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4	In the Matter of		: DOCKET NO. 960786-TL		
5 6	Consideration of Bel Telecommunications, entry into InterLATA	, Inc.'s FA	Inc.'s :		
7 8	services pursuant of 271 of the Federal Telecommunications				
9	1996.				
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11	PROCEEDINGS:	STATUS CO	NFERENCE		
12	BEFORE:	COMMISSIO	NER JULIA L. JOHNSON		
13	BEFORE.	COMPLETE OUTER D. DOINGON			
14	DATE:	Wednesday	, September 4, 1996		
15	TIME:	Commenced	at 8:00 a.m.		
16		Concluded	at 9:20 a.m.		
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18 19	REPORTED BY:	JOY KELLY, CSR, RPR Chief, Bureau of Reporting Official Commission Reporter			
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## IN ATTENDANCE:

MONICA BARONE, FPSC, Division of Legal Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0870, Telephone No. (904) 413-6197, appearing on behalf of the Commission Staff.

JOSEPH McGLOTHLIN, McWhirter, Reeves, McGlothlin,
Davidson & Bakas, 117 S. Gadsden Street, Tallahassee, Florida
32301, Telephone (904) 222-2525, representing the Florida
Interexchange Carriers Association, participating
telephonically.

PATRICK K. WIGGINS, Wiggins & Villacorta,

P.A., 501 East Tennessee Street, Suite B, Tallahassee,

Florida, 32308, Telephone No. (904) 222-1534,

appearing on behalf of Intermedia Communications,

Inc., participating telephonically.

EVERETT BOYD, Ervin Varn Jacobs & Ervin law firm, 305 S. Gadsden Street, Tallahassee, Florida, Telephone (904) 224-9135, appearing on behalf of Sprint Communications Company, L.P., participating telephonically.

## APPEARANCES CONTINUED: PHILIP CARVER 150 West Flagler Street, Suite 1910, Miami, Florida, Telephone (305) 347-5558, appearing on behalf of BellSouth Telecommunications, Inc., participating telephonically. MARTHA McMILLIN,, 780 Johnson Ferry Road, Suite 700, Atlanta, Georgia 30342, Telephone No. (404) 843-6375, appearing on behalf of MCI Telecommunications Corporation, participating telephonically.

PROCEEDINGS 1 (Meeting convened at 8:15 a.m.) 2 **COMMISSIONER JOHNSON:** Good morning 3 everyone. We're going to go ahead. This is Julia 4 Johnson. I'm going to go ahead and take appearances 5 at this time. And we are on the record. 6 MR. CARVER: Phil Carver, 150 West Flagler 7 Street, Miami, Florida. 8 MR. McGLOTHLIN: Joe McGlothlin representing 9 the Florida Interexchange Carriers Association, 117 10 South Gadsden Street, Tallahassee, Florida. 11 MS. McMILLIN: Martha McMillin, MCI 12 Telecommunications Corporation, 780 Johnson Ferry Road 13 14 Atlanta, Georgia. MR. WIGGINS: Patrick K. Wiggins, for 15 Intermedia Communication, Inc, P. O. Box 1657 16 17 Tallahassee, Florida 32302. MR. BOYD: Everett Boyd of the Ervin Varn 18 law firm, 305 South Gadsden, Tallahassee 32301, Sprint 19 20 Communications Limited Partnership. COMMISSIONER JOHNSON: Any other parties on 21 the line? (No response) MS. BARONE: Monica Barone. Staff counsel. 23 24 2540 Shumard Oak Boulevard, Tallahassee, Florida

32399.

COMMISSIONER JOHNSON: Are there any 1 preliminary matters before we take up the motions? 2 Anything in addition to the motions? (No response.) 3 Seeing none, I think it's FIXCA's Motion to Compel. 4 MR. CARVER: Commissioner, I had one 5 question, I guess you could say, to that format that I 6 wanted ask --7 COMMISSIONER JOHNSON: Is this Phil. 8 MR. CARVER: Yes, Phil Carver. 9 The Motion to Compel has a lot of different 10 subparts and I just wondered would you prefer to hear 11 the motion and then the response on one part; the 12 motion and response on the next, or would you prefer 13 to hear one side on everything and then the other side 15! on everything. **COMMISSIONER JOHNSON:** My personal 16 preference would be motion and then response. I think 17 it will flow better for the court reporter and just be 18 better for my edification. 19 20 MR. CARVER: Thank you. So I'm clear, Commissioner, 21 MR. McGLOTHLIN: you want the presentation on the entire motion 22 followed by one complete response? 23 COMMISSIONER JOHNSON: Excuse me? 24 25 MR. McGLOTHLIN: I'm not sure I understood

your preference. Do you want to take it section by section, motion/response?

**COMMISSIONER JOHNSON:** I prefer to take it section by section.

MR. McGLOTHLIN: All right. FIXCA filed a Motion to Compel answers to certain interrogatories in the first and second sets, and one request to produce documents. And the first section within the motion addresses Interrogatories 1, 2, 3, 5, 14, and request to produce Item 4.

Commissioner, I'm going to begin with some comments that while they belong to this section of the motion, are equally applicable to all of the argument.

My other comments support the first section of the motion but they are equally applicable to the other portions of the motion as well. I'd like to begin with a short background that will appear very basic but I believe will be useful to make a point that is needed.

This docket was opened in anticipation that BellSouth will file a petition asking the Commission to satisfy certain conditions precedent to its entering the intraLATA market.

An application filed pursuant to Section 271 (b)1(a) of the '96 Act must prove, among other things,

that BellSouth entered one or more agreements specifying terms and conditions for access and interconnection; that it is actually providing access and interconnection to one or more competing providers of telephone exchange service. That those competitors are providing service to residential and business providers, and that they are doing so exclusively or predominantly over their own exchange service facilities.

In support of an application under that section, it's necessary that BellSouth show access and interconnection that meets 14 different substantive technical criteria.

In short, this case is about specific actual terms and conditions of agreements. It's about specific numerous technical criteria. It's about details of BellSouth's network as well as details of competitors' networks and more.

This case is chocked full of the need for information, all of which BellSouth has accepted.

BellSouth will be required to prove that it has satisfied these criteria, and the parties including FIXCA, are entitled to gauge whether that support BellSouth's contention that its petition should be granted. In other words, meaningful

discovery is essential in this case, and I believe the Commission recognized that when it decided to open this docket prior to the filing of a petition by BellSouth. If information is not forthcoming through discovery in this phase of the proceeding, the purpose of the early opening will be defeated and the parties, including FIXCA, will be severely disadvantaged, and what will be an extremely difficult time frame in a very significant case. Just as BellSouth cannot avoid its burden of proof when it files a petition, cannot allow it to avoid its obligation to provide discovery, information through discovery.

Now, turning to the specific components of the first portion of the Motion to Compel. I said earlier that this case is about the things, specific agreements, and the extent to which those agreements satisfy criteria.

Interrogatory 1 asks BellSouth to identify each agreement between BellSouth and unaffiliated competing provider of the telephone exchange service upon which BellSouth intends to rely for support of an application for entry into the intraLATA market. 2, 3 and 5 are built on that initial question and develop the type of factual information that is needed to assess whether BellSouth can pass muster when it files

a petition.

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Item 2 asks BellSouth to identify the particular criteria of section 271(c)(2)(B) Items 1 through 14. And BellSouth contends it has satisfied implementation of an agreement.

Then Item 3 asks BellSouth to describe in detail with respect to each of those criteria the arrangement, services, facilities, or means of access BellSouth is presently and actually providing in conjunction with each agreement that it identifies in Interrogatory 1. In addition, the interrogatory asks BellSouth to provide all current quantitative, qualitative, technical, and geographical data and all pricing information necessary to fully describe the present ability of BellSouth to provide each service arrangement or access; specific facilities being used to provide the access; the extent to which the services, arrangement, and/or access are presently being provided; and the terms on which they are being provided. All of this information, requested information, would be germane to an assessment of whether BellSouth has met the burden of proof associated with proceeding under (d)(1)(a).

Finally, Item 5 asks BellSouth to provide the information relative to each unaffiliated

competitive provider network, including the geographical area served, a description of competitors' telephone exchange facilities, the number of access lines served by each competitor, and so forth.

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In response to Interrogatory 1, the basic bulk of information on which the others proceed,
BellSouth gave this answer: "At the time BellSouth filed its petition in this proceeding, it will have met the requirements in Section 271(c)(1)(a). As of today, however, the Commission has not approved an agreement which BellSouth believes meets all of the requirements of Section 271 (d)(1)(a)."

Now, in my Motion to Compel, I first suggested that this answer is ambiguous. And if it is the position of BellSouth that it intends to satisfy (d)(1)(a) by means of a single agreement that satisfies all criteria, and that is not yet on the horizon, it should confirm that it's its intent and it should be held to it.

However, I don't think that's what it means.

I have reason to believe that's not what it means
after having read BellSouth's answers to Staff's
interrogatories, which answers were provided I think
about 11 days after BellSouth answered this one.

agreement on which BellSouth's belief meets all of the requirements in response to our interrogatories,
BellSouth proceeded to say that our additional questions about individual criteria were not applicable. However, in response to questions from the Staff regarding whether BellSouth believes it has complied with the 14 criteria of Section 271, in individual responses, BellSouth, by my count, indicated that it believes it has complied with all 14 with the single caveat that it is assessing the recent order of the FCC, but the statement is that it believes that it has complied with each of those 14 criteria.

Now, the difference between the way FIXCA approached this need for information and the way Staff approached it is this: FIXCA started with the agreement and asked questions designed to proceed from the identification of agreement to the identification of the individual criteria. Staff started with individual criteria, then asked questions leading to the identification of the agreement.

In response to our questions, BellSouth said well, there's no agreement, so we can't even talk about criteria. Yet in response to Staff's questions,

BellSouth said it has met all 14 criteria, but it couldn't answer any in the affirmative without relying on an agreement. It identified the agreement with ICI among others as those that it believes complies.

Bell.

So for that reason I believe that BellSouth does not propose to proceed in accordance with the answer it gave to our Interrogatory 1. Now, you may ask since BellSouth did identify some agreements in response to Staff's questions, are my questions necessary? My response is they absolutely are because this is just a starting point. Other questions that proceed from the identification of the agreement are necessary to flesh out the information that will determine — that will help assess whether BellSouth can meet its burden of proof when it files its petition.

So for that reason we believe that the answer to Interrogatory 1 is evasive and unresponsive and if BellSouth should try to identify those agreements on which it intends to rely at this point, and then to provide full and complete answers to the additional interrogatories in Section 1.

With that I'll turn it over, Commissioner.

COMMISSIONER JOHNSON: Thank you very much.

MR. CARVER: To begin with, I think we have to look at the actual language of FIXCA's

Interrogatory 1. And by the way, I'm not going to make any certain opening statement, I'll just jump right into the specific items that we're here to talk about.

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First of all, FIXCA asks whether we intend to assert, I suppose at some point in the future in this proceeding, that we've met the requirements of 271(c)(1)(a). And then the interrogatory continued by asking "If the answer is yes, identify each agreement between BellSouth and an unaffiliated competing provider of telephone exchange service upon which BellSouth intends to rely in support of its contention."

Now, if there's a problem with our interrogatory answer, it's not that we didn't provide enough information; I think it's probably that we tried to provide too much. Because the short and simple answer to this question is we don't know. At this juncture we haven't made a determination as to what we're going to rely on. Again, maybe I should have said that. I certainly said that in my response to the Motion to Compel, maybe we should have just said that and left it at that point in the

interrogatory. But instead we went beyond that and we made the observation that at this point the Commission has not approved any particular agreement that we believe meets all of the criteria. And FIXCA knows perfectly well what the agreements are; once they are executed and completed, they are filed with the Commission and we request approval, so they have access to those agreements just as much as we do.

Again, the point, though, is at this juncture we don't know what we're going to rely on, and we don't know that any of them particularly will be utilized in any particular fashion when the 271 proceeding begins.

Now, two things: Mr. McGlothlin, I guess, is implying we're stonewalling him and giving answers to the Staff at the same time, but I think it's important to note that Staff asked a different question. They didn't ask us what we intended to rely on at some future point; they just simply asked us if there was an agreement out there somewhere that we thought met the particular requirements. If you look at our answer, it's still kind of vague because frankly we just don't know. I think the answer that we gave was the ICI agreement might meet the criteria, although we're really not sure given the recent FCC

orders, and there may be others.

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So I think the pattern that you're seeing here with both our responses to FIXCA and our responses to the Staff is that at this juncture, we just don't know. And the bottom line is if we don't know something, I don't know how to clarify or qualify or expand on "we don't know."

One thing about this that I think is very interesting and very extraordinary, really, is I heard Mr. McGlothlin make a statement at some point that if we intend to rely on this agreement or if we intend to rely on that, or whatever, I think his comment was that we should confirm that and be held to it. So in effect, I quess what he's saying is at this juncture FIXCA wants to know what we're going to do at some point in future. We don't know what we're going to do at some point in the future. So in order to answer FIXCA's interrogatories, they want us to make a decision we haven't made and then be bound by it. Again, I think that's fairly extraordinary. I think when a party is asked interrogatories in discovery, if they have an answer, they should give them. If they have no answer, I think to say they don't know is adequate. And in fact, I think that's the only answer that in good faith can be given and that's exactly

what we have done. And that concludes my response.

COMMISSIONER JOHNSON: Any follow up?
MR. McGLOTHLIN: Very briefly.

Mr. Carver said his answer is he doesn't know. That's just not what was provided in response to the written interrogatory. And it was for that reason that I suggested that the answer was ambiguous and that BellSouth needed to clarify and confirm whether it meant what it said. If it meant what it said, it means it intends to rely on a single agreement and would comply with all criteria. That is nowhere in sight yet.

I believe that's not the case. Among other things in the answers to Staff's interrogatories, in response to Staff's Question 1C, BellSouth indicated that it interprets the law to enable it to satisfy the requirements of Section 271 by following tracks A and B and combination, which theory I disagree with, but it tends to belie the premise underlying the response to FIXCA's question.

I think it's somewhat disingenuous for BellSouth to identify agreements which it contends comply with the criteria of Section 271 in response to Staff's questions, and then say it simply doesn't know on what it is going to rely at the time it files its

petition.

Based upon the information available, we think BellSouth has an obligation to flesh out with respect to the individual competitors, with respect to the arrangements, contractural and physical, with respect to terms and conditions, with respect to the extent of which those arrangements have been implemented and the other information sought by the question so that the parties, including FIXCA, can utilize this period of time prior to the filing of the petition to assess BellSouth's situation and begin to prepare the case. If we had to wait until BellSouth had fully prepared its petition, there would be little use in having this early start.

COMMISSIONER JOHNSON: Thank you very much.

The next series of items, I think it's Interrogatory

Item No. 4.

MR. McGLOTHLIN: Yes. Interrogatory 4 asks this question "Describe in detail the technical and operational measures BellSouth has taken specifically to implement the competitive checklist of Section 271(c)(2)(B) prior to the filing of BellSouth's petition in this docket. Include all changes made to the network, all features installed for the purpose; any capabilities added to its network and/or

provisioning system."

The answer was "BellSouth has not developed any operational measures specifically to implement Section 271(c)(2)(B). Any such operational measures have been undertaken to promote local competition as Congress intended, or to meet the requests of specific parties identified during negotiations."

As I state in the motion, FIXCA regards that answer as evasive and incomplete. This docket concerns BellSouth's application for authority to provide in-region intraLATA services. And while BellSouth is free to point out that the measures called for by the checklist are required by the Act in conjunction with its obligation to open its system, it cannot deny that they are also — those measures are also pertinent to its application or its motion for entry into the intraLATA market.

Technically, I would be as free to construe the answer as commitment that BellSouth doesn't intend to pursue interLATA business. But that would be as strained and frivilous as the answer that BellSouth has given to the interrogatory. I believe that the thrust of the interrogatories is unmistakable and that BellSouth has an obligation to provide answers to flesh out the technical and operational measures it

has undertaken.

In its written response BellSouth said, well, if it understood that's what we were after, it would have complained that that would be burdensome thing. But these technical and operational measures are the stuff that this case is going to be made of, because they bear on whether, for instance, BellSouth has provided access and interconnection or quality equal to its own. It bears on whether BellSouth has provided elements of an unbundled basis as it must through law, and whether it has provided access and interconnection on reasonable terms and conditions.

There's no escaping the fact that this case is going to become one of complex technical information. A lot of information is needed to assess the condition and there's going to be some work involved and there's an obligation on BellSouth, we have all of the information to be forthcoming in discovery, and it has not done so with respect to Interrogatory 4.

COMMISSIONER JOHNSON: Thank you. Bell.

MR. CARVER: I think that we've answered in Interrogatory No. 4 the questions they ask. And, again, the question is to describe in detail the technical and operational measures BellSouth has taken

specifically to implement the competitive checklist.

And our reponse to the question they asked is that we haven't taken any specific measures to meet 271.

what we have instead is a situation where particular parties have come to us and they've tried to negotiate arrangements and we've tried to negotiate also and in some instances we have been successful. There may have been some technical changes done to implement those particular agreements. That was not done specifically to meet 271, and again, that's what FIXCA asks.

I think, first of all, if I can take a bit of a detour here, I think this interrogatory is a good example of a continuing problem. FIXCA asked a question, we answer the question, and then they come back and say, well, what they asked was not really what they wanted to know; what they really wanted to know was something else. And then basically using the response we've given, they bootstrap that into a broader more detailed and generally more burdensome request, and then they act as if that was the original request. They did that previously with their third request to produce and their request that we produce every cost study in existence, and they've done a similar thing throughout these interrogatories.

1 At this juncture I suppose that FIXCA has 2 taken the original interrogatory, which I believe 3 we've answered, and changed it into something else. 4 I'm not quite sure at this point even what they have 5 changed it into. They say simply that they want us to tell them every operational measure that we've taken 6 to comply with the law. I don't know what that means. 7 I don't know if that means they want to know every 8 9 operational measure that complies -- or I should say 10 that is necessary to implement the agreements that have been fully negotiated and executed, things that 11 we've agreed to do in the ongoing process of negotiation that is not completed yet, things we have a general idea that we may need to do but no one's requested. I have no idea what sort of information 15 16l they are asking for at this point, except that when 17 they ask a specific question and we gave a specific answer, they said, no, that's not good enough. They 18 19 want to know everything. And the problem is FIXCA 20 continually fails to give specific interrogatories that ask what they want to know. At this juncture if 21 they want to know something other than what they have 22 23 asked, they need to submit a new interrogatory and we 24 can respond to that one. The one that they have propounded, though, I think we've responded to 25

specifically and adequately. And at this point, again, I'm sort of at a loss to know what else they want.

But I think the burden is on them to ask what they want rather than to leave us to guess.

MR. McGLOTHLIN: Yes. Mr. Carver says he's at a loss to know what else we want. They haven't given us anything yet. The question says describe in detail the technical and operational measures BellSouth has taken, "has taken". And while we're geared to the competitive checklist, specifically to implement the competitive checklist. In their answer BellSouth says the measures — the operational measures have been undertaken. But that suggests to me they have in mind certain specific operational measures and they know what they are, they just don't think that they need to respond to a question that speaks in terms of a competitive checklist.

But when they say that they have been undertaken to promote local competition that Congress intended, well, look what the items on the checklist involve. They involve the obligations that were imposed by earlier sections, that in total are designed to open BellSouth's network to competition.

So if you want to play with language, then I contend that measures undertaken to promote the local competition as Congress intended are those that are identified in the items of the checklist.

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Mr. Carver says that there's a continuing problem with FIXCA's interrogatories, and while you've already ruled on the one he mentioned, I'd like to point out that we didn't ask for every cost study in the world. We asked for the most recent study in five categories that was performed prior to the passage of the '96 Act.

He says that we ask a question and then try to change the question; the opposite is true. In the response to our Interrogatory No. 1, BellSouth makes this statement. "In this interrogatory FIXCA requests that BellSouth state whether it intends to assert that it's met the requirements of Section 271(c)(1)(a), and if so to identify the agreement on which BellSouth intends to rely."

We didn't ask for the agreement, we asked for each agreement. So in their response to the motion, BellSouth has modified our request, try to align with its unresponsive answer. So I don't believe the interrogatories are the problem.

I think the information sought was clear and

was germane and bears upon the information needed to assess the forthcoming petition, and that BellSouth has simply evaded in answering in this regard.

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COMMISSIONER JOHNSON: Okay. And a question for you. One of the statements that you made, I think, was that what you were asking for, although you did describe it in terms of the measures BellSouth has taken specifically to implement the competitive checklist of Section 271(c)(b)(2), you are stating that -- and I think I understand what you want but, you know, Bell is being quite clever here -- and they are suggesting that either it was too specific and if they are to answer what was asked as it is written here, they can't in good faith say they have done these things just to satisfy 271.

Now, you then go to their response where they provide any such operational measures that have been undertaken to promote -- any such operational measures that have been undertaken have been to promote local competition as Congress intended. How would you rephrase that to take it out of the 271 reference and make it a more broad question that gets at promoting any measures that have been taken to promote local competition? How could you rephrase that in a way that won't be overly burdensome? I'm

just -- this is just for my edification, how could you
more specifically state the question to get at the
issue that you'd like to see?

MR. McGLOTHLIN: I think the crux of the situation is that BellSouth has seized on our use of the word "specifically."

COMMISSIONER JOHNSON: Sure. Exactly.

the word "specifically" out of the question, then the basis on which they hang their hat and refuse to answer goes away. I don't think it's possible to separate the idea of local competition from the checklist. The checklist is a way of assessing whether local competition has been made available. So I don't think the objective should be to put one of the subjects in one corner and another subject in another corner or in separate questions. I think the situation simply is that BellSouth has grabbed onto the word "specifically" to try to change the meaning of the question in a way that common sense simply does not support.

MR. CARVER: Commissioner Johnson, could I respond, not so much to that, as to your question.

COMMISSIONER JOHNSON: Yeah, Sure.

MR. CARVER: I'm really not trying to be

The fact is I just don't know what they want. What we have tried to do to promote competition is to enter into an agreement, so if FIXCA wants to talk about the agreement that's been executed and has been filed with the Commission and to ask us specific questions about those or what we've done to implement those, we can certainly answer that. The problem is at that juncture I don't know what is going to satisfy them. Mr. McGlothlin says that we say that we don't know how we're supposed to respond, that we haven't given them anything, that's true. We haven't given them anything because we don't know what they are asking for. And if the discovery in this matter so far is any indication, I assume that if I agree to provide information relating to completed agreements that have been executed, then FIXCA is going to respond that that's not adequate, that they want something else.

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So at this point I would just like to know specifically what they want. Again, if they can tie it into particular agreements that have been completed and if they want to know what we have done to implement those agreements then certainly I can answer that. But again, you know, I would just like to have a question that I understand.

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You're clever now, but I do agree with what you're saying there. That's what I was trying to get out how would you specifically provide and state the question so that you can be as responsive as possible and in a way that it won't be so broad and overly burdensome or that you still don't know what they want exactly.

So I am somewhat sympathetic with what you're suggesting here, and that to the extent that there was some more specificity, as opposed to just tying it to 271 that FIXCA could provide, I think that, too, would be helpful.

Do you have any more suggestions, Mr. McGlothlin?

MR. McGLOTHLIN: I'm certainly willing to work on it, Commissioner. I would like to make a point, though, that in their answer they didn't say they didn't understand the question, they said that the operational measures were undertaken for a different reason. It isn't clear to me that the question is vague or overly broad.

commissioner Johnson: No. And I'm not suggesting that your question was vague and overly broad, but they answered your question. And then if it's like, if that's -- by having that word

"specifically" in there, in their answer that they stated here is a very direct answer to a very narrowly interpreted question. And what I was suggesting is that is there some way to change the tenor of the question to get the kind of response that you might need.

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And I'm just throwing that out there, some things to think about. I may have enough information here to go ahead and rule on this, but I was just trying to make it clear for the parties if BellSouth is stating they still don't understand what you want, if I ask them to provide you what they don't understand, then that may not be that helpful. It may not get us to the answers we need in an expeditious manner. So I'm trying to get at least a meeting of the minds from all of the parties as to what did we really expect from this question? What would we like to see? So when I make a ruling, I can make sure that parties are receiving the information they need and what is being asked to be provided.

MR. CARVER: Commissioner, if I may, it's correct, I thought I understood the original question.

I guess what I don't understand is the language in Mr. McGlothlin's Motion to Compel that they are really

after something else. At that juncture all I'm saying is they can describe specifically what it is really that they want to know; we'll try to answer it.

COMMISSIONER JOHNSON: Sure.

MR. McGLOTHLIN: What we're after is not copies of agreements, what we're after are those technical, operational, physical measures, measures of business practices and routines that BellSouth has taken to implement those criteria of the -- that are contained in the checklist of Section 271. And I think when you look at the individual criteria that is the way of becoming specific with respect to each one of those. BellSouth may or may not have undertaken operational or technical measures designed to implement, for instance, access to poles, ducts conduits, rights-of-way, or local loop transmission, or local transport, or the other individual criteria contained in 1 through 14.

MR. CARVER: Unfortunately, with the deletion of the word "specifically" that's exactly the same thing the original interrogatory asked which is what we did to meet 271.

MR. McGLOTHLIN: What is it about that question that is puzzling to you?

MR. CARVER: We have on this one for about

15 minutes. I think I've explained what is puzzling to me about it.

I mean obviously -- the subject here is agreements. Do you want to know something about the agreements? Do you want to know what we've done in response to the agreement? If so, could you give us a question that is answerable.

MR. McGLOTHLIN: No.

MR. CARVER: Fine.

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MR. McGLOTHLIN: The subject is not limited to agreements.

MR. CARVER: Okay.

MR. McGLOTHLIN: That seems to be
BellSouth's problem. It wants to talk about copies of
agreements but this is the point we made on the our
first motion to compel, is that this is not supposed
to be a paper proceeding. This is about networks and
arrangements and facilities and features and access
and those other aspects of operations and equipment
that are necessary to take any agreement into the real
world of business.

ms. mcmillin: This is Martha McMillin. I

just add, I mean BellSouth's answer seems to

acknowledge that -- they say any such operational

measures have been undertaken; it seems to indicate

that some operational and technical measures have been taken; that they have been undertaken to promote local competition, and you've got the link that the local competition links into the competitive checklist, so it seems we are headed down the path of how can we take that and formulate it, Phil, into a question that you can answer?

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MR. CARVER: First of all, I'm going to object. Commissioner Johnson, I now have not only the party that has moved to compel making argument, I have other parties making argument also. I think it's Mr. McGlothlin's motion. I don't think other entities that have enjoined in that motion or that don't have anything to do with it should be arguing the motion.

did decide we would try to limit the parties

participating in responding and arguing the motion.

However, they are giving FIXCA some latitude because

we are appreciative of the fact that all of the

parties that FIXCA represented have gotten together,

collaborated and tried to help make this process work

as expeditiously as possible by speaking through one

person.

I think her question is a fair question. I don't feel like they are ganging up on you just yet,

so I'm going to allow the clarification and the question.

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MR. CARVER: I'm sorry, I didn't really understand the question.

MS. MCMILLIN: It seems like we're -- just trying to help us get a little bit closer to something here and I guess my question was in the BellSouth answer to the interrogatory, BellSouth states in the second sentence that "any such operational measures have been undertaken to promote local competition." And that statement suggests to me that there is some acknowledgement that there have been steps undertaken to implement technical and operational measures, promote local competition. And then we do have a link to promoting local competition; is linked to the competitive checklist.

So it seems like -- I guess my question for you is, is there a way we can take -- we seem to be headed down the right path. I'm just wondering if there is a way we can formulate an interrogatory in a fashion that would be comfortable to BellSouth, because we understand that your concern is that you are not saying you are doing these things just to meet 271 requirements; that they are done for a variety of methods. And it just seems like there ought to be a

way to get this question phrased so you're comfortable answering it in a nonburdensome fashion.

commissioner Johnson: Well, I'm going to -unless there's some closing remarks on that I'm going
to go ahead and continue on to Section 3. I have your
comments and your arguments on this particular point.
Any closing statements?

MR. McGLOTHLIN: One quick observation and that is this: The problem is that FIXCA has to ask one question, then try to change the question. I think we have a different situation entirely. I think here it's clear that BellSouth answered the question in a way that acknowledges that there are operational measures but then suggests that we haven't asked them the right way, so it's not going to describe them to us. Now that we've cleared that up the answer has changed, in the course of argument, and BellSouth is saying they don't understand what we want and needs a different interrogatory. I just disagree entirely with that argument.

COMMISSIONER JOHNSON: Thank you. Section 3.

MR. McGLOTHLIN: Commissioner I'm not going to spend much time on Section 3.

COMMISSIONER JOHNSON: Sure.

MR. McGLOTHLIN: This and one other section

I believe can be moved into a give category which

simply is that BellSouth's answer, which is that the

information is not readily available, is inefficient.

There's no objection that it's unduly burdensome.

BellSouth had the ability to provide the information

and I believe they had an obligation to do so.

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## COMMISSIONER JOHNSON: Phil.

MR. CARVER: Actually that wasn't our entire response. The question was would we state the total number of loops, and then it breaks it out in substantive questions into business and residential on a LATA-by-LATA basis within Florida.

We don't keep that information on a

LATA-by-LATA basis. So what we did, we provided it to

FIXCA on an exchange-by-exchange basis and attached to

our answer, looks like about three sheets, which list

every exchange in our service area, the total number

of resident lines per exchange, total number of

business lines per exchange and the total number of

lines aggregating the two. So we've given FIXCA not

just what they've asked for, but considerably more

detail than what they have asked for.

Their response to that in their Motion to Compel is that to say we don't keep it on a LATA basis

isn't good enough and we should have to do it anyway. At this point we've provided them, again, with more information than they have asked for. And the only thing I can figure is they think we should take the exchange information and go through some sort of analysis on their behalf and regroup them according to LATAs and then provide it to them. I don't agree with that. We've given them more than they have asked for. If they want to take this information and aggragate it to see what falls into what LATA, they can do that as well as we can. At this point I think we've not only adequately answered the question, we've gone beyond what they have asked.

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**COMMISSIONER JOHNSON:** FIXCA, any comments on that?

MR. McGLOTHLIN: No, Commissioners, I'm ready to move.

COMMISSIONER JOHNSON: Okay. Thank you. Section 4.

MR. McGLOTHLIN: Section 4 involves interrogatory items 15 and 16, which asks BellSouth whether it has refused to provide for -- whether it has limited network function, feature, service or arrangement that was requested by a competitive provider of telephone exchange service.

BellSouth's first answer is no, and then it says in so many words that "This is not to say that we haven't refused where it was not technically feasible."

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For purposes of discovery, BellSouth is not entitled to be the arbiter of what is technically feasible or what it not. The question is intended to identify those situations which could bear on whether BellSouth has provided nondiscriminatory access to its network, or whether it has provided access or interconnection of a quality equal to its own.

And while BellSouth doesn't have to simply say that it is refused, it can suggest that it has a reason why it cannot simply refuse to provide those situations where a competitor asks for access or a feature and was given either nothing or less than it asked for without providing an explanation of that.

MR. CARVER: Here's the problem: We have two types of negotiating situations -- well, actually three types. We have -- no, I'll go back to two types. I think that capture it better. We have the ones that work out and we have the ones that don't work out.

Now to the extent ultimately that a negotiation doesn't work out with a party what has

happened so far is they have moved for arbitration pretty freely. We have four arbitration proceedings pending now. The largest is with AT&T which, of course, is a FIXCA member. The second largest is with MCI who is also a FIXCA member. I would suggest they can look at the contentions of AT&T and MCI and the contentions of us in those proceedings and see what they have asked for that we've not been able to provide. I think that lays it out very clearly.

Other than that, we have negotiations where things ultimately work out and the parties come to an agreement and whatever it is that we can provide and whatever it is that a party asks for, somehow comes to a common meeting.

In the process of those negotiations, there may be many positions that the parties take that are different than the way things ultimately end up. And if we were to answer FIXCA's questions literally, we would have to go through a successful negotiation with -- I don't know, ICI, Time Warner or anyone with whom we have a agreement and list absolutely everything they have asked for at any point that we weren't able to give them. Despite the fact that ultimately we were able to come to some sort of agreement. Not only is that burdensome, it's just

impossible. Records aren't kept during ongoing negotiations in such a way as to allow us to do that. So once again, I'm just not really sure what Mr. McGlothlin wants, because if he wants to know about the agreements where ultimately someone asks for something and they couldn't be accommodated in some way that ultimately satisfied them, all he has to do is look at the arbitration petitions that have prinicpally been filed by the members of his organization. If he's asking for the other information, which is sort of incremental information about every step in the negotiations where things ultimately work out, then we just don't have that information and there's no way to provide it to him. So once again I'm at a loss to know what to give him. COMMISSIONER JOHNSON: Any closing remarks?

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MR. McGLOTHLIN: Yes. BellSouth's answer
was this "BellSouth has never refused to provide to
anyone network functions, features, services or
arrangements as provided for under the
Telecommunications Act of 1996. This is not to say
that requests have not be made for items not
technically feasible, but BellSouth is not required
to provide functions, features, services or
arrangements that are the not technically feasible

under the Act." The answer suggests to me that BellSouth knows and is aware of situations where competitors have asked for access or a feature and have been given less than they wanted.

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Bell's pattern is to provide no information and then when we've moved to compel, characterize our question as asking for extreme and burdensome information.

We are not asking for those along every step of the way. We're asking for those situations where a competitor asks for and ultimately receives less than or nothing in response to their request.

BellSouth's other pattern is to say, "Well, there are other ways you can get it. We don't want to be bothered." But they have an obligation to provide the information. And referring this to four arbitration files is not a sufficient answer. That's not the complete picture.

Although I will say that the petition of

AT&T asking the Commission to arbitrate makes it clear

very quickly that there are occasions on which

BellSouth has refused to provide access or a network

feature that has been requested. A very cursory

review of that indicates that there are some eight or

12 network elements that AT&T contends it requested

and it was refused.

So we don't think that -- in light of just that single pleading we don't think that the statement that BellSouth has never refused to provide to anyone network functions, features, etcetera, is a sufficient answer.

MR. CARVER: This is interesting. Now rather that arguing that he doesn't have the information, Mr. McGlothlin is arguing the information.

The AT&T petition obviously states their position. Our position is that when we have stated something is not technically feasible, it's because it's not technically feasible, and it should be no surprise to anyone that we don't agree with AT&T. That's why they filed the arbitration petition.

I really wish Mr. McGlothlin could give me some clarification, though, because in all of that he didn't state whether he is seeking information just about the negotiations that have broken down or whether he wants basically the information that doesn't exist about every incremental step of negotiations that were ultimately concluded.

MR. McGLOTHLIN: I think I did say in response that I am not asking for the incremental

negotiations.

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MR. CARVER: Okay. That's helpful.

commissioner Johnson: Mr. Carver, you were saying that's helpful. That's helpful -- is it now do you understand the question and can provide an answer or --

MR. CARVER: Maybe we can fine-tune it a little bit more. He's basically asking in every instance in which negotiations have broken down what were the technical sticking points, then, again, I think all of those negotiations have ended up in arbitration. And I think the pleadings give, unfortunately, about as succinct a rundown of what has occurred as possible. I say unfortunately because the pleadings are very, very voluminous. The question is will we go in and take AT&T's petition, MCI's and the other two parties within the arbitration and summarise our understanding of the points of contention, or at least the technical aspects -- yeah, I can do that. To the extent that's all in the court file, I'm not really sure what we're providing to FIXCA information that is readily available to them on the public record. But yes, that question would be answerable.

MR. McGLOTHLIN: The questions was not limited to those that have proceeded to the point of

arbitration. There may have been other competitors who have asked for a particular function or feature and were either refused or provided something other than what they asked. That's why it's insufficient to refer to more pleadings.

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MR. CARVER: We're back to ongoing negotiations. Because what frequently happens in negotiations, it's a fluid process; someone asks for something, if the answer is no they ask for something else. So if he's saying he only wants those situations where negotiations have ultimately broken down, if there have been arbitration petitions, that he wants all other negotiations where anything has been refused, then now he's broadened the interrogatory back to where it was originally and it's no clearer than it was to begin with.

COMMISSIONER JOHNSON: Okay. Let's go on to the next section. I think that's Interrogatory 17 and 18.

MR. McGLOTHLIN: Yes, Commissioner, let me find my place here just a second. Interrogatory 17 and 18 we ask BellSouth to provide a detailed description of procedures that were followed for ordering and provisioning requests from its long distance affiliate and of its business practices for

transacting business with the affiliate. The answer was "We'll do it the same way we're doing with other carriers."

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I liken that to the answer in a previous interrogatory where BellSouth says, "Well, we didn't have to where it wasn't technically feasible."

BellSouth wants to be the judge of whether a particular practice passes muster or not. We don't think it's asking too much for BellSouth to provide the description asked for so that we can gauge whether any particular nuance they might consider in the same practice with other carriers is in our estimation anywhere different.

MR. CARVER: It sounds like what Mr.

McGlothlin should have sent me was a document request rather that an interrogatory, because here the interrogatory is what procedures do we have in place, or will we put in place, for ordering and provisioning by a long distance affiliate. And I thought the answer was pretty straight forward, which is the plan to deal with our long distance affiliate in precisely the same that we deal with IXCs. That's the plan.

Now he says he wants us to go from that and give him specific details about every procedure we have come up with so far for ordering and provisioning -- or I

guess every one we haven't come with that we may come up with so that those can be compared to what we do with IXCs.

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And I think, you know, it's kind of strange to ask us to enter through an interrogatory by characterizing practices so he can look at our characterization and compare it to something else and make some sort of a judgment.

Again, if FIXCA had asked us to produce any written procedures or standard practices that we have for ordering and provisioning from our long distance affiliate that would have been one thing. Frankly, I don't think there are any. But if there are that would have been one thing. But instead, we have been asked to -- what I read is they request for a characterization of how we deal with our long distance affiliate and our response is "In exactly the way as we do with the IXCs." As Mr. McGlothlin well knows, our practices and procedures for dealing with IXCs, particularly on ordering and provisioning, are fairly lengthy and FIXCA has seen it many times and they know what they are.

But again, to talk about what our plans are with our long distance affiliate, I think we've answered that question.

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MR. McGLOTHLIN: Another example,

Commissioner, of beginning with a straightforward

interrogatory, asking for a detailed description of

procedures, characterizing it as extreme and

burdensome, they are asking us for things we haven't

even thought of yet for the purpose of providing

providing no information at all. With that I'll

condition included.

COMMISSIONER JOHNSON: Okay. Let's go back to --

MS. BARONE: Interrogatory No. 4. Staff had some comments on that particular item. That was Section 2.

MS. BARONE: Joe and Phil, do you have that
in front of you now?

MR. CARVER: I do, yes.

MR. McGLOTHLIN: Yes.

were to reword that question to state something to this effect, would this get where you want to go: If you said -- BellSouth responded to Staff's interrogatory stating it believes that the ICI agreement, among other agreements, are in compliance with each of the points in the checklist. If you asked them to describe in detail the technical and

operational measures that BellSouth has taken to implement those procedures, those elements, and each of those agreements, would that get you where you want to go? First of all, asking them to identify the agreements in addition for ICI and then asking specifically for the operational measures they have taken to implement each of those points. Would that get you where you want to go, Joe? (Pause)

MR. McGLOTHLIN: I'm thinking.

MR. CARVER: Can I say something while he's thinking?

COMMISSIONER JOHNSON: Sure.

MR. CARVER: The problem with that is I don't think we've made a determination. Again, when we responded to Staff's interrogatory we said that at one point we thought ICI complied. Now with the new FCC rules we're not sure anymore.

The problem is that if FIXCA asked us to identify every agreement that we currently believe complies and our answer is at this juncture we're not sure which comply and which doesn't, I assume they're not going to be happy with that answer.

MS. BARONE: Your answer you say that
BellSouth believes that the agreement with ICI among
others is in compliance. I would like to know

specifically why you believe it's in compliance, and if you have any operational measures that you've taken at this juncture, that would be helpful.

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mean the language about "among others," I believe that was put there simply to indicate that we were not saying ICI is the only one, just at this juncture we haven't identified others. If we identified them I assume we would put them down also. But I mean if you want that question answered as to ICI, I think we can do that.

MS. BARONE: Because as you know, there will need to be certain measures taken place in order for service to be turned up, and I think that's where the question is leading.

MR. CARVER: The question is if we take ICI or anything else that we presently identify that we think likely meets the requirement, what have we done to implement those? Sure, I can answer that question.

MS. BARONE: Because it seems to me if
you've taken any measures, any operational measures,
and you're going to implement operational measures,
then you already that. If you have already have
something in place, I don't think you're going to take
a complete opposite -- go in a complete opposite

direction at this point because of the FCC rules.

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MR. CARVER: You're moving away from the FCC and more towards service; what have we done?

MS. BARONE: Yes, what have you done.

MR. CARVER: I understand. I don't know that is adequate to FIXCA but that makes sense to me and I can certainly answer that.

MR. McGLOTHLIN: To respond to you, Monica, I believe that your suggested phrasing of the question would overlap to the type of information that I think we're entitled to in response to those interrogatories, what we called Section 1, we asked BellSouth to describe with respect to each criteria the arrangement, services, facilities or means of access presently and actually providing and the quantitative technical geographical data and pricing information, and the specific facilities being used to provide the service, etcetera, etcetera.

I think that covered the same type of information that you're rephrasing of our interrogatory would pursue. I think there's some overlaping of this section and the one that we just concluded arguing about.

MS. BARONE: So are you saying my rewording doesn't get to the question that you specifically

raised?

MR. McGLOTHLIN: I don't think it's identical. I think it's in the same neighborhood.

COMMISSIONER JOHNSON: What would be missing?

MR. McGLOTHLIN: Let me turn back to 4.

I think the problem I have is that it's limited to the ICI agreement, whereas this was designed to cover anything that is associated with the implementation of any 14 criteria.

MR. CARVER: See, that's really the problem.

I mean, if the question was what technical or operational measures have we taken to implement agreements? we could answer that. But FIXCA instead is asking if it takes some sort of position we haven't formulated yet. They want us to go out and identify specific agreements and say "Yes, when we file our motion, our petition, at some point in the future, whenever that is, what we're going to argue is this." And they want all of that to be identified in advance. And the fact is we don't know. So I mean again, Monica, I think the language that you suggested works. I think we can certainly answer that question. What we can't do is predict the future. That's what we would have to do to answer FIXCA's interrogatory.

MR. McGLOTHLIN: I was about to say that if

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MS. BARONE: Are you stating, Phil, that the operational measures would be that different from company to company?

MR. CARVER: I'm saying we can take every agreement we've got and I think we can tell you what operational measures we've taken to implement those.

MR. McGLOTHLIN: Well, I think that's my question.

MR. CARVER: I'm not through. Some of them will differ from company to company, some of them are going to be the same from company to company but either way we can answer the question.

What we can't answer is FIXCA's demand that we tell them now the position we're going to take in the future when we haven't formulated a position. I believe that's why Mr. McGlothlin persists in tying this back into 271, because he said earlier on that we should confirm our position and be bound by it. I mean he's trying to lock us into a position prematurely. And it's a position we haven't formulated, it's an answer we don't know and, therefore, I can't answer it. If we keep this on a level what have we done to implement agreements, I can answer that.

the offer is to describe what has been done to implement agreements, meaning any agreements in which any of the criteria have been implemented, then I think we're talking about the same thing.

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My problem with Monica's objection was that it seemed to be specific to a single agreement as we want to know what is happening across the board.

MS. BARONE: Joe, just to let you know that was not how I phrased it. I was including all agreements.

MR. McGLOTHLIN: Okay. I think FIXCA would be interested in seeing the answer to that question.

## COMMISSIONER JOHNSON: Bell?

MR. CARVER: You know, again, if

Mr. McGlothlin is no long trying to make a estoppel

argument here but it ties into something the question

is simply describe the operational measures they we're

taking to implement the agreements we've entered into,

yeah, I can answer that.

commissioner johnson: Describe the technical and operational measures that you've taken to implement the agreements. And I understand your point with respect to the estopple argument, and I don't think that anyone is arguing that the information you provide somehow locks you in to not

having additional information, or -- information or additional technical and operational measures at some later point in time with some agreements that haven't been entered into at this point in time.

Mr. McGlothlin.

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MR. McGLOTHLIN: It was never my intent to lock Bell into anything. The idea of holding them to it was to point out that in a effort to give us no information, they have taken a position which I regarded as improbable, and if they were going to avoid responding to discovery, they ought to have to live with what they said on paper. That was more a rhetorical remark than any attempt on my part to say that they would be estopped in any way from putting the petition to get in what we want to.

What we're trying to gather here is the information that is available at this point.

BellSouth seems to say it's struggling, it has a problem, doesn't know what it's going to do. But the other parties are faced with the problem of trying to get the information that is available. And I think that's -- rewording of that question perhaps is a pretty good compromise in terms of fleshing out what is available now.

COMMISSIONER JOHNSON: Okay. Any other

outstanding issues then?

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Now, with respect to let's just look at the one interrogatory Item 4 and perhaps the rephrased question. Should we at this point in time determine -- but we're trying to work as expeditiously and as orderly as we can. Since we have some agreement at least on that item, I'll have to rule on some of the other items. Do we need some time line for responding? Monica, what do you suggest?

Parties? I want to try to reach some agreement between all of you as to when we think, taking these item by item as we get them worked out when we could get some answers to these questions.

Staff is suggesting that you be given ten days to provide a response to that rephrased interrogatory Item 4. Bell, do you have any comments on that?

MR. CARVER: I can comply with ten days.

That's not a problem.

COMMISSIONER JOHNSON: FIXCA, do you have a problem that?

MR. McGLOTHLIN: No.

commissioner Johnson: Okay. Very well. I think the other sections I'm going to have to try to rule on those. I don't think there are any others

that we can work out at this point in time. One 2 second. (Pause) With respect to the other issues we will 3 endeavor to have a ruling out on Friday and a written 4 | order on Monday. And you'll hear from us in that 5 | regard by Friday. Any other issues? 6 7 MR. McGLOTHLIN: Not for FIXCA. Thank you, Commissioner. 8 COMMISSIONER JOHNSON: Thank you very much 9 and this conference call is motion hearing is 10 adjourned. 11 (Thereupon, the conference concluded at 12 13 9:20 a.m.) 14 15 16 **17** 18 19 20 21 22 23 24 25

STATE OF FLORIDA) CERTIFICATE OF REPORTER COUNTY OF LEON 2 I, JOY KELLY, CSR, RPR, Chief, Bureau of 3 Reporting, Official Commission Reporter, 4 DO HEREBY CERTIFY that the Status Conference in Docket No. 960786-TL was heard by the Prehearing 5 Officer at the time and place herein stated; it is further 6 7 CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this 8 || transcript, consisting of 54 pages, constitutes a true transcription of my notes of said proceedings. DATED this 4th day of September, 1996. 10 11 12 Chief, Bureau of Reporting 13 Official Commission Reporter (904) 413-6732 14 15 16 17 18 19 20 21 22 23

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