CONFIDENTIAL

ERIC FOGLE - CONFIDENTIAL, FOR ATTORNEYS' EYES ONLY

040130-7 BEFORE THE 1 NORTH CAROLINA UTILITIES COMMISSION 2 Docket No. P-772, Sub 8 Docket No. P-913, Sub 5 3 Docket No. P-989, Sub 3 Docket No. P-824, Sub 6 Docket No. P-1202, Sub 4 5 In the Matter of 6 Joint Petition NewSouth 7 Communications Corp., et al. for) Arbitration with BellSouth 8 Telecommunications, Inc. 9 Raleigh, North Carolina Tuesday, June 29, 2004 10 Deposition of ERIC FOGLE, 11 12 a witness herein, called for 13 examination by counsel for the Joint 14 Petitioners, in the above-entitled action, 15 pursuant to Notice, the witness being duly 16 sworn by Nicole Ball Fleming, Court 17 Reporter and Notary Public in and for the 18 State of North Carolina, taken at the 19 offices of Parker Poe Adams & Bernstein, 20 150 Fayetteville Street Mall, Suite 1400, 21 Raleigh, North Carolina, beginning at 9:06 22 a.m., on Tuesday, June 29, 2004, such 23

NICOLE FLEMING & ASSOCIAT
TEL: (919) This confidentiality request was filed by or

by Nicole Ball Fleming.

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This confidentiality request was med by offor a "telco" for DN 0408005. No ruling is required unless the material is subject to a request per 119.07, FS, or is admitted in the record per Rule 25-22.006(8)(b), FAC.

proceedings being taken stenographically W.5-31-05

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APPEARANCES OF COUNSEL 1 2 On behalf of the Joint Petitioners: 3 Stephanie Joyce 4 John J. Heitmann 5 Kelley Drye & Warren 1200 19th Street, NW Suite 500 6 Washington, DC 20036 7 On behalf of BellSouth: 8 Robert A. Culpepper 9 Jim Meza BellSouth Legal Department 10 675 West Peachtree Street, NE Suite 4300 11 Atlanta, GA 30375 12 13 14 15 16 17 18 19 20 21 22 23 24 25

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STIPULATIONS

Prior to examination of the witness, counsel for the parties stipulated and agreed as follows:

- 1. Said deposition shall be taken for the purpose of discovery or for use as evidence in the above-entitled action or for both purposes, as permitted by the applicable rules of civil procedure;
- 2. Any objections of any party hereto as to Notice of the taking of said deposition or as to the time and place thereof or as to the competency of the person before whom the same shall be taken are hereby waived;
- 3. Objection to questions and motions to strike answers need not be made during the taking of this deposition, but may be made for the first time during the progress of the trial of this case, or at any pretrial hearing held before the Judge for the purpose of ruling thereon or at any other hearing of said case at which said deposition might be used, except that an objection as to the form of a question must be made at the time such question is asked or objection is waived as to the form of the question;
- 4. That all formalities and requirements of the Statute with respect to any formalities not herein expressly waived are hereby waived, especially including the right to move for the rejection of this deposition before trial for any irregularities in the taking of the same, either in whole or in part or for any other cause;
- 5. That the sealed original transcript of this deposition shall be mailed first-class postage or hand-delivered to the party taking the deposition or its attorney for preservation and delivery to the Court, if and when necessary.

....

(DEPOSITION EXHIBIT NO. 1 WAS MARKED.) 1 2 ERIC FOGLE, having been duly sworn, 3 testified as follows: 5 MS. JOYCE: This deposition will be conducted in accordance with the 6 7 general stipulations as set forth in the Civil Rules of Procedure. 8 DIRECT EXAMINATION 9 10 BY MS. JOYCE: Please state your name and business 11 Q. address for the record. 12 13 A. My name is Eric Fogle. My business address is 675 West Peachtree Street in 14 Atlanta, Georgia. 15 16 Q. Good morning. My name is Stephanie Joyce, and I am counsel for the following 17 companies: NuVox, NewSouth, KMC, and 18 19 Xspedius. Do you understand that they are petitioners in this action? 20 Yes, I do. 21 A. And in North Carolina, they're called 22 Q. 23 competitive local providers or CLPs. use that acronym, will that make sense? 24 25 Α. Yes.

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And if I called them competitive local
 1
    Q.
        exchanges carriers or CLECs, would that
 2
 3
        make sense to you?
        Yes, it would.
    A.
 5
        Generally, I'm going to refer to these
    Q.
 6
        companies as Joint Petitioners. Will that
        make sense to you?
        Yes, it will.
 8
    A.
 9
    Q.
        Mr. Fogle, do you know why you're here
10
        today?
        I believe I'm here to give a deposition.
    A.
11
12
    0.
        I'm handing you an exhibit that's been
13
        marked 1. Have you seen this document
        before?
14
        Yes, I have.
15
    A.
        Can you tell me what it is?
16
    Q.
17
        It's a notice of deposition of Eric Fogle.
    A .
18
    Q.
        Do you recall the first time you saw this
        document?
19
        I believe I saw it in my e-mail last week.
20
    A.
        Now, I direct your attention to the bottom
21
    Q.
22
        of the first page. It states that,
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should be prepared to respond to questions

pursuant to Rule 30(b)(6), the witness

related to all matters contained in the

23

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witness' direct testimony that has been 1 2 filed -- continuing to the next page -in the above-captioned case. Do you 3 understand what that means? 4 5 Yes, I do. Α. Mr. Fogle, have you been deposed before? 6 0. 7 Yes, I have. A. Have you been deposed in connection with a 8 Q. Section 251 arbitration? 9 10 A. I don't believe I have been deposed as a result of a 251 arbitration. 11 12 And were you deposed as a BellSouth 0. 13 employee? 14 A. Yes. And can you describe generally the nature 15 16 of the actions for which you've been deposed previously? 17 A number of cases that involved complaints 18 Α. 19 by CLECs at the Georgia Public Service 20 Commission and the Florida Public Service 21 Commission relating to BellSouth's policy

on providing DSL services in conjunction

How many times have you been deposed

with CLEC voice services.

before, roughly?

22

23

24

- A. I believe four or five times.
- Q. And I believe you understand the rules,
 but just in brief, you understand you've
 been sworn?
- 5 A. Yes, I do.

- Q. You understand that the answers you give
 to me today could be used at a hearing as
 if you were present at that hearing?
- 9 A. Yes, I do.
- Q. And you understand that the court reporter cannot record a nodding of the head, and so audible answers are appreciated?
- 13 A. Yes, I do.
- Q. And are there any medications or is there
 any condition that would prevent you from
 answering the questions that I'm going to
 pose to you today?
- 18 A. No, there's not.
- Q. And I would ask just for sake of clarity
 and our court reporter's ability to
 transcribe that you let me finish my
 questions before you give your answer.
- 23 A. Okay.
- Q. I'm handing you a document that's been marked Exhibit 2.

(DEPOSITION EXHIBIT NO. 2 WAS MARKED.) 1 2 Q. Can you tell me what this document is? 3 Yes. It's direct testimony of Eric Fogle. Α. And was this prepared for this case by 4 Q. 5 yourself? 6 Yes, it was. A. And can you tell me what your title is at 7 0. 8 this time at BellSouth? Yes. I'm director in BellSouth's 9 Α. interconnection operations organization. 10 Q. And what are your responsibilities as 11 director? 12 13 My responsibilities are to work with BellSouth on developing its broadband and 14 next generation technology policies as 15 well as products, and at the same time 16 17 support BellSouth in a number of regulatory and legal environments to 18 19 advocate their position and to clarify 20 technology issues and technical issues associated with those positions for the 21 various commissions and -- both the FCC 22 and state and public service commissions. 23 24 And what kind of broadband policies have you assisted in developing? 25

- Over the last several years, I've been A. involved with the development of the DSL 2 services for BellSouth and have been 3 working on the development of the technology and the product offerings and 5 determining the complexities associated 6 with offering those products at a very 7 competitive environment and helping BellSouth develop those services and 9 features and capabilities to be competitive in that marketplace.
- Are these policies that are used 12 Q. 13 internally at BellSouth?

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- They're -- Essentially, I've helped build 14 A. the business, and the business rules. And 15 as a result of that, BellSouth takes 16 positions to try to be competitive. And 17 as a result, that has worked its way into, 18 I guess you would say, policies or -- and 19 methods and procedures for doing business 20 that are used internally or -- and also 21 22 positions that we've taken externally with public service commissions or with the 23 FCC. 24
 - And with whom does BellSouth compete, as

you've testified?

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- A. In the area of broadband services,

 BellSouth competes against cable companies

 primarily. Cable companies have developed

 cable broadband service and are the

 dominant players in that business base and

 have more subscribers than BellSouth or

 any of the DSL providers in that business.
 - Q. Could you name the specific cable companies you're referring to?
- 11 A. Comcast would be one. I'm trying to think

 12 of some other names of cable companies in

 13 the Southeast. I know Comcast is one of

 14 the largest. I'm just drawing a blank

 15 unfortunately right now, but some of the

 16 others -- but there are a number of them.
- Q. Does BellSouth complete with these cable companies in the retail market?
- 19 A. Yes.
- Q. And does BellSouth compete with any CLPs in the broadband retail market?
- 22 A. Yes.
- Q. And which CLPs are those, to your knowledge?
- 25 A. There are a number of CLPs that have their

own DSL services. One would be Florida
Digital Networks. Another would be Covad
Communications. I believe ITC DeltaCom
and some others have some of their own
broadband facilities that they're
providing and competing against BellSouth
in the retail space.

- Q. And does BellSouth provide services to Florida Digital Network or Covad in connection with broadband services?
- 11 A. Yes.

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- 12 Q. What are those services?
- In relation to Covad, there's line sharing 13 Α. services that BellSouth provides that 14 15 enables them to provide their broadband services. There are also unbundled 16 17 network elements and other pieces of 18 BellSouth's network that are made available to CLPs for the provision of 19 their services. 20
- Q. Which unbundled network elements are provided?
- 23 A. Loops.
- 24 Q. Anything else?
- 25 A. In some communities, I'm sure they use

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1
        collocation spaces. They probably use
 2
        some cross connects. Other services are
 3
        necessary to interconnect their network
        with our network or to use some of our
 5
        facilities.
 6
    Q.
        Does BellSouth use similar facilities for
 7
        its own DSL retail services?
 8
    A.
        Yes.
 9
    Q.
        Does it use loops?
10
    Α.
        Yes.
11
    Q.
        Does it use cross connects?
12
    A.
        Yes.
13
    Q.
        Mr. Fogle, do you have any legal training?
14
    A.
        No.
15
    0.
        Any paralegal training?
16
    A.
        No.
17
    Q.
        It states here that you have a Master of
18
        Science in electrical engineering degree.
        Do you have any other advanced degrees?
19
20
    A.
        I have a Master's in Business
        Administration.
21
22
    Q. I direct your attention to the first page
23
        of your testimony where it states that,
24
        for a number of years, you led the
25
        broadband marketing group within
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BellSouth, continuing to the next page.

What were your responsibilities when you led the wholesale broadband marketing group?

- A. My responsibility as the director of that organization was to develop the products that were offered to the wholesale ISPs, which is internet service providers, as well as have overall responsibility for the marketing and direction over the products and the underlying network oneness and development, BellSouth's DSL network. Help provide marketing, planning, and determination, location where DSLAMs, which are digital subscriber line access multiplexers --
- 17 Q. Is that D-S-L-A-Ms?
- 18 A. That is correct.

Where those would be deployed to optimize BellSouth's broadband footprint.

- Q. You mentioned in your response that you also did marketing. Was this marketing on the wholesale customers of BellSouth?
- A. Marketing, we termed it wholesale customers, but it is marketing to external

ISPs like AT -- AT&T would be one, but more like Earthlink, is one of our customers. AOL is one of our larger customers, as well as a couple of hundred smaller internet service providers.

- Q. Did you ever market to a CLP such as Covad?
- A. We've had several conversations and discussions with Covad about buying BellSouth's DSL services at wholesale.
- Q. Would you term that incumbent marketing?
- 12 A. In the wholesale space, yes.

Q. And I direct your attention to page 2 of your testimony at the top where it states that formerly you were the director of wholesale broadband marketing, indeed the wholesale broadband marketing group.

Were your responsibilities in that position similar to the responsibilities you performed when you led the wholesale broadband marketing group?

- A. That's the same position. I was director of that organization.
- Q. And you've been a director of BellSouth's interconnection operations since June of

2003; is that correct?

A. That is correct.

O. What role, if any, have

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- Q. What role, if any, have you played in the negotiations of the interconnection agreement that is at issue in this case?
- A. I've had very little involvement in direct negotiation of the interconnection agreement in this case.
- Q. Did you ever participate on a telephone or
 a teleconference call in which
 negotiations took place?
- 12 A. Not in this particular case.
- Q. Did you advise the persons who, on behalf of BellSouth, negotiated this interconnection agreement?
- A. I have been asked my opinion on certain

 positions or on certain technical issues,

 provided that insight and perspective, but

 that's to a very limited degree.
- Q. Can you tell me the persons to whom you've provided your opinions?
- A. I've been asked by John Rasilli about

 positions and issues, technology issues,

 as well as Keith Milner in relation to

 BellSouth's DSL technology and evolution

1 as well as fiber technology and evolution. 2 Anybody else? Q. Naugh, I believe that's it. 3 A. 4 Q. Did you participate in compiling responses to the discovery questions that were asked 5 by the Joint Petitioners to BellSouth? 6 7 A. Yes, I did. . 8 Can you tell me which issues these Q: 9 discovery questions addressed? 10 A. I don't recall right off the top of my head which issues, but there are a number 11 12 of different issues that I cover in my 13 testimony that I was also involved directly with the development of the 14 15 discovery response. Were there any questions that do not 16 Q. 17 relate an issue that you testified regarding -- that you participated in 18 responding to? 19 20 MR. CULPEPPER: Object to the form 21 of the question. I'm not sure I understand the question. 22 23 Could you maybe rephrase it for me? 24 Were there any discovery questions that Q. 25 you participated in providing a response

that do not regard the issues you're 1 testifying about --2 3 No. A. -- in this testimony? 4 Not that I'm aware of. 5 A. 6 Q. Did you review the written responses to 7 interrogatories regarding the issues you're testifying about? 8 I believe I reviewed most of them. 9 10 can't be certain I've reviewed all of them. 11 12 Did you compile the documents that were produced in response to requests for 13 production that regard your issues? 14 15 A. I compiled a certain -- a large number of them. 16 And did you review the production of 18 documents regarding the questions that speak to your issues? 19 Could you please repeat that for me? 20 21 0. Did you review what ended up to be the production to Joint Petitioners of 22 23 documents responsive to request for 24 production? 25 I've reviewed probably most of the -- I

can't claim that I've reviewed all of them.

- Q. Have you ever participated in negotiations for prior arbitration under Section 251?
- A. I believe I have, yes.

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- Q. And do you recall which CLPs were involved in those negotiations?
- A. I believe I've been involved in -- I know I've been involved in negotiations with Florida Digital Networks as well as Supra. What I don't know is whether they were specifically 251 arbitration negotiations or not. There were specific issues relating -- offering our DSL service in conjunction with their UNE services, and I was involved with the negotiation of the language associated with that.
- Q. Did you testify before any tribunal in connection with Florida Digital Networks or Supra's negotiations with BellSouth?
- A. I have testified before a tribunal in Supra -- in some of the Supra cases.
- Q. And why did you choose to write this testimony for this arbitration?

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A. In my current role at BellSouth, I have developed a level of expertise in broadband issues as well as a lot of the -- and have been involved over the past several years with BellSouth's litigation of the DSL with UNE issues.

And as a result, I was determined to be -- I was probably the best and most knowledgeable witness to support BellSouth's position in this arbitration.

- 11 Q. Did anybody ask you to write it?
- 12 A. Yes.

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- Q. Without revealing the content of a privileged communication that you may have had with an attorney, can you tell me who asked you to write the testimony?
- 17 A. My boss, Keith Milner, asked me to write the testimony.
- 19 Q. Now, as I understand it, Mr. Milner is a
 20 senior director; is that correct?
- 21 A. That is correct.
- 22 Q. And he is your immediate supervisor?
- 23 A. Yes.
- Q. Do you know who Mr. Miller's immediate

25 supervisor is?

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1
        He works for a gentleman named Bill Stacy.
    Α.
 2
    Q.
        To your knowledge, did anybody review your
        testimony before it was filed in this
 3
        case?
 4
 5
    Α.
        Yes.
 6
        Again, without revealing the content of a
    Q.
        privileged communication, can you tell me
 7
 8
        which persons those were?
        Folks who reviewed my testimony would be
 9
        Keith Milner, Jerry Latham, Lynn Brewer,
10
        Tommy Williams, Jerry Johnson, Steve
11
12
        Harris, as well as some lawyers.
13
    Q.
        Is that Lynn Brewer, B-r-e-w-e-r?
14
    A.
        That's correct.
15
    Q.
        Did you review the testimony that was
16
        written by any other witness in this case?
        I have not.
17
    A .
        And, to your knowledge, did anybody make
18
    Q.
19
        electronic edits to your draft document of
20
        the testimony?
21
    A .
        Yes.
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And without revealing any privileged

communication, can you tell me who those

I received electronic edits from all of

22

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24

25

Q.

A .

persons were?

1 the same people: Lynn Brewer, Keith 2 Milner, Jerry Johnson, Steve Harris, Jerry 3 Latham, and Tommy Williams. 4 Q. Are all of these persons employed in the interconnection services operations 5 division of BellSouth? 6 Some of them are interconnection 7 A. 8 operations. Others, I believe, are in a 9 product management organization. Q. Would this be a product management 10 11 organization that deals with CLPs? 12 Α. Yes. Q. Would these people also deal with 13 BellSouth end user customers? 14 Are you referring to retail end user 15 customers? 16 17 Q. Yes. No, they would not deal with retail end 18 user customers. 19 20 And, Mr. Fogle, do you have an opinion as to whether BellSouth has an obligation to 21 follow the orders of the state 22 commissions? 23 24 A. I do, and we should always follow the orders of -- meet our obligations with 25

1 the state commissions, and we always do. 2 And, to your knowledge, is BellSouth 3 prepared to comply with whatever order the North Carolina Utilities Commission orders 5 in this case? 6 A. Yes. 7 Do you believe that BellSouth has the Q. 8 discretion to determine which portions of 9 an order it will comply with and which 10 portions it will not comply with? 11 MR. CULPEPPER: Object to the form 12 of the question. You have not been instructed not to 13 Q. 14 answer, so.... 15 A. I guess -- You said I've not been instructed to answer? 16 To not -- You have not been instructed 17 Q. not to answer. 18 Not to answer. Okay. 19 A . 20 Q. So, to the best of your knowledge --21 A. Okay. I'm trying to make sure. didn't -- not instructed to answer --22 not answer. I'm not sure what I'm 23 24 supposed to do next. 25 MR. CULPEPPER: Can we read back

the question.

(THE COURT REPORTER READ BACK THE REQUESTED PORTION OF THE RECORD.)

- A. I mean, I don't believe we have discretion to pick and choose orders that we comply with. I do believe that we have discretion to interpret orders and determine what is the proper method to comply with those orders.
- Q. And who would make that interpretation?
 - A. It would depend on the order in terms of which areas it was involved in. We would bring together a number of different people who have expertise on the technology and the operations and -- as well as the services and the features and make a determination of how best to comply with the order.

It oftentimes involves a lot of expense, a lot of complicated rearranging of our products or services, our network technology. So it just takes a lot of people who know -- our experts on the services and technology to come together and figure out how best to comply.

- Q. If the North Carolina Utility Commission in this case issued an order or a rule regarding DSL services, who would interpret that rule?
 A. I would be involved with that as well as
- A. I would be involved with that as well as probably my boss, Keith Milner, and John Rasilli, a number of lawyers with BellSouth, as well as the product management organization for DSL.
- Q. And if the North Carolina Utilities

 Commission issued a ruling regarding

 fiber-to-the-home groups, who would be

 involved in interpreting that rule?
- A. Some of the same people: Myself, Keith Milner, and John Rasilli, as well as lawyers. And then we would probably involve science and technology as well as the product management groups that are responsible for the fiber department.
- Q. And as a nonlawyer sitting here this morning, to the best of your knowledge, is BellSouth complying with the orders of state commissions that regard BellSouth's provision of DSL services?
- A. Yes.

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Q. Mr. Fogle, is it your position that CLPs
must purchase the entire band width of a
loop under applicable law?
A. Yes.
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- Q. And from where do you derive that position?
- A. As I stated in my testimony, that the FCC's Triennial Review Order specifically has rejected other Joint Petitioners' efforts to separate upper -- band width in upper and lower bands. And in -- paragraph 270 of the TRO was very specific on that issue.
- Q. Is there any other applicable law that speaks to this issue?
- 16 A. I'm certain there's probably other earlier

 17 rules, other earlier laws that speak to

 18 line sharing, which is the issue of

 19 splitting the upper frequency and lower

 20 frequency spectrum from each other, but in

 21 terms of the most recent rules on that are

 22 the Triennial Review Order.
- Q. I direct your attention to page 5 of your testimony.
- 25 A. Uh-huh.

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1 Lines 11 to 12 where you state that, even 0. 2 in those states where the state commissions have ordered BellSouth to 3 continue to provide DSL service when 4 5 BellSouth is no longer the voice 6 provider. Which state commissions are you referring to in that statement? 8 The state commissions that have ordered 9 BellSouth to continue to provide DSL 10 services would be Florida, Georgia, 11 Louisiana, and Kentucky. And, to your knowledge, are those orders 12 still in effect? 13 14 A. Yes. (DEPOSITION EXHIBIT NO. 3 WAS MARKED.) 15 16 Q. I'm going to hand you a large document 17 that's been marked Exhibit 3. Do you recognize this document, Mr. Fogle? 18 19 Not yet. It appears to be an attachment 20 to an interconnection agreement. Would you accept that this is an 21 22 attachment to the interconnection 23 agreement that is being litigated in this 24 case? 25 Α. Yes.

I direct your attention to what is 1 Q. 2 numbered as page 12, section number 3 2.1.1.2. And if you see, there's an entry there that's marked with a field marker, customer short name version. And it 5 6 states that a customer shall purchase the 7 entire band width of the loop and -except as required herein or by applicable 8 9 law. Do you see that the words "or by 10 applicable law" are in bold?

A. Yes, I do.

- 12 Q. And do you understand that the words are
 13 in bold because they are presently in
 14 dispute between the Joint Petitioners and
 15 BellSouth?
- 16 A. Yes, I understand that.
- 17 Q. And do you know why BellSouth has objected

 18 to including the words "or by applicable

 19 law" in this section of the agreement?
- 20 A. I think it's ambiguous because our version
 21 of the language is consistent with
 22 applicable law.
- Q. Would the orders of the Florida, Georgia,
 Louisiana, and Kentucky State Commissions
 apply to this provision, in your

1 opinion? 2 MR. CULPEPPER: Object to the form 3 of the question. Is this the most latest version of Attachment 2? 5 6 MS. JOYCE: To the best of my 7 knowledge, it is. MR. CULPEPPER: I didn't see a 8 9 date on it. 10 MS. JOYCE: This is how it came to us, so I've just printed it from e-mail. 11 12 It was an attachment. MR. CULPEPPER: Okay. 13 This section of the interconnection 14 A. 15 agreement, to my knowledge, governs spectrum unbundling or loop unbundling 16 where you have high frequency and low 17 18 frequency portions of the loop. And it's a very different issue than what's 19 affected -- or the state commissions have 20 ruled about BellSouth continuing to 21 22 provide DSL service with CLECs. 23 If a state commission had ordered 24 BellSouth -- and, indeed, Florida, Georgia, Louisiana, and Kentucky have done 25

so, according to your testimony, they've ordered BellSouth to continue to provide DSL services when BellSouth is no longer the voice provider, what does a technical configuration by which that would be implemented?

1.6

 $$\operatorname{MR}.$ CULPEPPER: Object to the form of the question.

- Q. How would BellSouth continue to provide

 DSL services when BellSouth is no longer
 the voice provider?
- A. It depends on the particular state and how the orders have been written. Each state has made their own set of rules or their own set of orders as to how we are to implement that particular case. In Florida, we provision our DSL service to the end user over a separate line. It's not actually on the same facility, so there's no issue in terms of sharing the frequency or sharing the spectrum on a particular loop.

In Georgia and Louisiana, we have been ordered to provide our DSL service directly on the same loop facility as the

UNE-P. As a result, we had to create specific interconnection language giving us the rights to place our services on the high frequency portion of the loop. And those were adopted by a number of CLECs in Georgia and Louisiana. And once those were adopted, then we placed our DSL services on the upper frequency portion of their loops.

And in Kentucky, they -- the

Kentucky Health Service Commission gave us

the option of providing our DSL service

over a resold line and then have the

resold line repriced or discounted to the

UNE-P rate as an interim solution until we

could get other systems and services in

place. So we provide our DSL service over

the resold line, not over the UNE.

- Q. Where BellSouth provides DSL over the same loop, which is a UNE-P or UNE loop --
- 21 A. Uh-huh.

- Q. -- is it then unbundling the high
 frequency portion of that loop, in your
 opinion?
- 25 A. We are required to have access to the high

frequency portion of that loop in order to 1 2 provide our DSL services. We are not 3 paying for that, nor is it being unbundled 4 back to us, but we are getting access to 5 that high frequency portion in order to 6 provide our service. 7 Is BellSouth unbundling the low frequency Q. 8 portion of that loop? Not creating any new network elements that 9 A. 10 I'm aware of. The CLEC has still 11 purchased the entire loop. They have just provided us access back to use a portion 12 of the loop to provide our DSL service, as 13 14 ordered by the commissions. 15 So is it a fair assessment that BellSouth 16 and the CLP are sharing that loop? 17 They are providing access to it -- us, so A. 18 I guess you can say they're sharing it 19 with us. 20 And the provision I've directed your attention to, 2.1.1.2, to your knowledge, 21 22 does this provision address only line 23 sharing? 24 A . The section 2 is titled unbundled loops. 25 So I imagine the overall section relates

to the rules and conditions of unbundling 1 2 the entire loop. Right. I have directed your attention 3 . Q. specifically to the subpart that's marked 4 2.1.1.2. Is this provision regarding only 5 6 line sharing, in your opinion? 7 Yes. Α. . 8 Q. And are you familiar with the term line 9 splitting? 10 Yes. A. 11 Q. Can you provide me your understanding of 12 what line splitting is? 13 Line splitting is where the one CLEC who A. 14 has purchased the entire band width of the 15 loop chooses to make available a portion 16 of that loop to another CLEC for purposes 17 of running DSL or data service. And, in your opinion, does this provision 18 Q. 19 that we're discussing regard line 20 splitting? 21 A. No, I don't believe it does. 22 Q. If a CLP -- one of the Joint Petitioners 23 who had executed an interconnection 24 agreement with you in the form that's 25 before you right now, can you identify

what portion of Attachment 2 they would 1 invoke in order to perform line splitting? 2 3 Α. Of attachment to this entire document? 4 0. Subpart 2 regarding unbundled loops. 5 A. Okay. Unless you find another part that would be 6 Q. 7 relevant. 8 I'm not that familiar with this document, 9 so it would be hard for me to claim what 10 sections allow line splitting. 11 (PAUSE.) I don't see anything in this subsection 2 12 A. 13 that specifically talks to line splitting. All right. At page 4 of your testimony, 14 Q. sir, beginning at line 18, you have a 15 16 passage that begins, even during the 17 transition period, the FCC has made clear 18 that CLPs are not buying a portion of the loop. What are you referring to when you 19 20 say "transition period"? 21 Transition period is the time frame that Α. 22 the FCC has indicated -- since they have 23 determined that their CLECs are not 24 impaired without access to line sharing, 25 so there's a transition period with which

the -- the CLPs are required to find other services via line splitting or buy the entire -- buy a loop. So there's a transition period which allows them to transition their business plans during that time.

Q. How long is the transition period?

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- 8 A. I believe it ends on October 1st, 2004.
- 9 Q. And up -- And until that date, how would
 10 a CLP access less than the full band width
 11 of a loop?
- 12 A. I'm not sure of your question. If you'd rephrase it possibly for me?
- Q. How would a CLP engage in line sharing up until the end of the transition period for an arrangement not presently in service today?
 - A. Up until the transition period, then
 the -- until October 1st, 2004, I believe
 they can still order line sharing
 services. And then after October 1st,
 they can no longer order those services,
 and I believe there's a repricing over the
 next couple of years until they have to
 actually go ahead and purchase the entire

loop.

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- Q. And at lines 22 to 25, you have a quote from the FCC. And it states that, we require incumbent LECs, L-E-C-s, to provide access to the high frequency portion of the loop based on the criteria for presumed acceptability. Would that be an unbundled network element, a UNE, U-N-E?
- 10 A. No.
- 11 Q. How would you characterize that facility?
- 12 A. I would characterize it similar to how in
- the interconnection agreements that we
- have in place -- we've been ordered to
- provide our DSL service on the UNE-P of a
- 16 CLEC or we've been given access to the
- high frequency portion for purpose of
- providing our DSL service, I would
- characterize it as just the reverse of
- 20 that.
- 21 Q. Is it an access service?
- 22 A. The high frequency portion of the loop, is
- it an access service?
- Q. As defined in this quote that you've
- included in your testimony?

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ERIC FOGLE - CONFIDENTIAL, FOR ATTORNEYS' EYES ONLY

- A. No, I don't believe that it is.
- Q. How would a CLEC order this arrangement that is discussed in this quote?
- A. They would order it I believe using the same ordering methods that they've used historically that are already in place.
- 7 Q. What would you call that product at 8 BellSouth?
- 9 A. I believe it's termed line -- it's called line sharing.
- 11 Q. And do you consider that a service or a product?
- 13 A. I would consider it a product.
- 14 Q. A wholesale product?
- 15 A. Yes.

- Q. Do you know what the rates are for such a wholesale product when a CLP wants to access less than the full bandwidth of a loop?
- 20 A. I do not.
- Q. Do you know where those rates are located?
- 22 A. I believe they're specified in the
- interconnection agreements. I know
- they're different from state to state
- depending on what rates have been

established, but I don't know what the
actual rates are.

Q. Do you know under what methodology those
rates were derived?

- A. I'm not certain, no.
- Q. Are you familiar with the term total element long run incremental cost?
- 8 A. Yes, I am.

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- 9 Q. Do you know whether those wholesale
 10 product rates are created in accordance
 11 with TELRIC?
- 12 A. I would assume they are since they're

 13 historical derivation as a result of UNEs

 14 that were unbundled network elements, but

 15 I was not involved in the development of

 16 those rates.
- Q. And, Mr. Fogle, what is your position as
 to when an order of the FCC becomes
 effective?
- 20 A. On -- I'm not sure of your question.
- Q. As a general matter, do you have an understanding as to when an order promulgated by the FCC becomes effective as a matter of law?

MR. CULPEPPER: Object to the form

of the question.

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- A. I mean, it's pretty clear usually that -I mean, they're issued on a particular day
 and they usually say in them when they're
 effective.
- Q. If an order does not say in them when they're effective, is there no effective date?

 $$\operatorname{MR}.$$ CULPEPPER: The same objection.

- 11 A. I'm not sure.
- 12 Q. At page 7 of your testimony, line 4 -- or
 13 beginning at line 3, there's a statement,
 14 regardless of whether or not they were
 15 deployed prior to the effective date of
 16 the TRO, even though no effective date is
 17 specified. So it's your position that the
 18 TRO has no specified date in it?
 - A. On this particular issue, which is effecting unbundling relief as applicable to fiber-to-the-home loops, the FCC specifically found there's no impairment and thus did not make a requirement for us to provide unbundling except in one specific situation where we're retiring

existing copper loops. And they did not specify that -- a particular date before or after or when, in their words, and so we're not looking for that either. It's just there's no impairment, regardless of when it was deployed. So we're making -- taking the position that since there's no impairment, the FCC, since they didn't state a particular effective date on this particular order, there isn't one.

- Q. All right. I think in your response you may have been saying two things.
- 13 A. Okay.

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- Q. My question was, the TRO has no specific
 effective date provided by the FCC, this
 order shall be effective on this day. Is
 that your position?
- 18 A. I'm not aware of where it might -- it may
 19 or may not say that somewhere else in the
 20 TRO.
- 21 Q. Are you also saying that with specific
 22 regard to fiber-to-the-home loops and the
 23 order -- the portion of the order dealing
 24 with that, if that portion of the order
 25 does not contain a date in it, these rules

are effective on this day? 1 2 That is correct. A. Also on page 7, further down on the page, 3 lines 15 to 16, you state that the 4 language of the Joint Petitioners have 5 offered creates an obligation that the FCC 6 did not intend. What do you mean by that 7 statement? 8 Well, if the FCC intended to create an 9 A. effective date, our position is they would 10 have put that in their order. 11 Are you familiar with the term greenfield 12 0. 13 loop? 14 A. Yes. And what is a greenfield loop? 15 A greenfield loop is -- or a loop that is 16 A . placed into an area that is newly 17 developed or being newly developed. It's 18 an area that does not have 19 telecommunications facilities prior to 20 when they're being constructed. 21 On what date would a loop have to be installed to be determined a greenfield 23

A greenfield loop, it's a term that's used

loop?

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in the industry for any loop that is being constructed in a new area, so it's depending on where you're sitting at the time. Like today, greenfield areas, as we would refer to them in BellSouth, are areas that are being constructed or developed now. New housing subdivisions, new apartment complexes, new office buildings, those would all be considered There's no facilities greenfields. available today because none have been constructed. Two months from now, some of that construction would complete and those areas would no longer be considered greenfield. And whatever areas are still under construction would be considered greenfield going forward. It's a term that's used essentially to describe areas of new construction. If a fiber-to-the-home loop had been

- Q. If a fiber-to-the-home loop had been installed the day after the TRO was released, would it be a greenfield loop, in your opinion?
- A. Well, all loops start out as greenfield loops because -- I mean, greenfield is

just a term that describes an area of under new construction. So it's -- it is -- you know, it's -- newly deployed or greenfield just simply refers to what you're looking forward to and what you're doing in the future.

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Q. So the determination of whether a loop is a greenfield loop is not dependent on what date the TRO came out?

MR. CULPEPPER: Object to the form of the question.

- 12 A. I'm not sure -- I mean, maybe you can

 13 rephrase the question for me. I'm not

 14 real clear on it, what you're asking.
- Q. If the TRO had never been released and didn't exist, would there be greenfield loops in BellSouth's network?
- A. Yes, there would be greenfield loops.

 We've been talking about greenfield loops

 for years. It's a term that's used inside

 BellSouth and in the industry for areas of

 new construction.
- Q. When does it become -- Exactly what
 moment in time does it become a brownfield
 loop?

- 1 A. Once service has all been turned up and
 2 the area is built out, it is no longer
 3 new.
- Q. All right.

 (DEPOSITION EXHIBIT NO. 4 WAS MARKED.)
- Q. I'm handing you a document that's been marked Exhibit 4. Do you recognize this document?
- 9 A. No, I do not.
- 10 Q. Do you recognize the front page?
- 11 A. I don't believe I've ever seen it before,

 12 but it appears to be a report and order on

 13 remand and further notes of proposed rule

 14 making from the FCC.
- Q. Would you accept that this is the front page of the TRO?
- 17 A. Yes, that would be...
- Q. And because it's a voluminous document,
 I've only provided you with a portion of
 that order that's been printed from the
 FCC's website. And I direct your
 attention to the section that's -- begins
 on page 2 of the exhibit called FTTH
 loops.

MR. CULPEPPER: I don't have a

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        page 2.
                MS. JOYCE: The second page.
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                MR. CULPEPPER: Okay.
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                MS. JOYCE: It's not marked 2, but
        it's page --
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                MR. CULPEPPER: Page 163?
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                MS. JOYCE: Yes.
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                MR. CULPEPPER: Okay.
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       Did you review -- And if you need to take
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    Q.
       a moment, please do.
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                Did you review this section when
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        you wrote your testimony regarding the
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        issue we're discussing?
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               MR. CULPEPPER: Object to the
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        question to the extent it's asking the
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        deponent to disclose privileged
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        information.
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        I did review this particular section prior
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        to writing the testimony.
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        Can you direct me to the portion of this
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        section that supports your understanding
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        of what is a greenfield loop in the FTTH
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        context?
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        In the -- I guess the second sentence
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   A .
        where they talk about, our conclusion
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applies to FTTH loops deployed by incumbent LECs in both new construction and overbuild situations. The area where they're talking about new construction, that's an area that we commonly refer to in the industry as greenfield.

The next two sentences kind of elaborate on that sentence, the first of which they talk about our obligations in the overbuild situations. The second sentence refers to newly deployed or greenfield fiber loops which, again, is discussing or talking about the new construction portion of this rule.

- Q. And is it your testimony that the term new construction is determined by the ILEC in how it views its build-out plans?
 - $$\operatorname{MR}$.$ CULPEPPER: Object to the form of the question.
- 20 A. I'm -- I'm not sure of your question.
 21 Could you maybe rephrase it for me?
- Q. I guess to be somewhat glib, is a new construction anything that BellSouth says it is?
- 25 A. No. I mean, new construction -- it's

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pretty apparent when a new construction would be. You drive by and you see bulldozers and buildings going up and there are areas that they start off as green fields and turn into housing developments, apartment complexes, office buildings, those types of things. That is, you know -- the greenfield area is completely an area of new construction. It requires -- We do a lot of work to build up facilities to those new locations, new construction areas.

- Q. So is it your testimony that the word greenfield refers to the fact that it's an open meadow with no construction on it yet and there are no buildings there?
- A. It's not necessarily an open meadow or no buildings. It is simply that there's new construction or new housing units or office units or areas in which there are no facilities built at present and someone has to make the investment to build facilities out to reach those potential customers. And so as a result, it's a greenfield application or greenfield

location in that there's nothing embedded, there's nothing existing there, no services -- no infrastructure available to offer services, so something new must be built to reach those customers.

- Q. What is your understanding of what an overbuild is?
- A. An overbuild situation is where we have existing infrastructure or existing telecommunications planned and we choose to come in and build new infrastructure or new plant on top of that existing infrastructure usually for the purposes of offering new services or to put in new technologies that are more cost effective for other reasons. But it's us reconditioning or rebuilding our infrastructure -- our existing
- infrastructure -- our existing
 infrastructure to upgrade with new
 technologies and new services.
- Q. Is that rebuilding considered by you to be a greenfield?
- 23 A. No.

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- 24 Q. Is it a brownfield?
- 25 A. It's -- Some people refer to it as

brownfield. It's more commonly referred to as overbuild.

- Q. Do you believe that BellSouth has any obligation to provide a rebuilt facility of the type that you just characterized as an unbundled network element?
- A. That's a fairly broad question. Are you referring to a particular -- like a fiber-to-the-home specifically or --
- Q. Or with respect to the testimony you've just given about BellSouth rebuilding, what it typically calls overbuild.
- 13 A. Uh-huh.

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- Q. Is it your position that -- or do you have a position as to whether BellSouth has an obligation to provide overbuilt facilities to a CLP as a UNE?
 - A. In regards to fiber-to-the-home loops in particular where we have chosen to do an overbuild, there's existing copper infrastructure, and we've chosen to replace that with fiber-to-the-home. Our obligation is to continue to provide narrow band access to those locations so as to not reduce the available footprint

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to CLECs. And that -- only in situations
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        where we're doing an overbuild.
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       All right.
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        (DEPOSITION EXHIBIT NO. 5 WAS MARKED.)
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        I'm handing you a document that's been
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    0.
        labeled Exhibit 5. Do you recognize this
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 7
        document?
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        Yes.
    A.
        Can you tell me what it is?
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    Q.
        It's an FCC Tariff No. 1 specific to
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    A.
        BellSouth's DSL service.
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        Have you ever reviewed the provision that
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    Q.
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        appears on this page before?
        Yes.
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    A.
        Can you direct me to the language on this
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        page that would explain what kind of
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        access a CLF or a CLEC could get to a loop
        that is in use by BellSouth for DSL
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        services?
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        I don't believe that there's any language
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        on this page that provides access to a
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        CLEC to a loop that's being used by
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        BellSouth.
        I'm now handing you a document that's been
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25
        marked Exhibit 6.
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(DEPOSITION EXHIBIT NO. 6 WAS MARKED.) 1 Do you recognize this document? And I 2 Q. invite you to review it. 3 (PAUSE.) 5 A. Yes, I do. This is a response that BellSouth provided 6 Q. to the Joint Petitioners in response to 7 their discovery questions; is that 8 9 correct? Yes, it is. 10 A . And it's marked item number 2-15-1. 11 Q. you understand that to mean that these 12 questions regard issue 2-15? 13 Yes, they do. 14 A. I direct your attention to the page that's 15 Q. numbered 31 in this exhibit, but it's the 16 third page of the exhibit. 17 Okay. 18 A. And the question posed to BellSouth was, 19 provide all documents regarding the 20 proportion as a percentage of BellSouth 21 loops that are fiber-to-the-home loops. 22 And at the bottom of the page, 23 24 there are figures provided that as of December 31st, 2003, BellSouth has 25

deployed fiber-to-the-curb FTTC to 99,271 1 living units in North Carolina. Do you 2 see that? 3 Yes. Α. 5 Q. Do you characterize those loops as 6 greenfield loops or brownfield loops? 7 They would be brownfield. A. 8 Q. And in the previous sentence, it states, 9 BellSouth currently has zero 10 fiber-to-the-home loops deployed in North 11 Carolina. Do you see that? Yes, I do. 12 A. And did you assist in providing this 13 Q. 14 response to the Joint Petitioners? Yes, I did. A. 15 Do you know whether BellSouth is presently 16 0. installing fiber-to-the-home loops in 17 North Carolina? 18 I do not believe that we are. 19 A. 20 Are there any greenfield fiber-to-the-home loops -- deployed loops in North 21 22 Carolina? 23 A. Unless there is a technology test that may 24 be happening or some very small amount, 25 that could be possible. Other than that,

we are not commercially deploying
fiber-to-the-home in North Carolina at
this time.

- Q. Okay. Is it correct that there are not any brownfield fiber-to-the-home loops in North Carolina?
- A. That is correct.

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- Q. And I direct your attention now to the first page of the exhibit, which also states that BellSouth currently has zero fiber-to-the-home loops deployed in Alabama. There are no brownfield fiber-to-the-home loops in Alabama at this time?
- 15 A. That's correct.
- Q. Nor any greenfield fiber-to-the-home loops?
- A. I don't believe we're commercially
 deploying it. Like I said, there may be
 some specific technology tests that are
 going on where individual loops may have
 been serviced, but there's been no
 commercial deployment.
 - Q. And as to fiber-to-the-curb loops, as indicated on this page, that has been

deployed in Alabama to 18,275 living
units. Do you see that?

A. Yes.

Q. Are those all brownfield FTTC loops, in
your opinion?

A. Yes.

- Q. Can you tell me what the term living unit means?
- A. It's a term that's used to describe generically a household; could be a apartment, could be a condominium, it could be a duplex or a residence. A residential living unit of some sort. It could be a stand-alone -- freestanding home.
- Q. Can there be a fiber-to-the-home loop deployed to a business location?
- A. I guess -- If you really -- nids and nats, you could say no, because it's not a home, but the fiber to the premise or fiber to the -- fiber could be deployed all the way to a business location.

 Sometimes this is referred to collectively as FTTX or fiber-to-the-something. But the same technology can be used to provide

services to businesses as we provide services to home.

- Q. Could that acronym possibly be FTTB for business?
- A. Could be. You also see FTTP, which is fiber-to-the-prem.

THE COURT REPORTER: Prem?

THE WITNESS: Prem as in short for premise.

- Q. Are an FTTH loop and FTTP loop deployed to the same living units?
- A. They could be. I mean, it's just -those are just different names for
 technologies that are being used. As -telecom, as you find out, there's lots of
 different acronyms for the same thing, and
 so there's one on line technology, which
 is essentially the concept taking the
 fiber all the way to the customer
 location. And so they call it lots of
 different things, but it's essentially
 taking fiber all the way into the home or
 a business or an office, whatever the case
 would be.
- Q. Would you use the acronyms FTTH and FTTP

interchangeably?

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- I've seen them used a lot interchangeably. I have a tendency to be a bit of a purist in that fiber-to-the-home means that it goes to a house, fiber-to-the-premise would be going to a business. But the underlying technology would be the same.
- And an FTTC loop and an FTTP loop would 0. not be the same things; is that correct?
- They are incredibly close to each other in 11 A. terms of what they are. Fiber-to-the-curb 12 and fiber-to-the-home, the only difference 13 is what the choice is for the last couple 14 hundred feet, choice of technology for 15 those last couple hundred feet from the 16 curb to the house. Fiber -- There's no 17 differences in the services that are 18 available. There's no differences in 19 capabilities offered between 20 fiber-to-the-curb and fiber-to-the-home. The difference is just that the last few 22 hundred feet is typically a copper or 23 coaxial drop as opposed to a fiber drop 25 that goes into the home.

But as used in these acronyms --1 Q. Uh-huh. 2 A. -- the curb is not the same as a premise? 3 0. No, it is not. 4 A. Do you know whether BellSouth has any 5 0. installed FTTH loops in any other of its 6 7 states? I believe we've been doing some technology 8 trials where we have a very limited number 9 with specifically chosen customers who are 10 testing out some technologies, but I 11 believe that is the limit. We have chosen 12 to deploy fiber-to-the-curb as our chosen 13 technology for fiber deployment as opposed 14 to fiber-to-the-home. 15 Would a trial loop of that kind be a 16 brownfield loop, in your opinion? 17 18 A. I'm not even sure what -- it exists, therefore, by definition, it's 19 brownfield. If it's already been -- If 20 it didn't exist, by definition it would be 21 greenfield. But in those particular 22 cases, we're not even usually charging the 23 end user for the services, we're just 24

testing the technology. A lot of the

times it's an employee of the company, that type of thing. We're just typically trying to field trial, field test a particular technology by a particular vendor.

Q. So a trial is neither a greenfield nor a brownfield?

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The legal designation of a trial would --A. I mean, it's usually not even -- it's something where we're -- we've got a technology group who has put some equipment in the network specifically to try to see how service is going to work for a particular end user. It's a -- what we call friendly end user, employee, that type of thing. So it's not one that any services would be typically available. It's not one where we are selling service or making it commercially available. We're simply trialing a technology. do know that we've got some -- a variety of trials out there that we're running at any given time for various different new technologies that are out there. So it would not surprise me if we had at least a handful of fiber-to-the-home circuits in place in our network to trial customers.

- Q. Can you identify states in which these trial loops have been deployed?
- A. We typically do them in Georgia and Florida, more often in Georgia. But I don't know -- occasionally we make a decision to do it in some other place.
- 9 Q. Assuming the trial loop stays
 10 installed --
- 11 A. Uh-huh.

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- Q. -- stays in the network, do you know whether BellSouth would provide a CLP access to it as a UNE?
- A. Trials will never stay in the network.

 After the trial is over, we take them down
 and the customer returns to their previous
 service. So the only reason they would
 stay is if we're still conducting some
 aspect of the trial.
 - Q. And with regard to FTTC loops, the responses you and I have reviewed state that there are approximately 18,000 of those loops in Alabama and 99,000 FTTC loops in North Carolina. Can you estimate

how many FTTC loops there are deployed in Georgia?

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MR. CULPEPPER: Out of an abundance of caution, I want to put an objection on the record, to the extent the line of questioning goes to testimony beyond the deponent's direct testimony in North Carolina. I anticipate this won't be an issue down the road, but I want to put it on the record.

- I don't know the number in Georgia. A.
- I don't want you to speculate, but, in 12 Q. your expertise, could you ballpark it? 13 it between 10,000 and 90,000?
 - I really don't know, to tell you the truth. It's -- It would depend on whether or not there's been a more aggressive deployment of fiber-to-the-curb in Georgia versus other states. And I don't know whether that's been the case or not. So it could be -- I couldn't speculate. It could be 10,000, it could
 - I don't want to ask you to speculate Q.

don't know.

be 90,000, it could be 200,000. I simply

That's not helpful. then. 1 Could you answer that question for 2 Florida, how many FTTC loops are installed 3 in Florida? 4 Unless it happens to be in this 5 A. interrogatory, I don't know that answer 6 either. 7 So then other than the responses that are 8 before you here that you and I have 9 discussed that have already been provided, 10 you couldn't provide me with an estimate 11 in any other BellSouth state of the number 12 of installed FTTC loops? 13 The last time I looked at this data was in 14 A. the development of this response, and I've 15 simply forgotten what the other states 16 had. I just don't recall. 17 MS. JOYCE: Would you like to take 18 a break, or do you want to continue? 19 (RECESS.) 20 BY MS. JOYCE: 21 Mr. Fogle, you understand that you're 22 still under oath? 23 24 Yes, I do. A .

Is it your position that the definition of

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Q.

line conditioning is something that BellSouth would do to a loop for its own 2 retail customers? 3 I don't believe the definition of line 4 A. conditioning is limited to just what 5 BellSouth could perform for itself. 6 Does BellSouth perform line conditioning 7 0. for its retail customers? 8 There are certain forms of line 9 A. conditioning that we do perform for our 10 retail customers. 11 Do you perform it for customers receiving 12 Q. xDSL services? 13 14 A. Yes. Would you perform line conditioning for a Q. 15 customer served over a DS-1 loop? 16 I believe that there would probably be 17 times when line conditioning would be 18 necessary to be able to provide a DS-1. 19 And so you would perform that line 20 conditioning for your retail customer? 21 I believe so, yes. Do you have any understanding about 23 whether the customer would be charged for 24

that line conditioning?

A. I don't know.

- Q. To your knowledge, does BellSouth perform line conditioning on DS-1 loops in use by a CLP?
- A. I would assume that we do, but I wouldn't know any specifics around that.
 - Q. What might be involved in performing line conditioning?
 - A. Line conditioning is a broad term. It's used to -- just as it sounds, any kind of activity or work that is done to condition a line for use. It could involve removal of bridge taps, it could involve removal of load coils. Some people consider line and station transfers as line conditioning. Essentially, it's any kind of rearrangement or modification of the outside plant infrastructure to condition a line for use for a particular service.
- Q. Why might it be necessary to remove a bridge tap from an xDSL loop?
- A. Bridge tap essentially acts as a very large antenna. And as a result, it collects and picks up interference, and that interference degrades the DSL signal

and in some cases makes it unusable for the end user. So we remove bridge tap for xDSL customers to remove the interference so that their throughput speeds and the quality of service goes up.

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- Would it ever be the case that there would Q. be all bridge taps removed from an xDSL loop that is used by a BellSouth retail customer?
- There could be cases where all bridge tap 10 A. would be removed. It would depend on the 11 engineering judgment at the time to --12 when they determine what bridge tap is in 13 place and what potentially needs to be 14 removed as to what they would do. 15 Routinely for BellSouth's DSL's customers, 16 we just simply don't qualify customers 17 with excessive bridge taps for DSL 18 service, so they're not able to order the 19 service. 20
 - What is your definition of excessive bridge tap?
- An excessive bridge tape would be a bridge 23 A. tap that is still on the loop facility as a result of some historical requirements 25

but is no longer needed and no longer has a design purpose, therefore it's considered excessive. It's more than is necessary. So you can then remove the excessive amounts of bridge tap to potentially facilitate providing DSL service.

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- Q. What design purpose might bridge tap serve in other contexts?
- Bridge tap is something that telephone 10 companies have been using for a long 11 time. It is essentially a -- It's an 12 outside plant arrangement technique where 13 you -- any particular line facility is 14 tapped or bridged to multiple end user 15 locations so that when a particular end 16 user moves into a home or orders phone 17 service, we can use the same facility in 18 one of multiple locations and it increases 19 the efficiency of our outside plant 20 infrastructure and its ability to serve 21 voice services. 22
- Q. And why might a load coil be removed from an xDSL loop?
- A. A load coil, its purpose in the loop is to

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remove high-frequency noise. It allows voice frequencies to pass through very easily. It essentially shorts out or shunts high-frequency noise, which the end user hears as static. On particularly long loops, they add load coils so that the end user has a higher-quality voice service. The problem with the load coil is that since it restricts or limits the high-frequency noise, it also restricts and limits the DSLs frequencies. So DSL service does not pass through or work through a load coil device. So it's a case where you would remove it when it doesn't effect the voice service. Doesn't negatively impact the voice service, you remove it to facilitate providing DSL service.

- 19 Q. Would you remove a load coil from a loop
 20 in order to provide any other service?
 - A. There could be load coils on loops that they're going to reuse those loops for other things, like DS-1s or other services, but -- I mean, the load coil's designed produce is to improve the quality

of the voice service. It impedes just about everything else.

- Q. Is it possible a bridge tap could be present on a DS-1 line?
- 5 A. I don't know.

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- Q. Would the presence of a bridge tap impair other types of nonvoice telecommunication services besides DSL?
- 9 A. It could, yes.
- Q. Can you think of what those services might be?
- 12 A. Any data service that has higher

 frequencies, bridge taps, again, act as an

 antenna and they will go -- they pull in

 high-frequency noise into the loop that

 could interfere with any type of data

 service.
- 18 Q. What is a line station transfer?
- 19 A. Line station transfer is where we have -20 an example would be a particular loop that
 21 feeds an end user customer that does not
 22 qualify for DSL. It has bridge tap, it
 23 has load coils, it has some impairments
 24 that don't allow DSL service. But there
 25 is another pair available in that same

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impairments that could also be used to serve that end user's locations voice service. And so what we do is we take out the voice -- the pair that is impaired with the impairments and provision it to somebody else or take it out of service and we use the unimpaired line to provide the voice service and then the DSL service to the end user location. So we're conditioning the plant by changing the facility we use to provide the voice and then DSL service.

- Q. Is that rearrangement, that transfer of loops done physically by touching each loop and repositioning it?
- 17 A. Yeah. It requires you to move jumpers and physically reconnect at a different facility.
 - Q. And if that type of rearrangement or transfer had been performed, would that work be recorded somewhere in BellSouth's systems?
- 24 A. Yeah, we'd have to record the different 25 facility as being assigned or being used

to provide the service. It's a different facility now connects to the switch and connects to the end user's location, so we -- our loop facility assignment systems would have to record that change.

- Q. Would that be the loop facility assignment control system?
- A. That would be also known as LFACS, yes.

- Q. What is a repeater as something that would occur on a loop?
 - A. A repeater is a piece of technology that essentially receives a degraded data signal, regenerates it, and sends it further down the line.

It would -- An analogy would be similar to how the Indians used to use smoke signals to communicate. I would send a smoke signal up. The guy down the road sees it. He sends his -- the same smoke signal up. The next guy down the road sees it, et cetera, et cetera. The repeater is just the high-tech version of the same thing. The signal we can send only goes so far through our copper line, therefore we have to repeat it to continue

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to send it further down those same copper
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        lines.
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        So does a repeater improve the robustness
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        of a voice signal?
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        Repeaters are typically used to provide
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   A.
        data services, data signals.
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        Is there any service that would be
7
        impaired if a repeater were present on a
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        line?
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        Yeah. If a repeater were present, then it
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   A.
        would interfere with DSL services.
11
        Are repeaters used on DS-1 loops?
12
        I would say they are, yes.
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    A .
        Are they used on DLC loops?
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    Q.
        I would venture to say they probably are,
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   A.
        yes.
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        And do you know what a DAML is, D-A-M-L?
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        I don't know what the actual acronym
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    A .
        stands for, but 1 do know what a DAML is,
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        so . . .
        Please tell me what it is.
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    Q.
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A DAML is a situation or an area where

limited copper facilities, and so what

they do is they derive a second access

BellSouth or any other phone company has

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line on the same copper facility. They
put a piece of equipment at the end user's
home or business at their network
interface device as well as further up in
the infrastructure so that both the first
and the second lines ride on the same
copper facility. In other words, they
take the second voice signal and move it
into the upper frequency portion of the
line so they both ride the same voice -or the same copper facility.

- Q. If I called that a line splitter, would I be incorrect?
- 14 A. Yes, you would be incorrect.
- Q. Would a DAML impair data services over a line?
- 17 A. Yes, it does.

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- Q. Would that include data services other than DSL?
- 20 A. Yes, it would.
- Q. Would a DAML possibly be used or in place
- on a DS-1 loop?
- A. I would not think it would be used for DS-1, no.
- 25 Q. Would BellSouth provide data services over

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a loop that had a repeater on it? 2 Α. Yes. And would it provide data services over a 3 0. loop that had a DAML on it? 4 5 Typically, no. A. Why would it choose to provide DSL over a 6 0. loop that had a repeater on it? 7 You said data services. I was thinking of 8 A . 9 DS-1s. Yeah, I'm starting -- okay. 10 Q. Okay. Sorry. 11 A. Well, a data service over a DS-1, why 12 would you still provide that type of 13 service over a loop that had a repeater on 14 it? 15 If the end user who wanted to buy DS-1 16 from BellSouth was located more than, say, 17 10 or 15 thousand feet from the central 18 office, in order to provide that DS-1 19 service all the way to that end user 20 location, we would have to put a repeater 21 in the line in order to reach that end 22 23 user location. Would the repeater impair the data 25 services?

- A. It actually enhances it, improves it.
- Q. But the repeater would impair DSL services?

- A. It's not designed for DSL. It's designed to repeat a DS-1 or DS-3 signal. It's not designed for DSL, and so it would impair the DSL signal.
- Q. Could a repeater be present on an xDSL capable loop?
- 10 A. There are some companies who choose to use
 11 repeaters that are designed to be used
 12 with xDSL technologies to repeat the DSL
 13 signal and provide it to further out
 14 loops. BellSouth does not choose to use
 15 repeaters with DSL.
 - Q. Is it a different type of repeater as between as DS-1 loop and an xDSL loop?
 - A. Yeah, the repeater has to be designed to function and repeat the particular technology that it's being asked to repeat, whether it be ATM, PERM relay, DS-1, ethernet, DSL, et cetera, so -- they're -- even within DSL, there are xDSL, IDSL, ADSL, GI/SHDSL, BDSL, HDSL, so we could continue.

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        To your knowledge, has BellSouth ever told
    0.
        one of its retail end user customers that
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        they can't get BellSouth DSL service
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        because their facility isn't qualified?
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    A.
        Yes. We tell them that all the time.
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    Q.
        Can you state a proportion of the time
 7
        that that happens?
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    Α.
        I think right now, approximately 75
 9
        percent of BellSouth's end user loops
10
        qualify for DSL service, so 25 percent do
11
        not.
             So if any of those 25 percent try to
12
        order the service, we'll tell them they
        don't qualify.
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    0.
        Could it be possible that a certain amount
        of line conditioning on that 25 percent
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        proportion of the loops could enable the
16
        loop to carry DSL service?
17
        Yes.
18
    Α.
        Do you know why BellSouth chooses not to
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        perform that line conditioning?
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                MR. CULPEPPER: Object to the form
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        of the question.
23
        In terms of what -- we choose to perform
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conditioning, we have done efforts in the

line conditioning or not perform line

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past where we've done programs where we've removed bridge taps or we removed DAMLs or we've removed load coils as a project.

And then say this particular area would qualify for DSL services if we went through and removed the DAMLs and the bridge taps or load coils.

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When we do those projects, it also opens up and frees those facilities for other CLP's DSL services. Those impairments are the same impairments for us as they are for the CLPs. So when we improve the plant, it helps both sides equally. That, in turn, creates a qualification database as to who qualifies, who does not qualify. not routinely take requests for DSL and then go out and trigger a line conditioning requirement with the exception of line station transfers, which those are the only line conditioning we will routinely do as a result of a DSL order to someone who would not -- their facilities are not currently qualified.

the term routine network modification means?

- A. I take the FCC -- and I'm paraphrasing a little bit. I know speak to it specifically in my testimony, but, you know, routine network modification is best seen as a network modification that BellSouth or other incumbent telephone companies routinely perform for their own retail customers.
- Q. What do you mean by the word "routinely"?
- 12 A. Routinely, in my opinion, is a

 specific -- is a situation where you

 would do it more often than not or that

 you have a method and procedure that says

 this is how we would do this as in our

 day-to-day business.
- Q. Does BellSouth have methods and procedures regarding line conditioning?
- 20 A. Yes.

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- 21 Q. Are they recorded or codified somewhere?
- 22 A. I mean, line conditioning, again, is a

 very broad term, so there's -- we have

 outside plant engineering guidelines that

 we provide that talk about how to deploy

lines and whether or not you would include some of the repeaters or not. We also have guidelines that we use when we develop the algorithms and code for our loop qualification system. And then we have probably some Sprint documents that say -- simply to the fact that if a person doesn't qualify for DSL service, we're not going to do extreme or gargantuan steps to try to qualify them by doing a lot of line conditioning.

- 12 Q. Did you say Sprint documents?
- 13 A. No. We have probably some documentation.
- 14 Q. Some documents?
- 15 A. Yeah.

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- 16 Q. What would be a gargantuan-type task that

 BellSouth would not perform under your -
 what you've testified?
- multiple load coils on a loop that are -that serve a design purpose historically
 that, because of their location in the
 outside plant, they're buried.

 Potentially they are in manholes or other
 things. The physical job to remove them

would be very expensive, several hundred thousand dollars. And there's no way that we would undergo that expense for a customer that's going to pay us \$45 a month for service. So it's just -- that's just simply -- we just simply can't qualify that customer because the rearrangement would be too expensive.

- Q. Would BellSouth consider performing a line station transfer in that instance if it were possible?
- 12 A. If it were possible, yes.
- Q. For the 25 percent roughly of BellSouth
 loops that don't qualify for DSL service,
 for example --
- 16 A. Uh-huh.

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- 17 Q. -- would BellSouth consider performing a
 18 line station transfer?
- 19 A. Line station transfers, if one is
 20 available, that allows those loops to be
 21 qualified for service, so they fall into
 22 the 75-percent category.
 - Q. Who would determine whether a line station -- am I saying this correctly, is it line station transfer or line of

station?

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- A. Line and station line.
- Q. Who would determine whether a line and station transfer is possible?
- A. There is an -- actually an algorithm in our loop qualification system that reviews the loop facility assignment and control system, LFACS database, to determine if there are what are considered available copper or available facilities to support that end user location. That algorithm is what determines whether a line and station transfer is required.
- Q. So, thus, could I characterize that as being an automated determination?
- 16 A. In our DSL system, yes, it's an automated

 determination.
- Q. With regard to other loops, if a line and station transfer were possible, would that be recorded in the loop assignment control system?
- 22 A. Other loops meaning...
- 23 Q. For example, a DS-1 loop.
- A. As far as I know, the entire loop facility assignment database is available to CLECs

and they can look at any potentially available loop to serve an end user, the same as we look at any potential available loop facility to serve the end user. I don't know what the parameters are, the designed parameters that would be required for a DS-1 loop or other types of loops. But I would assume CLECs as well as BellSouth are both looking at those facility assignments for facilities that meet that criteria.

- Q. Do you have an understanding as to what the term designed loop means?
- 14 A. Uh-huh.

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- 15 Q. And what does that refer to?
- A designed loop is one that requires an 16 A. engineer, typically, or an engineering 17 assistant to go through and design the 18 loop to provide the service. It 19 requires -- It's essentially any kind of 20 service that's a little more complex and 21 requires some special circumstances with 22 which to provide those services. 23
- 24 Q. Can a DS-1 loop be a designed loop?
- 25 A. I think so, but I'm not sure.

- Q. Is an xDSL capable loop a designed loop?
- A. Typically not.

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- Q. Do you have an understanding about where information is housed regarding a designed loop?
 - A. To my knowledge, all of our loop

 facilities are databased in our LFACS

 system, whether they're designed or

 nondesigned, so...
- Q. Are you familiar with a database of
 BellSouth's called a work force
 administration database, WFA?
- 13 A. Yes.
- Q. And do you know what's housed in that database?
- I'm not so sure that it's a database,, 16 A. although I guess it has a system -- it 17 probably does have an associated 18 database. But my understanding of work 19 force administration is it's a ticketing 20 system for job function, that it creates 21 essentially jobs or products -- projects 22 for individual -- well, work force people 23 24 to perform.
 - Q. Do you have an understanding as to whether

the WFA is a separate system from LFACS? 1 It is separate. 2 A. Do you know whether those two systems can 3 0. 4 share information directly between each other? 5 They probably have some interface between 6 A. the two. They're used in different parts 7 of the process, and LFACS is a loop 8 facility assignment system, WFA is a work 9 force administration system that helps 10 with the provisioning of services. It's 11 not a facility assignment database. 12 So the WFA, am I correct, houses trouble 13 Q. ticket information regarding loops? 14 I don't believe it's trouble ticket 15 A. information. It may include that, but 16 it's predominantly used for provisioning services. 18 Would the information in WFA, to your 19 knowledge, appear in LFACS? 20 I don't know. 21 A . Do you know whether CLPs have access to 22 the WFA? 23

(DEPOSITION EXHIBIT NO. 7 WAS MARKED.)

I don't know.

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A .

1 Q. I'm handing you a document marked Exhibit
2 7. Now, we've seen the top page of this
3 exhibit before for Exhibit 4. This is the
4 top page of the Triennial Review Order.
5 Again, it's just a portion.

Do you see on the second page of this exhibit at the top labeled Appendix B, final rules?

9 A. Yes, I do.

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- 10 Q. Would you accept these are the final rules
 11 that were adopted in the Triennial Review
 12 Order?
- 13 A. Subject to check, sure.
- Q. Just for your further clarification, I've covered it up, but if you notice, the item number FCC 03-36 at the top --
- 17 A. Yes.
- 18 Q. -- that's the indicator of the order number.
- 20 A. Okay.
- Q. And there can only be one order number for any order, so that's the way -- one way you can tell that the pages all belong together.
- 25 A. Okay.

Please turn to the page of this exhibit 0. that says 10 on the bottom. And I direct your attention to in the middle of the page, iii, line conditioning, and I ask you to review this rule and tell me, do you find the words routine network modification in this rule?

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(PAUSE.)

MR. CULPEPPER: Object to the form of the question. It's reviewing the document.

(DISCUSSION OFF THE RECORD.)

- Could you repeat your question for me A. This is apparently a long section, again? so I just want to make sure I answer your question.
- In the portion of the rule that begins iii, line conditioning, and going forward down to iiii, maintenance and repair, in that section, do the words routine network modification appear?
- No, I do not see those three words Α. anywhere here.
- 24 Are there circumstances under which 25 BellSouth would remove a load coil if it

negatively effected DSL service?

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A. There may be specific isolated circumstances where we would remove a load coil that affects DSL service. If -There is typical design parameters, which routine were normal for the network, is that load coils are put on the outside plant loop facilities at 18,000 feet and beyond. BellSouth stops qualifying DSL services at 18,000 feet. And the primary reason for that is because of the presence of load coils. So load coils routinely are typically -- disqualify the customer for DSL service. And so the two don't typically interchange.

What can happen is that there can be a load coil on the facility that's in error. There have been records where it -- indicating a load coil. We call those erroneous load coils. And in those isolated situations, we make a determination of whether it's more cost effective to remove the load coil or to go ahead and disqualify the service and tell the customer they can -- even though they

thought they could get DSL, they actually cannot.

- Q. What's your understanding of the term cost effective, as you just used it?
- A. Essentially, we look to see if the removal of the load coil is easy, something that can quickly be done. It's convenient, that type of thing. It's a local engineering judgment. It's -- Routinely, it's not easy. It's not something simple or -- can be done, so we often do not do it. Our normal response to the customers is that they cannot get DSL service even though we originally indicated they qualify.
- Q. And what factor does cost -- financial cost to BellSouth play in that determination, in whether a load coil would be removed?
- A. I'm trying to think through -- remember if
 there's any guidelines that were
 provided. Typically, local engineering
 judgment is going to be along the lines of
 if they could do something within a single
 day or as a part of a day, if it's a

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single trip to remove the load coils. The problem with load coils is they're not located on one line. They're typically -- It's in a package, and so they'll affect multiple lines in a cable. And so you can't just go in and remove the one load coil for this one customer. have to think through, if I remove all the load coils in this cable, what other customers are going to be impacted? that degree, almost always we determine we can't remove them. But we do let the engineers make that judgment, then if for some reason they realize that there was a mistake and they could easily do that, we give them the option of doing that.

- Q. Explain to me further what you meant by load coils occur in a package.
- A. It's -- What you have is it comes in

 a -- for the physical manifestation of a

 load coil, what they actually are is

 essentially a black box, for lack of a

 better term, that you connect multiple

 pairs through so the entire cable will be

 loaded or entire cable will be unloaded.

So the cable has a number of pairs associated with it. So when you talk about removing a load coil, you're typically removing it on an entire cable, which is multiple pairs, even though those pairs may end up going to a number of different places. And so that's why you have to determine if it serves a design purpose. It's not an individual device on an individual loop.

Q. Can you tell me typically how many pair would be in a cable?

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- A. I believe standard is about 25 pairs in a particular cable. And then they obviously have lots of cables that combine those complements, put them together. It just depends on the design of the particular cable.
- 19 Q. Would that cable service 25 then different
 20 locations?
- A. It would service -- I mean, I've heard referred to as 25-pair complement, but that would serve 25 voice customers that could be all at the same location. They could all be 25 lines in this same

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office. It could be 25 different houses or 25 different apartments.

- Q. Would BellSouth remove a load coil from a DS-1 loop that was meant to carry data?
- A. I believe if they wanted to use a facility that had a load coil they could remove, it probably would for a DS-1 loop. But, again, it would rely -- it would determine -- it would depend upon the relative cost of that removal.
- Q. Do load coils only occur on copper loops?
- Their design purpose is for long copper 12 A. loops. The purpose is to improve the 13 14 voice quality on long copper loops, so that is the loops that they have been 15 deployed on historically. And so they 16 17 may, because of reuse and other reasons, 18 be on loops that are being used for other 19 services besides voice, but the original 20 design purpose was for voice services on 21 long copper loops.
- 22 Q. Do load coils occur on fiber loops?
- 23 A. No.

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- Q. Do bridge taps occur on fiber loops?
- 25 A. No.

Q. If a BellSouth customer was served with a loop that had an erroneous load coil on it -
4 A. Uh-huh.

Q. -- would the customer be charged for the removal of that load coil?

- A. To clarify a little bit, if there's an erroneous load coil, the DSL service wouldn't actually work until the load coil was removed. And so it's -- again, it's a judgment as to whether that is done in order to be able to start providing service. So they wouldn't have service and then see about the load coil. They would be ordering the service to see if they could get the service. But typically we do not charge the customers for -- the end user customer for that conditioning if we determine it's an error on our part.
- Q. Do you have any other understanding as to whether BellSouth would charge a CLP for the removal of an erroneous load coil?
- 23 A. I don't know.

Q. I direct you to your testimony, page 11, marked as Exhibit 2, lines 19 to 21. And it states here that BellSouth will remove load coils on loops and subloops that are greater than 18,000 feet in length at rates pursuant to BellSouth's special construction process contained in the FCC BellSouth Tariff No. 2. Do you see that?

A. Yes, I do.

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- Q. Have you ever viewed this section of BellSouth Tariff No. 2?
- 10 A. I have not.

 11 (DEPOSITION EXHIBIT NO. 8 WAS MARKED.)
 - Q. I'm handing you a document that's quite voluminous. I only have two copies. If you need to take some extra time to review with your counsel, feel free.

Can you direct me to the section of this tarifi -- do you have an understanding about where in this tariff would be the rate that BellSouth would charge to remove load coils on loops and subloops greater than 18,000 feet in length?

A. I could take some time, probably read this and find it. I don't know exactly what page it's located on now.

Q. Do you have an understanding about how much -- what those rates are sitting here today?

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- A. It's a special construction process, my understanding of that is you would request a particular construction job and there are rates governing the different functions, but an engineer would have to determine how much -- how many hours it would take, how much time it would take to do that kind of work, and come back with an estimate of what that special construction cost would be. And then, of course, the CLP would then say, go ahead or do not go ahead with the work.
- Q. So would it then be a case-by-case basis
 how that rate would be set?
- It's -- Removing the load coils is going 18 A. to -- the cost is on a case-by-case 19 basis, determines the location of the load 20 coil, how many have to be removed, what 21 the nature would be. That's why it 22 requires an engineer to figure that out 23 and determine what the actual cost would 24 be associated with that. 25

What are the nature of the costs 0. associated with load coil removal?

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- First is identifying the load coil, identifying their location, identifying what services they are supporting, what impacts they have, which is the engineering and design work. The second piece would actually be physically going out with a construction crew and potentially digging up the load coils, if they're buried, or finding them on a pole. And then rewiring the loop facilities by, you know, potentially cutting out or removing the load coil and then reconnecting the loop facilities. And those all have to be coordinated with the underlying -- you've got obviously underlying voice services that are going through that facility that are available, so you have to coordinate that as well as you have to make sure that you're not negatively impacting the voice customers that are all impacted -- currently be serviced on that facility.
- Would labor costs be a portion of the Q.

costs that BellSouth would incur? 1

A. Yes.

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- Would it be the largest portion? 0.
- 4 Yes, I believe labor would be the largest A. 5 portion.
- 6 And regarding the rates -- and Q. 7 understanding you don't know exactly what 8 they are,, but do you have an 9 understanding as to how those rates were derived for this Tariff No. 2? 10
- 11 A. I don't know how those rates were derived.
- Do you know whether they are in compliance Q. 12 with TELRIC? 13
- I believe they're not derived from TELRIC. 14 A.
- Please return to your testimony, page 12 15 0. 16 at lines 19 to 20. You state that
- 17 BellSouth's offer to the CLPs exceeds its FCC requirements for line conditioning. 18
- 19 What do you mean by that statement?
- As I said earlier today, line conditioning 20 A.
- is a very broad term, include a lot of 21
- 22 different -- essentially functions that
- 23 can perform to condition lines. There are
- some forms of line condition we're 24
- obligated to provide and some forms of 25

- Q. Would the billing and collection of payment for those services need to be included in this separate agreement?
- A. Yeah. The separate agreement would look just like any other commercial agreement between two companies in that it would include ordering information, what services are to be performed, what's expected of both parties, and then, of course, billing, and then they always require two to three pages of legal documentation to protect the two companies in that agreement.
- Q. And in your time at BellSouth, have you ever negotiated a commercial contract with another telecommunications carrier?
- 17 A. Yes.

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- Q. And what type of service was covered in that contract?
- 20 A. Professional services. In this particular
 21 case, it was installation work.
- Q. Was this contract then obligating
 BellSouth to send its personnel to go work
 somewhere in exchange for which it got
 paid?

A. That's correct.

- Q. Were there any other types of agreements that you negotiated?
 - A. I have negotiated information service agreements. I'm trying to think. Those are the two, professional services and information services.
 - Q. How many such agreements did you negotiate, approximately?
- 10 A. Been involved in negotiations, probably in five or six different such agreements.
- Q. And, to the best of your recollection, how long a time period was it from the beginning of the negotiations until the signing of the agreement?
 - A. It's varied by the customer in terms of -in the particular agreement, and there's
 sometimes been a number of issues. I
 believe the shortest is probably in the
 four to six week time frame, not
 full-time, but, you know, to work through,
 and the longest has been in the 12 to 18
 month time frame, again not full-time but
 just as we worked through the
 negotiations.

- Q. So was it as long as a year in some instances?
 - A. Year, year-and-a-half, yes. Sometimes the other companies have extenuating circumstances that require them not to be able to negotiate for a while, so that causes time to pass.
 - Q. Did BellSouth perform any other requested work for these entities prior to the signing of the agreement?
- 11 A. No.

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- Q. Is it your understanding that BellSouth
 would not perform any bridge tap removal
 not covered in your bullets one, two,
 three prior to the signing of such an
 agreement?
 - MR. CULPEPPER: Object to the form of the question. What agreement are we talking about?
- 20 MS. JOYCE: The separate agreement 21 that he's proposed would have to be done.
 - A. If a CLP wants a service to be performed prior to a separate agreement is available, they have options. Either some services can be performed as a result

they've been identified in this 2 interconnection agreement, or -- and 3 others are available via special construction through the FCC tariff. 5 the degree they want something additional 6 to that, then we would not perform those 7 additional services until we had an . 8 agreement in place to do that. Do you know which FCC tariff they could 9 Q. 10 order out of? Process construction processes as 11 12 identified in FCC Tariff No. 2. This tariff? 13 Q. 14 A. Yes, that large one. 15 MS. JOYCE: Let's take a ten-minute break. 16 17 (RECESS.) BY MS. JOYCE: 18 19 Q. We're back on the record. Mr. Fogle, do 20 you have a position on what indemnification should be provided to 21 22 BellSouth if two CLPs split a line within the BellSouth network? 23 24 The position that I have and BellSouth has Α. 25 is simply that since we're not a party to

those third-party agreements between a CLP and whoever else they're choosing to split a line with, we'd like to not -- we'd like to be indemnified for whatever those agreements are from any potential liabilities that would result in them. We don't have an opportunity to represent BellSouth's interests in those agreements, so we'd like to be indemnified from them.

- Q. And you'd like the Joint Petitioners to indemnify BellSouth?
- 12 A. Yes.

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- 13 Q. Would you please turn to page 14 of your 14 testimony? And at lines 14 to 16, you 15 state that BellSouth is just simply 16 requesting that its limitation of liabilities extend to third parties that 17 18 the Joint Petitioners may enter into agreement within the process of 19 establishing line splitting service. 20 21 line 15, should that be with in, two 22 separate words? Just to clarify further what your meaning is. 23
- 24 A. Yes.
- 25 Q. Okay. It's your position that -- or

understanding that Joint Petitioners are, 1 at this time, unwilling to indemnify 2 3 BellSouth entirely? 4

- That's my understanding, yes. A.
- 0. Sitting here today, what is the level of indemnification that you think is appropriate when two CLP lines split in your network?
- The level of indemnification between the A. CLPs or to BellSouth or --
- To BellSouth. 11 Q.

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- We're simply looking for the level of 12 Α. indemnification that we have with 13 these -- with the CLPs that we negotiate 14 with not be extended to the -- whoever 15 16 they're negotiating with. I mean, we're 17 not looking for additional -- we do not expect to assume or incur additional 18 19 liability as a result of independent 20 agreements that CLPs reach amongst 21 themselves that we're not a party to. 22 just simply can't accept additional liability as a result of that. 23
 - Would you, for example, think it Q. appropriate that BellSouth be indemnified

1 for damages that arise out of one of those CLP actions as they perform line 2 3 splitting? Yes. 4 A. 5 And are you familiar with the term 0. 6 proximate cause? No, I'm not. 7 A. 8 Q. Could you please turn to page 15 of your 9 testimony? And you state at lines 12 to 17 essentially that the North Carolina 10 Utilities Commission entered an order that 11 required BellSouth to, quote, alter 12 certain practices concerning its 13 FastAccess internet service. It would 1.4 effectively be ordering BellSouth to 15 violate or alter the express terms of 16 BellSouth's federal tariff. Do you see 17 that? 18 Yes, I do. 19 A . Well, is your position then that it is 20 possible the Commission would enter an 21 order that would require BellSouth to 22 23 violate the law? MR. CULPEPPER: Object to the form 24

of the question.

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        order in that would require us to violate
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- 10 A. I believe that it is.
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- A. Yes, we do. 12
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- 15 Yes, we do. A.
- Has BellSouth ever amended its federal 16 0. 17 tariff regarding DSL --
- Yes. 18 A.
- -- transport services? 19 Q.
- 20 Yes, we have. A.
- Q. Would BellSouth be unwilling to amend its 21 22 federal DSL tariff in order to comply with an order of the North Carolina Utilities 23 Commission? 24
- 25 MR. CULPEPPER: Object to the form

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- A. I'm not sure. Can you rephrase that question for me?
- Q. I'll state it in another version that might make more sense.
- 6 A. That would be fine.
 - Q. Would BellSouth amend its tariff in order to comport with an order of the state commission?
- 10 A. No, not a federal tariff.
- 11 Q. And why would that be the case?
- It's a matter of jurisdiction. And state 12 A. rules and state orders are altered 13 best -- like you say, to comport with 14 those rules is done through state tariffs 15 16 and state-based interconnection agreements and other types of documents and rules and 17 orders and laws and tariffs that are filed 18 within those jurisdictions. It simply 19 wouldn't make sense for us to allow states 20 to make orders that require us to change 21 our federal tariffs. The main reason 22 behind that is that our federal tariff 23 governs our actions in all nine states 24 25 that we do business in. And we change our

1 federal tariff, it affects multiple states' outcome, not just the particular 2 state that has given us this order. 3 Is it ever the case that your federal 4 0. 5 tariff has provisions specific to 6 individual states? 7 Α. I believe it probably does in various 8 places. There are some cases -- I know 9 with pricing particularly, they specify 10 particular marketplaces where we have 11 what's called pricing flexibility. Those 12 don't exist in all locations, all states. 13 So I believe there are state-specific rules in some of our federal tariffs. 14 And you've testified earlier that certain 15 0. 16 commissions have ordered BellSouth to continue to provide DSL over a loop that 17 is in use by a CLP. Do you recall that? 18 That is correct. 19 A. 20 And do you know whether -- strike that. 21 Do you know how BellSouth came 2.2 into compliance with those orders? Yes, I do. 23 A. And how did it come into compliance? 2.4 Q.

In Florida, we were ordered to provide our

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DSL service on a separate facility. So we developed a process to do that. The separate facility is purchased or put in place by BellSouth and does not violate our federal tariff. In Georgia and Louisiana -- well, I'll move -- actually, Kentucky is easier. You want to talk about next.

In Kentucky, we're doing our DSL service service -- or we maintain our DSL service over a resold line. A resold line is, by definition, a telephone company provided exchange line facility. So, again, we're not in violation of our federal tariff.

In Louisiana and Georgia, we were required to put our DSL service on the UNE-P facility, same UNE-P facility that the CLEC is using. That does violate our federal tariff.

- Q. What, if anything, did BellSouth do to address the fact that Georgia and Louisiana had entered an order that would cause it to violate its federal tariff?
- A. We are hoping that the FCC doesn't determine or decide to do an enforcement

action against us since we are complying with the state's order. We've also filed for emergency petition for relief with the FCC to specifically address the jurisdictional issues and the overlapping issues between the state and the federal rules.

- Q. To your knowledge, have any BellSouth personnel been in communication with the FCC regarding the possibility that BellSouth is out of compliance with its federal tariff as regards to the states of Georgia and Louisiana?
- 14 A. I don't know.

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- Q. To your knowledge, has BellSouth ever provided DSL service on a retail basis over a UNE loop or a UNE-P facility in North Carolina?
- A. I believe approximately three or four years ago, there was an ordering mistake or an edit that was missing in some of our ordering systems that allowed for the accidental provisioning of DSL service on at the time only a handful, a few hundred circuits region wide, of which I would

assume some of them were North Carolina. 1 2 0. Do you know how many circuits were 3 involved? I think it -- it's -- maximum amount, 4 A. 5 approximately 700. Is it your position that because of that 6 Q. 7 accidental provisioning that you described, BellSouth was out of compliance . 8 with its federal tariff? 9 10 A. Yes, we were. Were any penalties imposed by the FCC as a 11 Q. result of that situation? 12 No, there were not. 13 A. What, if anything, did BellSouth do to 14 remedy the situation? 15 We -- Our first approach -- well, took 16 A. 17 actually a three pronged approach. Our 18 focus was to be as disruptive -- to 19 provide as little disruption as possible 20 to the end user customers. So our first 21 approach was we talked with the CLECs 22 whose facilities we were using without their permission. We identified the 23 individual end user customers that had 24 identified the lines that we had our DSL 25

service on their UNE-Ps. We gave them the option at that time to convert into resold lines. Several of the CLECs did convert to resold lines. Some of them chose not to.

At that point, we -- for those individual end user customers that the CLECs had chose not to convert to resold lines, we then contacted the internet service providers of those end users and let them know that we would no longer be able to provide DSL service. And then once a particular time had gone by, we then disconnected those end users from their DSL service since they were currently being provisioned over a UNE-P line.

- Q. Did those customers retain their voice service?
- A. I don't know exactly what -- because the outcome of the various voice service choices that they made, our interest was entirely -- was in complying with our FCC tariff and also to no longer be using the CLEC UNE facilities that we did not have

permission to use. 1 Did you ever ask permission to use those 2 Q. facilities? 3 No, we did not. 4 A. Did any CLEC invite you to use its 5 0. facilities to provide DSL over a loop it 6 was using to provide voice service? 7 I don't recall if we were invited at that . 8 A. time to use those facilities. Are you familiar with the monthly 10 recurring rates that a CLP pays to access 11 a resold line? 12 I've got limited familiarity with it. 13 A . To your knowledge, is it more or less than Q. 14 what a CLP pays for a UNE line? 15 I believe that it is generally more. 16 Is it more or less than what a CLP pays 17 for a UNE-P facility? 18 I believe it's more, but I'm not certain 19 A. on that. 20 Was there ever a time that BellSouth 21 considered doing DSL over a UNE line? 22 We've considered it a couple of different 23 times over the last several years. It has 24 always -- The market opportunity has

proven to be smaller and we believe it's been smaller than the actual cost it would take to be able to facilitate and provide our DSL service over a CLEC's UNE. So we've chosen not to go forward with that.

- Q. So cost was one factor in that determination, is your understanding?
- 8 A. Yes.

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- Q. At page 20 of your testimony, lines 1 and
 10 2, which continue over from line -- page
 11 19, you state that BellSouth would have to
 12 negotiate rates, terms, and conditions for
 13 providing -- provisioning this service
 14 with each CLP. Do you see that?
- 15 A. Yes.
- Q. Do you know whether those negotiations took place with a CLP?
- In the states we've been ordered to 18 provide our DSL service, we developed 19 some -- a negotiating -- the language 20 that would go into the interconnection 21 agreement that allowed us access to the 22 high-frequency portion of the loop. 23 involved time on our part to negotiate 24 with the two to three CLECs, required to 25

negotiate -- and I know at least one of 1 they went to an arbitration over the language that we then had to defend in an 3 arbitration. So we've done it in those 4 states where we've been required to 5 continue to provide our DSL service. 6 Were the negotiations conducted between 7 Q. BellSouth and a group of CLPs together?

- . 8
 - No, individual CLECs or CLPs. 9
- Did BellSouth ever conduct these 10 negotiations in states in which it had not 11 been ordered to provide DSL over a UNE? 12
- No, we have not. 13 A.
- Did a CLEC in one of those states ever 14 request negotiations for that purpose? 15
- I wouldn't know. 16 A.
- Do you know whether the North Carolina 17 Utilities Commission has reviewed the 18 issue of whether BellSouth should provide 19 DSL over a UNE line? 20
- Yes, I believe the North Carolina A. 21 Utilities Commission has reviewed it. 22
- And what is your understanding of their 23 position or ruling on that issue? 24
- In our 271 proceedings, our 271 case, this 25 A.

issue came up repeatedly and included

North Carolina. And at that time, the

commission quoted the Georgia/Louisiana

FCC order that stated specifically -
which stated specifically that the

incumbent CLEC has no obligation to

provide DSL service over the competitive

CLEC lease facilities.

- Q. Are you aware there is arbitration taking place between ATC, Deltacom, and BellSouth in North Carolina?
- 12 A. Yes.

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- Q. Do you know whether this issue is contained in that arbitration?
- 15 A. I believe that it is.
- Q. Do you know why the North Carolina
 Commission is reviewing this issue again?
- 18 A. I do not.
- Q. If in North Carolina the Joint Petitioners
 gave BellSouth permission to use their -these lines, their UNE lines to provide
 DSL service on a retail basis, do you know
 whether BellSouth would do so?
- A. Not -- We would not do so unless ordered by the Commission.

- And if you could please turn again to your 1 Q. testimony at page 20 -- excuse me, page 2 21, line 1. You use the term the 3 Commission's consultative opinion to the 4 5 FCC. What type of opinion are you referring to in that line? 6 This is an opinion that they entered in 7 Α. . 8 support of our 271 application. And it's your understanding that that is 9 Q. called a consultative opinion? 10 That's my understanding, yes. 11 Did you participate in the 271 proceeding 12 0. in North Carolina? 13 14
- A. I believe I filed written testimony. I

 don't believe I actually appeared in front

 of the Commission.
- 17 Q. You appeared in front of --

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- 18 A. I do not believe I appeared in front of
 19 the Commission, but I do believe I
 20 provided written testimony.
 - Q. At page 22 at line 17 to 22, you discuss an emergency petition with the FCC. When was that petition filed, to your knowledge?
- 25 A. I want to say last fall. I don't remember

1 that task? 2 Α. Yes. 3 Is there any reason that some further Q. 4 consent must be acquired from BellSouth 5 prior to its complying with the order? 6 A. I'm not sure of that question. I'm not 7 sure what you're referring to. 8 Well, I guess to be more clear -- this Q. 9 might speed things along. 10 A. Uh-huh. If you'd look at Attachment 2, which is 11 Q. marked as Exhibit 3. 12 13 Α. Okay. 14 0. Page 44. Section 3.10.4. This is a 15 section that regards the issue that we're 16 talking about. Yes. 17 Α. And BellSouth's proposed language begins 18 with a clause, to the extent required by 19 20 applicable law. Do you see that? 21 A. Yes. 22 0. Do you know what that refers to? 23 I think we're discussing the fact that 24 there are potentially an applicable law

that requires us to do the following.

- Q. Would the billing and collection of payment for those services need to be included in this separate agreement?
- A. Yeah. The separate agreement would look just like any other commercial agreement between two companies in that it would include ordering information, what services are to be performed, what's expected of both parties, and then, of course, billing, and then they always require two to three pages of legal documentation to protect the two companies in that agreement.
- Q. And in your time at BellSouth, have you ever negotiated a commercial contract with another telecommunications carrier?
- 17 A. Yes.

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- Q. And what type of service was covered in that contract?
- 20 A. Professional services. In this particular case, it was installation work.
- Q. Was this contract then obligating
 BellSouth to send its personnel to go work
 somewhere in exchange for which it got
 paid?

A. That's correct.

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- Q. Were there any other types of agreements that you negotiated?
 - A. I have negotiated information service agreements. I'm trying to think. Those are the two, professional services and information services.
- Q. How many such agreements did you negotiate, approximately?
- 10 A. Been involved in negotiations, probably in five or six different such agreements.
- 12 Q. And, to the best of your recollection, how
 13 long a time period was it from the
 14 beginning of the negotiations until the
 15 signing of the agreement?
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 believe the shortest is probably in the
 four to six week time frame, not
 full-time, but, you know, to work through,
 and the longest has been in the 12 to 18
 month time frame, again not full-time but
 just as we worked through the
 negotiations.

1	Q.	So was it as long as a year in some
2		instances?
3	Α.	Year, year-and-a-half, yes. Sometimes the
4		other companies have extenuating
5		circumstances that require them not to be
6		able to negotiate for a while, so that
7		causes time to pass.
8	Q.	Did BellSouth perform any other requested
9		work for these entities prior to the
10		signing of the agreement?
11	Α.	No.
12	Q.	Is it your understanding that BellSouth
13		would not perform any bridge tap removal
14		not covered in your bullets one, two,
15		three prior to the signing of such an
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17		MR. CULPEPPER: Object to the form
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they've been identified in this 1 2 interconnection agreement, or -- and 3 others are available via special construction through the FCC tariff. the degree they want something additional 5 6 to that, then we would not perform those additional services until we had an 7 agreement in place to do that. . 8 9 Do you know which FCC tariff they could Q. order out of? 10 Process construction processes as 11 A. identified in FCC Tariff No. 2. 12 This tariff? 13 Q. Yes, that large one. 14 A. 15 MS. JOYCE: Let's take a ten-minute break. 16 (RECESS.) 17 18 BY MS. JOYCE: 19 Q. We're back on the record. Mr. Fogle, do 20 you have a position on what indemnification should be provided to 21 BellSouth if two CLPs split a line within 22 23 the BellSouth network? The position that I have and BellSouth has 24 A . 25 is simply that since we're not a party to

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- Would you please turn to page 14 of your 13 Q. testimony? And at lines 14 to 16, you 14 state that BellSouth is just simply 15 requesting that its limitation of 16 liabilities extend to third parties that 17 the Joint Petitioners may enter into 18 agreement within the process of 19 establishing line splitting service. 20 line 15, should that be with in, two 21 separate words? Just to clarify further 22 what your meaning is. 23
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understanding that Joint Petitioners are, at this time, unwilling to indemnify BellSouth entirely?

- A. That's my understanding, yes.
- Q. Sitting here today, what is the level of indemnification that you think is appropriate when two CLP lines split in your network?
- A. The level of indemnification between the CLPs or to BellSouth or --
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 - Q. Would you, for example, think it appropriate that BellSouth be indemnified

for damages that arise out of one of those CLP actions as they perform line splitting?

A. Yes.

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- Q. And are you familiar with the term proximate cause?
- 7 A. No, I'm not.
- Could you please turn to page 15 of your 8 Q. 9 testimony? And you state at lines 12 to 17 essentially that the North Carolina 10 Utilities Commission entered an order that 11 12 required BellSouth to, quote, alter certain practices concerning its 13 FastAccess internet service. It would 14 15 effectively be ordering BellSouth to violate or alter the express terms of 16 17 BellSouth's federal tariff. Do you see that? 18
- 19 A. Yes, I do.
- Q. Well, is your position then that it is possible the Commission would enter an order that would require BellSouth to violate the law?

MR. CULPEPPER: Object to the form of the question.

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A. I believe the Commission could put an order in that would require us to violate our tariffs. I don't know whether or not our tariffs carry the weight of law or not. I believe they are agreed to by the FCC.
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- Q. Do you know whether a failure to comport with a tariff provision is a violation of the law?
- 10 A. I believe that it is.
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- 12 A. Yes, we do.

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- Q. From time to time, does BellSouth amend its tariffs?
- 15 A. Yes, we do.
- 16 Q. Has BellSouth ever amended its federal 17 tariff regarding DSL --
- 18 A. Yes.
- 19 Q. -- transport services?
- 20 A. Yes, we have.
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- A. I'm not sure. Can you rephrase that question for me?
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- 20 Q. And do you know whether -- strike that.
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- Q. Do you know how many circuits were involved?
- A. I think it -- it's -- maximum amount, approximately 700.
- Q. Is it your position that because of that
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 described, BellSouth was out of compliance
 with its federal tariff?
- 10 A. Yes, we were.

- Q. Were any penalties imposed by the FCC as a result of that situation?
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- their permission. We identified the
- individual end user customers that had
- identified the lines that we had our DSL

service on their UNE-Ps. We gave them the option at that time to convert into resold lines. Several of the CLECs did convert to resold lines. Some of them chose not to.

At that point, we -- for those individual end user customers that the CLECs had chose not to convert to resold lines, we then contacted the internet service providers of those end users and let them know that we would no longer be able to provide DSL service. And then once a particular time had gone by, we then disconnected those end users from their DSL service since they were currently being provisioned over a UNE-P line.

- Q. Did those customers retain their voice service?
- A. I don't know exactly what -- because the outcome of the various voice service choices that they made, our interest was entirely -- was in complying with our FCC tariff and also to no longer be using the CLEC UNE facilities that we did not have

1 permission to use.

- Q. Did you ever ask permission to use those facilities?
- 4 A. No, we did not.

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- Q. Did any CLEC invite you to use its facilities to provide DSL over a loop it was using to provide voice service?
- A. I don't recall if we were invited at that time to use those facilities.
- 10 Q. Are you familiar with the monthly
 11 recurring rates that a CLP pays to access
 12 a resold line?
- 13 A. I've got limited familiarity with it.
- Q. To your knowledge, is it more or less than what a CLP pays for a UNE line?
- 16 A. I believe that it is generally more.
- 17 Q. Is it more or less than what a CLP pays
 18 for a UNE-P facility?
- 19 A. I believe it's more, but I'm not certain on that.
- Q. Was there ever a time that BellSouth considered doing DSL over a UNE line?
- A. We've considered it a couple of different times over the last several years. It has always -- The market opportunity has

proven to be smaller and we believe it's been smaller than the actual cost it would take to be able to facilitate and provide our DSL service over a CLEC's UNE. So we've chosen not to go forward with that.

- Q. So cost was one factor in that determination, is your understanding?
- A. Yes.

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- 9 Q. At page 20 of your testimony, lines 1 and
 2, which continue over from line -- page
 11 19, you state that BellSouth would have to
 12 negotiate rates, terms, and conditions for
 13 providing -- provisioning this service
 14 with each CLP. Do you see that?
- 15 A. Yes.
- Q. Do you know whether those negotiations took place with a CLP?
 - A. In the states we've been ordered to provide our DSL service, we developed some -- a negotiating -- the language that would go into the interconnection agreement that allowed us access to the high-frequency portion of the loop. That involved time on our part to negotiate with the two to three CLECs, required to

negotiate -- and I know at least one of they went to an arbitration over the language that we then had to defend in an arbitration. So we've done it in those states where we've been required to continue to provide our DSL service.

- Q. Were the negotiations conducted between BellSouth and a group of CLPs together?
- A. No, individual CLECs or CLPs.
- 10 Q. Did BellSouth ever conduct these
 11 negotiations in states in which it had not
 12 been ordered to provide DSL over a UNE?
- 13 A. No, we have not.

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- Q. Did a CLEC in one of those states ever request negotiations for that purpose?
- 16 A. I wouldn't know.
- Q. Do you know whether the North Carolina
 Utilities Commission has reviewed the
 issue of whether BellSouth should provide
 DSL over a UNE line?
- 21 A. Yes, I believe the North Carolina
 22 Utilities Commission has reviewed it.
- Q. And what is your understanding of their position or ruling on that issue?
- 25 A. In our 271 proceedings, our 271 case, this

issue came up repeatedly and included

North Carolina. And at that time, the

commission quoted the Georgia/Louisiana

FCC order that stated specifically -
which stated specifically that the

incumbent CLEC has no obligation to

provide DSL service over the competitive

CLEC lease facilities.

- Q. Are you aware there is arbitration taking place between ATC, Deltacom, and BellSouth in North Carolina?
- 12 A. Yes.

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- Q. Do you know whether this issue is contained in that arbitration?
- 15 A. I believe that it is.
- Q. Do you know why the North Carolina
 Commission is reviewing this issue again?
- 18 A. I do not.
- 20 If in North Carolina the Joint Petitioners
 20 gave BellSouth permission to use their -21 these lines, their UNE lines to provide
 22 DSL service on a retail basis, do you know
 23 whether BellSouth would do so?
- A. Not -- We would not do so unless ordered by the Commission.

- Q. And if you could please turn again to your testimony at page 20 -- excuse me, page 21, line 1. You use the term the Commission's consultative opinion to the FCC. What type of opinion are you referring to in that line?

 A. This is an opinion that they entered in
- 9 Q. And it's your understanding that that is 10 called a consultative opinion?

support of our 271 application.

11 A. That's my understanding, yes.

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- 12 Q. Did you participate in the 271 proceeding in North Carolina?
- A. I believe I filed written testimony. I
 don't believe I actually appeared in front
 of the Commission.
- 17 Q. You appeared in front of --
- 18 A. I do not believe I appeared in front of
 19 the Commission, but I do believe I
 20 provided written testimony.
- Q. At page 22 at line 17 to 22, you discuss
 an emergency petition with the FCC. When
 was that petition filed, to your
 knowledge?
- 25 A. I want to say last fall. I don't remember

the exact date.

- Q. And what did the petition ask for?
- A. Specifically it asked the FCC to address and declare once and for all whether we are or are not required to provide our DSL service over a UNE-P so that we would not have to litigate this issue over and over again in a number of different states, in a number of different arbitrations, and then have to deal with the subsequent appeals, so that's the reason for the emergency relief.
- Q. And when you state at lines 20 to 22 that in response to this emergency petition, all current proceedings are being held in abeyance, awaiting the outcome of the FCC's determination on this issue, which current proceedings are you referring to?
- A. I'm referring to the appeals. BellSouth has appealed the various orders in the four states that are associated with DSL with UNEs. And those appeals have all been -- are being -- awaiting the outcome of the FCC's determination on this issue for directive.

- Q. So these appeals were filed in Georgia,
 Louisiana, Kentucky, and Florida?
- A. In the appropriate appellate jurisdictions for those, yes.
- Q. And did you participate in the briefs that were written in those appeals?
- 7 A. I think I helped develop some of the factual bases for those briefs.
- 9 Q. And when were those briefs filed?
- 10 A. My recollection is at various times

 11 through last year, from early in the year

 12 through the end of the year. I don't know

 13 exactly when each of them individually

 14 were filed.
- Q. Do you know when the initial request to appeal the orders were filed?
- 17 A. I do not. I know we put -- we did our

 18 request to appeal within the proper time

 19 frames that we were -- the proper windows

 20 we were allowed to appeal, but I don't

 21 remember exactly when those dates were.
- Q. If a state commission were to order
 BellSouth to perform a task --
- 24 A. Uh-huh.

Q. -- would BellSouth endeavor to perform

that task? 1 Yes. 2 A. 3 Is there any reason that some further Q. consent must be acquired from BellSouth 4 5 prior to its complying with the order? I'm not sure of that question. 6 A. sure what you're referring to. 7 . 8 Well, I guess to be more clear -- this Q. might speed things along. 9 Uh-huh. 10 A. 11 Q. If you'd look at Attachment 2, which is marked as Exhibit 3. 12 Okay. 13 Α. 14 Page 44. Section 3.10.4. This is a 0. section that regards the issue that we're 15 talking about. 16 17 A. Yes. And BellSouth's proposed language begins 18 Q. 19 with a clause, to the extent required by 20 applicable law. Do you see that? Yes. 21 A . Do you know what that refers to? Q. 22 I think we're discussing the fact that 23 Α. 24 there are potentially an applicable law that requires us to do the following. 25

Q. Where is that applicable law found?

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- A. In North Carolina, I don't believe there is an applicable law that requires us to provide our DSL service for FastAccess.
- Q. So would it -- is it fair to say that applicable law, in your understanding, would be the orders from Georgia and Louisiana? Would those be a repository of applicable law for this section?
- A. The only requirement that I'm aware of that -- legal requirement that we have had to -- or forced to -- or required to provide our DSL service, our FastAccess service to CLPs end users has been in Louisiana, Georgia, Florida, and Kentucky.
- Q. So would those orders comprise the applicable law?
- 18 A. As it is today, yes.
- 20 And then this section goes on to say that
 BellSouth shall provide its DSL service
 and FastAccess services. Are those two
 distinct services?
- 23 A. Yes, they were.
- 24 Q. What is DSL service?
- 25 A. DSL service is a term we use for the

wholesale DSL service, as we call it internally. But it's essentially the federally tariffed DSL service that's available to internet service providers.

- Q. Is that service provided to CLPs on a wholesale basis?
- A. It's provided to CLPs under the same terms and conditions that it's provided to anybody else subject to the federal tariff, so...
- 11 Q. Who is anybody else?

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- A. Anybody who meets the terms and conditions 12 13 of -- of -- to have the ability to purchase services out of our federal 14 tariff, we're required to provide services 15 to them, whether they be a CLP, an 16 interexchange carrier, an ISP, an end 17 user. We can't discriminate who buys at 18 the federal tariff level, so we have --19 all the above buy DSL services out of our 20 federal tariff to use. 21
 - Q. So is it your understanding then that the DSL service is provided under the same terms and conditions to a CLP as to a retail end user?

1	Α.	To the degree a retail end user wants to
2		buy DSL services out of a federal tariff,
3		they can do that. It's not very common.
4		It does happen. But ISPs, internet
5		service providers, as well as CLPs all buy
6		out of the same tariff at the same terms
7		and conditions.

- Q. Do you know the rates associated with the DSL service referenced in this?
- 10 A. It depends on which DSL service you're
 11 talking about, different rates for
 12 different services.
- 13 Q. And those are all in the tariff?
- 14 A. They're all specified in the tariff, that is correct.
- 16 Q. What is FastAccess service?

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FastAccess service is a retail internet 17 Α. access service. It's an information 18 19 service that's provided by BellSouth to retail end users, both consumers and small 20 businesses and large businesses. It 21 combines information in e-mail and all the 22 internet protocol activity and support and 23 help desk and uses the tariff or DSL 24 25 transport service. It's tariffed with the

FCC as one of its inputs to create an 1 information service that is sold to the 2 end user. FastAccess is referred to kind 3 of collectively as that group of services 4 5 that are sold by retail to those end 6 users. 7 So is it your understanding that DSL Q. . 8 service is, as the FCC uses the term, a telecommunication service? 9

- 10 A. Yes, that's my understanding.
- 11 Q. Would it be fair to say then that

 12 FastAccess takes that telecommunication

 13 service and adds what the FCC terms

 14 information services?
- 15 A. Yes.
- Q. Are the rates different for DSL service and FastAccess service?
- 18 A. Yes.
- 19 Q. And they're all tariffed?
- 20 A. No. DSL services are tariffed.
- 21 FastAccess services are not tariffed.
- 22 Q. And why not?
- A. Because their information service. By

 definition, there's no tariff requirement

 because it's a competitive marketplace.

Q. And then referring back to this provision. It goes on to say that these services we were discussing will be provided to a customer for use with UNE-P as loops. Do you have an understanding as to what that clause means?

- A. I would venture to say that that's not the best written paragraph. I believe the issue there is that the different orders that we have right now between Georgia, Louisiana, Kentucky, and Florida all have different requirements as to how we must continue to provide our DSL services or our FastAccess. And some impact UNE-P, some impact UNE loops. I think they're simply trying to incorporate the language so that depending on what the applicable law is, we will comply.
- Q. Could this clause mean that these services will be provided over UNE-P as if the UNE-P were a UNE loop?
- 22 A. I don't read it as that way.
- Q. And then this section goes on to say that
 BellSouth will provide those two services
 pursuant to separately negotiated rates,

terms, and conditions. What would be examples of rates, terms, and conditions that would need to be separately negotiated?

- A. To a degree, we're ordered to -- again, it comes back to the applicable law and what's ordered. We simply don't know what the North Carolina Utilities Commission is going to order. But if they were to order us to continue to provide our FastAccess service or some aspect of our FastAccess service, which is non-regulated, our prices and rates and terms and conditions of that are all subject to commercial agreements. To the degree we would offer those to the CLEC or the CLP, we'd have to negotiate that.
- Q. If a CLP wanted to obtain DSL service -wholesale service, are there rates that
 would apply other than what's in your
 federal tariff?
- 22 A. No.

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Q. Do you know what kinds of terms and conditions are included in your federal tariff for the wholesale DSL service?

Α.	Well, we have ordering terms and billing
	terms, provisioning terms, those types of
	things. We have expectations that our
	customers pay us for those services they
	order, that types of thing. Those are
	covered in the tariff.

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- Are there liability terms in the tariff -in the DSL wholesale tariff?
- Liability terms in terms of expressing A . 10 liability between BellSouth and their customers?
- 12 As between BellSouth and the CLP that's Q. purchasing the DSL wholesale service. 13
- I assume somewhere in the federal tariff 14 A. 15 there's a discussion of liability. I don't know exactly where it would be. 16
 - So sitting here, as you read this language, can you think of any rates, terms, and conditions that would not be in the tariff that would govern when a CLP purchases DSL wholesale service from BellSouth?
 - A. All DSL wholesale services are tariffed, so those tariff rules would apply. Our tariff rates would apply.

- Q. Now, you stated that in Georgia and Louisiana, BellSouth took the steps of establishing agreements with CLPs in order to comply with the orders of the Georgia and Louisiana commissions; is that correct?
- A. That's correct.

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- Q. And do those agreements include terms and conditions that discuss how -- what the product is called for purposes of placing an order?
- The terms and conditions that are in the 12 A. interconnection agreement all have to do 13 with access and meeting our obligation as 14 required by law. One of the requirements 15 is that we have access to the 16 high-frequency portion of the loop, so we 17 acquire in the interconnection agreement 18 that the CLEC or CLP give us access to the 19 20 high-frequency portion of the loop at no charge. 21
- Q. And those terms and conditions are included in the interconnection agreement?
- A. They are included in the interconnection agreements in Georgia and Louisiana and

Florida. I don't know if they are in 1 Kentucky. 2 And do those agreements have terms and 3 conditions for how a CLP would order and 4 obtain the service that you've been 5 ordered to provide? 6 7 In this case, the orders are not for the CLP to order the DSL service or the 8 FastAccess service. It's for BellSouth to 9 continue to provide its DSL service or 10 FastAccess service to an end user. So the 11 CLP itself is not ordering that service. 12 So there's no terms or conditions about 13 how they would order the DSL or FastAccess 14 service in the interconnection agreement. 15 Are the methods and procedures by which 16 BellSouth would provide DSL service to an 17 end user under those circumstances 18 different from state to state in the 19 BellSouth region? 20 Yes. 21 A. And in what respects are they different?

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- The rules or the orders that we have been 23 A . ordered -- what we've been ordered to do

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in Florida is different than what has been 25

done in Georgia and Louisiana and
Kentucky. So the process for implementing
and complying with the order is
different.

In Florida, we do -- we provide
our DSL service -- actually, sorry. In
Florida, we were specifically ordered to
continue to provide our FastAccess
service, so we provide that over a
separate facility. We actually provision
a new loop to the home to provide that
service.

In Georgia and Louisiana, we're ordered to provide it on the same facility, so we facilitate paths on the same facility.

In Kentucky, we do it over a resold line and then reprice on a monthly basis the price of that resold line to be equivalent to a UNE-P.

So in each case, the process that we have to go through and the coordination we have to go through with the CLEC is different in -- as a result of the orders that we have received.

- 1 Q. But as a matter of what BellSouth is able
 2 to perform, regardless of what it's
 3 ordered to do, when a CLEC customer wants
 4 BellSouth DSL, would the means by which
 5 BellSouth provides DSL to that customer
 6 when that customer is a CLP voice
 7 customer --
- 8 A. Uh-huh.
- 9 Q. -- be different in one state as opposed to another?
- 11 A. Yes. I mean, the means we provide it in
 12 Florida is over a separate line. In
 13 Georgia and Louisiana, it's all the same
 14 facility as the UNE-P. In Kentucky, we
 15 provide it over a resold line.
- Q. Is it technically feasible for BellSouth
 to provide DSL over a UNE-P in each of its
 states?
- 19 A. Yes.
- Q. Is it technically feasible for BellSouth
 to provide DSL FastAccess over a separate
 loop in each of its states?
- 23 A. Yes.
- Q. The agreements that were signed in Georgia and Louisiana with the CLPs, are they

1 state specific? 2 Yes, they are. A. Does BellSouth use the same OSS ordering 3 4 systems in each of its states? I believe, yes, we do. 5 A. 6 Do you know whether BellSouth has any 251 -- Section 251 interconnection 7 8 agreements that include provisions that 9 discuss whether CLP customers may obtain 10 FastAccess? 11 A. I believe that language has been incorporated into interconnection 12 13 agreements in Florida, Louisiana, and Georgia. I don't know what's been done in 14 Kentucky, but all of those are under 15 16 appeal by BellSouth. 17 These were not region-wide Section 251 Q. 18 agreements? 19 A . No. 20 Has BellSouth ever considered implementing Q. what it has been ordered to do in Georgia 22 in any of its other states? We have considered what -- over a UNE-P is 23 24 in the general sense from product 25 prospective, which is very similar to what

was ordered in Georgia, and projected that from a region-wide perspective. If we were to actually provide the Georgia solution in Florida, we would be in violation of the Florida law as well as the Kentucky law. So we don't really have the leeway of applying it everywhere because the rules that we were ordered to do are sufficiently different that one does not necessarily comply with the other.

- Q. Did the Florida Commission order BellSouth not to provide DSL over a new line?
- 14 A. No, they did not.

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- 15 Q. Did the Georgia Commission order BellSouth

 16 not to provide FastAccess service over a

 17 stand-alone loop?
 - A. I don't remember the exact wording of the language, but I don't believe we were given -- we were -- I believe we were required to provision our FastAccess service over the same facility.
 - Q. But were you ordered not to provide

 FastAccess over a stand-alone loop?

 MR. CULPEPPER: Object to the form

of the question. It's been asked and answered, for one thing.

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MS. JOYCE: His question
wasn't -- His response wasn't
responsive. He said what they are ordered
to do, and I just simply asked -- maybe I
could be more clear.

- Q. Would the Georgia Commission preclude

 BellSouth from serving a CLP end user

 customer over a stand-alone loop for DSL

 service?
- 12 A. I don't recall if they specifically
 13 excluded that.
 - Q. Do you know whether the -- some or all of the CLPs with whom you signed agreements in Georgia and Louisiana to implement those state orders are present in the other BellSouth states?
- 19 A. Many of them have the -- presence in20 multiple states.
- Q. And, to your knowledge, did any of those
 CLPs request that BellSouth implement that
 agreement in any other BellSouth state?
- 24 A. I don't know one way or the other if it's
 25 been requested.

- Q. Did you participate in the negotiations by which those agreements were reached?
- A. I participated in negotiations with FDN in Florida. I supported the negotiators in the Louisiana and the Georgia negotiations, but did not directly participate.
- Q. And do you have an understanding, for example, for the FDN negotiation, what was the length of time that elapsed between the beginning of the negotiations and the signing of the agreement?
- A. I think that particular agreement was negotiated in approximately two to three weeks.
- Q. And do you have any understanding of the time frame that elapsed in Georgia?
- 18 A. I do not know.

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- 20 Q. Do you know how long it took for those agreements to be negotiated in Louisiana?
- 21 A. I do not know.
- MS. JOYCE: All right. I think we can break for lunch. Go off the record.

24 (LUNCH RECESS.)

BY MS. JOYCE:

- Q. Hello, Mr. Fogle. You understand you're still under oath?
- A. Yes, I do.

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Q. All right. Now, I'd like to discuss with you the issue of what should the definition of cross connect be in the agreement that's at issue in this case.

Did you participate in the calls that negotiated this particular issue between the Joint Petitioners and BellSouth?

- 12 A. No, I did not.
- Q. And did you consult with anybody at
 BellSouth who did participate in those
 calls?
- 16 A. Yes, I did.
- Q. And who were those persons?
- 18 A. Lynn Brewer, B-r-e-w-e-r.
- 19 Q. And is she an attorney?
- 20 A. No, she's not.
- Q. And did you discuss things with her
- verbally?
- 23 A. Yes.
- Q. And did you provide her with anything
 written regarding the position or Issue

4-1? 1 I did not, no. 2 A. And on what understanding, what basis did 3 Q. you write your testimony for Issue 4-1? 4 Developed this issue based on 5 A. conversations with Lynn Brewer. 6 7 Turn, please, to page 24 of your Q. testimony. Beginning at line 5, you . 8 define a cross connect as a jumper on a 9 frame (main distribution frame or 10 intermediate distribution frame) or panel 11 (digital service cross connect (DSX) or 12 light guide cross connect -- cross 13 connect (LGX) that is used to connect 14 equipment and/or facility terminations 15 together. Did you derive that definition? 16 No, I did not. 17 Α. And do you know whether that definition is 18 the same as the definition the FCC may 19 have provided for a cross connect? 20 I don't know. 21 A . Have you reviewed the FCC's rules 22 0. regarding what is a cross connect? 23 I have reviewed some of them.

Do you recall reviewing the definition of

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cross connect in any FCC order? 1 No, I do not. 2 A. (DEPOSITION EXHIBIT NO. 9 WAS MARKED.) 3 I'm going to hand you a document marked 4 Q. Exhibit 9. Again, it's voluminous. 5 Again, I believe I just have two copies of 6 that. And do you recognize this document? 7 It appears to be Attachment 4, Collocation . 8 A. from interconnection agreement. 9 And would you accept that this is the 10 Q. attachment that's being negotiated in this 11 case? 12 Yes, I will. 13 A. And see that it indicates on the front 14 5-23-04 draft. Do you understand that 15 that means that this is a draft that was 16 in place between the parties as of May 17 23rd, 2004? 18 That would be my understanding, yes. 19 A. Will you please turn to page -- what is 20 Q. numbered on the top as page 11. And do 21 you see there Section 3.9. And there's a 22 section that is designated for customer 23 version of language? 24

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A.

Yes, I do.

- Q. It states that a cross connection (cross connect) is a cabling scheme between cabling runs, subsystems, and equipment using patch cords or jumper wires that attach to connection hardware on each end, as described and defined by the FCC. Do you see that?
- 8 A. Yes, I do.

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- Q. Do you believe that definition is an appropriate definition for a cross
 connect?
- 12 A. For just a cross connect as a broad

 13 definition, yeah, that's an appropriate

 14 definition.
- 15 (DEPOSITION EXHIBIT NO. 10 WAS MARKED.)
- Q. I'm handing you an exhibit that's been marked Exhibit 10.

MR. CULPEPPER: Thanks.

- 19 Q. Have you ever seen this document before?
- 20 A. No, I don't believe I have.
- Q. Do you see the front page indicates this
- is an order from the Federal
- 23 Communications Commission?
- 24 A. Yes, I do.
- Q. And it was released August 8th, 2001, in a

docket entitled deployment of wireline 1 services offering advanced 2 telecommunications capability. Did you 3 participate in the FCC rule making that 4 resulted in this order? 5 No, I did not. 6 A. Can you please turn to the second page of . 7 this exhibit and look at paragraph 58. . 8 And there's some quoted language in that 9 paragraph. 10 Yes, I see that. 11 A. Please compare that quoted language in 12 this FCC order portion thereof and the 13 language that appears in bold type on 14 Exhibit 9 at Section 3.9. 15 MR. CULPEPPER: We are looking at 16 paragraph 58; right? 17 That's right. MS. JOYCE: 18 MR. CULPEPPER: All right. 19 They appear to match pretty closely. 20 A. Can you explain to me what the difference 21 is between the quoted language in this FCC 22 order and your definition of cross connect 23 provided at page 24 of your testimony? 24

I believe our language is a little bit

more specific as to what types of equipment might be cross connected to.

- Q. More specific in that it provides proper names such as main distribution frame or intermediate distribution frame as one of the points that a cross connect would connect to?
- A. Yes.

- Q. Do you know why those specific proper nouns have been placed into this definition that appears on page 24?
- A. In the issues, as we have developed it -or as we understand it is that we're
 trying to do in the collocation section of
 the interconnection agreement is limit the
 cross connect language to a collocation
 cross connect and not just to a cross
 connect in general, as there are other
 types of cross connects that are subject
 to other jurisdictions and other
 agreements. So we're simply trying to
 make sure that we're making the definition
 of cross connect sufficiently narrow to
 only include collocation cross connects in
 this particular section of the agreement.

- Q. Describe for me what is the facility that would be a cross connect that is not a collocation cross connect?
- A. A co-carrier cross connect is not a collocation cross connect.

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- Q. What types of equipment facilities would a co-carrier cross connect connect?
- A co-carrier cross connect would be a . 8 A. cross connect that's -- you can order out 9 of FCC tariff that would -- essentially 10 connects the collocation space of one 11 carrier to the collocation space of 12 another carrier or could also cross 13 connect between exchange carriers or 14 anybody else who needs to cross connect 15 between carriers. 16
- Q. So your testimony is that a -- may I call
 it a non-collocation cross connect, one
 type of that would be a connection between
 two collocated carriers?
 - A. My testimony would be that a non-collocation cross connect would be a co-carrier cross connect, which is -- has a different purpose and a different use as opposed to providing collocation

conductivity between BellSouth and the 1 CLP. 2 But a co-carrier cross connect would run 3 0. between the facilities of two collocated 4 carriers; is that correct? 5 That's my understanding, yes. 6 A. Looking at Exhibit 10, the quoted language 7 Q. at page 58. 8 9 A. Okay. Would a co-carrier cross connect fall 10 Q. within this definition provided here? 11 Yes, it would. 12 A. Is there another type of cross connection 13 Q. that is not a collocation cross 14 connection? 15 There may be. I'm not aware of one that I 16 A . could name at this moment. 17 Is it your position that a co-carrier 18 Q. cross connect should not be provided to 19 the Joint Petitioners? 20 I believe the co-carrier cross connects 21 should be provided to the Joint 22 Petitioners, and they're available to them 23 subject to the FCC tariff that they're 24

tariffed in.

162
ERIC FOGLE - CONFIDENTIAL, FOR ATTORNEYS' EYES ONLY

- O. Is that a BellSouth tariff?
- 2 A. Yes.

- Q. Do you know what the rates are for a co-carrier cross connect?
- 5 A. I do not.
- Q. And do you know what rates would be applied to a collocation cross connect under Attachment 4?
- 9 A. I don't know them offhand, no.
- Q. Do you know whether the rates for a co-carrier cross connect are developed in accordance with TELRIC?
- 13 A. I would assume that they're not.
- Q. Do you know whether a collocation cross connect rate is developed in accordance with TELRIC?
- 17 A. I would assume that they are.
- Q. Is it your position that different rates should indeed apply to these two different facilities?
- A. I believe they have different purposes and they have different applications as well as different rules of law that apply to them, different jurisdiction, so it makes sense there would be potentially different

rates, but I don't know if the rates are actually different.

- Q. What is the purpose of a co-carrier cross connection?
- A. Co-carrier cross connection provides cross connects between two different carriers.

 It doesn't connect to the incumbent,

 BellSouth. One example would be if you needed to connect -- one CLP wanted to connect to their customers that have a service they provide to some equipment in another CLP's collocation space for a service that CLP provides. And so one method for doing that is the use of a
- Q. And what is the purpose of a collocation cross connect?

co-carrier cross connect.

- A. Colocation cross connect is to connect the collocation space of the CLP with the services or bundled network elements that they're purchasing and using with BellSouth or the incumbent.
- Q. Would telecommunications traffic pass over collocation cross connect?
- 25 A. Yes.

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- Q. Would telecommunications traffic pass over a co-carrier cross connect?
- A. Probably, that -- yes.

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- Q. Is it your testimony that the principal difference between a co-carrier cross connect and a collocation cross connect is whether the facility attaches to BellSouth equipment?
- 9 A. No, because I believe in a co-carrier

 10 cross connect, some of our equipment is

 11 involved in providing that cross connect

 12 capability. I think the difference has to

 13 do with the service or the allocation

 14 that's being purchased or used in

 15 conjunction with the cross connect.
 - Q. What is a type of service that would be used in conjunction with a cross connect?
 - A. A collocation cross connect would be -services would be any kind of UNEs or
 other types of services, access services
 that -- I believe I even specify a couple
 of them in my testimony. I'll have to
 look to see exactly which ones I named.
 Unbundled loops, unbundled local
 switching, unbundled transport, unbundled

loop port combinations, et cetera.

- Q. Are you quoting from page 27 of your testimony?
- 4 A. Yes, I am.
- Q. And a collocation cross connect, as
 described on this page, would, to the best
 of your knowledge, be priced in accordance
 with TELRIC?
- 9 A. Yes.

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- 10 Q. What types of service would not be
 11 appropriately provided over a collocation
 12 cross connect?
- 13 If BellSouth reached an agreement with a A. CLP to provide an information service or 14 15 internet service or provide a non-251 16 service, DSL, for example, the connection between BellSouth and that -- and a CLP 17 would not be via collocation cross 18 connect, it would be via some other type 19 20 of cross connection.
- Q. In that instance, what would the end point be of the cross connect facility?
- A. It could be -- one end point would be

 BellSouth equipment by BellSouth services,

 the other end point would be the CLP's

equipment, which may or may not be collocated.

- Q. Do CLPs sometimes provide DSL service to their end users over UNEs?
- 5 A. Yes.
- Q. Is a collocation cross connect the proper facility to be used for a CLP to gain access to UNEs?
- 9 A. Yes.
- 10 Q. Okay. Describe the scenario under which
 11 an internet service would be provided by
 12 BellSouth to a CLP.
- 13 There could be a service where BellSouth A. has developed a wholesale internet access 14 15 service or provided any number of information services, whether it be an 16 e-mail hosting or web hosting or other 17 18 types of services, that a CLP would choose 19 to buy or use. Those are very competitive 20 services that are available on the 21 open-ended marketplace. BellSouth offers 22 them as well as other -- many other 23 competitors offer those type of 24 internet-based services. So that's one 25 situation where a CLP could be buying

information or internet service from BellSouth.

Q. On a retail basis?

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- A. Retail and wholesale. And information

 services is a bit -- because they're

 another carrier and not actually the end

 user, we would probably dub that as a

 wholesale service, but it would still be a

 non-regulated commercial agreement between

 the two companies.
- 11 Q. Why would it be a non-regulated service?
- 12 A. Because it's BellSouth providing the

 13 competitive information service to the CLP

 14 on commercially agreed to terms.
- Q. If a CLP is collocated in a BellSouth

 central office, is there a facility that

 would permit them to access a leased mox?
- 18 A. I don't know.
- 19 Q. Is there a facility that would allow that
 20 collocated facility to access transport
 21 provided by another carrier who is not
 22 collocated in the office but had a
 23 presence in the office?
- A. I don't know whether that would be a co-carrier cross connect or if that would

be -- I don't know.
2 Q. Are you familiar wi

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- Q. Are you familiar with the term local channel?
- 4 A. I have some limited knowledge of what a local channel is.
- Q. Please describe what your knowledge is of that term.
- 8 A. It's actually way outside my expertise,
 9 but I'll see if I can bumble together some
 10 description of a local channel. It's
 11 always difficult when you've heard terms
 12 used so many times and you have to
 13 actually think of how to define it.
- Q. If you need to define by example, that would be helpful.
- 16 A. My understanding -- very limited as it is
 17 in the local channel is a particular
 18 connection or single connection on what we
 19 would refer to as a channel bank, so I
 20 believe it's just kind of a common or a
 21 local vernacular for a type of
- Q. Do you know what it would connect with,
 what --
- 25 A. No, I would not.

connection.

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Q. Do you have an understanding as to the rates that apply to a local channel?

A. No, I do not.

- Q. Could a collocated CLP connect to entrance facilities owned by another telecommunications carrier?
 - A. I don't know.
- Q. What types of conductivity is BellSouth prepared to offer to the CLPs to be connected to equipment within a central office where they are collocated?
 - A. What types of conductivity? I'm aware of two that we offer. One is a collocation cross connect and the other is a co-carrier cross connect. I also believe that the CLPs have the ability to do some of their own construction and run some of their own cables through some BellSouth territory that -- BellSouth areas, that type of thing. But the two services we offer that I'm aware of are co-carrier cross connects and collocation cross connects.
 - Q. Please turn back to Exhibit 9, what's numbered page 12 up at the top. And

1 please review Section 3.10. Do you see there's only one section provided here and 2 there's no competing language, so that 3 4 indicates that this particular provision has been settled at this time. Do you 5 understand that? 6 Yes. 7 Α. It states that a co-carrier cross connect, Q.

- Q. It states that a co-carrier cross connect, which is abbreviated CCXC, are cross connects between customer and another collocated telecommunications carrier other than BellSouth. Do you see that?
- 13 A. Yes.
- Q. Under this statement, would a CLP be
 permitted to obtain a CCXC to connect with
 a noncollocated telecommunications
 carrier?
- 18 A. I don't believe this language would allow them to do that.
- Q. Does that statement at Section 3.10
 comport with what your understanding is of
 a co-carrier cross connect?
- 23 A. Yes.
- Q. So just to make sure that I understand
 your position correctly. You stated that

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a collocation cross connect should connect
 1
        a collocated carrier to BellSouth
 2
        equipment within a central office; is that
 3
        correct?
        No, to -- should connect a collocated
 5
    A.
        carrier to the unbundled services, the
 6
        unbundled transport, accommodations, et
7
        cetera that they're purchasing from
. 8
        BellSouth.
 9
        Would that include terminating to a
10
        multidistribution frame?
11
    A. I believe so, yes.
12
        And would that include terminating to an
   Q.
13
        intermediate distribution frame?
14
15
    A.
        Yes.
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- 16 Q. Is there any other type of BellSouth
- terminating facility that the collocation
- cross connect could terminate to?
- 19 A. There probably are. I don't know if I can
- 20 name them at this point.
- 21 Q. And would that equipment also include
- terminating to this DSX panel?
- 23 A. Yes.
- 24 Q. Or an LGX panel?
- 25 A. Yes.

Q. Are there any other types of panel that a collocation cross connect could terminate to?

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- A. There could be other types of panels out there that form the same function, that have a different, quote, unquote, specific or technical name. I wouldn't be able to name them right now.
- 9 Q. Do you know why only these specific types
 10 of frames and panels have been included in
 11 BellSouth's preferred definition of cross
 12 connect?
- A. I believe it seems to be very specific
 about the types of panels, but, more
 importantly, the function that those
 perform -- those perform in our network.

 Just to be specific and that our
 definition of a cross connect is limited
 to a collocation cross connect.
- Q. Are there types of collocation cross
 connects that would be excluded by this
 definition?
- 23 A. Not that I'm aware of.
- Q. But you've testified that a collocation cross connect could terminate to a frame

that is not the main distribution frame or an intermediary distribution frame?

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- A. My testimony is that there may be a particular type of frame that is called something different than one of those particular names that may exist on a network because it's been my familiarity, my experience in the years I've been working in telecom that everything has at least three names, so I don't want to exclude it. There may be something that's called the same function and performs the same capability that has a slightly different name, but our position on this issue is that collocation cross connect allows CLPs to collocate and to cross connect to the services they're purchasing from BellSouth and will make available the equipment necessary to do that.
- Q. If a CLP requested to obtain a facility that terminated on a frame, the frame was not identified by the proper name, main distribution frame or intermediary distribution frame, would you expect that the CLP would be able to obtain that

1 conductivity under Section 3.9? 2 Yes. A. And why would that be? 3 Because we're -- the collocation --4 A. 5 purpose of a collocation cross connect is to provide cross connect to the unbundled 6 services that you're purchasing from --7 the CLP is purchasing from BellSouth and 8 which includes the equipment necessary to 9 do that. I would not expect to run across 10 a frame other than those two. Those are 11 very generic terms for frames, but I will 12 not put it past some local person to be 13 calling it something different than the 14 main distribution frame or the 15 intermediate distribution frame. 16 doesn't mean we would not make that 17 available. 18 19 Is a frame a type of connection hardware? Q. 20 A. Yes. Is a panel a type of connection hardware? 21 Q. A. Yes. 23 Do you believe that as you look at Section 3.9, the BellSouth version of the 24 25 definition of cross connect, that what's

provided in these parentheticals are intended to be examples, or are they intended to be a comprehensive list of the type of frame or panel that a cross connect could terminate to?

- A. I believe that they are the predominant examples. I don't believe it's designed to be a comprehensive list. I'm sure if we sat two or three technical guys in here, they could come up with four or five more names for each of those types of things.
- Q. Do you know whether this provision was explained to the Joint Petitioners during any negotiation call as being simply a list of examples that are not intended to be comprehensive?

MR. CULPEPPER: I object to the form of the question. I'm not sure that was his testimony.

21 A. I don't know.

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Q. Is your testimony that a frame could exist that does not go by the name main distribution or intermediate distribution frame?

- Yes, I believe it's very possible that one could exist that does not have those two names.
- 4 And it could perform substantially the Q. same function as an MD frame or an ID 5 frame? 6

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- It could or could be a frame that we're A. using that could perform a completely different function.
- Further down in the provision at Section 10 Q. 3.9, BellSouth's version of it, it states that a cross connect involving -- or, 12 excuse me, involved in connecting 13 equipment/facility terminations with 14 equipment/facility terminations associated 15 with a collocation arrangement either 16 physical or virtual is ordered separately 17 and is charged at the rates found in 18 Attachment 2 or Attachment 4. Can you 19 give me a concrete example of a cross 20 connect that would fit this description?
 - There's a number of different types of A. cross connects. I think in my testimony on page 27, top of page 27 we talk about -- I reference 2-wire cross

connects, 4-wire cross connects, DS-1,
DS-3, 2-fiber, and 4-fiber cross connects.

Q. Are those all types of collocation cross

- 4 connects?
- 5 A. Yes.
- Q. So this provision 3.9 under BellSouth's version is intended to discuss collocation cross connects?
 - 9 A. Yes.
- Q. Are you aware of whether the Joint

 Petitioners are collocated in BellSouth's

 central offices in North Carolina?
- 13 A. I don't know.
- 14 Q. Would you accept that they might be?
- 15 A. I would assume they are since they really care about this language.
- 17 Q. How would one of the petitioners connect

 18 from its collocated facilities to a

 19 carrier who is not collocated in a CO,

 20 central office, who's clearly not a

 21 BellSouth carrier in order to access

 22 facilities that are not considered UNES?
- A. I would assume they would use one of the
 other types of cross connects that are
 available to them. Obviously a

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collocation cross connect would not be one
1
        of those. Either use co-carrier cross
2
        connect or some sort of a direct
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        connection that they would put in
4
        themselves.
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        So their choices, in your understanding,
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    Q.
        are between a cross connect -- strike
7
        that -- a collocation cross connect and a
8
        co-carrier; correct?
9
        Or a direct connection.
10
   Α.
        Assuming it's a facility that they wish to
   Q.
11
        obtain from BellSouth, they have two
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        choices; is that correct?
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        I believe that's correct, yes.
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   A.
       Please turn the page of Exhibit 9 to
15
    Q.
        Provision 3.11. And it states direct
16
        connect.
17
        Uh-huh.
   A.
18
        Is this the type of direct connection that
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    Q.
        you mentioned a CLEC might provision for
20
        itself?
2.7
        Yes, it is.
22
   A .
       And so this would be a facility, according
23
    Q.
        to the language here, that connects
24
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between one customer's virtual and/or

physical collocation arrangement in the same premises; is that correct? 2 Yes. 3 A. So is it fair to say then that a direct 4 connect would only apply in this instance 5 if the CLP were collocated in the CO? 6 Either virtually or physically, yes. 7 Is there any other type of direct connect . 8 0. that this provision would encompass? 9 A. I don't know. 10 Could a co-carrier cross connect be used 11 by a collocated CLP to access the entrance 12 13 facilities of a third-party carrier? Α. I don't know. 14 Could a co-carrier cross connect be used 15 0. by a collocated CLP to access a mox leased 16 by a third-party carrier? 17 I don't know on that particular one, 18 Α. either. 19 (DEPOSITION EXHIBIT NO. 11 WAS MARKED.) 20 I'm handing you a document that's been 21 marked Exhibit 11. Can you tell me what 22 this document is? 23 It appears to be a set of interrogatory 24

responses that were given in the Alabama

Public Commission Service, Docket No. 1 29242. 2 Did you assist in preparing the response 3 to this interrogatory? 4 I did not. 5 A. And I just want to MR. CULPEPPER: 6 reiterate for the record, you know, prior 7 to reaching an agreement with discovery, . 8 we'll object to the questioning to the 9 extent it goes beyond North Carolina 10 interrogatories. Go ahead. 11 Please turn the page. And do you see that 12 this document states at the top that it is 13 a BellSouth response to Joint Petitioners 14 in this case in North Carolina? 15 Yes, I do. 16 Α. Did you assist in putting together this 17 response? 18 No, I did not. 19 A . The request asked Let me ask you. 20 BellSouth to identify facilities that are 21 in use in the BellSouth serving wire 22 center to connect CLP facilities to 23 BellSouth facilities that are not 24

considered cross connects, and that term

is in quotes, under BellSouth's proposed definition.

The response is that BellSouth is not aware of any configuration where CLP facilities are interconnected with BellSouth facilities without the use of cross connections. To your mind, does the use of the term cross connections in this response include collocation cross connections?

11 A. Yes.

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- Q. Does it include co-carrier cross connections?
- 14 A. Yes.
- 15 Q. Does it include direct connections?
- 16 A. I don't think you would include direct
- connections because -- I mean,
- 18 specifically it's referring to where CLP
- 19 facilities are interconnected with
- 20 BellSouth facilities, which is the
- 21 definition -- or the appropriate cross
- 22 connect at that point would be a
- collocation cross connect. The term is
- used broadly in this response. I mean,
- cross connects are simply -- its general

sense are anything used to connect any two things, and I believe that's how it's used here, very, very broadly.

Q. Are you aware of whether the FCC has held that CLPs are impaired without access to cross connects?

 $$\operatorname{MR}.$$ CULPEPPER: I object to the form of the question.

- A. I'm not familiar with any of the specific rules and laws that the FCC has done or come to in regards to impairment in cross connects.
- Q. Is it your position that what BellSouth is offering the Joint Petitioners in this case in terms of cross connections is in compliance with FCC rules?
- 17 A. Yes.

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- (DEPOSITION EXHIBIT NO. 12 WAS MARKED.)
- 19 Q. I'm handing you a document that has been 20 marked Exhibit 12. Again, we have the
- front page of the Triennial Review Order.
- And there are portions behind this front
- page. I direct your attention to the page
- that has been marked at the bottom 229.
- It's in the middle of the exhibit.

Have you ever reviewed these 1 paragraphs that appear at pages 229 to 2 234? 3 Yes, I have, but it has been quite awhile 4 since I've looked at them. 5 I draw your attention to paragraph 373. 6 Q. It's on page 232. 7 8 There are actually more footnotes than A. there are anything else. Okay. 9 Do you recall whether you relied on this 10 0. paragraph when you wrote your testimony 11 for Issue 4-1? 12 I don't recall whether I relied on this or 13 14 not. And I draw your attention to the final 15 sentence of paragraph 373. The FCC holds 16 here that finally, for a collocated 17 competing carrier to access the transport 18 facilities terminated in the collocation 19 of another carrier, a cross connect must 20 be provisioned between collocation 21 arrangements. Do you see that? 22 Yes, I do. 23 What type of cross connection do you 24 believe the FCC is discussing in this 25

sentence? 1 2 I don't believe they're specifying what kind of cross connect, just simply that a 3 cross connect must be provisioned between 4 the arrangements. 5 MS. JOYCE: We've been going for 6 about an hour. Would you like to take a 7 . 8 break, Mr. Fogle? THE WITNESS: Sure. 9 (RECESS.) 10 BY MS. JOYCE: 11 Mr. Fogle, to your knowledge, has 12 BellSouth ever terminated power to a CLP's 13 facilities that were collocated on grounds 14 of the privacy infringement committed by 15 the CLP? 16 17 Not that I'm aware of. Has BellSouth ever terminated power to a 18 19 CLP's facilities on the grounds of 20 degradation? Not that I'm aware of. 21 Is it your position that the physical 22 safety of a person is of the same 23 importance as the integrity of BellSouth's 24 25 equipment?

- A. No. Obviously, physical safety of a person is more important than integrity of our equipment, but we still hold integrity of our equipment pretty high.
- Q. All right. Please pick up attachment -or, excuse me, Exhibit 9 again, which is
 Attachment 4. And please turn to the page
 numbered at the top page 26. And I refer
 you to the section on this page which is
 5.21.2, the BellSouth version of this
 provision.
- 12 A. Okay.

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13 Q. And it states that, except in the case of the deployment of an advanced service 14 15 which significantly degrades the performance of other advanced services or 16 additional voice band services, if a 17 customer fails to commence curative action 18 within 24 hours and exercise reasonable 19 20 diligence to complete such action as soon as possible -- continues to say then and 21 only in that event, then BellSouth may 22 23 take such action as it deems necessary to 24 eliminate such threat, including, without 25 limitation, the interruption of electrical

power to customer's equipment. Do you see that?

A. Yes, I do.

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- Q. And do you understand that the language that appears in bold type regarding if customer fails to commence is in bold because it indicates language that is presently in dispute between the parties?
- A. Yes.
- Q. Can you tell me what problem -- what type of problem would the CLP need to address with curative action within 24 hours under this language?
- A. There's a -- I mean, gosh, there's a number of different areas that this could be. One example would be with the advent of electronic equipment, digital equipment, special equipment designed to do their services, innovative services, computer processors getting faster. There is a number of issues of interference that can happen as a result of that equipment if that equipment happens to be faulty. If it's emitting high-frequency noise through the airways or transmitting

high-frequency noise on some of the connection points that it's using, that could cause interference with equipment either of BellSouth's or other carriers who are collocated in the same central office. It's referred to sometimes as equipment being noisy, making a lot of --setting off a lot of electromagnetic noises that interfere with equipment that is nearby.

- Q. And so in the event that this equipment was noisy, under this language, is it correct that the petitioner, the CLP, must commence curative action within 24 hours and exercise reasonable diligence to complete such action as soon as possible in order to avoid BellSouth taking whatever action it deems necessary, including interruption of electrical power?
- 21 A. Yes.

Q. Would there need to be a threat of physical harm to a person arising out of that noisy equipment in order for this right of BellSouth to be triggered?

No, and I don't think that's the case. 1 Α. 2 That would be physical harm, at least direct physical harm to the person. 3 We 4 take service quality really, really 5 important. And especially if you think of 6 the service that the CLP may be 7 interfering with may be a 911 service or a residential phone service to an elderly . 8 person who needs access to 911 or other 9 10 types of services that may at some point be necessary to support their life and 11 they're relying on us to provide those 12 13 services. And so if our service quality is being degraded by some piece of noisy 14 equipment that's in the CLP's collocation 15 16 cage, then, you know, we need to allow the 17 local management to be -- once they've determined that is the cause 18 beyond a reasonable doubt, to take the 19 20 steps necessary to cure that, even if the CLP will not. 21 If an elderly person needs access to 911 22 Q. and because of a CLP's noisy equipment 911 23 24 is not available, would that pose

immediate risk of physical harm to an

individual? 1 2 It could, yes. A. Could there be an instance where a noisy 3 Q. equipment did not pose such a threat to an 4 individual? 5 It would depend on what it's interfering 6 A. with, what services or capabilities or 7 function or equipment that it's 8 interfering with. 9 But is it possible that noisy equipment 10 Q. would not pose any threat of danger to an 11 individual? 12 13 Α. Yes. Under this language, would a breach of Q. 14 customer privacy be a type of problem that 15 must be addressed by curative action in 16 order to avoid BellSouth's having to take 17 action, including interrupting power? 18 I don't see anything in Section 5.21.2 19 that discusses privacy, although I could 20 be missing it because it's a long section. 21 Please review section 5.21.2. Under 22 Q.

BellSouth's version of interference or

related to compromising the privacy of

impairment, do you see a provision there

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        communications?
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        You're referring to the second paragraph?
    A.
        BellSouth's version of --
 3
    Q.
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        Yes.
    A.
 5
       -- this provision.
    0.
 6
        It starts with open to CLECs and then has
    A.
 7
        BellSouth version.
. 8
        Yes.
    Q.
 9
        Okay. Again, I don't see anything that
    A.
        talks about customer privacy in this
10
        particular paragraph.
11
        What do you believe the item that's
12
13
        enumerated 3 in this paragraph refers to,
        knowingly or unlawfully compromising the
14
        privacy of any communications routed
15
        through the premises?
16
17
        I don't have an Item No. 3 in this
18
        paragraph.
19
      Are you looking at page 25?
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                MR. CULPEPPER: Part of his is --
        is highlighted. It's difficult to read.
21
        I don't know whether that's the issue or
22
        not.
23
        May I see your exhibit?
24
25
        Yeah.
   A.
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1 Q. Oh, no, I -- you may have missed. I'd
2     asked you to read page 25.
3 A. Oh, that would --
4 Q. It's 5.21.1.
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MR. CULPEPPER: Okay.

A. I've been on the wrong page before. I will be on the wrong page again. All right. Now, let's see if we can find it this time.

Okay. I now believe I'm looking at the language that you were wanting me to look at.

- Q. All right. So in 5.21.1, there are four types of problems that CLPs are cautioned not to cause: Degradation or impairing service, endangering equipment and knowingly or unlawful compromise of privacy of communications or creating an unreasonable risk of injury or death.

 Would you agree with that assessment?
- 22 A. Yes.

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A.

Aha.

Q. Now, if you turn back to section 5.21.2,

could the knowing or unlawful compromising

of communications privacy be among those

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1 types of problems that, if not cured 2 within 24 hours or a reasonable period, 3 BellSouth could use as grounds to take 4 action, including interrupting power? 5 I believe it would, yes. A. Again, I ask you to turn back to Provision 6 Q. 5.21.1 on page 25. And look at the clause 7 8 that's enumerated No. 1 where it states significantly degrades or impairs. Do you 9 10 see that? Yes. 11 A. And do you see that the words or impairs 12 0. 13 are in bold? 14 A. Yes. And do you understand that this means this 15 Q. 16 is language that remains in dispute as between the parties? 17 18 A. Yes. Now, please turn the page to look at 19 20 Provision 5.21.2. Does the word impairs appear in that first sentence? 21 22 I don't see the word impairs in the 23 BellSouth version of that language. And do you know why impairs would have 24 been inserted into 5.21.1 but not into 25

5.21.2?

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- A. No, I don't know why.
- Q. Is there a difference in your mind between something that degrades and something that impairs?
- A. By my definition of those two words, something that degrades a service still makes it useful, but it's somehow less than it was before; whereas if something is impaired, it could include making it not function at all. So I would think that impairs is probably the stronger word than degrades.
- Q. Do you think that under your assessment of
 what the word impairs means -- would
 something that impairs service be subject
 to the provisions of Section 5.21.2?
- 18 A. Yes.
- 19 Q. And why do you believe that?
- 20 A. I guess this is fairly straightforward.
- 22 straightforward approach. You know,
- BellSouth is simply trying to protect the

There's a lot of words here, pretty

- quality of its service, protect the assets
- it's deployed, its people, its customers.

We've got a lot of responsibilities to do that. And if -- you know, if -- we take that responsibility very, very seriously, and the last thing we would want to have someone -- if we simply had language that said significantly degrades and they said, we weren't degrading you, we were impairing you, that's not covered, then they -- over some caution, trying to be a little bit broader of what types of either impairments or degradations there could be.

- Q. So is it your position that Joint

 Petitioners should read BellSouth's

 proposed language for 5.21.2 as if the

 word impairs appeared in it?
- A. It's my understanding that the bold language is the language that we have proposed that you guys are -- you guys, being the CLPs -- the Joint Petitioners, my apology, are opposed to. So that should read as we proposed it.
- Q. Right. But is the -- you've already
 testified the word impairs does not appear
 in BellSouth's proposed language for

5.21.2. 1 2 I don't --Α. My question is, should the Joint 3 4 Petitioners be reading this proposed language as if the word impairs appears 5 6 there? I apologize, I thought you were talking 7 . 8 about the previous page. It would be cleaner to have that -- to have the same 9 language in both paragraphs. 10 Would you recommend that the word impairs 11 Q. be inserted into --12 Yes --13 A. -- that section? 14 Q. -- I would. Yeah. 15 A. At page 37 of your testimony, lines 22 to 16 Q. 17 25. Which page is that, again? 18 A. It states that BellSouth would only 19 0. 37. consider interrupting or terminating a 20 CLP's power in extremely rare and severe 21 instance, such as if there was a 22 23 substantial threat of damage to property 24 or injury or death to any person in

BellSouth's premises.

Are there any other instances that you would deem to be extremely rare and severe?

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- A. If the -- I mean, you can speculate probably all day long about different things. If the CLP was engaged in some sort of fraudulent activity and -- or, I mean, there's just a number you could speculate that could potentially happen, although extremely rare, that could cause BellSouth to seek interruption or termination of the CLP's power to their service.
- Q. Do you know whether BellSouth has ever terminated power to a CLP on the grounds because the CLP was --
- 17 A. No, I don't believe we've ever terminated a CLP's power.
- Q. Can you think of any other instances that
 would be deemed extremely rare and severe
 such that BellSouth would consider
 interrupting the power?
- A. Well, if the CLP's equipment was smoking,
 we would probably turn the power off to
 it. If -- So, in other words, if it was

on fire. There are -- could be some other things it could be doing.

Again, I believe it's important to leave some leeway for local management to make a determination. What's beyond a reasonable doubt that a particular CLP's equipment is providing interference or is a risk to either BellSouth's equipment, personnel, services or other collocated CLPs, then they need to have the leeway, once proven beyond a reasonable doubt, to disconnect the power to help cure that if the CLP won't take action on their own.

- Q. On page 38 of your testimony, lines 1 to

 2, do you see that BellSouth would use its
 best efforts to provide immediate notice
 to the CLP prior to taking any action?
- A. Yes.

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Q. And you also say on page 32 of your testimony, line 17 to 18, BellSouth will provide notice to the CLP before taking the action, if possible. Were those two sentences intended to have the same meaning?

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- A. Yeah, I believe they have the same meaning.
- Q. So BellSouth is willing to use best efforts to notify a CLP before turning off the power?
- 6 A. Yes.

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- Q. And that means that it will provide notice, if possible?
- 9 A. Yes.
- Q. Can you tell me what lengths BellSouth would go to to provide that notice?
- I imagine we would call, we would page, we 12 A. would probably write letters, e-mails, may 13 even walk over and talk to the people if 14 it's collocation where we know the people 15 personally. Could take any number of 16 forms and actions. Obviously, it's 17 18 something that's important, so I even 19 expect to have senior management folks 20 within BellSouth to contact their 21 counterparts at the CLPs to discuss the 22 issue, if action is not being taken on a 23 local level.
 - Q. Are you aware that the term best efforts is often used in contracts with a specific

meaning? 1 2 A. Yes. 3 Q. And do you know what that meaning is? 4 My description of it is probably not the Α. 5 legal definition, is that we would exhaust 6 ourselves attempting every means we know 7 of to provide that communication and . 8 notice. 9 And I'll draw your attention one last time to section 5.21.2 of Exhibit 9, which is 10 the draft of Attachment 4. 11 12 A. Yes. And there is a statement after the 13 0. 14 highlighting, BellSouth will provide notice to customer prior to or if made 15 impossible due to the nature of the threat 16 imposed, as soon as possible after the 17 taking of such action. Do you see that? 18 19 A . Yes. Do you know why the words best efforts 20 Q. don't appear in that sentence? 21 22 A . No, I don't. In your mind, should the words best 23 0. efforts appear in that sentence? 24

I believe we would do our best efforts, so

I don't see any real reason why it would not appear in this sentence.

- Q. Are you aware as to any position BellSouth has with respect to inserting the words best efforts into the terms that are included in the interconnection agreement?
- A. I believe, generally speaking, we're hesitant because best effort means you're going to exhaust yourself to do whatever it is that you're saying you're going to do, so we're hesitant, as anybody would be, to put themselves to that obligation.

But in this particular situation, it's obviously an emergency of some sort, we are going to do exactly that, which is do everything we can to notify the CLP that their equipment is causing a significant problem and needs to be fixed as quickly as possible.

I mean, it would be inappropriate for us to send you an e-mail, never make a contact, and we would do multiple parallel paths of contact to make sure that the CLP was well aware of the situation before any action was taken.

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        Is it your testimony that terminating
    Q.
        power to a CLP's facilities is a serious
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        action to be taken?
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        It's very serious. We would never take it
    Α.
 5
        lightly.
        Please turn to page 34 of your testimony.
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 7
        Lines 15 to 17. And it states that the
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        CLP has the right to submit its dispute to
        the Commission and present evidence
 9
        showing why it should not be required to
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        clear the interference or impairment
        identified by BellSouth. Do you see that?
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    A.
        Which page, again?
        34.
14
    Q.
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    A.
        Sorry, I was, again, on the wrong page.
                MR. CULPEPPER: Did you say lines
16
17
        14 through 17?
                            That's right.
18
                MS. JOYCE:
19
    A.
        Yes, I see that.
        Would the CLP have the right to submit a
20
    0.
        dispute if BellSouth had notified it it
21
        was going to turn off its power?
22
        Yes, I believe so.
23
    Α.
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What would BellSouth do if a CLP had a

complaint pending at the Commission that

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in the complaint stated that BellSouth was going to terminate the CLP's power?

A. I think it would depend on the nature of the interference. If it was a minor interference or a lesser impairment of some sort that we've identified that we could tolerate for a while, we would probably let that complaint work its course out and the dispute work its way through the Commission in some sort of normal or potentially expedited fashion.

If it was truly an emergency situation that required very quick action in 24 to 48 hours, I believe we would probably ask the Commission to convene in some sort of an emergency hearing to hear the issue as quickly as possible, hopefully within 24 to 48 hours, to resolve if we are in the right or in the wrong.

- Q. So BellSouth would ask for that expeditious treatment?
- A. If we felt like we had time to wait to ask for that, we probably would.
- Q. Is the Commission the only tribunal that a

CLP should have a right to submit such a complaint?

A. There is probably applicable law that allows them to go to other appropriate jurisdictions for various complaints.

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- Q. Would they be able to go to a court of law?
- 8 A. I don't know necessarily whether they
 9 could or could not. I'm not familiar with
 10 the appropriate jurisdiction that would
 11 apply.
- 12 (DEPOSITION EXHIBIT NO. 13 WAS MARKED.)
- Q. I'm handing you a document that's been marked Exhibit 13. Have you seen this document before?
- 16 A. I may have. Lots of contracts start off
 17 similar to this, so it looks familiar, but
 18 it may not be one that I've actually
 19 specifically seen.
- Q. All right. Would you accept that this is
 the general terms and conditions section
 of the interconnection agreement that's in
 issue in this case?
- 24 A. Yes, I would accept that.
- Q. Please turn to the second page of this

exhibit where section 13, resolution of 1 disputes appears. And please review 2 section 13.1 at the bottom of this page 3 that's labeled BellSouth version, and 4 review that language? 5 Uh-huh. 6 A. (PAUSE.) 7 MR. CULPEPPER: Now, this excerpt 8 comes from the general terms and 9 conditions section of the interconnection 10 agreement that's in dispute; right? 11 MS. JOYCE: That's my 12 understanding. 13 MR. CULPEPPER: Okay. 14 Okay. I've read that section. What was A. 15 your question, again? 16 Does this section under BellSouth's 17 Q. language include the right to go to a 18 court of law? 19 MR. CULPEPPER: Object to the form 20 of the question. What type of disputes 21 are we talking about? 22 I'm not sure what rights this truly gives 23 the CLPs in terms of who they can take a 2.4

dispute to or even necessarily the nature

of the disputes. I'm not familiar with the general terms and conditions.

- Q. When you testified at page 34 regarding the CLP's right to submit a dispute, did you intend to refer to the resolution of disputes language in this section?
- A. Actually, I was referring more to the general fact the CLPs seemed to have the right to dispute whatever they want to with the Commission and can take just about any issue, whether it's part of this arbitration or part of 251 agreement or just a general complaint between BellSouth and the CLPs, that they continue to have that right and are often heard at Commissions. They act as an arbiter between CLPs and BellSouth in a number of areas, anyway.
- Q. Have you ever reviewed the general terms and conditions document that is in front of you in any form as regards BellSouth and the Joint Petitioners?
- 23 A. I do not believe I have, no.
- Q. Do you believe that disputes regarding service degradation and impairment and the

possibility of power termination should be governed by the dispute resolution in the general terms and conditions?

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To a point, yes. Α. To the degree we can wait for a normal 60-day process or expedited 60-day process or even longer --I mean, these disputes and arbitrations can take months to resolve. My concern is oftentimes we're out -- there's a real word complication here in that services of one company is impacting or impairing or degrading the services of another company, which may even not be BellSouth. May also be impairing or degrading the services or the usefulness of a service for an end And in that real world situation user. where that is happening, sometimes it's important to be able to act and respond to cure those issues faster than the normal dispute resolution process would allow.

A good example of that would be if the CLP's equipment was on fire and we needed to disconnect the power to the equipment before the firemen went into that collocation area to spray water on

the equipment to put the fire out, everyone would consider it very reasonable for BellSouth to take that action.

On the other end, if there is a very, very minor infraction, that is not reasonable for BellSouth to disconnect the power, it would be appropriate for us to go through the dispute process, take three to six months, whatever the case would be, to resolve that.

The problem is finding that slice in the middle between what is reasonable and what is unreasonable. And in our view, that is largely a local management decision with the appropriate caution that if they believe it's a significant service degradation or an impairment that they be allowed to take action after we have done what we consider our best efforts to communicate to the CLP and allow them to resolve it. In essence, the local management needs to be in this together, all of us providing great service to all of our customers in a safe way. And sometimes those of us who sit in these

rooms need to take a step back, let them take action, and then sort it out.

- Q. And who would decide where the CLP should submit a complaint?
- 5 A. I believe the CLPs would decide where they would submit a complaint.
- Q. In your testimony just now, you mentioned that it could be the service of an entity other than BellSouth whose service is being degraded?
- 11 A. That is correct.

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- 12 Q. Whose entity could that be?
- A. It could be a third-party's CLP who's also collocated in the same building.
- Q. Could it be a CLP that was not collocated in the same building?
- 17 A. It could be anybody who has services
 18 running through that facility either
 19 because they're collocated or not
- 20 collocated.
- Q. Could it be an interexchange carrier?
- 22 A. Could be.
- Q. For any one CO, would you be able to
 identify for the Joint Petitioners which
 carrier's service runs through that CO?

ERIC FOGLE - CONFIDENTIAL, FOR ATTORNEYS' EYES ONLY

1 I don't know. Α. Could you please pick up Exhibit 9 again 2 and look at the provision on what is 3 marked as page 25, which is section 5.21.1 4 5 of Attachment 4. 6 Okay. Page 25, I believe I am there. A. 7 Okay. Item 1 in BellSouth's version that 0. 8 it has proposed for this section includes the words significantly degrades or 9 10 impairs from the service provider's 11 perspective. Who would be the service 12 provider in that language? 13 It could be BellSouth. It could be one of 14 BellSouth's customers. It could also 15 be -- it's kind of -- service provider 16 is kind of a global term for anybody 17 providing a service. 18 Would it include a collocated CLP? 0. 19 A . Yes. 20 0. Would it include an interexchange carrier? Yes, it would. 21 A. 22 What would be the standard of care that

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there any objective standard that defines

would be associated with the service

provider's perspective in terms of is

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when their perspective reasonably demonstrates that there's significant degradation or impairment of their service?

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A. Well, most service providers determine there's a significant degradation or impairment when their end user customer is calling and saying their service is not working for them in some way.

Then at that point, they

develop -- they start doing root cause

analyses or troubleshoot the service and

try to determine the cause of that. You

know, usually the issues are resolvable.

Sometimes they're not. On rare occasions,

it could be because of noise or other

kinds of issues from a nearby piece of

equipment or from another service that

someone else is providing.

Q. And if a service provider contacted

BellSouth and said that, from their

perspective, their service was being

significantly degraded, would BellSouth

perform any investigation related to their

complaint?

A. Absolutely.

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- Q. Would BellSouth make its own determination as to whether their service is being significantly degraded?
- A. Whether the service provider's service was being degraded?
 - Q. When the complaining service provider's service --
 - A. It would probably be very difficult for us to clarify what their -- how their service is behaving or performing because we wouldn't have any testing capabilities to do that. But I do believe we would be able to verify with them what they believe is the source of their degradation or the source of their impairment and assist with the technical analysis and the root cause analysis of that.
 - Q. Do you know whether -- when the CLP alleged to be creating this degradation is notified of the problem, would the CLP be told who the complainant party was?
 - A. In a real world situation, I would imagine if this was a serious impairment or degradation, there would be a conference

1 bridge established that it would have the 2 service provider being impaired, 3 BellSouth, and the CLP, all of them working together to resolve the issue. 4 5 If it's a service issue, that 6 service provider is going to be want to be 7 involved with the person who's causing 8 that degradation or impairment. And if 9 BellSouth can help facilitate that, they 10 will -- or we will, I should say. 11 Is it the case that the complaining Q. service provider could be a customer of 12 BellSouth? 13 Yes. 14 A. And would information related to that 15 Q. 16 customer be something to be held private, in your understanding? 17 18 When you say a customer, you're referring 19 to a retail customer or a wholesale customer? What kind of customer are you 20 referring to? 21 22 Any kind of customer. Any kind. I would venture there are 23 Α.

being provided to that customer that could

probably aspects of the service that's

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be considered proprietary or private. I believe that the service provider that is of that customer, in their interest of having the significant degradation of the impairments stop, would be more than happy to work through those issues to resolve the issue. I mean, the issue is they wanted service to start working again or no longer be impaired. That's what takes paramount in that situation. Q. If the complaining service provider requested that BellSouth not identify them to the allegedly offending CLP, would BellSouth honor that request? I don't know why they'd request that, but we would probably try. Mr. Fogle, can you tell me what are the Q. nature of the costs that BellSouth incurs when it prepares collocations based on a CLP? The nature of the costs, there's obviously -- and I won't talk about the specific rate elements and pieces and parts of the actual -- how those get billed because I'm not familiar with

that. But to prepare any type of space, including collocation space, you have to, you know, physically clear the floor or make the space available. You have to bring power, service, and other communications or cross connect capabilities to that space. You have to account for the heating and ventilation, HVAC, requirements of the equipment that is going to be in that space, and essentially make it available to support whatever equipment is going to be in that space. Mostly it's infrastructure type of costs that are associated with that.

And those costs would include the engineering work associated with that as well as potentially construction work associated with bringing the power and the ventilation as well as other types of connections into that space.

- Q. And is it your position that BellSouth is entitled to recover those costs?
- 23 A. Yes.

Q. And do you know how BellSouth ensures that it recovers those costs from a CLP?

Α.	I believe if we get involved with some
	fairly sensitive proceedings and establish
	the cost basis for collocation, discuss
	it, debate it, and I believe the
	commissioners then set the rates for
	collocation costs, collocation rates,
	which so that's probably the general
	process that's followed.

- Q. Can collocation rates have two components, a non-recurring rate and a recurring rate?
- 11 A. It could, yes.

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- Q. What would a non-recurring rate -- how would that operate?
- A. Well, I mean, I'm speculating just from my knowledge of non-recurring rates in general. Non-recurring rates typically are charges for things that happen one time at the initiation of service.
- 19 Q. And then how would a recurring rate be
 20 imposed?
- A. We would -- recurring rate is for ongoing
 costs that occur month to month or on some
 sort of a periodic basis and then we bill
 based on those recurring costs for that
 recurring rate. And they tend to go for

the duration of whatever service is being ordered.

- Q. With respect to Issue 4-3 that you've provided testimony on, do you understand what the nature of the Joint Petitioners' concern is regarding this issue?
- A. I have to see which one 4-3 actually is.
- Q. It starts at your page 38 in your testimony.

- 10 A. Okay. Thank you. Okay. Could you repeat
 11 your question for me, again?
- Q. Do you understand what the nature of Joint
 Petitioners' concern is with regard to
 Issue 43 -- 4-3?
 - A. I honestly don't understand the Joint
 Petitioners' position. We're not
 interested in getting double paid for
 services we provided. I'm fairly sure the
 Joint Petitioners are also not interested
 in getting double billed for services
 provided. I think our issue in dispute is
 that the language that's been offered is
 vague and unclear and we just would like
 to have something that's a little more
 clear.

Q. Are you familiar with the rate structures imposed by the state commissions in BellSouth's region?

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- A. I have very limited knowledge of the rate structures that are imposed.
 - Q. Do you have any knowledge as to whether those rate structures have been changed in their composition over the last four years?
 - A. I can almost guarantee, because of their complexity, that they have changed at least somewhere in the past, over the last four years.
- Q. Are you aware that in some states what used to be imposed as an NRC with regard to collocation for one reason or another was converted into a recurring cost that would be recovered over time via monthly or ongoing payments by a CLP? Are you aware of that situation?
- A. I've had that explained to me, yes.
- Q. And do you understand that some CLPs had
 actually been in service and had
 collocation based under the former regime
 where specific costs were passed through

to the CLP via the imposition of a non-recurring cost?

- A. I believe that's very possible. I'm not aware of any specific examples of that.
- Q. Do you believe it's possible that there are CLPs that have paid those non-recurring costs?
- A. Yes.

- Q. What then would be the result if a CLP had paid the non-recurring cost and then a state commission changed the rate structure such that the recurring costs were created to recover the same costs that initially were recovered in the non-recurring charge?
 - A. Well, I would hope that if a state commission changed the rules or the rate structures in that way, they would be insightful enough to give instruction on how to handle the transition.

Absent that, I would hope that we would be able to negotiate how to handle that transition. Again, our position is we're not interested in having the CLPs double pay for services. If they're

already paid, even if they're non-recurring or other methods or other procedures already paid and -- we're not interested in having them double pay. I think the issue is how do we make that actually happen as opposed to just talk about the fact that none of us want that to happen.

Q. You're familiar with the word grandfathered?

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- 11 A. I'm familiar with it from other contract
 12 language that I've done in the past.
- Q. What's your understanding of what grandfathered means?
 - A. A grandfathered rate -- as I've used it in the past, a grandfathered term would be a term that has a new interconnection agreement or a new commercial agreement, whatever the case would be, and there's no corresponding term associated with that either term or rate in the old agreement, but that because it was available then and there's an agreement between the two to continue to have -- two parties to continue to have it available, it is,

1 quote, unquote, grandfathered or essentially kind of the same terms and 2 conditions that were available at the time 3 4 of the previous agreement are carried forward through the current agreement. 5 6 Could that be restated that a CLP would Q. 7 pay a rate other than what would currently . 8 be in place at the time? 9 If there's not a corresponding law or rule A. 10 or requirement that would force them to do that and both parties were amenable to it, 11 then that could mean that, yes. 12 Regardless of what the law was --13 Q. 14 Α. Uh-huh. -- just the operation to grandfather a 15 Q. 16 rate --17 Uh-huh. A. -- I just want to make sure we're both 18 19 speaking about the same thing. 20 A. Certainly. Q. 21 It would involve a CLP paying a rate that is something other than what is then in 22 23 effect? 24 A . It could very well mean that. In essence, I don't usually see grandfathered rates in 25

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contracts that I've worked on. There's typically grandfathered terms where a particular service we're offering was offered in a certain way or a configuration, we continue to offer that configuration. He would know our current products and services don't come in the same configuration anymore. That's simply because some customers simply like to buy the stuff they've been buying all along. The rates themselves typically have to be adjusted because, over time, changes There's an increase in costs due to inflation. There's sometimes decreasing cost due to improvements in technology. Those have to be accounted for, and those often effect the rates. there is a grandfathered rate, it would probably have to be reviewed as to whether it was -- whether both parties would find it agreeable and acceptable and allow it to continue. If a rate that is in effect today would, in effect, require a CLP to pay again for

something it already paid for, would

grandfathered be appropriate in that instance?

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- A. Grandfather could be one way to potentially resolve that. Providing a credit would be another way to potentially resolve that. Again, it would be nice if the Commission, when they change the approaches, would actually provide guidance as to how to handle the transitions other than that they leave it up to us. It's being creative and finding a solution that both parties can agree to.
- Q. If indeed the rate was grandfathered to avoid the double rate position, the purpose for grandfathered would be what, in your opinion?
- A. Well, you could use grandfathered to avoid double payment. I don't know what other complexities that creates that might make that untenable. One would be trying to keep duplicate rate structures into the old billing one -- the old one and the new one, and billing systems don't like that.

 Another approach would be more applicable or easier to implement for either

BellSouth or the CLP.

- Q. At page 38 of your testimony, lines 12 to 15, you say, when rates have been grandfathered, the rates that would apply are those that were, in fact, prior to the effective date of this agreement or as otherwise specified within this agreement. There should be no other exceptions allowed for the application of grandfathered rates. So what do you mean? Do you allow for an exception to grandfather rates?
- A. Well, I guess I'm not sure where you're asking about applying an exception in terms of the -- maybe you could rephrase your question for me.
- Q. What would be the exception to grandfathered rates you would find acceptable?
- A. I mean, as I say here, I mean, there's -essentially there are rates that are in
 this agreement and there are rates that
 are not in this agreement. That's pretty
 much the entire universal rates that are
 out there. And those that are not in this

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agreement, there are probably a subset of those that were in the prior agreement.

And those are the ones that could potentially still apply and be, quote, unquote, grandfathered. The rates in the prior agreement that has expired, it's no longer valid and there will need to be some comments or some agreement that those rates are still valid in this sort of a grandfathered way.

- Q. Would a permissible exception to grandfathered rates be to avoid double payment?
- 14 I don't think I agree with your statement 15 in that I think you could use grandfathered rates. You could 16 specifically allow for grandfathered rates 17 18 in this agreement to avoid double 19 payments. You specifically state these rates are being grandfathered to avoid 20 double payments. I don't believe we would 21 22 just automatically grandfather something 23 without some sort of a written agreement to do so. 24
 - Q. But would the avoidance of double payment

be a permissible exception to grandfathered rates?

- Α. I guess I'm not understanding your question in that if we wanted to use grandfathered rates, then we would specify them within this agreement so then it would not fall into the other exceptions. I mean, if we -- maybe I'm not understanding your question, but when I state that there are no other exceptions allowed for application of grandfathered rates, it's just simply trying to say you can't go pick an interconnection agreement off the shelf that's six years old and say, I like this rate because it's grandfathered and make it so. That we need to -- if we're going to use grandfathered as a technique in any kind of rate approach, that we need to specify how we're doing it, why we're doing it.
- Q. I understand what you said, but I'm not certain it responds to my question.
- 23 A. Okay.

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Q. Would one permissible exception to grandfathered rates be to avoid double

1 payment? 2 I'm --A. 3 Q. Let me rephrase. 4 I apologize. I'm clearly not A. understanding your question. 5 6 Q. If a grandfathered rate would result in a 7 double payment situation --. 8 A. Yes. 9 Q. -- should an exception be made? 10 A. I believe we should find some method --11 some other method to avoid the double 12 payment, whatever the case would be. 13 Should another rate be chosen? Q. 14 Another rate could be chosen, chose not to A. 15 grandfather. Gosh, a credit could be 16 applied. I mean, there's lots of options 17 that are out there. 18 Q. Okay. At page 39 --19 It's unfortunate because these things get 20 so caught up in the vernacular. 21 there's so many things that we can sit 22 down and work together and get creative 23 and probably resolve this issue. 24 I'm not feeling very creative right now. 25 Page 39 of your testimony. At

that if the Joint Petitioners provide
BellSouth with documentation proving that
they have been paid in full -- strike
that -- that they have paid in full all of
the individual case basis or non-recurring
charges associated with the installation
of preparation activities performed and
billed by BellSouth for a particular
collocation arrangement, then no
additional installation or preparation
fees will be billed for those collocation
arrangements.

14 A. Yes.

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- Q. And that's your position of how the rates for collocation should work in this agreement?
- 18 A. Yes.
- Q. And can you direct me to the portion of

 Attachment 4 that would permit the Joint

 Petitioners to make this presentation to

 BellSouth?
- Attachment 4. I may find something in there that helps in that area. This

language is just simply the way any two companies, when they have a dispute about how much someone's paid and what they still owe, resolves that. One company says, oh, okay, I'm sorry. I don't want to double bill you. Could you please provide me some documentation? And then you sit down and you sort it out. And that's pretty much what we're trying to do here.

- Q. Do you know whether the Joint Petitioners in this case have already provided that kind of documentation to BellSouth?
- 14 A. I don't know.

- Q. What would you expect BellSouth to do when it received that information from the Joint Petitioners?
 - A. I think we'd investigate our records to see if we concur with their assessment of what they have paid on a recurring basis and non-recurring basis. And once we've determined our assessment of that, we would then sit down with a number of folks to determine the proper approach, what would be the right way to resolve this to

help clinch the void, Joint Petitioners
avoid double paying. It could be a
credit. Like I said, it could be any
number of things. Probably a very
creative session to think of alternatives.

- Q. How long do you think it would take to reach a resolution regarding that matter?
- A. It would depend on the complexity of how many -- how detailed the records were, how many of the records there were. If there's only one or two, it could be relatively quick. If there were hundreds or thousands, it could take relatively -- take longer. So it would just depend how much is involved to do it.
- Q. What if the Joint Petitioners provided documentation that they had paid 50 percent of all of the individual case basis or non-recurring charges, what should be the result then?
- A. I think we'd have to review that on an individual basis. I mean, we'd have to look at whether they had paid, what they still owe, determine what's being recovered by the current rates versus what

has been -- had been recovered by previous rates and figure out what, in BellSouth's mind, is a fair resolution so the CLPs do not double pay for services.

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- Would a fair resolution perhaps be that they paid the other 50 percent of the non-recurring or individual case-based charges?
- Yes. I would venture to say if they only A. paid 50 percent, it's probably on 50 percent of the locations, so we might have different rates that we'd apply for 12 different locations. It would just depend 13 on the nature of how much they had paid and in what way they had paid. 15
 - So would the resolution depend on whether the rates for collocation had changed from the time the original NRCs or individual case basis charges were imposed until the present?
- I think that would be one of the 21 components that would have to be 22 evaluated. 23
- And if the rates at present were higher 24 than the rates that were in effect when 25

the NRC or ICB price was imposed, what would the proper results be?

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A. I believe we'd have to go through and determine what the rate was at the applicable times of the agreements to determine what is owed for those appropriate times. I've been involved in working on that with other customers where prices would go up and down and we'd have six months at one price, six months at a second price, another six months at a third price. I mean, it's an Excel spreadsheet. It's math exercise, but you work through what's there and you do it in an open and equitable manner. You share the information back and forth between yourself and your customer and you solve out the issue and come up to as much as possible.

I have found in every case, though, the way to resolve this detail, get the individual records available.

Both parties agree on the records. They agree on what's at issue, and then they determine the appropriate resolution.

- Q. Is it your position that the rates that were in effect at the time the NRC was imposed should govern the question of how much additional should be paid?
- If -- I think the rates that were in A. effect at any given time should govern how much is owed for that given time. Prices change all the time. It would be no different than if you brought a car, took out a loan for a car and then came back three months later and said, my car is not worth as much, therefore, I don't owe you as much. You don't have the opportunity There was a rate at the time to do that. you made the purchase, and that's what's owed. So it's just -- I think that's -the rate at the time should govern what's owed for that particular service at that particular time.
- Q. Would that apply regardless of whether the rate then applicable is lower than the rate typically applicable?
- 23 A. Yes.

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Q. On page 40 of your testimony, beginning at line 8. You state that BellSouth has

233
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proposed specific language in section
 1
        8.11.1 that would discuss how BellSouth
 2
        would assess grandfathered DC power
 3
        charges. Do you see that?
 4
 5
        Yes, I do.
    Α.
        Could you please return to Exhibit 9?
 6
    Q.
 7
        Look at the page numbered 45 at the top.
        And do you see where it says BellSouth
 8
 9
        version?
10
    A .
        Yes.
    Q.
        And that this is BellSouth's version of
11
        8.11.1?
12
13
    A.
        Yes.
        That language begins in Tennessee.
14
    Q.
        see that?
15
16
    A.
        Yes.
        Do you know what the significance is of
17
        this section beginning with the words in
18
19
        Tennessee?
20
        Tennessee is the only state where
        BellSouth is currently offering a fused
21
        amped billing option for DC power.
22
        So this section would not apply in any
23
24
        other BellSouth state?
25
        Yes.
    Α.
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1 So then to revisit your testimony. 0. BellSouth has, in fact, proposed language 2 3 to govern grandfathering of DC power rates in Tennessee; is that correct? 4 5 I mean, the issue of Tennessee is there A. 6 are used amp and fused amp billing options 7 in Tennessee. So, yes, we have proposed 8 11.1 grandfathered rights for how we 9 handle Tennessee. Have you proposed language to govern 10 0. grandfathering of DC power rates for any 11 other state? 12 13 A. Not that I'm aware of. 14 Q. Could a CLP use or draw power if its power cabling were not installed? 15 16 Not that I'm aware of, no. It would be Α. 17 neat if we could find a way though. 18 Q. What in your mind would be an 19 appropriate -- strike that. 20 Is it your position that CLPs 21 should pay recurring charges for power if 22 they cannot use that power? It would depend on the reasons for not 23 being able to use that power. If a CLP 24

has ordered power from BellSouth and we

have configured and made it available, ready, and turned it over to them, then they have simply not done their own wiring of the cable and we've dedicated a considerable amount of assets and a considerable amount of resources as well as having a portion of our BDFB dedicated to them and it's simply waiting for them, so at that -- in that case, they should definitely pay. If for some reason we're the cause for them not being able to use the power because we're late or something like that, then they should not. It just depends on the cause.

- Q. But in either event, would the CLP be actually drawing power; is that correct?
- 17 A. That is correct.
- Q. On page 42 of your testimony, you state
 that BellSouth would have made an
 investment in infrastructure that is
 necessary to convert commercial AC
 electricity to DC power. Do you see that?
- 23 A. Yes.

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Q. Can you tell me what the financial cost of that investment would be?

1	Α.	It's going to vary greatly depending on
2		how much power is needed and what level of
3		equipment is necessary to make that
4		happen. In order to power our electric
5		equipment the same, whether it's BellSouth
6		equipment or CLEC equipment, we have to
. 7		bring electrical feed in from the electric
, 8		utility. We then condition and support
9		that with a standby generator. We then
10		feed that through an AC to DC converter to
11		make that into DC power. We support that
12		DC power plant with strings of batteries,
13	*	that's the end cable and distribute it
14		throughout the office at various voltage
15		levels to distribution ports, frames, et
16		cetera. Then it's also cabled to either
17		BellSouth's equipment or to CLEC
18		collocated equipment for them to connect
19		to. So we've that's going to vary. In
20		some cases, it may be as simple as
21		connecting a power cable from a BDFB to
22		the collocations's space. In other cases
23		the requested power need for the CLP may
24		be more than we have available, so we have
25		to invest in putting a new DC power plant

in there. In some cases the requested power load may actually be more than our standby AC generators are rated to carry, so we have a put an entire new standby AC power generator. And in the most extreme cases, it may be more than our electrical feed that we get from our utilities, so we may have to request an additional electrical feed from the utilities. All of those things are possible and could be triggered by any increase in power requirements in the central office location, whether it be from BellSouth equipment or a collocated CLP.

- Q. And the cost that you've just outlined for me, would they be recovered from a CLP in a non-recurring charge?
 - A. They could be or it could also be covered in a recurring charge.
- Q. And do you know how -- over what period
 of time the recurring charge is geared in
 order to fully recover the cost of that
 initial investment that you described?
- 24 A. I don't know.

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25 Q. You don't know if it would take a year for

BellSouth to recoup its investment?

- A. I'm not familiar with the cost of these that have been developed, the rates in the DC power side.
- Q. Do you know whether cost studies have been developed?
- A. I believe they have been, yes.

, 8

- Q. Please turn to page 50 of your testimony.

 And at lines 11 through 14, you state that after you reviewed section 9.1.1 of

 Attachment 4, you've determined that the last sentence of something needs to be stricken in its entirety. The last sentence of what?
- A. I believe it's the last sentence of section 9.1.1.
- Q. All right. That appears at page 46 of

 Exhibit 9, if you want to take a look at

 it. Which sentence should be stricken?
 - A. I believe the last one. It's read as non-recurring charges for 48-volt DC power distribution will be based on the costs associated with collocation power plant investment and the associated infrastructure.

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1
    Q.
        Now, can you please look at section 9.1.2,
 2
        which is on the next -- goes onto the
 3
        next page.
 4
    A.
        Okay.
 5
        Would that sentence regarding
    Q.
        non-recurring charges also need to be
 6
        stricken?
 7
 8
        I don't know, to tell you the truth.
    Α.
 9
        The BellSouth language that we are
    Q.
        reviewing begins, again, with the words
10
        Tennessee. Do you see that?
11
        That's correct.
12
    A .
        In Tennessee, would it be appropriate for
13
    Q.
        BellSouth to charge non-recurring charges?
14
        I don't know what rate structure has been
15
    A.
        established by Tennessee Regulatory
16
        Authority, if they include non-recurring
17
18
        charges or not.
        All right. So I believe you testified
19
        that the initial investment that BellSouth
20
        makes to create power infrastructure in a
21
        collocation could be recovered through
22
        non-recurring rates?
23
24
    A.
       It could be, yes.
```

But it's your position now that it shall

not be done that way; is that correct?

- A. I believe some of the commissions and our position, we only have recurring rates with power. I believe that is the case in Tennessee, but I'm not positive as to whether or not we have limited non-recurring rate. But as in the agreement, you can determine compensation for costs whether through not occurring or recurring rates.
- On page 45 of your testimony, if you could 11 Q. please turn to that page. Make the 12 statement in lines 1 to 3 that when 13 BellSouth provisions the collocation space 14 in accordance with the CLP's 15 specifications, it should be compensated 16 when the space is turned over to the CLP 17 for its use. 18
- 19 A. That is correct.

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Q. Is it your position that it is only
through the imposition of recurring costs
for DC power that BellSouth would be
compensated when the collocation space is
turned over to the CLP?

MR. CULPEPPER: Object to the form

of the question.

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- A. This particular issue has to do with the commencement of DC power billing. I don't think it speaks nor am I trying to speak to other compensation for collocation space that might also be involved, so...
- Q. So would you expect that BellSouth could have received compensation in a better form from the CLP when space is turned over?
- 11 A. I believe there's probably compensation
 12 for the actual collocation space. I'm not
 13 familiar with what rates they would be or
 14 how they would be assessed.
- Q. At page 46 of your testimony, you discuss an order of the Florida Public Service
 Commission.
- 18 A. Yes.
- Q. And at lines 13 and 14, it states that
 billing of monthly recurring charges
 should begin in the next billing cycle.
- 22 A. Yes.
- 23 Q. Do you see that?
- A. Yes. This was in direct quotes from the Florida Public Service Commission.

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Yes, it appears --
    0.
 2
    A.
        Okay.
        -- at line 14 on page 46.
 3
 4
    A.
        Yes.
        All right. I'm handing you a document
 5
    0.
 6
        that I've marked Exhibit 14.
 7
        (DEPOSITION EXHIBIT NO. 14 WAS MARKED.)
, 8
        Do you recognize this document, Mr. Fogle?
    Q.
        No, I do not.
 9
    Α.
        I invite you to look at the date that's
10
    0.
        been date stamped on the bottom of the
11
        front page.
12
        This is November 26th, 2003?
13
    A.
        And the top of the page before the Florida
    Q.
14
        Public Service Commission?
15
        Yes.
16
    A.
        And on the Exhibit 14 it lists Docket
    Q.
17
        981834-TP?
18
    Α.
19
       Yes.
        And I invite you to look back at your cite
20
    Q.
        to the Florida Commission Order discussed
21
        at page 46 in your testimony.
22
23
    A.
        Yes.
       Could you accept that this is the order
24
    0.
25
    that you were quoting from?
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```
Yes.
 1
    Α.
 2
    0.
        All right. Now, look at page 5, please,
 3
        of Exhibit 14. Page numbers are marked in
        the top left-hand corner.
 5
    Α.
        Okay. That's convenient.
 6
    Q.
        And the language on Exhibit 14, page 5,
 7
        that has the heading stipulated language,
 8
        do you see that?
 9
    A.
        Yes, I do.
10
    0.
        Is that the same language that you're
11
        quoting at page 46 of your testimony?
12
    A.
        Yes.
        Do you know what it means when parties
13
    Q.
        stipulate to language?
14
15
    A.
        I believe it's a fancy term for agree.
        So is the language quoted at page 5 --
16
    Q.
17
        from page 5 of Exhibit 14 the
18
        representation of an agreement?
    Α.
        Yes.
19
        Is it your position that the language that
20
21
        appears on page 5 is the product of the
        Florida Commission's review of the issue
22
        as to when should billing of monthly
23
24
        recurring charges begin?
25
                MR. CULPEPPER: I object to the
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1 form of the question. 2 I don't know if this was stipulated before Α. they had a chance to review it or if it 3 4 was stipulated during or after. So I 5 don't know what the particular commissions 6 -- I do know if it's stipulated language 7 at least the CLECs and BellSouth agree to . 8 it. 9 And can you tell me on pages 5 to 6, which Q. is the language that you referred to on 10 page 46 of your testimony, does that 11 12 discuss recurring charges for power specifically? 13 14 A. I don't see any mention in here to power 15 rates. Is it your position that the stipulation 16 17 that appears in the Florida Commission order should apply in other BellSouth 18 states? 19 No, I think it should apply in Florida. 20 MS. JOYCE: All right. We've been 21 22 going quite awhile. I think we should break for about ten minutes. Go off the 23

(RECESS.)

record.

24

BY MS. JOYCE: 1 2 Q. Mr. Fogle, you have not provided any testimony with regard to Issue 46; is that 3 correct? 4 I don't remember which issue 46 was. 5 6 Q. If you look on page 46 to 47, that is the 7 end of Issue 44. 8 Yeah. A. Do you see that? 9 Q. It appears I did not offer any testimony 10 Α. on Issue 46. 11 And why didn't you offer any testimony? 12 0. I don't even know what Issue 46 was, to 13 tell you the truth. I don't remember. I 14 should say I don't recall. But I imagine 15 there's another witness that we determined 16 was probably more qualified to provide a 17 response to that particular issue, if it's 18 still an issue in this proceeding. 19 The Joint Petitioners' statement with 20 Q. 21 respect to Issue 46 was what rates should apply for BellSouth supplying DC power. 22 23 A. Okay. I'm going to show you a document that I've 24 Q. 25 marked Exhibit 15.

(DEPOSITION EXHIBIT NO. 15 WAS MARKED.) 1 2 Okay. A. 3 Have you seen this document before, the 0. 4 front page of it, anyway? 5 Yes. I may have or may not have seen this A. 6 particular document. I've seen some 7 direct testimony of Kathy Blake associated , 8 with these arbitrations, but I don't know 9 if I've seen this particular North Carolina version of this testimony. 10 Q. Do you see the header on page 1? 11 Yes. 12 A. States she's testifying --13 Q. 14 Α. Uh-huh. -- in these same dockets in this case? 15 Q. 16 A. Yes. 17 Q. Okay. If you'd turn the page. It's actually page 3. I was trying to 18 economize, but Ms. Blake States at line 13 19 20 on page 3 that 46 is a resolved issue. 21 you see that? Yes, I do. 22 Α. 23 Do you have an understanding as to whether Issue 46 is resolved? 24 I would sure hope so, if she's testifying 25

1 it is. 2 Would you be surprised that Joint Q. Petitioners' position is that 46 has not 3 been resolved? 4 5 No, I'm not surprised. A. 6 Did you review Joint Petitioners' 0. 7 testimony, the written testimony with 8 respect to Issue 46 when you prepared your 9 testimony in this case? I did, but it's been quite awhile since I 10 did that. 11 All right. Can you please look at Exhibit 12 9. Do you have a position as to what 13 rates should apply to DC power in this 14 interconnection agreement? 15 I haven't. Since I was under the 16 Α. 17 presumption that 46 was closed or resolved, I haven't developed a position 18 on that one issue in particular. 19 All right. Well, if I could direct your 20 Q. attention to page 44. Again, numbers are 21 22 on the top right. 23 Okay, I'm there. Α. Would you except that sections 8.11 --24 8.11.1 and 8.11.2 are the sections that 25

are at issue and Issue 46?

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- A. I don't know, to tell you the truth, what sections are at issue. It does appear these relate to DC power, which I think is the issue. There may be other sections.
- Q. Well, given that thus far we've been talking about collocation, can you please look at section 8.11, the BellSouth version, and explain to me what the language that is bolded means which states, recurring charges for negative 48-volt DC power will be assessed per amp per month based upon the BellSouth's certified supplier engineered and installed power feed fused ampere capacity.
- A. Your question was asking me to explain the bolded language?
- 19 Q. What does that mean?
- A. What does that mean? It means that the
 monthly recurring charges that BellSouth
 would be charging the CLP for DC power, in
 this case specifically minus 48-volt DC
 power, would be set based on their
 engineered and installed fused amp

capacity. And that comes back to what the CLP would request and that we would engineer and install in terms of how much fused amp capacity they would request.

- Q. So, again, to be clear --
- A. Uh-huh.

- Q. -- the clause engineered and installed power feed fused ampere capacity relates to the power capacity for negative 48-volt DC power that the CLP requests to be installed in its collocation space?
- A. I believe it's probably to their collocation space, but, yes, an example would be if a CLP ordered a hundred amperes of minus 48-volt DC power, that we would engineer a hundred ampere DC power feed and then we would install and fuse that specific ampere capacity to that CLEC collocation space.
- Q. What does it mean to engineer 4?
- A. As it comes about, I mean, we have power engineers who have a responsibility to determine what is the best method for delivering the requested ampere load that they've asked for the DC feed. So they'll

determine where to run the cables, what DC power plants they need to come from, determine, you know, a number of different technical parameters associated with that feed to make sure that it's appropriate and accurate and that it will be provided reliably. And then they provide those engineering documents off to the installer who then goes and installs that same power feed.

- 11 Q. So would another word for engineered in this context be planned?
- 13 A. Both planned, but also designed.
- Q. But engineered and installed are two separate acts?
- 16 A. Yes.

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- 17 Q. To your knowledge, does this language in
 18 the BellSouth proposed version of this
 19 section reflect the order of any state
 20 commission with respect to how BellSouth
 21 should impose recurring charges?
 - A. I believe reflecting the methodology that is currently in effect in North Carolina, which is a fused amp methodology for recurring rates.

1 MR. CULPEPPER: And we're looking at 8.1.1; right? 2 MS. JOYCE: Yes. 3 4 Would this proposed language apply in all Q. nine BellSouth states? 5 The bolded language would only apply in 6 A. 7 those states where they continue to use 8 the fused amp capacity. 9 The very next sentence starts off 10 with the two words in Tennessee, because 11 Tennessee has a used amp methodology for appropriate -- for determining the rates, 12 what is billed for DC power. 13 I believe the language you're referring to 14 states that in Tennessee, applicable rates 15 16 shall vary depending on whether customer 17 elects to be billed on a fused amp basis? That is correct. A. 19 So does that indicate in Tennessee a CLP 20 can choose between fused amp recurring 21 power charges and used amp? 22 Yes, they have their choice. If a CLP chose to do fused amp billing in 23 Tennessee, would the bolded language that 24

we've been discussing apply?

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Yes. 1 A. 2 But the language in the next sentence that Q. 3 begins in Tennessee would apply only in Tennessee? 4 5 Yes. A. 6 (DEPOSITION EXHIBIT NO. 16 WAS MARKED.) 7 Mr. Fogle, I'm handing you a document Q. . 8 marked Exhibit 16. Do you recognize this 9 document? No, I do not. 10 A. 11 Q. I direct your attention to your testimony, 12 which is Exhibit 2, at page 51. Again, 13 page 51, lines --51 of -- page 51 of my testimony? 14 A. 15 Of your testimony. And do you see at lines 13 and 14 you state that this 16 Commission has already approved the fused 17 amp billing methodology in the NC 18 collocation order? 19 A. Yes. 20 Is the document that I've handed you 21 Q. marked Exhibit 16 that order? 22 23 A. Yes, I believe that it is. 24 Please turn to the last page of Exhibit

16. And this is a portion of that order.

It's over 270 pages long. But the last page, which is marked No. 265, and do you see it says Commission Conclusions Rate Issue No. 4, DC power?

Yes. A .

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- Is it from these conclusions that you 6 0. 7 derive your understanding that you testified to on page 51 in your testimony? . 8
 - I did not review this particular section prior to my testimony, but had discussed it with those who had reviewed this in developing my reference to this particular testimony.
- Were the people you discussed it with 14 attorneys? 15
- A. No. 16
- With whom did you discuss this order? 17 Q.
- Lynn Brewer. 18 Α.
- I direct your attention to clause 4, the 19 0. very bottom of page 265 on this Exhibit 20 And it states that the Commission 21 16. finds it appropriate to require ILECs to 22 charge power costs on a per fused amp 23 basis. Do you see that?
- 25 A . Yes, I do.

- Q. Is there anything in these clauses that would preclude BellSouth from providing -- strike that -- from charging power based on a used amp basis?
- MR. CULPEPPER: I object to the form of the question.
- 7 A. In my reading of this for the first time,
 8 I mean, it appears they're requiring us to
 9 charge on a per fused amp basis. It
 10 doesn't give us any leeway to do any -11 apply any other method.
- Q. Do you know on what grounds the North
 Carolina Commission reached that
 conclusion?
- 15 A. No, I do not.

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- Q. Is it your testimony that the North
 Carolina Commission rejected used amp
 billing?
- 19 A. I don't know whether they did or not.
- 20 Q. Please turn to the page marked 258 of
- Exhibit 16. And this exhibit is double
- side copied, so...
- 23 A. Okay. I'm there.
- Q. Please review the second full paragraph
 that appears on that page.

(PAUSE.) 1 2 Okay. A. Q. Are you finished? Yes. 4 A. In this paragraph, what's being discussed 5 Q. is a witness Caldwell, who appears to have 6 been a BellSouth witness, explained that 7 when fused amp billing is performed for , 8 9 collocation power --10 Yes. A. -- that a factor of 67 percent would be 11 Q. assessed. So that the monthly -- the 12 average monthly cost per kilowatt hour 13 would be multiplied by 67 percent. And 14 according to witness Caldwell, that 15 operation would then ensure that the CLP 16 is not overcharged. Do you see that? 17 Yes, I do see that. 18 A. Do you have any reason to doubt that 19 0. Witness Caldwell's math is correct in this 20 instance? 21 I agree with the math. 22 Do you know this person? 23 0. I don't know if I have met this person 24 A .

directly. I think I know of them. Lucy

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Dale Caldwell is the person, but I'm not positive. Dale.

- 3 Q. We understand that that is his name.
- 4 A. Her.
- 5 Q. Her.
- A. I was going to tell you I know the name,
 but I also did not know if it was a he or
 a she, so...
- 9 Q. Not important.
- Would BellSouth, when it charges

 CLPs in North Carolina on a fused amp

 basis for power, would it always apply

 this same factor?
- 14 A. Could you repeat your question for me 15 again?
- Q. When BellSouth charges CLPs in North
 Carolina on a fused amp basis for
 collocation power, would it always use
 this factor?
- A. I believe the answer to that would be yes,
 with a couple of caveats. In particular,
 this is a design factor that we use for DC

 power, so that the rated capacity and the
 fused capacity, we need to account for the
 fact that, you know, we -- just like in

your home circuit, if you need 5 amps of power on a particular leg in your home, you put in a 10 amp fuse or a 15 amp fuse. It's appropriate so that you're not always tripping that fuse or that circuit breaker.

So there's this similar overbuilding to allow for the peaks and variations that goes on. I would imagine if our design parameters were -- became more stringent or relaxed and changed from the 65 percent identified here, we would probably reflect that in our cost, which would then be reflected in our rates.

- Q. Do you know why Ms. Caldwell would assert to the North Carolina Commission that by assigning this 67 percent factor to the monthly cost would ensure that a CLP is not overcharged?
- A. I can't speak to what she was thinking,
 but I do know that if you have a 10 amp
 fuse or 100 amp fuse or 200 amp fuse, the
 rated power for that circuit is lower than
 that. And that's simply what is being
 factored for here is that just because you

have 100 amp circuit does not mean you're expecting to use 100 amps. You expect to use 67 percent of that 100 amps.

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- Q. Is there a risk of overcharging when DC collocation power is billed on a DC basis?
- A. I guess it would depend on your definition of what is an overcharge.
- 8 Q. Is it possible a CLP would be charged for 9 more power than it actually used in a 10 given month?
- If a CLP ordered a hundred amp circuit but 11 12 only had a 10 amp drain so we were charging them on a fused amp basis for 67 13 amps, then their -- fact that they 14 15 overdesigned their service or didn't provide good engineering documents means 16 17 they would be buying more power than they're using. 18
- 19 Q. And you attribute that error to the CLP?
- A. If they requested a 67 amp feed, we did a hundred fused amp and they only get 10, then they obviously overrequested how much power they needed.
- Q. Could it ever be the case that BellSouth would require a CLP to order far more

fused amp capacity then it intended to use?

MR. CULPEPPER: I'm going to object to the form of the question.

- A. The only limitation I'm aware of is I think we require a 10 amp minimum.
- Q. And I believe you stated that if a CLP had a hundred fused amps provisioned to its collocation facility, it would get charged out at 67 amps?
- 11 A. Yes.

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- 12 Q. Why?
- 13 A. Well, sorry, I apologize, that's not
 exactly clear. The price for the 100 amp
 fused rate would take into account that
 only 67 amps were expected to be used.
- Q. Why would 67 amps be expected to be used?
- A. Because that's the rated factor that we use in our engineering quidelines.
- Q. 67 percent is a factor in your engineering guidelines?
- A. It's a protection device adjustment factor, I think is exactly what she calls it.
- 25 Q. Does it always apply?

1	Α.	In DC power, it's appropriate to have a
2		rated load, which is the expected peak
3		load, and then you overbuild or provide a
4		fused amp capacity that is above that so
5		that you're not constantly tripping the
6		fuses. I mean, the purpose behind a fuse
7		in electrical circuit is protection of
8		both the equipment but also of the people
9		in the building. The idea is if the
10		equipment is starting to pull more
11		electricity than the fuse is designed to
12		pull, in other words, it starts pulling at
13		a hundred amps or higher, then the fuse is
14		designed to trip. Because the reason that
15		is happening is because the piece of
16		equipment has gone faulty. And so it's
17		important for the fuse to cut the power to
18		that piece of equipment because it's
19		obviously developed some sort of a short.
20		And so the engineering design parameters
21		are to design the fuse to be at this case,
22		one-and-a-half times the rated power of
23		the circuit so that it provides adequate
24		protection and safety for the employees,
25		the personnel in the building, as well as
21/200		

the equipment, yet it still doesn't become 1 a nuisance and trip every time a 2 particular piece of equipment has a peak 3 load that gets close to that fused 5 capacity.

So BellSouth has their kind of technical standard that it applies where the fused amp capacity should be roughly a third more than the CLP expects to use for safety reasons? 10

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- MR. CULPEPPER: I object to the 11 form of the question. 12
- I don't believe it's specific to CLPs. 13 A. think it's specific to DC power feeds and 14 how they're designed. 15
- And does that policy reflect some kind of 16 Q. publication by a panel of engineers or NEB 17 quidelines or anybody, NEBS? 18
- I don't know where it comes from. 19 A.
- So is it your understanding that this 20 guideline would apply in all BellSouth 2.1 22 states?
- There may be some local electrical code 23 A. quidelines that will also govern that. 24 It's been in my experience in the past 25

when I did power engineering work in engineering management, those types of thing in the power world, that there would be general rules. But, obviously, there's national electric code. There can also be state electrical code rules as well as local electrical code rules, and we have to comply with all of those. So it's a matter of what the local engineering guidelines would be. My expectation is this is probably the minimum conservative view of all of those potential rules that are out there.

14 Q. What do you mean by "conservative"?

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- 15 A. It's probably -- and, again, I'm actually

 16 speculating, which I probably shouldn't

 17 do, but if there are some variations

 18 locally, this may be the most conservative

 19 of the variations, which benefits the CLEC

 20 the most.
- Q. It requires the least amount of overcapacity?
- A. That's correct. Actually, I apologize, it's the opposite of that. This would provide the maximum amount of capacity.

- Q. The greatest safety measure?
- 2 A. Yes.
- Q. Do you have any familiarity with what
 local electrical service guidelines could
 be in an individual state?
- I'm not familiar with anything more 6 . 7 recent. I do know that states, as well as local municipalities, have a tendency, if . 8 there's a particular disaster, quote, 9 10 unquote, a fire or something like that, they sometimes want the local laws to try 11 to prevent those onetime occurrences from 12 13 happening again. I'm familiar with those issues as they cropped up seven or eight, 14 nine years ago, my responsibility for some 15 power engineering guidelines, and we used 16 to have to incorporate those into our 17 overall engineering practices. 18
- 19 Q. Would you expect those local guidelines to
 20 be more conservative or less conservative
 21 than the factors BellSouth uses?
- 22 A. My experience has been they would be less
 23 conservative, more safety perspective.
 24 This is a very strong protection device

- Q. I ask you to pick up Exhibit 9 again. And turn to page numbered 46, Provision 9.1.1.
 - A. Okay, I'm there.
- Q. And in the BellSouth version of this
 language in bold appear the words based
 upon the engineered and installed power
 feed fused ampere capacity. Do you see
 that?
- 9 A. Yes.

- Q. Is that another way of saying based upon the configuration ordered by the Commission?
- 13 A. No, I would not agree it's another way of
 14 saying that it's based upon another
 15 configuration based by the Commission.
- Q. Would this language, in your mind, be consistent with the relevant orders of state commissions?
- 19 A. Yes.
- Q. What is different about the verbiage that appears on this page from the verbiage that I proposed?
- 23 A. The --
- Q. Which was in accordance or as configured in accordance with orders of the state

commission, what's different about those two?

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- A. The term based on engineered installed power feed, fused ampere capacity is describing the quantity of what's been ordered, engineered, and installed. So it's essentially saying, for lack of a better term, how many widgets have been ordered, how many widgets will be billed for. A portion of that term it says, you know, fused amper capacity is the part that's consistent with the applicable laws. But the engineered and installed power feed and the capacity aspect is just talking about the quantity that was purchased, and that's what will be assessed.
- Q. At page 48 of your testimony, looking at line 7, you explain that the phrase engineered and installed power feed fused ampere capacity refers to the number of fused amps that will be billed in accordance with whatever the CLP had requested on its collocation application and confirmed in its BFFO. Do you see

that? 1 Yes, I do. A. Do you know what BFFO stands for? 3 4 A. I believe it stands for bona fide firm order. 5 So does this testimony mean that -- that 6 Q. is the CLP would tell BellSouth how many 7 8 fused amps should be installed? 9 A. Yes. 10 0. And then further down the page, your testimony discusses a CLP's method of 11 procedure, MOP? 12 Yes. 13 A. And this is the document that the person 14 0. or entity installing the power would 15 follow when installing the fused amps; is 16 that correct? 17 A. Yes. 18 Have you ever participated on -- in any 19 discussions relating to the dispute that 20 remains between the parties as to section 21 9.1.1 of this agreement or how DC power 22 will be billed? 23 You say engage in discussions. With who? 24

With anyone at BellSouth.

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A. Yes.

- Q. Did you ever participate on a call in which the language that appears at page 48 of your testimony was discussed?
- 5 A. I've had conversations specific to this
 6 language with both Lynn Brewer and also
 7 Bonnie King.
- Q. Do you know whether this explanation has
 ever been provided to the Joint

 Petitioners during the course of
 negotiations?
- 12 A. I don't know.
- Q. Do you know whether the CLPs had ever requested that such an explanation be given?
- 16 A. I don't know.
- Q. Returning to Exhibit 9, Section 9.1.1, which is on page 46.
- 19 A. Okay.
- 20 Q. Do you see that for the -- essentially,
 21 the Joint Petitioners' proposed language,
 22 there's language in bold at the end of the
- provision that states as set by the
- 24 Commission?
- 25 A. Okay.

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Q. And you understand that this language is presently in dispute between the parties?

A. Yes.
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- Q. Why is this bold language -- language that is in bold unacceptable to BellSouth?
- A. I don't know why this exact language is
 unacceptable. It could be that we're not
 attempting to recover non-recurring
 charges for 48-volt DC power. If that's
 the case, I'd strike the whole sentence.
 I don't know why those particular five
 words are unacceptable to BellSouth.
- Q. Have you been ordered in all BellSouth
 states not to incur non-recurring charges
 for 48-volt DC power?
- 16 A. I don't know.

- 17 Q. Do you believe it could be the case that

 18 imposing such charges might violate an

 19 order of the state commission?
- 20 A. I don't know.

MR. CULPEPPER: Where is the section number we're looking at, 9 -
MS. JOYCE: .1.1.

MR. CULPEPPER: All right.

Q. At page 49 of your testimony beginning on

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line 3, you state that BellSouth is puzzled as to why the Joint Petitioners are making certain allegations, the allegations having been reflected in the question as posed on page 48, which is that the language is vague, unintelligible. So 49, you say that BellSouth is puzzled as to why Petitioners are making these allegations when the language the Joint Petitioners are complaining about is exactly the language that that exists in the Joint Petitioners current language for Section 9.1.1, the attachment before you.

What language in the Joint

Petitioner version of 9.1.1 is exactly the same language as what we're alleging to be vague?

- A. Do you have a copy of the current interconnection attachment with 9.1.1? We could look and see what's the same between that version and what's being negotiated.
- Q. To my knowledge, Attachment 9 is the most recent version of Attachment 4 or -- excuse me, this version is the most recent

and that Section 9.1.1, as appears here on this page, is the most recent version.

Were you addressing there should be different language?

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- A. Well, honestly, what I was addressing was just the Joint Petitioners' testimony that talked about our language as being so vague and unintelligible when we both have many of the same terms in our version versus your version. And, you know, provides Petitioners with more certainty as to payment obligations, was more of a comment that this is a lot of rhetoric because, quite honestly, I look at these two paragraphs, I consider them very close. Unfortunately, if the CLPs had known to call me and ask me what the definition of engineered and installed power feed fused ampere capacity was, I probably would have told them. Might have resolved some of these concerns. don't necessarily know why we can't resolve this issue.
 - So -- And so I think my testimony here is not so much -- is more of

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response to the rhetoric on this issue.
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        Our language is fairly close together. I
        don't believe our language is vague and
 3
        unintelligible and leaves Petitioners with
 4
        no certainty as to payment allegations.
 5
        Do you know whether the CLPs have
 6
    Q.
        questioned that BellSouth's language in
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. 8
        number 9.1.1 be explained here?
        I don't know.
 9
    A.
        Do you know if it ever was explained to
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    0.
        them?
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        I would hope in the months that this has
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    A.
        been discussed that it had been, but I
13
        really don't know if it has.
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        Would you be surprised to know that in
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- Q. Would you be surprised to know that in your testimony is the first time that this language has been explained to the Joint Petitioners?
- A. Based on this conversation, no, I'm not surprised to find that out.

- Q. So you've testified that BellSouth will
 provide a choice to CLPs as to whether
 they will use fused amps or used amps for
 DC power; is that correct?
- 25 A. We're going to comply -- My testimony

talked about the fact we're going to comply with what the North Carolina

Utilities Commission says we should do in this particular case. I don't believe we're opposed to an used amp approach. I do know that a used amp or meter approach costs us more money to implement and to maintain. And as a result, we want to be compensated for our costs, and there are some rates that need to be set for some of those costs. And that -- obviously, that work needs to be done.

But in Tennessee, we've done the used amp approach as well as the fused amp approach. We can do that in other states if we need to. We just need to make sure that the appropriate costs are set and the rates are set and the work is done to make sure that we do it properly.

(DEPOSITION EXHIBIT NO. 17 WAS MARKED.)

- Q. I'm handing you a document that's been marked Exhibit 17. Can you tell me what this document is?
- A. Appears to be -- oh, it's the first page, it's interrogatory to the Alabama Public

1 Service Commission for Docket No. 29242. 2 MR. CULPEPPER: And I'll reiterate 3 our objection to questions that go outside 4 of responses we provided to North Carolina. 5 6 0. Please turn to -- Toward the end of this 7 document is a page that's marked 34 at the 8 bottom. 9 A. Okay. And do you see the heading on this page 101 states that this would indicate that this 12 is a BellSouth response in North Carolina 13 to Joint Petitioner interrogatory? Yes. 14 A. 0. And it would be Item No. 4-8(B)3? Yes. 16 A. 17 MR. CULPEPPER: Page 34, okay. 18 Q. Did you assist in the production of the 19 response that appears on this page? No, I did not. 20 A. You've testified that there are costs 21 Q. 22 associated with BellSouth implementing a used amp billing system? 23 24 A. That is correct.

Do you know what those costs are?

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Q.

- A. Yes, I do. Those costs would be involved in the labor and the contracting associated with bringing people to measure the -- and potentially provide the metering service for the used amps.
- Q. Do you know the amount of those costs?
- A. I don't know the amount of those costs,
 but depending on how the orders come out
 in terms of how often or the meter or
 complexity associated with that or where
 we're supposed to take the meters, and
 what kind of record keeping, documentation
 we have to provide could affect those
 costs.
- Q. I direct your attention, again, to Exhibit
 17, the page marked 34. And you see the
 request asks BellSouth to provide all
 information about how BellSouth
 proportions the cost of provisioning DC
 power into infrastructure related and
 non-infrastructure related categories for
 recurring or non-recurring categories.
- 23 A. I see that.

Q. The response below states, subject to the objections that were lodged, BellSouth

does not have a specific TELRIC study for 1 North Carolina for the provisioning of DC 2 power. Do you see that? Yes, I do. A. Does BellSouth have any cost study in 5 Q. 6 North Carolina for the provisioning of DC 7 power? I don't know. 8 A. 9 Does it have a TELRIC study for Q. provisioning DC power in any other state? 10 11 I don't know. A. 12 And this response goes on to state that the cost of DC power is one component of 13 element H.1.8 in a BellSouth TELRIC 14 15 study. Do you see that? Yes, I do. 16 A. (DEPOSITION EXHIBIT NO. 18 WAS MARKED.) 17 Going to hand you a document that's been 18 Q. marked Exhibit 18. 19 MS. JOYCE: I'll note for the 20 record that this is a portion of a cost 21 study that was produced in electronic form 22 to the Joint Petitioners. 23 BellSouth, do you want this 24

treated as proprietary and confidential?

MR. MEZA: Yes, please.

MS. JOYCE: We'd like this

transcript testimony marked as proprietary 3 and confidential.

- 5 Do you recognize this document?
- 6 No, I do not. A.

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- 7 Have you ever reviewed a cost study for 8 BellSouth?
- No, I have not. 9 A.
- 10 Q. Have you ever created a cost study for
- BellSouth? 11
- I have not. 12 A.
- 13 Q. Please turn the page of this exhibit. Do
- 14 you know whether the top of the page, the
- designation in the left-hand column, H.1.8 15
- it's entitled physical collocation, power 16
- per fused amp? Do you see that? 17
- A. Yes, I do. 18
- Q. Does that information correspond to the 19
- information identified in response to the 20
- interrogatory on page 34?
- A. Yes.
- Element H.1.8 in BellSouth's TELRIC study? 23 0.
- 24 A. Yes.
- Q. It does correspond?

A. Yes.

- Q. Can you tell me what the figures on this line mean?
- A. The line that says H.1.8, physical collocation, power per fused amp, it says recurring, \$7.65. I don't know whether that's the cost or the rates or what it would be on this particular page.
- 9 Q. Do you notice that this document has Bates
 10 labels on it?
- 11 A. Yes, I do.
- 12 Q. CST, a bunch of numbers. Please turn to
 13 the page that's marked CST018581. And do
 14 you see there there's a matrix and there's
 15 a line item identified as H.1.8, physical
 16 collocation, power per fused amp?
- 17 A. Yes, I see that.
- Q. And can you explain what is depicted in these numbers? There's -- The figure \$7.65 appears in a column entitled revised. And then as filed, September 2000 states \$8.50 for the same line item, and there's a difference of 85 cents. Do you see that?
- 25 A. Yes, I do see that.

- Q. Do you know what that is intended to represent?
- A. Other than the same summary you just provided? It's revised number, a filed number, and it's simply trying to state the difference between those two.
- 7 Q. Do you have training as an economist?
- 8 A. No.

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- 9 Q. Have you ever testified before any
 10 tribunal related to BellSouth's cost
 11 analysis for DC power?
- 12 A. I have not.
- Q. Have you ever testified as to BellSouth's cost analysis for any -- anything related to local competition?
 - A. That's going to depend on your definition

 "related to local competition". I have

 provided -- in a couple of arbitrations or

 complaint cases associated with DSL and

 broadband, provided information in cost

 for the development of various

 capabilities that were being asked for.

 Also done -- Well, there's testimony that

 talked about the cost to deploy certain

 types of equipment or DSLAMs. But those

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1
        were not cost studies, they were estimates
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        that I had provided based on my experience
 3
        in the industry for the costs associated
        with those kind of service developments or
 4
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        software developments as well as the
6
        equipment developments.
7
        Do you know which BellSouth employee or
. 8
        employees was responsible for creating
9
        this cost study?
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- 10 A. I do not.
- Q. Do you know which BellSouth employee or employees could interpret this cost study document?
- A. If I were looking for an interpretation, I would ask either Bernard Shell or Reg

 Starks.
- 17 Q. Is that S-h-e-l-l?
- 18 A. Yes.
- 19 O. Or Rich --
- 20 A. Reg Starks.
- 21 Q. S-t-a-r-k-s?
- 22 A. Yes.
- Q. Do you know what purpose this cost study
 was provided to the North Carolina

A. I do not.

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- Q. To your knowledge, is BellSouth willing to offer CLPs a choice to use used amp billing in states other than Tennessee?
- A. Yes, we're willing and able to do that and offer that as long as the rates are established and the procedures are established to properly do a fused amp -- excuse me, a used amp approach.
- Q. Have rates been established for used amp billing in Tennessee?
- 12 A. In Tennessee, yes.
- 13 Q. How are they established?
- 14 A. I don't know how they were established.
- Q. You don't know whether they were imposed by the Tennessee Regulatory Authority?
- A. I don't know if they were imposed. I

 don't know if we proposed them. I do

 imagine they were probably discussed

 pretty heavily at some point.
- Q. Are you familiar with -- strike that.

 What other terms and conditions

 would BellSouth need to negotiate with

 CLPs in other states in order to implement

a used amp billing situation?

A. Our preference would be to have a similar process in all states. Florida and Tennessee differ in that Tennessee requires us to meter and then we bill.

Based on what we measure in Florida, we bill based on what the CLP tells us they're using, and then we have the right to audit that and then reconcile the bills appropriately. Those procedures are different, different rules.

And so our preference would be to adopt a similar set of rules and, you know, have one set of rules and one set of procedures that we can kind of uniformly provide in every state. So I think our preference would be that, if North Carolina chooses to go down this path, that they will model it to Tennessee.

- Q. Tennessee would be an appropriate model for used amp billing in North Carolina?
- 21 A. Yes.

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- Q. Would that be including the rate structure that was adopted in Tennessee?
- A. I don't know if the rate structure would be applicable simply because there may be

different cost components in North
Carolina than in Tennessee.

- Q. You state at page 57 of your testimony that there are several components of what the CLP would need to pay for for the recurring charges for DC power. There would be an AC usage charge. And that's on line 10. Do you see that?
- 9 A. Yes.

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- Q. And does that relate to the amount of power used on a monthly basis by the CLP?
- 12 A. Yes. Yes, it is.
- Q. And that there would be a minimum of 10
 amps that would be presumed to be used by
 the CLP?
- 16 A. Yes.
- Q. And then further down at lines 14 to 15,
 it states that there is also a monthly
 recurring charge for power plant
 infrastructure investment. Do you see
 that?
- 22 A. That is correct.
- Q. And does that reflect what we've discussed in terms of the work BellSouth would do to implement a power feed situation for a

collocated CLP?

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- A. That would be, again, covering us for engineering and installation of the appropriate facilities and equipment necessary to provide the DC power.
- Q. And then beginning at line 17, you state,
 finally, BellSouth would bill the CLP a
 monthly recurring charge per site -further down -- to provide the clamp-on
 ammeter, a-m-m-e-t-e-r. Did I pronounce
 that correctly?
- 12 A. No, it's actually ammeter.
- 13 Q. Ammeter.
- 14 A. Yes.
- Q. Or other large measurement device. Do you see that?
- 17 A. Yes.
- Q. So BellSouth would want to charge a monthly basis to the CLP, the costs of this ammeter or some measurement device?
- 21 A. Yes.

document?

- (DEPOSITION EXHIBIT NO. 19 WAS MARKED.)
- Q. Handing you a document that has been marked Exhibit 19. Do you recognize this

- A. No, I do not.
- 2 The front page indicates it's something that's regarded to the Tennessee Regulatory Authority. Do you understand that the Utilities Commission that would 5 have jurisdiction over BellSouth regarding collocation?
- 8 Yes. A.

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- 9 And there's a title on the page, Order Q. 10 Denying Reconsideration, Granting Clarification, And Adopting WorldCom's 11 Final Best Offer. Do you see that? 12
- 13 A. Yes, I do.
- 14 Do you understand this is a type of order the Tennessee Regulatory Authority, or TRA 15 for short, would have issued? 16
- 17 A. Yes.
- 18 Please turn to what is marked as page 7 on the bottom. I don't know the source of 19 20 the markings that are on this page.
- 21 I appreciate the highlighting. It makes it much easier to find the reference 22 23 you're looking for.
- 24 The end of the day. Got to be quick. Q. 25 Do you see that the highlighted

language, it states that it's reasonable to conclude that WorldCom should pay the reasonable costs of monitoring actual DC consumption?

A. Yes, I do.

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- Q. And do you believe that the rate structure
 adopted in Tennessee is an appropriate
 rate structure for BellSouth to recover
 its costs?
- I don't know whether the rate structure in 10 Tennessee is appropriate to cover our 11 12 costs. I do know that it has some non-recurring and recurring components 13 associated with the activity in the work 14 and the costs associated with doing the 15 measuring and the metering. I don't know 16 whether it covers our costs or not. 17
- Q. Regarding the costs of providing
 a clamp-on ammeter--
- 20 A. Uh-huh.
- 21 Q. -- could a CLP provide that ammeter?
- 22 A. They could provide the actual device, but,
 23 obviously, we would be wanting to take the
 24 reading ourselves or hire a contractor to

do the reading on our behalf.

- Q. In your opinion, would it be unreasonable to conclude that WorldCom should pay the cost of monitoring DC consumption in any other state?
- A. Could you repeat your question, again? I think I got caught up in the positives and negatives of it.
- Q. The TRA states here, it is reasonable to conclude that WorldCom should pay reasonable costs.
- 11 A. Yes.

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- Q. Do you have any reason to doubt that that conclusion should apply in other states?
- 14 A. I think it's reasonable that whoever is

 15 causing us to go through additional steps,

 16 additional costs should be responsible for

 17 covering those costs.
- Q. Are you aware of the rates, if any, that
 were proposed to the Joint Petitioners
 when negotiating the rates that will apply
 to DC power?
- A. I'm not familiar with what was proposed to the Joint Commissioners.
- Q. At page 45 -- excuse me, 54 of your testimony at line 6. What is your basis

for the statement that Joint Petitioners were unwilling to negotiate?

- A. It's based on my conversations with Lynn Brewer, who was involved in the negotiation.
- Q. Do you know whether the rates that were proposed to Joint Petitioners were accompanied by any cost support that explained why the rates were what they were?
- 11 A. I don't know.

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- 12 Q. Is there any reason that BellSouth

 13 supplied AC power in a collocation site

 14 should be billed under a different method

 15 than BellSouth supplying DC power?
 - A. If -- I don't know of any reasons that we wouldn't use -- like I said -- and I think what you're looking for is a fused versus used amp approach on AC power as in addition to DC power. Again, it's one that escapes us because if you're an efficient designer, you're actually going to end up paying more to have us meter what you ask for.

But, you know, if the cost

structure is understood and the rates are established for, you know, doing that kind of work, we'll be happy to, you know, do that additional work on behalf of the CLPs, if necessary.

- Q. So your position is BellSouth is willing to provide CLPs a choice in North Carolina to use used amp billing for AC power?
- A. Again, I don't know why anyone would request that, but if -- you know, again, we're not fundamentally opposed to used amp approach. Our infrastructure is not designed to do it. It's a very manual approach that requires us to have significant costs associated with paying someone to do the metering. So if, you know, the CLPs are willing to cover the costs of the additional metering associated with AC used amp versus fused amp, then I don't understand why we would be opposed to do that. I don't think we would be.
- Q. Has any state commission ordered BellSouth to provide a fused amp with option for AC power?

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Yes. Have a fused amp billing power? 1 A. 2 I'll rephrase it. Q. Thank you. 3 A. 4 Q. Has any state commission ordered BellSouth to provide a used amp billing option for 5 6 AC power? 7 Not that I'm aware of. A. . 8 MR. MEZA: Can we go off the record for a second? 9 (DISCUSSION OFF THE RECORD.) 10 To your knowledge, has any CLP requested 11 Q. of BellSouth that it negotiate rate terms 12 and conditions for using used amp billing 13 for AC power? 14 No, I don't know of any requested used amp 15 A. billing for AC power. 16 Mr. Fogle, do you know what ruling, if 17 Q. any, the Georgia Commission has made with 18 respect to whether used amp billing should 19 be provided for DC power? 20 I believe Georgia has ordered that used 21 22 amp billing be available. I do not

believe they have set the rates for us to

do that. So we're kind of awaiting the

rates so we understand how much to bill

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for before we can make a complete option available to CLPs.

- Q. Do you know whether BellSouth has provided cost study information be available to Georgia to assist in setting rates?
- A. I don't know if we have yet or not.

- Q. Do you know what ruling, if any, the

 Florida Commission has made with respect
 to whether BellSouth must provide a used
 amp billing method for DC power?
- A. The Florida Commission has ruled that we must provide used amp billing method saying approved -- or ruled a different method than is in Tennessee. Procedures are a little different. And, again, they also have not provided rates yet for the various pieces of that, so we're waiting for them to come back with the rates.
- 19 Q. Is the rate structure -- Is the rate
 20 structure different or the rate amounts
 21 different?
- 22 A. I don't know, to tell you the truth, if
 23 the structure is different. I know the
 24 work requested and the work -- undergoing
 25 work is different between Tennessee and

1 Florida. I would assume that would turn itself into the costs and also the rates. 2 MS. JOYCE: All right. Given that 3 4 the parties are presently trying to work out an agreement but have not done so in 5 terms of whether depositions will be taken 6 in each state, I reserve the right to call . 7 . 8 you as a witness in any other state. And to the extent that you may 9 10 file additional testimony in the State of North Carolina regarding the issues we've 11 spoken to today or BellSouth's positions 12 change, I reserve the right to reopen your 13 deposition to discuss those changes with 14 15 you. THE WITNESS: Okay. 16 MS. JOYCE: I thank you for 17 coming, and the deposition is concluded. 18 MR. CULPEPPER: No questions. 19 (THE DEPOSITION CONCLUDED AT 5:11 P.M.) 20 21 22 23 24 25

1	EI	RRATA SHEET
3 4	Case name:	In the Matter of
5		Joint Petition NewSouth
6		Communications for
7		Arbitration with BellSouth
8		
9	Deponent:	Eric Fogle
10		
11	Date:	
12		
13	PAGE LINE	READS SHOULD READ
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1	SIGNATURE
2	I, Eric Fogle, do hereby state under oath
3	that I have read the above and foregoing deposition in its entirety and that the
4	same is a full, true and correct transcript of my testimony.
5	Signature is subject to corrections on
6	attached errata sheet, if any.
7	
8	Eric Fogle
9	
10	State of
11	County of
12	County of
13	Currents and subscribed before we this
14	Sworn to and subscribed before me this day of, 20
15	
16	
17	Notary Public
18	My gommiggion ovnimog
19	My commission expires:
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