

1 **BELLSOUTH TELECOMMUNICATIONS, INC.**
2 **DIRECT TESTIMONY OF GLORIA CALHOUN**
3 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

4 **DOCKET NO. 960046-TP**

5 **SEPTEMBER 9, 1996**
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8 Q. Please state your name, address and position with BellSouth
9 Telecommunications, Inc. ("BellSouth").

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11 A. My name is Gloria Calhoun. My business address is 675 West
12 Peachtree Street, Atlanta, Georgia 30375. I am employed by BellSouth
13 Telecommunications, Inc. as a Manager in the Strategic Management
14 Unit. In that position I handle responsibilities associated with
15 operations planning for local competition.

16

17 Q. Please summarize your background and experience.

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19 A. I graduated *summa cum laude* with a Bachelor of Arts degree in
20 Economics from the University of North Florida. In 1995, I completed a
21 management program at the Georgia Tech Management Institute. I
22 began my BellSouth career in 1981 when I joined the Southern Bell
23 Business Marketing organization in Jacksonville, Florida. In that
24 capacity I was responsible for coordinating the interdepartmental efforts
25 needed to implement complex voice systems and associated exchange

1 services. I transferred to the economic analysis group at company
2 headquarters in Atlanta in 1985, where I analyzed operations costs for
3 dedicated services. I subsequently was promoted to a position in
4 which I had pricing responsibility for dedicated services, as well as for
5 additional testing, maintenance and other special provisioning activities
6 for access customers.

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8 Q. What is the purpose of your testimony?

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10 A. I will address issues raised by MCI with respect to operational
11 interfaces between BellSouth and Alternative Local Exchange
12 Companies (ALECs) in the following areas: ordering and provisioning,
13 pre-ordering, trouble reporting, customer usage data transfer, and local
14 account maintenance. In addition, I will discuss BellSouth's positions
15 on which billing system and billing format is appropriate for ALEC
16 billing, and on pre-sale provision of customer service record
17 information.

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19 Q. Are the issues raised by MCI in their petition significantly different from
20 those raised by AT&T in their petition with regard to the implementation
21 of electronic interfaces for ordering and provisioning, pre-ordering,
22 trouble reporting, customer usage data transfer, and local account
23 maintenance?

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1 A. For the most part, there is no overall difference in the issues raised or
2 in BellSouth's position on these issues. Therefore, to address MCI's
3 petition for these same interfaces, I am adopting my direct testimony
4 filed on August 12, 1996 in Docket No. 960833-TP before the Florida
5 Public Service Commission ("Commission"). I will also address certain
6 MCI-specific requests.

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8 Q. Are the timeframes to provide electronic interfaces identical for all
9 ALECs?

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11 A. The basic functionality and applications associated with each of the
12 various interfaces were made available or will be available on the dates
13 specified in my AT&T direct testimony. Specific implementation dates
14 must be negotiated with each ALEC based on installation of
15 communications circuits between the ALEC and BellSouth,
16 implementation of system capacity based on ALEC user forecasts, and
17 negotiation for delivery of any additional functionality required by the
18 ALEC.

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20 Q. Is BellSouth's pre-ordering interface consistent with MCI's definition of
21 pre-ordering information?

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23 A. Yes, with only two differences. First, in describing pre-ordering
24 systems on page one of Appendix 1 to MCI's petition, "Customer
25 Provisioning, Billing and Servicing Standards Necessary for Local

1 Service Competition" ("Appendix 1"), MCI indicates its desire that pre-
2 ordering information include current customer service records (CSR).
3 BellSouth does not agree that pre-ordering information includes
4 existing customer service records. BellSouth will provide information
5 that allows an ALEC to determine the availability of features and
6 services, validate a street address for service order purposes, assign a
7 telephone number when necessary, and advise the customer of a due
8 date. However, BellSouth believes it is not appropriate to provide an
9 ALEC with access to the existing customer service record of
10 BellSouth's customers, or of any other ALEC's customers, during the
11 pre-sale phase of order negotiations.

12

13 Q. What are BellSouth's reasons for not providing this information to an
14 ALEC prior to their issuing an order to switch the customer?

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16 A. First, the current customer service record contains proprietary
17 information on BellSouth's or other ALECs' relationships with end user
18 customers. MCI is free to initiate its marketing effort by simply asking
19 those customers which services they wish to receive, or which services
20 they already purchase. However, just as BellSouth has taken steps to
21 restrict the ALECs' records from BellSouth's end user marketing
22 centers, it is appropriate to protect the customer records of one
23 company from other companies. Providing MCI or any other ALEC
24 with direct access to the current service records of any customer the
25 ALEC chooses to target would not be appropriate.

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It would not be reasonable to require BellSouth to provide such information on a pre-sale basis for either its customers or any other ALEC's customers. Providing electronic access to this information would allow MCI or any ALEC to browse BellSouth's databases for marketing purposes.

Moreover, Florida Statute 364.24 (2) specifically states that:

Any officer or person in the employ of any telecommunications company shall not intentionally disclose customer account records except as authorized by the customer or as necessary for billing purposes, or required by subpoena, court order, other process of court, or as otherwise allowed by law. Any person who violates any provision of this section commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083. Nothing herein precludes disclosure of customers' names, addresses, or telephone numbers to the extent they are otherwise publicly available.

It appears to me that if BellSouth does what MCI has requested, we would be in violation of this statute and subject to criminal penalties. Nonetheless, as I described earlier, MCI does have other avenues available for obtaining this information.

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2 Q. Does MCI need this information in order to compete effectively for
3 existing customers of BellSouth or another ALEC?

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5 A. No. It is highly unlikely that customers will expect a new competitor to
6 already have access to all the details of their existing service. It is
7 more likely, in fact, that customers would consider such access an
8 invasion of their privacy. By way of analogy, if I were contacted by a
9 lender offering to refinance my home mortgage, I would not expect that
10 lender to already know the details of my existing loan, such as my
11 payoff amount, current interest rate and amortization schedule, prior to
12 -- or during -- the initial contact. I would expect to either provide that
13 information myself, or to have the new lender get my permission to
14 obtain the information from my current mortgage company.

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16 The same situation exists with competitive telephone services.
17 BellSouth's pre-ordering interface will provide information on what
18 services are available to a customer. It is up to MCI or any ALEC to
19 determine which services and features are desired by the customer and
20 convince them to switch local exchange companies. In addition,
21 BellSouth will provide via its Electronic Data Interchange (EDI) ordering
22 interface a firm order confirmation and completion notification. The
23 ALEC can utilize this data to build its own customer database for its
24 new customers.

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1 Q. Will BellSouth ever provide the customer service record data to MCI?

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3 A. Yes, under some circumstances. If the customer wants MCI or any
4 other ALEC to obtain his/her existing customer service records to assist
5 the customer in the decision to switch local service providers, then the
6 end user can authorize that release. Otherwise, BellSouth will provide
7 the customer's records only after the customer has actually switched to
8 the ALEC.

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10 Q. As a result of the most recent issue identification meeting, held on
11 August 20, 1996, have any issues been rewritten that should be
12 addressed at this time?

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14 A. Yes. The question addressed in my AT&T direct testimony concerning
15 whether BellSouth should adhere to industry billing standards when
16 rendering bills to ALECs has been revised to read, "What billing system
17 and what format should be used to render bills to the ALEC for services
18 and elements purchased from BellSouth?" On page six of Appendix 1,
19 MCI asserts that wholesale services should be billed based on Carrier
20 Access Billing System (CABS) standards. BellSouth believes that the
21 objective of this request is to force BellSouth to render bills for resold
22 services via CABS. This is completely inappropriate.

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24 The CABS billing system is designed to render bills for access services.
25 CABS bills do not include the line level detail associated with resold

1 exchange lines. The billing system that supports those services is the
2 Customer Record Information System (CRIS). BellSouth believes that
3 MCI is expressing a preference for CABS billing based on its familiarity
4 with CABS billing in the interexchange world, as well as the availability
5 of quality control processes for CABS billing.

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7 However, the CRIS billing system already contains the necessary
8 infrastructure to provide the line level detail associated with resold
9 services, and also is subject to BellSouth's internal quality controls.
10 The CABS system is not designed for this task; without extensive and
11 potentially costly modifications, it would not even be capable of
12 accomplishing the desired outcome.

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14 CRIS bills currently are available in the ALEC's choice of several
15 formats. Available options include:

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- 17 • Electronic Data Interchange (EDI) transmission
- 18 • Diskette Analyzer Bill Format
- 19 • Magnetic Tape
- 20 • CD-ROM
- 21 • Paper

22

23 Q. Please summarize your testimony.

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1 A. BellSouth is operationally prepared to support the market entry of local
2 exchange competitors. Other ALECs are operating effectively with the
3 interfaces BellSouth has established to date. BellSouth has
4 established or modified many electronic interfaces to support ALECs,
5 and has others under development on an accelerated timeline. For
6 ordering and for trouble reporting, BellSouth is providing electronic
7 interfaces for both resellers and facilities-based carriers that are similar
8 to the processes that have worked effectively in the interexchange
9 access world. BellSouth also has provided an interface for electronic
10 customer usage data transfer. A full-time BellSouth implementation
11 team is developing an Ordering and Billing Forum (OBF) supported EDI
12 ordering interface for resale and unbundled elements not ordered via
13 the existing mechanized access process. While pre-ordering
14 information is not even necessary to compete for customers who simply
15 switch their existing service, BellSouth nonetheless has established
16 interfaces to allow ALECs to obtain such information electronically. The
17 customer service record is not part of the pre-ordering interface.
18 BellSouth will make these records available to the ALEC upon
19 authorization by the end user, or after orders have been issued to
20 switch the customer to the ALEC. In addition to the existing
21 arrangements for pre-ordering information, BellSouth has devoted
22 substantial time and money to providing enhanced real-time and
23 interactive pre-ordering interfaces. Additional interactive testing
24 capabilities are being added to the trouble reporting interface. Both the
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1 pre-ordering and trouble reporting enhancements are being added as
2 rapidly as the complexity of the development effort will permit.

3

4 The CRIS billing system is the appropriate vehicle for rendering bills for
5 resold services. It contains the necessary infrastructure to provide line
6 level detail associated with resold services, while the CABS system is
7 not designed for this task.

8

9 BellSouth has committed thousands of work hours and millions of
10 dollars to provide effective operational interfaces for all ALECs, and is
11 operating on accelerated timelines. BellSouth hopes that this
12 Commission will recognize BellSouth's implementation efforts as timely,
13 appropriate and responsive to the needs of an emerging and evolving
14 market.

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16 Q. Does this conclude your testimony?

17

18 A. Yes.

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