq.
SBC Communications Inc.
1401 Eye Street, NW, Suite 1100
Washington, DC 20005

Lori Wright
Associate Counsel
WorldCom, Inc.
1133 19th Street, NW
Washington, DC 20036

Mark C. Rosenblum, Esq.
Lawrence J. Lafaro, Esq.
Judy Sello, Esq.
AT&T Corporation
One AT&T Way
Bedminister, NJ 07921

John T. Scott III, Esq.
Anne E. Hoskins, Esq.
Verizon Wireless
Suite 400 West
1300 Eye Street, NW
Washington, DC 20005

Leonard J. Kennedy, Esq.
Lawrence R. Krevor, Esq.
Garnet M. Goins, Esq.
Nextel Communications, Inc.
2001 Edmund Halley Drive
Reston, VA 20191

Laura H. Phillips, Esq.
Laura S. Gallagher, Esq.
Drinker Biddle & Reath LLP
1500 K Street, NW, Suite 1100
Washington, DC 20005-1209

James S. Blaszak, Esq.
Levine, Blaszak, Block & Boothby, LLP
2001 L Street, NW, Suite 900
Washington, DC 20036
Counsel for Ad Hoc

John T. Scott III, Esq.
Anne E. Hoskins, Esq.
Verizon Wireless
Suite 400 West
1300 Eye Street, NW
Washington, DC 20005