BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of	DOCKET NO. 960786-TL
Consideration of BellSouth Telecommunications, Inc.'s Entry into interLATA services pursuant to Section 271 of the Federal Telecommunications Act of 1996.	

SIXTH DAY - MORNING SESSION

VOLUME 25

Pages 2729 through 2903

PROCEEDINGS:	**HEARING**
BEFORE:	CHAIRMAN JULIA L. JOHNSON COMMISSIONER J. TERRY DEASON COMMISSIONER SUSAN F. CLARK COMMISSIONER DIANE K. KIESLING COMMISSIONER JOE GARCIA
DATE:	**Wednesday, September 10, 1997**
TIME:	Commenced at 9:05 a.m.
PLACE:	Betty Easley Conference Center Room 148 4075 Esplanade Way Tallahassee, Florida
REPORTED BY:	JOY KELLY CSR, RPR Chief, Bureau of Reporting H. RUTHE POTAMI, CSR, RPR Official Commission Reporters

APPEARANCES:

(As heretofore noted.)

WITNESSES - VOLUME 25

EXHIBITS - VOLUME 25

PROCEEDINGS

(Hearing reconvened at 9:05 a.m.)

(Transcript follows in sequence from Volume 25.)

CHAIRMAN JOHNSON: We're going to go ahead and go back on the recod.

JOHN M. HAMMAN

resumed the stand as a witness on behalf of AT&T Communications of the Southern States and, having been previously sworn, testified as follows:

CROSS EXAMINATION

BY MR. RANKIN:

Q Good morning. Ed Rankin on behalf of BellSouth again.

A Good morning.

Q When we left I was getting ready to ask you some questions about Page 12 of your testimony, so if you can turn there, please.

A Okay. I'm there.

Q At Line 17 you mentioned those live activity summaries in the binders that Mr. Milner provided.

A Right.

Q Do you see that reference?

A Yes, I do.

Q And those summaries show the numbers of

services and elements that BellSouth has provided to CLECs; isn't that correct?

A That's my understanding of what they provided in those binders is, in fact, simply that: The numbers of services that they're providing to CLECs at this point in time.

Q Do you dispute the accuracy of any of those numbers contained in those summaries?

A Not in terms of the numbers. What I do dispute in my testimony is the fact that the question is whether or not they are providing those in a nondiscriminatory fashion or not. And I think that's what the Act calls for, is not just quantities of services, but includes the fact they are being provided on a nondiscriminatory basis with that that BellSouth provides itself. I don't see that in the operational experience tab in the 86 binders.

Q Let's talk about the number of those experiences. Later on down the page in your testimony you say, I think it's Line 24, you say the number of operational experiences that BellSouth lists is minimal at best. In your view what is an acceptable number of operational experiences, Mr. Hamman?

A Well, to try to help define what the number of operational experiences is is not something that

you can put in a quantity yet. It's not a question of whether it's two loops or 20 loops or 200 loops. It's really a question of is the quantity and the quality there that CLECs will be asking for in this new environment and it's got to be reliable. Being able to provide one or two or three loops doesn't necessarily suggest that it can be reliably provided for the scope that CLECs can be asking for.

I know that BellSouth -- from some information I have seen, they have provided themselves over a million new access lines a year. That's a large quantity and I'm sure that those are provided in a very reliable fashion. I don't know whether it's a million or not, but it's certainly bigger than the numbers I see in those binders.

Q So the answer is you don't have a number or opinion on what an acceptable number of experiences is?

A I think I did state my opinion. It's much bigger than those numbers that are in the binders, and it also includes the details it says is being provided on a nondiscriminatory basis.

Q It's something between what we've shown in the binders and a million?

A Well, if you want to bracket it to that

extent I think that's probably a safe bracket.

Q Won't the timing of AT&T's decision to enter the local market here in Florida have an impact on the number of operational experiences BellSouth can show in Florida?

A It may, possibly. There are, as I discussed in my summary, we're going through resale testing in Georgia. We're trying to interconnect with your existing customers in Georgia on your AT&T digital link. We're trying to ask for access to the unbundled network elements as we have here in the test case in Florida.

We're trying to enter a broad market. We have a broad set of customers today. That's what they are asking me and our team to put together for the infrastructure is a broad set of options that our market people can have, and that includes all three of those options. Certainly, when we enter the market in a broad fashion it is going to influence those numbers.

Q Thank you. You state on Line 20 and 21 that the Live Activity Summary showing those numbers of services and elements that have been provisioned by BellSouth is not an indication that the elements are actually being deployed -- that the elements are

actually being used by CLECs. Do you see that?

A Yes, I do.

Q What personal knowledge do you have that CLECs that have ordered UNEs from BellSouth are not using them?

A The only experience I have is, of course, with our AT&T test in Florida. And we've stopped testing on those four lines that we've installed for the simple fact that we can't get the details. If others are having the same difficulty we are, I would not think that they would continue to use something that is not available to them.

Q Is the answer to my question is you don't have any personal knowledge that particular CLECs that have ordered UNEs from BellSouth are not using them?

A Only to the extent of my knowledge of the AT&T test that we have.

Q Okay. Thank you. Turn to Page 13. Pages 13 and 14 you discuss performance measurements between the parties that have been negotiated.

A That's right.

Q And those performance measurements have been incorporated in the interconnection agreement between the parties in Florida; isn't that right?

A Yes. My understanding is what -- Mr. Pfau,

of course, discussed this in much more detail -- the Attachment 12 was included in the Georgia agreement and my understanding is that also was applicable to the any other agreement we have, such as the one here in Florida.

Q And on Page 14 at Line 3 you state there that the Interconnection Agreement also obligates the parties to negotiate the next level of detail. I take it that's after the you have an initial target level of benchmarks?

A Well, you're saying a target. What I say in there is the next level of detail, and let me explain what that level of detail is.

Q Okay.

A For example, in our resale customers in Georgia, one of the things that those resale customers do is they use services that are built on a usage sensitive basis; things such as directory assistance; things such as Call Return, which is Star 69; they dial 511; they dial things that are charged on a usage sensitive basis by BellSouth. Details of those calls are put on a daily usage tape and they are sent to AT&T and other CLECs so we can use that detail to bill our customers for those charges.

There are some performance measurements in

there related to the accuracy of those details. Our experience to date with that is that there is not the accuracy that we would expect. I believe there's some numbers in there somewhere in the neighborhood of 98 to 99% of the details need to be accurate and we're finding it's far less than that. That's the level of detail that we're going to need to be able to bill our customers. Our customers are not going to accept less than what they are already getting from BellSouth for their usage details.

Q That next level of detail is really what I wanted to focus in on. Because you go down to Line 5 and 6 that say that the parties have agreed to meet no later than 90 days after actual performance to begin negotiating target levels for those items. Do you see that language?

A Yes, I do.

Q Now, you've testified that AT&T is not in the Florida market as of yet, so my question to you then is, at least with respect to the target performance levels in Florida, the parties won't be able to negotiate that next level of details until 90 days after AT&T enters the Florida market; isn't that right?

A No, I don't believe that's so.

What we're asking to do with BellSouth is to enter all of the markets we can in the BellSouth states. And what we're negotiating, as I explained on the usage detail for the resale customers in Georgia, is exactly the detail we would need if we entered in resale in Florida. I would not expect us to have to, in every state, meet every time we enter a state and try to come up with a Florida-specific level of performance. I don't see that that would be necessary. Now Mr. Pfau may have some other ideas on that than I do, but that's not what I would expect.

Q My question doesn't go to really the performance measurements themselves, what the parties have agreed to measure, but it's the target measurements in each state.

Is it your testimony that the target measurements under the interconnection agreement in Florida would be the same under the interconnection agreement with BellSouth, say, in Georgia or in another state?

A Well, from a technical standpoint of what I've described and I used the example of the usage sensitive daily usage file, I would expect us to have no other desire than to do exactly that for our customers of Florida that we're already doing for the

customers in Georgia.

Q Okay. So under your understanding of this interconnection agreement and how the parties are going to negotiate the next level of detail, then negotiations can begin 90 days after actual performance in the first state that AT&T actually provides service in?

A It may be.

Q Okay. Would that be Georgia?

A For our resale in the example I used that's in Georgia.

Q You're actually in the resale market in Georgia now?

A I don't know if you'd call it the resale market. I think we are providing some service to resale customers, residential customers, in Georgia; a very limited amount.

Q And where has that experience taken place?

A My understanding, and I'm not the expert on that, is that there are some customers in Atlanta, they are basically AT&T employees. There are some in Macon, I believe, and in Augusta, there are several communities that we have expanded that initial test to.

Q You're offering resold services to persons

other than AT&T customers now, aren't you? AT&T employees, I'm sorry.

A I believe so, because what I understand is that we actually filed a tariff offering in Georgia. Now, as to whether we're marketing it or not, I don't know.

Q Okay. Turn to Page 20 and 21 of your testimony. There you discuss BellSouth's collocation obligations under the Act?

A That's right.

Q AT&T hasn't asked to be collocated with BellSouth in any facilities in Florida, has it?

A I'm sorry. Would you ask that question again?

Q Sure. AT&T hasn't asked to be collocated with BellSouth in any facilities in Florida, has it, for local service?

A No, we have not.

Q Were you in the room Monday when Mr. Falvey testied?

A Yes, I was.

Q Do you recall Mr. Falvey testifying that ACSI was very close to completing a collocation arrangement with BellSouth in Jacksonville?

A I recall him discussing that. I don't know

the specifics of that.

Q Do you recall him testifying that ACSI had received what it had requested with respect to collocation with BellSouth in Jacksonville?

A I'm not sure I recall exactly what he said about that; another witness, I recall, saying that it was another case of after you get collocation -- I don't remember if it was Mr. Falvey -- it was really a question of after you get it, do you get what you asked for once you got collocation: Can you get the power feed? Can you get access to that without having to be escorted? Can you put equipment in there that we need to be able to provide service to our customer. I think those are the questions that really are coming to the point on the collocation.

My testimony there discusses those issues. That before we will ask for collocation at BellSouth we need to understand those arrangements and we need to have a process to ensure that we can get the answer to those questions. We're not going to ask for collocation not knowing what the answers will be before we go in. That's an expensive proposition to do.

Q So it's AT&T's position that regardless of the whatever experience BellSouth has had with other

CLECs with respect to collocation, that BellSouth hasn't met its collocation obligations under the Act until AT&T is physically collocated with BellSouth; is that right?

A Well, no, that's not right from my perspective.

I keep coming back to the issue of is it only AT&T's experience that will meet the checklist items? And I don't believe that's necessarily so. What I do believe is that because our interconnection agreement is a full, across the scope of all the 14-point checklist, and we're going to enter the market in a very broad fashion, our experience is going to be very valuable to this Commission to demonstrate that BellSouth has not, in fact, met these checklist items.

Q So your testimony -- I'm sorry, didn't mean to cut you off.

A We're asking to do the full scope of what the Act calls for. And that includes getting access in collocated space for all of the things that we want to do for our customers, and not simply -- and I don't know what Mr. Falvey's intent was with that collocation; we don't know those details. He may very well have just elected to put a very limited amount of

collocation equipment in that particular space in Jacksonville.

Q Just to make sure I understand your testimony, you are saying that this Commission can look at BellSouth's experiences with respect to providing collocation arrangements with other CLECs in determining whether BellSouth has complied with that obligation?

A Certainly I believe this Commission has got to look across the scope of all of the CLECs. And the question they have to answer, of course, is, is it being provided in a nondiscriminatory and equal basis with that BellSouth provides itself?

Q Would your testimony there apply to any other checklist item as well with respect to BellSouth providing items under other checklist items, not just collocation?

A Certainly. Experiences of others will be a telling story here for this Commission.

Q Okay. Thank you.

Turn to Page 32, please, Mr. Hamman. Pages 32 and 33 you talk about access of poles, ducts, conduits, and rights-of-way.

Again, I'm assuming since AT&T is not yet in the Florida market that AT&T has not yet requested

BellSouth to provide access to poles, ducts, conduits and rights-of-way; is that right?

A Let me clarify your question. You said not -- AT&T has not requested access to poles, ducts conduits and rights-of-way. What we have done is we've requested that in our interconnection agreement.

We've requested for the details necessary for us to, when we do have a desire to use the poles, ducts, conduits and rights-of-way, that it be ready for us at that time; not in the months it takes for BellSouth to develop the methods and procedures.

You said requested. Yes, we have requested it. It's in our interconnection agreement. We believe that it's there, once we complete the work we have to do with them on this process --

Q Okay. I'm sorry. My question really went to actually physically occupying and sharing with BellSouth particular poles, ducts, conduits and rights-of-way. I understand you've requested that general access to that item through your interconnection agreement. So have you actually asked to be physically in one of those items I just mentioned?

A No. At this time we have not actually ordered a pole, duct, conduit or right-of-way at this

time, and we wouldn't without going through the process I talked about in my testimony. It's not there yet.

Q So what you talk about in your testimony is this Implementation Guide that the parties have agreed to --

A Yes, that's right.

Q -- enter into?

A Yes. It's in one of my late-filed exhibits that has the details of that process. And it seemed like to us that that would be a fairly reasonable thing to go through. But what we found was, they had not -- BellSouth -- did not have in place the forms that a CLEC would use to even ask for access to poles, ducts, conduits and rights-of-way.

Yes, they have -- cable companies are now using some poles now. But what we're asking for is access to our customers and that may be areas where BellSouth has not yet provided any of that access, its brand-new processes. So we need to know that when we have access to our customers that we can get that.

Q So is it your recommendation to this Commission that it wait until this Implementation Guide between BellSouth and AT&T has been tested and implemented before it can approve this checklist item?

A Certainly it's one thing that this Commission can consider.

Q But you're not telling the Commission it must wait until that particular guide is implemented before it can approve the checklist item?

A Well, if the Commission could see the process of getting access to poles, ducts and conduits it's not a 1-2-3 step. It, in fact, is a very complex step and it requires a lot of interaction between the two companies. And what our folk are trying to do is with BellSouth determine that interaction so there is a start and there is a complete.

Q Mr. Hamman, I didn't hear a yes or a no to that. I think it called for a yes or no.

And the question was is it your recommendation to this Commission that it wait until this Implementation Guide between AT&T and BellSouth would be tested and implemented before it approved this checklist item?

A No. But what I do ask this Commission to do is to look at the evidence and the evidence from what we show here and my testimony is that it's not complete yet.

Q Okay. Turn to Page 46.

A Okay.

Q There you talk about assignment of telephone numbers. Has AT&T requested telephone numbers for use in Florida?

A I don't know at this time that we actually have formally requested telephone numbers. I know we had formally requested telephone numbers in Georgia for switches there as we trial our interconnection with our AT&T digital link customers.

Q You don't know whether AT&T has requested specific NXXs in Florida yet?

A No, I do not.

Q Would you accept, subject to check, that BellSouth has assigned 130 NXXs in Florida to other CLECs?

A Certainly.

Q What personal knowledge do you have, Mr. Hamman, that those NXXs were assigned in a discriminatory manner?

A Well, in Florida I don't have any personal knowledge. In Georgia I have personal knowledge of our request.

Q Okay. I'd really just like to focus on Florida for the moment.

Let's talk about number portability, Mr. Hamman, on Pages 48 and 49.

A Okay.

Q BellSouth's statement offers direct inward dialing and remote call forwarding as two means of interim number portability; isn't that right?

A That's right.

Q And those two forms of interim number portability are specifically mentioned in checklist Item 13 in the Act; isn't that right?

A Well, let's see if we can find that reference in the Act. Have you got that reference?

Q I'll just read it to you. It's in checklist item -- actually it's checklist Item 11, I think I said 13. And it states "Until the date by which the Commission issues regulations pursuant to Section 251 to require number portability, interim telecommunications number portability through remote call forwarding, direct inward dialing trunks or other comparable arrangements, with as little impairment of functioning, quality, reliability and convenience as possible. After that date, full compliance with such regulations." Does that refresh your memory as whether direct inward dialing and remote call forwarding are specifically metioned there?

A I believe I heard something more than just DID and RCF; I think I heard something called other

comparable means.

Q You may have. But my question is whether DID and RCF are specifically mentioned in that checklist as an acceptable method of interim number portability?

A The answer is yes to that, but it seems that you also left out the other comparable arrangements with this low impairment of functioning, quality, reliability and convenience as possible. That's what in my testimony I talk about in terms of route indexing the portability hub, which is the method that AT&T is asking to use for our larger business customers.

Q Do you know whether or not under BellSouth's statement a carrier that wants route indexing portability hub can request that through a bona fide request process?

A I'm not familiar with that part of the statement, if you're -- if you put that in there or not. What I know is we have ordered it in Georgia. We have yet to get it.

Q Now, one of issues in this proceeding, Mr. Hamman, is whether the Commission should approve BellSouth's statement; isn't that right?

A You know, I missed the arguments Monday

morning as to whether or not the statement was part of this proceeding or not. I think what I said in my summary was that the purpose of this hearing was to determine whether or not BellSouth met the checklist items.

Q Okay. Let me turn back to Page 4 of your testimony. Are you there?

A All right.

Q Let me read you Line 23, "The purpose of this hearing is to determine whether or not BellSouth has demonstrated that its SGAT complies with Sections 251 and 252(d) of the Act, and whether BellSouth complies with the 14-point checklist." So would you agree that one of the issues in this proceeding is whether the Commission should approve BellSouth's statement?

A I'll leave that to our lawyers as to whether that is the purpose of the hearing or not. I put it in my testimony at the time and that was certainly what -- this is dated July 17th. At that time that's what we understood BellSouth was asking for.

Q As of the date you filed your testimony you indicated that that was one of the purposes of this hearing; isn't that what your testimony says?

A That's what my testimony says.

Q Okay. Is AT&T going to be ordering unbundled network elements and services from BellSouth's statement or will it do so through its interconnection agreement with BellSouth?

A Well, the answer to the first part of the question was no, we would not use the statement because the answer to the second part is yes, we will use our interconnection agreement.

Q Thank you. Mr. Hamman.

MR. RANKIN: That's all I have.

CHAIRMAN JOHNSON: Staff.

MS. CULPEPPER: Chairman Johnson, I'd like to first ask that Staff's exhibits be marked at this time.

Staff asks that exhibit JMH-3, which is Mr. Hamman's deposition transcript, late-filed deposition exhibits and errata sheet be marked, I believe the next exhibit is 94.

(Exhibit 94 marked for identification.)

CHAIRMAN JOHNSON: It will be marked as 94.

MS. CULPEPPER: We ask that exhibit JMH-4, which are AT&T's Responses to Staff's Interrogatories be marked as Exhibit 95.

CHAIRMAN JOHNSON: It will be marked as 95.

(Exhibit 95 marked for identification.)

MS. CULPEPPER: Ask that exhibit JMG-5 -- actually it should be JMH-5, which is AT&T's Responses to BellSouth's Second Set of Interrogatories, 11 through 14, be marked as Exhibit 96.

CHAIRMAN JOHNSON: It will be marked as 96.

(Exhibit 96 marked for identification.)

MS. CULPEPPER: Thank you.

CROSS EXAMINATION

BY MS. CULPEPPER:

Q Good morning, Mr. Hamman.

A Good morning.

Q I'll begin by directing your attention to your deposition transcript, to Page 101. There you indicated that AT&T needs call usage details in order to bill for such things as directory assistance. So just to clarify, is AT&T currently reselling BellSouth's directory assistance services in Florida?

A No, we are not. What I was referring to there would have been our directory assistance usage related to our resale customers in Georgia.

Q Now, Mr. Scheye has testified in this proceeding that BellSouth can provide selective routing. Do you agree with that statement?

A No, I do not agree with it. They cannot provide it at this time. We've requested it and we've

gone through a lot of work with them to have it be available. We do not have it available to us in Georgia. Until we have it available, we're not willing to enter any market. And I'll give you an example.

Those customers that we have in Georgia who are already on our resale -- already are our resale customers, when they dial 411 for directory assistance they are reaching the BellSouth operator who says, "BellSouth." That's BellSouth brand. That's not what the Act calls for. What we want them to do is be able to use our directory assistance operators and reach an AT&T directory assistance operator.

So those customers we now have, and there are several thousand that are on the resale platform in Georgia, have no option other than to listen to the BellSouth directory assistance to get to their directory assistance operators. We need those customers to use selective routing to get to ours.

Q Do you have any documentation that supports your belief that they cannot provide selective routing? Any letters or responses?

A Well, yes, I do. In my Late-filed Exhibit 5 there's a letter from Mr. Carroll, I believe, and addressed it to BellSouth. The most current letter

addresses that. It is not available. Let me see if I can get the date of the letter. It's on August 29th; letter from, I believe it's Jim Carroll to Dwayne Ackerman, President and Chief Executive Officer of BellSouth Corp. And it addresses -- I'm sorry, that's the unbundled network elements. Let me get to the issue of selective routing.

Q Do you know if there is any documentation?

A Yes, there is. I'm sorry, I went to the wrong issue.

I don't have a paper copy here with me, but we have a meeting each week between our team that's working the selective routing issues and BellSouth's team that's working the selective routing issues. They meet every Monday. And they keep track of the issues we're working through and the status of the completion of those issues. And as of this Monday's session, the issue of providing selective routing still is not complete yet.

We have asked, in relationship to Florida, because they have said that AIN or another advanced intelligent network, or long term means to be available; we asked if not that might be what we use in Florida versus line class code issue which we still don't have in Georgia.

So, yes the documentation is in those minutes of those meetings and those are shared with BellSouth.

MS. CULPEPPER: We'd like to ask for that documentation as late-filed exhibit.

Chairman Johnson, I'd ask that it be marked.

CHAIRMAN JOHNSON: And the name again?

MS. CULPEPPER: Documentation Regarding BellSouth's Inability to Provision Selective Routing.

CHAIRMAN JOHNSON: Okay. It will be so marked.

CHAIRMAN JOHNSON: 97.

MR. HATCH: 97.

(Exhibit 97 marked for identification.)

Q **(By Ms. Culpepper)** Now, Mr. Hamman, I hope you'll forgive me for jumping around, but I direct your attention to AT&T's Responses to Staff's Interrogatories Nos. 82 and 86.

A Okay. I have No. 82.

Q And I believe you also make statements regarding this subject in your deposition at Pages 35 and 133 of the transcript.

And what you discussed here regards concept testing, in which AT&T requested four individual test orders for UNE combinations consisting of NID, looped

test locations, local switching, tandem switching, and local transport signaling elements and operator system elements.

A That's right.

Q Was AT&T able to gain access to the associated signaling necessary for call routing and completion?

A I'm sorry. I didn't hear the last part of that.

Q Was AT&T able to gain access to the associated signaling necessary for call routing and completion?

A By virtue of the fact that we were able to complete some test calls, it would suggest that the calls were routed, but I believe what the Act calls for is that you also be able to receive the details of that routing related to the usage of the signaling elements. So we have not yet, as I talk about in my testimony, got any of that is details yet to know can we, in fact, use those details to either bill our customers, determine what our costs are, or bill where which have rights for access. So we've got it appears to be the ability to complete a call and that's because we used all of it together just as BellSouth does.

Q So you're saying that AT&T is not satisfied with the access to BellSouth's signaling necessary for call routing and completion?

A Well, we certainly just don't know because we have no other details. That's certainly -- in my mind we're not satisfied without the details to know whether, in fact, we have access to unbundled network elements.

Q But you can get to the database that is necessary; is that correct?

A Well, not from -- BellSouth may be able to get to those details but we're not able to. That was the purpose of the test was to actually use various capabilities of the network; not just the local switch but also the tandem and the transport elements. And there's additional testing we would have done to test to see whether, in fact, our customers could reach, say, a caller name database which provides you with a caller name. There are various databases that we would have asked to continue on. We did not do any of those call tests at all.

Q But I thought you said that you had been able to complete some test calls?

A The limited amount of test calls we did that would have enabled the routing of the calls to

complete, yes. But there is another set of call scenarios that would involve other uses of the routing and the databases that we were not able to complete because we simply didn't have the details yet from the first set; why go to another second set?

Q Now I refer you again to your deposition transcript, to Page 170. And I'm looking at Lines 14 and 15. There you stated that AT&T does not know how soon it can get route indexing portability hub in Florida; is that correct?

A That's correct. I think before that I said we don't expect to have it in Georgia until September so I don't know when we would expect it in Florida.

Q So has AT&T actually requested it in Florida?

A No, we would not yet until we know the results of any testinging we did with BellSouth on route indexing; the number portability means that we were going to use for our AT&T digital link customers we would not ask for it in Florida until we know the results of the testing in Georgia. It's the same process that BellSouth uses in all nine states.

Q On that same page, Lines 16 through 20, you state that BellSouth has made paper promises to offer RCF and DID as interim number portability means; is

that correct?

A That's correct.

Q And has AT&T actually requested these services in Florida?

A No, we have not. At this point in time we're not offering a service in Florida that would require number portability. My reference there is to -- in fact, in my role in the negotiations, I negotiated that number portability section of our agreement with BellSouth and we tried to get to some of the details, about how would you provide RCF and DID, including the call details, because the path of a call going to a number that's been ported to another switch takes a different route. And it requires additional details to be able to determine the proper billing for those calls.

At that time when we negotiated our agreement BellSouth did not have those details. I don't know, based on the 86 binders, that they have those details today. And that's where my statement comes there are still paper promises. I don't know if the people who are using RCF in Florida are, in fact, getting the details they need to know if they are being billed correctly by BellSouth for the usage on those remote call forwarding numbers.

Q This is just to clarify something I believe you may have addressed earlier. Has AT&T requested a NXX code from BellSouth in Florida?

A If I understand from, subject to check, that Mr. Rankin asked me, it appears we've asked for -- well, no, I guess, he's just said the CLECs have asked for 130. I don't know that AT&T has yet in Florida.

Q Now I'd like to discuss about the PLU factor and two-way trunking.

We've already discussed the fact AT&T did a concept test in Florida. And going back in your deposition transcript to Page 35, you indicate that AT&T was ready to order interconnection trunks, or have the interconnection trunks it already had with BellSouth conditioned to carry local traffic. So has AT&T actually ordered interconnection with BellSouth in Florida?

A No, not for the purposes of local traffic at this time. We're still working through our issues with them on the local interconnection in Georgia. And we're working with them on a project plan which will get us to some of those details. It's not completed yet in Georgia. There's just a whole series of things that has to happen before you interconnect with BellSouth and we're not at that stage yet in

completing it in Georgia, so we're just not going to do that in Florida until we know the results of that.

Q So if AT&T is able to work things out with BellSouth in Georgia, does that mean then that AT&T will commence ordering in Florida?

A Well, I would certainly -- what our marketing folks are asking us in the technical team is to put in place a broad infrastructure that supports all three options: resale, unbundled network elements and interconnection.

What BellSouth has told us is their processes are the same across nine states. So when we put in place this broad infrastructure, that will tell our people who are making those kinds of decisions that, in fact, they can go to market. And that would certainly, in my view, be -- the Florida market appears to be a very huge market. We already have a broad base of existing customers in Florida, and we're certainly trying to put in place this infrastructure that would support that kind of marketing effort.

Q Looking now at your deposition transcript, Page 38. There you discuss some problems in your concept test, one of which was the development of an usage factor so that you could carry and bill local traffic over your existing toll trunks; is that

correct?

A That's correct.

Q And you stated "We're still in the process of finally coming to agreement on the use of that factor and getting it implemented in Georgia."

Have AT&T and BellSouth made any progress towards implementing a PLU factor in Georgia since your deposition?

A Yes, we have. Since my deposition we have provided BellSouth with our understanding of what that factor would be, and we also gave them two methodologies that we would like to use and ask them to tell us which one would they be able to implement. We have not received that response yet.

We also have to work through additional details of that implementation to know that when they apply that factor it will, in fact, show up on the billing correctly. So it's kind of going through the say four steps: the methods procedures, some testing, operational experience, and then the performance measurements. We're at the stage where we're at the point now where we're ready to begin testing for that local usage on those interconnection trunks. Will the PLU, percent local usage factor, be applied appropriately in those cases it needs to be applied.

We'd like to have done right the first time, not after after the fact get corrected and customers have disappointment in that. We would expect to complete that sometime in October in Georgia. (Pause)

Q So is it true that BellSouth stated they would have to develop an interim billing measurement in order to be able to bill you, to bill AT&T?

A I'm sorry. Is that related to the local switching? Is that -- give me a reference on that.

Q Let me back up a little bit and maybe this will help clarify.

At your deposition you discuss BellSouth's requirement that you submit a bone fide request and go through that process in order to develop a PLU factor.

A Oh.

Q You state "BellSouth thought this was necessary because it would not have the billing capability to apply that factor until later this year." Is that correct?

A That's correct. What they asked us to do was to give them a bone fide request process, or the details they would need to be able to charge us for billing us using the percent local usage factor. We did not believe that was necessary. We believe we had already in our interconnection agreement the details

necessary for us to use a percent local usage factor.

Through numerous amounts of discussion and work with BellSouth, that bone fide request process was dropped and we now have an agreement that allows us to use a percent local usage factor on those interconnection trunks we already have.

Q So then is it true that BellSouth stated that it would have to develop an interim billing measurement in order to be able to bill you?

A It appears that we have developed the interim ability to do that. We have yet to see it until we actually test it with our local calls in Georgia.

Q Looking now at Page 60 of your deposition transcript.

A I'm sorry, what page was it?

Q 60. You indicated that BellSouth has refused to utilize AT&T's two-way trunks, but instead would prefer to utilize its own one-way trunks, presumably for its own originating traffic to be terminated on AT&T's network; is that correct?

A That is our understanding of what BellSouth has proposed, at least initially, that rather than sending their traffic -- their customers to our network over the existing two-way trunk, which would

be conditioned to handle two-way traffic, they believe it's important to set up a separate facility they would purchase from us for their traffic. And their rationale for that was that they believe they were better in control of forecasting the usage on that trunk than we would be jointly to plan a two-way trunk.

It's interesting, as I hear the other witnesses' testimony about blocking on the network, some of the numbers -- and I did not see the numbers that were provided for blocking -- if that's, in fact, what they were doing with others, it appears to me that they have not worked out jointly how to interconnect their networks and make it work efficiently, and also provide the customer service that their customers are experiencing on their network.

So that was where we thought it was important to jointly work through. We provide them a forcast of how many customers from our network will be completing calls to theirs; they provide us a forecast of how many theirs would complete to ours. Then we'd come to those numbers of estimated trunks that Mr. Stacy talked about. And we jointly monitor that rather than having BellSouth doing the monitoring.

So without us having the ability to control this traffic into our network, we're kind of at a loss then to jointly manage both customers' accesses to each other's network.

Q Well, in Mr. Scheye's deposition, transcript Pages 117 and 118, he indicated that two-way trunking is inefficient and would not be used by large carriers such as AT&T. Do you agree with that statement?

A No, I do not agree with that statement.

What I would agree with would be that it's up to each of us to jointly or individually engineer our network to meet our particular needs.

His statement is very one-sided saying "I could care less what the CLECs decide is more efficient, I, from BellSouth, say it's more efficient." And we argued this extensively in the negotiations and heard their engineers agree with us that, in fact, given what we were trying to do in a limited entry into market, two-way trunking would be one of their choices also. So I would not agree with Mr. Scheye's statement at all.

Q Well, can you explain a little bit more why two-way trunking is more efficient for AT&T?

A Well, certainly.

If you think about two islands, two network

islands wanting to talk to each other, customers on one island wanting to talk to customers on the other island.

The way those switches talk to each other are in what we call trunk groups. They are DS-1's. There's 24 pathways between them. They don't talk in individual single trunks. Switches just talk in trunk groups. So we have these big pipes set up between the two networks.

If you only start off with a couple of hundred customers, you're not going to need all 24 of those -- you know, that big pipe to carry all of that traffic. So that means you have excess capacity that you could actually use for BellSouth's customers, if there's maybe a couple hundred of those, trying to get to your island.

So it's a matter of the capacity that you build in these trunk groups versus the offered calls from both networks. Certainly if you have a large volume of customers going from one island always to the mainland and you don't have any return traffic, then certainly you would probably not provision that as two-way trunk; you would probably provision it as one-way, much like you do for roads out here. One-way traffic carries a larger volume than two-way

sometimes.

So it's an engineering decision and it's one that we believe is a joint decision just as they do -- BellSouth does today with independent companies' networks, it's a partnership; a very important partnership between us and BellSouth just as they do today with independent companies. It's certainly not the one way that here Mr. Scheye say that's the most efficient.

Q So is the issue regarding the PLU factor and your discussions with BellSouth regarding the two-way trunks, are these two issues the only causes for delay in utilizing your existing toll trunks to haul local traffic?

A No, they are not. It's the beginning of that process that we have started, and that's the first stage in order for us to complete just the local calls from our existing customers on to BellSouth's network, we needed the ability to do that. Some of those customers already were using those existing trunks to complete local calls, kind of like a casual use basis, today but we're being billed the access rates. So we certainly want to provide them that capability today. That was the beginning of this process to offer our existing customers.

There are more we need to do and one of those is -- in fact, we talked about in my testimony -- is for those customers to be able to take the existing numbers they have with BellSouth and move them to our switches in Georgia. We need local number portability to do that, and that relates to the route indexing portability hub capability that we were asking for. We need that to be able to have those customers transfer numbers they have today into the AT&T network and be able to complete those calls.

So it's a series of things we will need as we go through the implementation of the existing customers. And the PLU factor was just the beginning. We thought that would be relatively simple and something we could get under our belt and get underway. It's simply taking a long time for that issue to get resolved.

Q Why hasn't AT&T simply tried to negotiate an interim PLU factor similar to the way that preliminary factors are used in lieu of actual usage measuring where measurement capabilities do not yet exist?

A The dispute was not on the factor itself, it was how would it be applied to the calls, and how would we see that percentage applied on the billing. It was really the mechanism, whether the factor was

90% or 10% was not ever at issue. It was -- what was the issue was when we give you that factor -- actually they had an issue of could BellSouth validate internal AT&T records to indicate, in fact, that our number was right -- and we put that asside. But once we give BellSouth a number, will they be able to use it to provide the proper billing to us? That's where the issue was. They said they did not have a process to take that factor and use it in their billing mechanisms. They asked us to pay them, I think 80-some thousand dollars to develop that capability. We thought that was not appropriate.

Q I'll direct your attention now to Page 119 of Mr. Scheye's deposition transcript.

A I don't believe I have his transcript with me here.

Q I don't think that will be necessary. I think we can move on. Thank you though. (Hands document to witness.)

A Okay, I have it.

Q Mr. Hamman, I don't think that will be necessary. I think we're just going to move on.

I'd like to discuss collocation now for a moment.

Looking at Page 70 of your own deposition

transcript, you noted there that AT&T has not requested collocation with BellSouth in Florida for local traffic. But AT&T already had several toll collocation arrangements; is that correct?

A That's correct. We are interconnected with BellSouth for our toll network in many of their offices, either ourselves or what we call CAPs or competitive access providers.

Q Was there any difference, technical or otherwise, between a collocation for toll and one that's for local usage?

A Certainly there's a lot of differences, yes. The fact that we're actually in there building may look the same, and at divestiture in many cases we literally cut the buildings in half and we move equipment from their side to our side, and moved equipment from their side to our side -- or to their side, and literally cut the buildings in half and did not have to have any -- the word "collocation", I think we had another term for it at divestiture.

Many times, though, we have not been able to split buildings in half. We have joint occupancy and there's a way to handle that. What is different is the types of services we bring into that is collocated spaces are for the purposes of long distance traffic

and so they are very narrowly focused towards certain areas of BellSouth's offices. They are necessary to interconnect basically trunk groups or transport. They are not necessarily connected up to be able to access the loops or the local switches or the signaling network.

And many times in the BellSouth's buildings you'll find the main frame that you talk about where the loops are on a certain floor and our collocate space for long distance is fifth or sixth floor.

What collocation for local means is we need to have access to all of these unbundled network elements to be able to provide service to our customers. And it's that access that for local we need that is not there yet for long distance.

They are going to have to put in place the processes, those method procedures; they're going to put in place we call them tie cables or tie pairs or jumpers; very simply you could say extension cords. Extension cords that are going to connect these things to our networks and connect them together.

Those are serious amounts of work required between both parties to determine what are these extension cords? What are they going to look like? How are we going to assign them? How are we going to

make them work for access to these unbundled network elements? That's different than what we have had in the past on the long distance side.

Q In your opinion how long do you think it should take typically to set up a collocation arrangement for local usage?

A To do it right a collocated space requires -- the first critical element, because most all of the equipment we or others will be putting in collocated space requires electronic power. It's not just a 110 volt power; it's very specialized power from the power plant that BellSouth has in their building. That requires specialized engineering, it requires that it be properly sized for the amount of the equipment. So it requires a planning process.

So the words that I think I heard Mr. Scheye and others say here was three months to maybe I think I heard him say even up to six months is not unrealistic if you do your planning properly, and you know the size and market you're going to go into and the types of equipment you'll need there, you can do that planning process. You can specify the types of power, the size of the room, the kinds of bays you'll need to be able to put your equipment in. And those will take two to three months to arrange.

Once you have those in place, though, very quickly you can add the types of equipment that will actually get you in service with customers. But it's the first inertia, first part of that that does take the three months.

Q Mr. Hamman, in your opinion what stage in the development of the collocation process, collocation arrangements, would BellSouth have to be in to actually meet the checklist, met that checklist item?

A I guess in my opinion a company would not go into a collocated arrangement with BellSouth unless they planned on providing a significant amount of service to customers. And a minor arrangement such as just an existing trunk group to their switch does not by itself give up what we're asking for, which is access to all of these unbundled network elements.

So I would look for certainly -- have they put in place the extension cords or those things necessary to have access to each of these elements; not just tranport, not just loops, not just switches but everything on this board, have they got those things in place?

They are different. There are different kinds of extension cords required to connect these

elements up. Some of them are what we call voice frequency or voice level wires and some of them are high capacity ones. They are not the same.

So I would look for, in my opinion, is the collocated space that whoever the CLEC is, have they put in place the broad range that's necessary for all of these access to the unbundled network elements? And are they effectively being placed in a service with customers, and is the performance measurements that -- whatever the performance measurements are that are put in place, do they reflect that, in fact, they are being provided in a nondiscriminatory basis? It may be somewhat of a qualitative judgment than it is quantities.

Q Okay. Now AT&T has ordered UNEs from BellSouth; is that correct?

A Yes, that's correct. In Florida we ordered the four employee lines as a test case, the concept test.

Q So it's only on a test basis?

A Only on a test basis; that is correct.

Q I'd like to refer your attention now to Exhibit 21, which was Mr. Scheye's Late-filed Deposition Exhibit 13. And I believe I handed you a redacted copy on Friday.

A I have a Late-filed Exhibit 13.

Q Yes.

A Is that the one? Yes, I do.

Q And I'll note here that counsel for AT&T has stated that AT&T does not consider this information confidential. Mr. Hamman, has AT&T, in fact, ordered five unbundled ports from BellSouth?

A No. To my understanding we have ordered only four of the test cases with our AT&T employees. I'm not familiar with anything other than the four.

Q And using the ports ordered from BellSouth, is AT&T currently providing end-to-end local exchange service on a test basis?

A Yes. Well, yes, and the fact, that those four are -- in fact have dial tone and our employees can, in fact, make a call and receive calls. I'm not sure -- and maybe Mr. Bradbury or others, he could answer the question on are they, in fact, listed in the white pages; are they, in fact, able to do other things that includes the total local exchange business. Because of the fact that we ordered those through a very manual process, I'm not sure without any of the details we have that we have -- why would you consider total local exchange service? Simply it was a test basis. The fact that they did not have in

place the electronic data interface it would have allowed us to order in the right fashion, we had to go through in manual fax process. So I don't know that they hit all of the right places for total local exchange service.

Q So is AT&T using any of its own facilities to provide service on this test basis?

A Not in Florida at this time, certainly not.

Q Okay. Other than the ports that are listed in the exhibit, what UNEs has AT&T ordered from BellSouth in order to provision this end-to-end service?

A What we asked for in our concept test was that all of the elements be provided: network interface device, the loop, the port, access to operator services, the signaling and data basis and the transport. That's all the 12 elements that you see on the chart. Those -- that was the total service that we asked for. Specifically what we asked for in the test was to be able to use that as a test bed to determine can, in fact, those elements that have usage sensitive billing, in fact, be billed, and can the specific precise details of those calls be provided to us so that if we were to order just the switch or just to order the transport, would we get what we requested

in our interconnection agreement?

Q Did BellSouth provide those elements?

A Well, it's hard to tell because the bills that we have are very confusing. They don't reflect what we would have expected, so it's hard for us to tell exactly what was provided.

We know that our employees have dial tone at their home. They can establish a call. They can receive a call. But we don't know if we have the rest of the details we need.

Q No. Other than for the test basis that we've already discussed, AT&T is not providing local exchange service to business or residential customers in Florida through the use of its own facilities or UNEs purchased from BellSouth correct?

A That's correct.

MS. CULPEPPER: Thank you, Mr. Hamman. Those are all the questions Staff has.

MR. RANKIN: Chairman Johnson, may I make a request here related to the Late-filed Exhibit 97 that Staff asked Mr. Hamman to produce?

CHAIRMAN JOHNSON: I'm sorry, I couldn't hear you. Could you do what?

MR. RANKIN: There's a Late-filed Exhibit 97 that Staff asked Mr. Hamman to produce, and I believe

he said those were going to be minutes of a joint meeting with BellSouth concerning the issue of selective routing.

BellSouth routinely keeps its own sets of minutes for those types of joint meetings and we'd ask that we be allowed to provide BellSouth's minutes of that same meeting as a late-filed exhibit.

CHAIRMAN JOHNSON: Is that a document you want? Let me mark it Exhibit 98, and short title, BellSouth's --

MS. CULPEPPER: Madam Chairman, I'm sorry. Could that be included in the same exhibit?

MR. HATCH: Not if they are being filed by two separate parties.

CHAIRMAN JOHNSON: BellSouth's -- what did you say it was, a memo, memorandum, sir?

MR. RANKIN: Minutes.

CHAIRMAN JOHNSON: "Minutes of the Meeting Concerning Selective Routing."

MR. RANKIN: That's good. Thank you.

(Late-Filed Exhibit 98 identified.)

CHAIRMAN JOHNSON: Commissioners, any questions? Redirect?

MR. HATCH: Yes, ma'am I have a few.

REDIRECT EXAMINATION

BY MR. HATCH:

Q Mr. Hamman, do you recall I believe it was Monday night, Mr. Rankin asking you about wireless loops?

A Yes, I recall that.

Q Have wireless loops been tested sufficient to determine whether they are commercially viable for deployment?

A Certainly not with AT&T and I don't know anywhere else that they have been -- well, let me back up.

Given the technology of wireless loops and the engineering or economic decision on where you would deploy that, where we already have existing copper that doesn't make a lot of sense. Where you have a developing third country or maybe a developing country where you have absolutely no access to copper, there are, in fact, wireless loops in place in third world countries, because there is no other options.

I've not seen or know to what extent those are in place other than I know that's a viable means in third countries that have no loops available. Certainly not from our standpoint is it an option that we've looked at as a technology solution at this time.

Q I believe Mr. Rankin asked you about access to poles, ducts and conduits. Do you recall that series of questions?

A Yes, I do.

Q In the absence of methods and procedures, what process would you expect BellSouth to require you to follow in order to obtain such access?

A Well, what we have found out is absent methods and procedures the first thing they say is "John," or your teams, "fill out a bona fide request process; a BFR." And we have had experience with that and we know that experience is not good.

We asked simply on the selective routing to be able to join test with BellSouth; that we be able to be physically in their central office at the time we do the testing because there were some things we were wanting to do to talk to our operators at the other end. They asked us for a bona fide request process to just be physically in their central office. And not only that, they asked us to pay $1300 for that month's use of that one table. So that's exactly why we're trying to go through these methods and procedures; get firm completed agreements on what we can expect to do when we get collocated space.

Q I believe Mr. Rankin asked you about whether

BellSouth had awarded, or AT&T had requested, NXXs in Florida; is that correct?

A That's correct.

Q What is your experience with AT&T's NXX requests in Georgia?

A Our experience in Georgia for our two long distance switches in the Atlanta area is we were only able to receive about eight of the NXXs that we required. Because of the different rate areas we really require in Georgia about 35 or 40 of the NXXs. But because of the exhaust situation with the 770 area code in Atlanta, we were only able to obtain five of these area codes.

What that means to us is that until that jeopardy is resolved, and it won't be resolved until January of '98, I believe it is, for the 770 area code, we won't be able to extend our marketing into some of the rate areas that BellSouth is. They've got a warehouse of numbers and we don't. And until January, when we get the relief that we need for the 770 area code, we're going to be somewhat restricted from going into rate areas that BellSouth can.

That would be a similar situation if we were to go into the 305 area code, I understand, here in Florida. There's a possibility of having to go

through either an area code split or some kind of ability to get access to those numbers.

Q Do you recall Mr. Rankin asking you about interim number portability in Florida?

A Yes, I do.

Q Has AT&T requested route indexing number portability hub in Georgia?

A Yes, we have.

Q And is it not in place at this time?

A That's correct. It's not in place at this time.

Q If it does not work in Georgia, would you expect it to work in Florida?

A Certainly not. It is -- the capability that BellSouth has for all their nine states, it is one that we're working through with them, the methods and procedures. We're asking them to test it here in Georgia -- or in Georgia in the October time frame. It's one we believe is going to be very capable of handling the kinds of things that large customers are going to be needing, and it's one that I believe the rest of the industry will, in fact, use. Because permanent number portability doesn't fix the whole statement; it only fixes certain metropolitan areas. And there will be a long period of time before some

areas will have the access to number portability. RCF and DID are not the solutions that will be viable for a long term. We need another means and route indexing portability hub will, in fact, offer CLECs and other customers that means.

Q You were asked a series of questions about the local usage factor. Do you recall those?

A Yes, I do.

Q How long did the process with BellSouth take to get to the point where we are on a PLU?

A Without actually counting up all of the months, it seemed like about seven months. We started that in February, I believe, or March, after the Georgia agreement was signed, and it was in late August, after my deposition that we actually sent them the percent local usage factor.

We still don't have it resolved yet because we've not heard back from them yet on which method they will use to apply the factor, and also we have not yet gone through any kind of testing to validate that, in fact, they will do what they said they will do.

MR. HATCH: That's all I've got. Thank you, Madam Chairman.

CHAIRMAN JOHNSON: Exhibits.

MR. HATCH: AT&T moves Composite Exhibit 93.

CHAIRMAN JOHNSON: Show it admitted without objection.

MS. CULPEPPER: Staff moves 94, 95 and 96.

CHAIRMAN JOHNSON: Show those admitted without objection.

(Exhibits 93 through 96 received in evidence.)

CHAIRMAN JOHNSON: Thank you, sir. You're excused. We'll call the next witness.

(Witness Hamman excused.)

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MR. MELSON: Commissioner Johnson, while the next witness is coming to the stand, I've got a procedural matter I'd like to address just briefly.

MCI's witness, Mr. Martinez, is the only witness in these proceedings who attended BellSouth's demonstration in Jacksonville two weeks ago of their internal OSS systems. I believe by attending that demonstration he learned some information that would be of interest to the Commission. His testimony -- prefiled direct testimony deals with OSS systems provided to the ALECs. Two weeks ago in Jacksonville was the first opportunity that he had been afforded to see the systems that BellSouth uses themselves.

We would like the flexibility, if it might be granted, either to have him, during his summary, make reference to things he observed during that demonstration in Jacksonville, or alternatively, after his summary, for us to have the right to ask him a few questions to make some of those comparisons. And because I suspected this might be controversial, I wanted to ask now to give BellSouth an opportunity to think about their response.

CHAIRMAN JOHNSON: The comments that he would be prepared to make during his summary, are they written?

MR. MELSON: Yes. He has a prepared draft of his summary at this point.

CHAIRMAN JOHNSON: And that draft includes the additional comments?

MR. MELSON: Yes, ma'am. We would share that with BellSouth if you would like us to do that.

CHAIRMAN JOHNSON: Let's do that. Let's do that.

My inclination -- and I will entertain any objections that they might have, but my thoughts are that that information might be helpful for the Commissioners, and for the Staff. But I want them to have the opportunity to review it and then we'll take

argument on those points and then determine how we should proceed.

MR. MELSON: Okay. Thank you very much.

MS. WHITE: I also have a housekeeping matter. I received a phone message from Mr. Cohen, Time Warner's attorney, yesterday afternoon and he said that they would be filing this morning a Notice of Withdrawal of Testimony for Time Warner; I believe that is Mr. Gaskins, if you have it. I just wanted to make sure the Commission was aware of it.

CHAIRMAN JOHNSON: Yes, ma'am. Thank you. Any other preliminary matters?

CHAIRMAN JOHNSON: Are there any other witnesses here that will be testifying that have not been sworn? If you could raise your right hand.

(Witnesses collectively sworn.)

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JAY BRADBURY

was called as a witness on behalf of AT&T Communications of the Southern States, Inc. and, having been duly sworn, testified as follows:

DIRECT EXAMINATION

BY MS. RULE:

Q Would you state your name and address for the record, please?

A My name is Jay Bradbury. My business address is 1200 Peachtree Street, Atlanta, Georgia.

Q And how are you employed?

A I'm employed by AT&T. I am a negotiations and implementation manager in our local infrastructure and access management organization.

Q And have you prepared 96 pages of direct testimony in this docket?

A Yes, ma'am, I have.

Q And attached to that testimony have you prepared Exhibits JB-1 through JB-11?

A Yes, ma'am.

MS. RULE: I would like that marked, and I'm sorry; I do not have the exhibit number that would be.

CHAIRMAN JOHNSON: 98.

COMMISSIONER KIESLING: 99.

CHAIRMAN JOHNSON: I'm sorry; 99.

MS. RULE: As Composite Exhibit No. 99.

(Exhibit 99 marked for identification.)

Q **(By Ms. Rule)** Do you have any changes, corrections, or revisions to that testimony or exhibits?

A Yes, I do; and there is a sheet that's being passed around that has a few minor changes to the direct testimony.

MS. RULE: Commissioners, you should have before you a revised Exhibit JB-10 and JB-11, and those changes -- or this exhibit was provided to BellSouth last week.

Mr. Bradbury, in his direct testimony at Page 83, stated that he would be revising these exhibits at or before the hearing. And we would ask that these be marked as Composite Exhibit 100.

CHAIRMAN JOHNSON: They will be marked as Composite Exhibit 100.

COMMISSIONER KIESLING: I just have one question. Did you give a copy of all of this to the court reporter?

WITNESS BRADBURY: Yes, ma'am, we did.

CHAIRMAN JOHNSON: And that was JB-10 and 11?

MS. RULE: The revised JB-10 and 11.

(Exhibit 100 marked for identification.)

Q (By Ms. Rule) With those changes, corrections, and revisions, if I asked you the same questions today, would your answers be the same?

A They would.

Q And did you also cause to be prepared 17 pages of rebuttal testimony?

A I did.

Q Do you have any changes, corrections or revisions to that material?

A I do not.

Q And if I asked you the same questions in your rebuttal testimony today, would your answers be the same?

A They would.

MS. RULE: I would ask that Mr. Bradbury's direct and rebuttal testimony be inserted in the record as though read.

CHAIRMAN JOHNSON: It will be so inserted.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Consideration of BellSouth Telecommunications Inc.'s entry into InterLATA services pursuant to Section 271 of the Federal Telecommunications Act of 1996.	))))))	DOCKET NO. 960786-TL FILED: July 17, 1997

DIRECT TESTIMONY
OF
JAY BRADBURY
ON BEHALF OF
AT&T COMMUNICATIONS OF
THE SOUTHERN STATES INC.

BACKGROUND

Q. PLEASE STATE YOUR NAME AND ADDRESS.

A. My name is Jay Bradbury. My business address is 1200 Peachtree Street, Atlanta, Georgia.

Q. PLEASE DESCRIBE YOUR CURRENT POSITION AND RESPONSIBILITIES.

A. Since August 1995, I have been employed by AT&T as a Manager in the Local Infrastructure and Access Management Organization. In that position, I handle responsibilities associated with negotiating and implementing operational agreements with incumbent local exchange companies needed to support AT&T's entry into the local telecommunications market.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EXPERIENCE.

A. I graduated with a Bachelor of Arts degree in History from The Citadel in 1966. I have taken additional undergraduate and graduate courses at the University of South Carolina and North Carolina State University in Business and Economics. In 1987 and 1988, I participated in Advanced Management Programs at Rutgers University and the University of Houston.

I began my AT&T career in 1970 as a Chief Operator with Southern Bell's Operator Services Department in Raleigh, North Carolina. From 1972 through 1987, I held various positions within Southern Bell's (1972 - 1984)

and AT&T's (1984 - 1987) Operator Services Departments where I was responsible for the planning, engineering, implementation and administration of personnel, processes and network equipment used to provide local and toll operator services and directory assistance services in North Carolina, South Carolina, Kentucky, Tennessee and Mississippi. In 1987, I transferred to AT&T's External Affairs Department in Atlanta, Georgia, where I was responsible for managing AT&T's needs for access network interfaces with South Central Bell, including the resolution of operational performance, financial and policy issues. From 1989 through November 1992, I was responsible for AT&T's relationships (including the negotiation and administration of billing and marketing contracts, card honoring contracts, facility contracts, and the support of sales of Network Systems products) with Independent Telephone Companies within the South Central Bell States and Florida. From November 1992 through April 1993, I was a Regulatory Affairs Manager in the Law and Government Affairs Division responsible for the analysis of industry proposals before regulatory bodies in the South Central States to determine their impact on AT&T's ability to meet its customers' needs with services that are competitively priced and profitable. In April of 1993, I transferred to the Access Management Organization within AT&T's Network Services Division as a Manager - Access Provisioning and Maintenance with responsibilities for on-going management of processes and structures in place with Southwestern Bell to assure that their access provisioning and maintenance performance met the needs of AT&T's Strategic Business Units.

Q. WHAT IS THE SCOPE OF YOUR TESTIMONY?

A. My testimony examines whether BellSouth's proposed operational support system ("OSS") interfaces described by BellSouth Witness Calhoun comply with the Telecommunications Act of 1996 (the "Act") and its implementing regulations. In particular, I examine whether such interfaces provide new entrants with nondiscriminatory access to BellSouth's OSS functions. BellSouth's interfaces do not meet the requirements of the Act; and therefore this Commission should not approve either BellSouth's SGAT or BellSouth's 271 application.

The primary reason is that BellSouth's proposed OSS interfaces are discriminatory. With few exceptions, the BellSouth interfaces do not provide new entrants with the same capabilities BellSouth possesses for itself. For example, most of BellSouth's interfaces require more human intervention to perform OSS functions than is required when BellSouth uses its OSS to perform the same or equivalent functions. This is important because human intervention increases work time, error rates, and costs for new entrants. In addition, several of BellSouth's proposed interfaces do not have sufficient capacity to meet the combined operational requirements of all new entrants. Furthermore, several of BellSouth's proposed interfaces do not comport with existing and emerging industry standards, and BellSouth has not provided adequate technical data to allow new entrants to develop systems and processes that would be compatible with BellSouth's proposed interfaces.

The Act requires nondiscriminatory access to BellSouth's interfaces, and BellSouth has not met this requirement. BellSouth has not provided empirical evidence that its interfaces actually provide nondiscriminatory access to BellSouth's OSS. BellSouth's proposed interfaces have not been sufficiently tested. In fact, BellSouth has conceded that the design of a primary interface (the Local Exchange Negotiation System or LENS) will not be stable before the end of the year, which means that BellSouth's proposed interfaces also have little if any operational experience to demonstrate that they will provide nondiscriminatory access in the real world. For these reasons and others discussed below, the Florida Commission should find that BellSouth's OSS interfaces, as they exist today, do not comply with the requirements of Section 251 of the Act and, therefore, do not meet the competitive checklist requirements under Section 271 of the Act or the SGAT requirements under Sections 251 and 252 of the Act.

Q. WHAT ISSUES INVOLVED IN THIS DOCKET DOES YOUR TESIMONY AFFECT?

A. As noted above, my testimony examines BellSouth's failure to provide nondiscriminatory access to OSS functions. BellSouth's failure to provide such access is critical to many issues that are now before the Florida Commission. Specifically:

Issue 2: Has BellSouth provided interconnection in accordance with the requirements of Sections 251(c)(2) and 252(d)(1) of the Telecommunications Act of 1996, pursuant to Section 271(c)(2)(B)(i) and applicable rules promulgated by the FCC?

Reason: BellSouth's failure to provide nondiscriminatory access to OSS functions as specifically required by the Act is necessary for new entrants to order interconnection, obtain provisioning information about interconnection orders, submit and monitor trouble reports regarding interconnection, and receive necessary billing information for interconnection.

Issue 3: Has BellSouth provided nondiscriminatory access to network elements in accordance with the requirements of Sections 251(c)(3) and 252(d)(1) of the Telecommunications Act of 1996, pursuant to Section 271(c)(2)(B)(ii) and applicable rules promulgated by the FCC?

Reason: Operational support systems are network elements for which BellSouth must, but cannot presently, provide nondiscriminatory access. In addition, nondiscriminatory access to OSS functions is critical to BellSouth's ability to provide nondiscriminatory access to other network elements. Nondiscriminatory access to other network elements necessarily includes the ability to order, provision, maintain, and bill those network elements.

Issue 3(a) Has BellSouth developed performance standards and measurements ? If so, are they being meet?

Reason: BellSouth must have performance standards and measurements for OSS functions to demonstrate that it meets its obligation under the Act to provide

nondiscriminatory access. Lack of such standards makes it impossible for BellSouth to demonstrate compliance with its obligations to provide nondiscriminatory access. This is discussed in further detail in Mike Pfau's testimony.

Issue 9: Has BellSouth provided white pages directory listings for customers of other telecommunications carrier's telephone exchange service, pursuant to Section 271(c)(2)(B)(viii) and applicable rules promulgated by the FCC?

Reason: Nondiscriminatory access to directory listings requires that BellSouth provide new entrants the same capability to submit orders for directory listings as BellSouth provides itself. BellSouth has not provided such capability.

Issue 10: Has BellSouth provided nondiscriminatory access to telephone numbers for assignment to the other telecommunications carriers' telephone exchange service customers, pursuant to Section 271(c)(2)(B)(ix) and applicable rules promulgated by the FCC?

Reason: Nondiscriminatory access to telephone numbers requires that BellSouth provide new entrants the same capability to obtain telephone numbers as BellSouth provides itself. BellSouth has not provided such capability.

Issue 12: Has BellSouth provided number portability, pursuant to Section 271(c)(2)(B)(xi) and applicable rules promulgated by the FCC?

Reason: BellSouth must provide new entrants with a reasonable and nondiscriminatory means to order number portability. BellSouth has not done so.

Issue 15: Has BellSouth provided telecommunications services available for resale in accordance with the requirements of Sections 251(c)(4) and 252(d)(3) of the Telecommunications Act of 1996, pursuant to Section 271(c)(2)(B)(xiv) and applicable rules promulgated by the FCC?

Reason: The FCC Order requires BellSouth to provide nondiscriminatory access to OSS function as part of its obligation under Section 251(c)(4) not to impose unreasonable or discriminatory conditions or limitations on resale. BellSouth has not provided such nondiscriminatory access.

Issue 15(a) Has BellSouth developed performance standards and measurements ? If so, are they being meet?

Reason: BellSouth must have performance standards and measurements for OSS functions involved in resale in order to demonstrate that BellSouth is meeting its obligations under the Act. As stated above, BellSouth has not instituted such performance standards and measures. This is discussed in further detail in Mike Pfau's testimony.

OSS REQUIREMENTS UNDER THE ACT

Q. WHAT ARE OPERATIONAL SUPPORT SYSTEMS ("OSS")?

A. Operational support systems are computer-based systems and databases that telecommunications carriers use to perform essential customer and business support functions, including pre-ordering, ordering, provisioning, maintenance and repair, and billing. Computer-based OSS enable telecommunications carriers to transmit data electronically between different systems, thereby maximizing efficiency and effectiveness in the performance of these essential support functions. Without electronic OSS interfaces, effective competition within the local telecommunications market will not develop.

Q. DID THE FEDERAL COMMUNICATIONS COMMISSION ("FCC") ADDRESS ACCESS TO OSS?

A. Yes. In its First Report and Order, the FCC concluded that OSS were network elements that must be unbundled upon request under Section 251(c)(3). FCC Order No. 96-325 ¶ 525 (Aug. 8, 1996) (hereinafter "FCC Order"). In addition, the FCC concluded that OSS functions are subject to the duty imposed by Section 251(c)(3) on incumbent local exchange carriers to provide nondiscriminatory access to network elements, and the duty imposed by Section 251(c)(4) to provide resale services under just, reasonable, and nondiscriminatory conditions. FCC Order ¶ 517. An incumbent LEC, therefore, must provide nondiscriminatory access to the full range of functions within pre-ordering, ordering, provisioning, maintenance and repair, and billing of network elements and resold services. FCC Order ¶ 525. Nondiscriminatory access necessarily includes access to the functionality of any internal systems the incumbent LEC employs for its own

customers. FCC Order ¶ 523. An incumbent LEC does not discharge its duty to provide nondiscriminatory access if that incumbent LEC provides electronic access to itself but offers new entrants access that involves human intervention. FCC Order ¶ 523.

In its Second Order on Reconsideration, the FCC affirmed its previous order. FCC Order No. 96-476 (Dec. 13, 1996). The FCC noted that providing access to OSS functions is a critical requirement for complying with Section 251. Id. at ¶ 11. The FCC also indicated that incumbent LECs not providing access to OSS functions in accordance with the FCC's First Report and Order (discussed above) would not meet the competitive checklist under Section 271 of the Act. Id. In other words, nondiscriminatory access to all OSS functions, including internal LEC systems, is required by Section 271. BellSouth does not meet this requirement at this time.

Q. IS NONDISCRIMINATORY ACCESS TO OSS REQUIRED BY SECTION 252 AND SECTION 271 OF THE ACT?

A. Yes. Under Section 252(f)(2) of the Act, a State commission may not approve an SGAT unless the SGAT complies with Section 251, Section 252(d), and the respective implementing regulations. As explained above, the FCC regulations require a Regional Bell Operating Company ("RBOC") to provide nondiscriminatory access to its OSS in order to comply with Section 251(c)(3) regarding network elements, and Section 251(c)(4) regarding resale. FCC Order ¶ 525. Accordingly, State commissions may not approve

an SGAT unless it provides for nondiscriminatory access to the RBOC's OSS.

Under Section 271, the FCC may not approve an RBOC's application under either Track A or Track B unless that RBOC complies with the competitive checklist. The Act requires the FCC to consult with the State commission in order to verify compliance with the competitive checklist and other requirements. Two of the many requirements of the competitive checklist are compliance with Sections 251(c)(3) and 251(c)(4). An RBOC, therefore, must provide nondiscriminatory access to its OSS in order to meet the competitive checklist, because such nondiscriminatory access is essential to complying with Sections 251(c)(3) and 251(c)(4).

Q. DO YOU HAVE ANY SUPPORT FOR YOUR ASSERTIONS REGARDING NONDISCRIMINATORY ACCESS TO AN RBOC'S OSS?

A. Yes. The U.S. Department of Justice ("DOJ") has commented on this issue extensively, as have the Attorneys General of several states. The DOJ determined that Section 271 requires an RBOC to demonstrate that it can practicably provide checklist items by means of efficient wholesale support processes, including access to OSS functions. Evaluation of the U.S. Department of Justice, SBC Communications-Oklahoma, dated May 16, 1997 ("DOJ Evaluation"), at 28. The DOJ's review emphasizes that nondiscriminatory access to RBOC OSS functions is an essential prerequisite to the development of competition. RBOC support processes must allow new

entrants to perform OSS functions at parity with the RBOC. Id. In addition to providing parity, the RBOC's wholesale support processes also must offer a level of functionality sufficient to provide new entrants with a meaningful opportunity to compete using resale and network elements. Id. In other words, providing parity of access is not enough if such parity does not provide new entrants with the functionality necessary to compete effectively.

The DOJ concluded that automation of wholesale support processes is needed in two primary areas to provide access to OSS functions and facilitate the processing of transactions for resale services and network elements. DOJ Evaluation, App. A, at 69. First, the RBOC and new entrants must develop electronic transaction interfaces that will permit them to exchange information in agreed-upon formats. Id. An example of an agreed-upon format is Electronic Data Interchange ("EDI") format that is the industry standard for ordering. The RBOC must provide the new entrant with the information and cooperation necessary for the new entrant to develop and maintain its internal OSS to be compatible with the electronic interface. Id.

Second, the RBOC must automate the interaction of its internal OSS with the transactions flowing through the electronic interface in agreed-upon formats. DOJ Evaluation, App. A, at 70. That may require the RBOC to develop entirely new systems for efficiently processing the new entrants' transactions in order to make resale and network elements practicably available. Id. At a minimum, the RBOC must automate processes for new entrants where the RBOC utilizes automated processes for its own retail operations. Id. at 71.

Put another way, the degree of automation that the RBOC uses in its retail operations marks the floor -- not the ceiling -- for the degree of automation that the RBOC must provide new entrants. BellSouth, therefore, must provide additional automation if the existing processes do not provide new entrants a meaningful opportunity to compete.

Q. HOW DID THE DOJ EVALUATE THE RBOC'S COMPLIANCE WITH THE REQUIREMENTS OF SECTION 271?

A. The DOJ used two criteria to evaluate compliance with Section 271 requirements -- functionality and operability. DOJ Evaluation, App. A, at 68. The functionality criterion evaluates system capabilities, whereas the operability criterion evaluates system performance. Described below are some of the issues that the DOJ evaluated under each criterion.

Functionality

Compliance with Industry Standards -- The DOJ concluded it was critical for RBOCs to be proactive in complying with existing and emerging industry standards. Industry standards will ultimately reduce the need for new entrants to build completely separate interfaces for each RBOC, which in turn will lower costs and facilitate faster development of such interfaces. DOJ Evaluation, App. A, at 73-74.

Human-to-Machine Interfaces versus Machine-to-Machine Interfaces --The DOJ found that current industry standards recognize the shortcomings of human-to-machine interfaces, and industry groups

have focused almost exclusively on machine-to-machine (i.e., application-to-application) interfaces. The DOJ concluded that human-to-machine interfaces may satisfy the Act's nondiscrimination requirements for small new entrants. That same interface, however, would place larger new entrants at a significant competitive disadvantage, would deny the larger new entrants a meaningful opportunity to compete, and would limit the practicable availability of services and network elements to larger new entrants. Specifically, the DOJ found that SBC's EASE interface (which uses terminal emulation technology) forces new entrants with their own OSS to manually enter the information twice -- once in the RBOC's interface and a second time into its own OSS. Double entry places new entrants at a significant disadvantage by introducing additional costs, delays, and human error. Such a disadvantage amounts to unreasonable and discriminatory conditions imposed on new entrants possessing their own OSS. DOJ Evaluation, App. A, at 74-75. Importantly, BellSouth's LENS shares the deficiencies of SBC's EASE interface.

Nondiscrimination -- The DOJ concluded that the FCC's nondiscrimination rules (1) require parity of access to specific OSS functions, (2) recognize that providing such access may require the RBOC to modify its existing systems, and (3) are nowhere limited by the role OSS functions play in the RBOC's retail offerings. Importantly, the DOJ specifically rejected the notion that

nondiscriminatory access simply means that an incumbent LEC need only offer to new entrants the same type of OSS functionality that the RBOC currently utilizes for itself. In addition to providing parity of access, the RBOC must make services and network elements practically available, which can require additional automation. DOJ Evaluation, App. A, at 77-80.

Operability

Testing -- The DOJ found that software development experts widely agree that highly-complex software applications, like electronic interfaces and the associated OSSs, must undergo all of the generally agreed-upon tests for quality software development to be considered practically operational. The most widely used software testing process consists of five stages. The last stage, acceptance testing, involves the use of data supplied by the system procurer rather than simulated test data. Effective OSS interface testing must include testing by new entrants.

Q. WHAT IS THE DOJ'S ROLE IN EVALUATING OPERATIONAL SUPPORT SYSTEMS?

A. The Act clearly authorizes the DOJ to evaluate the RBOC's ability to provide nondiscriminatory access to OSS functions. Through Section 271(d)(2)(A), Congress requires the DOJ to evaluate an RBOC's Section 271 application using any standard the DOJ considers appropriate. Furthermore, Congress requires that the FCC give substantial weight to the DOJ's evaluation. While

the DOJ's evaluation may not be binding, it certainly is particularly persuasive with respect to interpreting the statutory and regulatory requirements that an RBOC provide nondiscriminatory access to OSS functions—an essential component to the development of competition.

I have met with the DOJ on several occasions and their representatives impressed me with their knowledge of systems issues. It is my understanding that the DOJ has consulted with many systems experts, including experts from the RBOCs, new entrants, and independent consultants. Furthermore, it is my understanding that the DOJ received all of the affidavits and other evidence submitted in both the SBC and Ameritech Section 271 proceedings. Additionally, BellSouth's ability to provide nondiscriminatory access to OSS functions is essential to the development of competition in the monopoly local exchange market. That would appear to me to involve antitrust issues and therefore is a necessary component of the DOJ's antitrust review. For these reasons, the Commission should give great weight to the DOJ's evaluation.

Q. DID THE ATTORNEYS GENERAL FROM THIRTEEN STATES SUBMIT A BRIEF TO THE FCC REGARDING SBC'S SECTION 271 APPLICATION THAT ADDRESSED OSS ISSUES?

A. Yes. The Attorneys General from thirteen states, including Florida, submitted a brief to the FCC to set forth their views on the public policy considerations and legal principles the FCC should apply in considering a Section 271 application. Reply Comments of the Attorneys General, SBC

Communications § 271 - Oklahoma (May 27, 1997) ("Attorneys General Brief"), at 3. The Attorneys General urged the FCC to pay particular attention to an RBOC's efforts to provide nondiscriminatory access to its OSS because such access is a "critical prerequisite to the development of effective local competition." Id. at 7-8. The Attorneys General concluded that "[n]ondiscriminatory access requires implementation of OSS functions that are sufficiently comparable to what is available internally to the BOC that they do not present barriers to effective competition by CLECs." Id. at 8 (emphasis added). The Attorneys General believe that "[a]ttentive regulatory review of a BOC's efforts at providing nondiscriminatory access to OSS is necessary, since providing this sort of assistance to its competitors runs strongly counter to the natural competitive instincts of any business." Id.

Given the natural competitive tension involved with the RBOCs providing critical services to their competitors, the Attorneys General concluded that an RBOC's internal testing was not sufficient to demonstrate that the proposed interfaces would function as planned. Attorneys General Brief at 8. The Attorneys General outlined several prerequisites that must be satisfied before an RBOC's OSS interfaces meet the requirements of the competitive checklist. First, there must be "some experience with the systems on a day-to-day basis under conditions of general local competition in order to assess their adequacy on this measure." Id. at 8-9. Second, there must be a shakedown and debugging period, and all the debugging must be successfully completed. Id. at 9. Third, there must be some accumulation of experience in a competitive environment "so that the disputes that will inevitably arise

about the scope of the BOC's interconnection obligations can be identified and addressed while the BOC still has a powerful incentive to resolve the dispute promptly." Id. at 9. Fourth, some record of experience under competitive conditions "is necessary to reveal whether the RBOC will engage in unfair or discriminatory practices to inhibit entry into local exchange services markets." Id. at 9. As the Attorneys General point out, nondiscriminatory access to RBOC OSS interfaces is not an arbitrary hurdle to RBOC long distance market entry—rather, it is a necessary condition for local competition.

Q. WHAT ARE THE CHARACTERISTICS OF AN INTERFACE THAT PROVIDES NONDISCRIMINATORY ACCESS TO AN INCUMBENT LEC'S OSS?

A. The first characteristic is performance. The FCC Order, the DOJ, and the 13 Attorneys General focused on enabling new entrants to perform OSS functions in substantially the same time and manner as the incumbent in order to provide new entrants with a meaningful opportunity to compete.

> As stated by the FCC: [I]f competing carriers are unable to perform the functions of pre-ordering, ordering, provisioning, maintenance and repair, and billing for network elements and resale services in substantially the same time and manner that an incumbent can for itself, competing carriers will be severely disadvantaged, if not precluded altogether, from fairly competing. Thus providing

> nondiscriminatory access to these support system functions, which would include access to the information that such systems contain, is vital to creating opportunities for meaningful competition.

FCC Order ¶ 518. Likewise, the DOJ concluded:

> Under Section 271, an applicant must demonstrate that it can practicably provide checklist items by means of efficient wholesale support processes, including access to OSS functions. These processes must allow CLECs to perform ordering, maintenance, billing, and other functions at parity with the BOC's retail operations. Further, a BOC's wholesale support processes must offer a level of functionality sufficient to provide CLECs with a meaningful opportunity to compete using resale services and unbundled elements.

DOJ SBC Evaluation, at 28 (emphasis added). Similarly, the Attorneys General concluded:

> Nondiscriminatory access requires implementation of OSS functions that are sufficiently comparable to what is available internally to the BOC that they do not present barriers to effective competition by CLECs.

Attorneys General Brief at 8 (emphasis added). In sum, the Act's nondiscrimination requirements mandate that an incumbent LEC's interfaces enable a new entrant to perform the OSS functions in substantially the same time and manner as the incumbent LEC, and provide new entrants with a

meaningful opportunity to compete. BellSouth's current offerings do not meet this standard.

For an interface to satisfy the Act's nondiscrimination requirements, the interface must demonstrate, at a minimum, the characteristics described below. An interface with these characteristics will minimize the differences in OSS functional capabilities between the incumbent LEC and the new entrant:

Electronic -- The interface must be a machine-to-machine interface (computer application program-to-computer application program) that provides fully electronic interaction between the incumbent LEC's OSS and the new entrant's OSS. The interface must not require more human intervention in a transaction than is necessary when the incumbent performs a similar transaction for itself. As demonstrated below, BellSouth's electronic interfaces do not meet this standard.

Functionality -- The interface must provide all new entrants requesting access to the incumbent LEC's OSS with at least the same capabilities to perform their operations support functions with at least the same level of quality, efficiency, and effectiveness that the incumbent provides to itself. Again, BellSouth's interface fails to provide the necessary capability.

Documented -- The interface must be documented both adequately and sufficiently in advance to allow new entrants a reasonable opportunity to develop and deploy their own necessary systems, work processes, and employee training to use the interface. BellSouth does not yet offer adequate documentation.

Capacity -- The interface must have the capacity to meet combined market volumes of all new entrants with response times that are equivalent to those the incumbent LEC provides itself. CLECs cannot compete without such volume capacity, which BellSouth has not demonstrated.

Standards -- The interface must comply with existing telecommunications industry standards and ease the transition to evolving standards. Standards must govern:

- What is to be communicated (transaction sets)
- Specific information to be communicated (data elements)
- Language and Rules for Communication (protocols).

Appropriate testing and performance measurements are necessary to determine whether the proposed OSS interfaces meet these five characteristics. Testing is necessary to determine initially whether the proposed OSS interfaces have the capability to meet the five characteristics. Performance measurements are required to determine whether the proposed OSS interfaces continue to operate at a level that meets the five

characteristics. Again, BellSouth's OSS interfaces have not met these characteristics.

Q. MUST OSS INTERFACES BE ELECTRONIC IN ORDER TO PROVIDE NONDISCRIMINATORY ACCESS TO BELLSOUTH'S OSS FUNCTIONS?

A. Yes. The FCC Order requires BellSouth to provide access to OSS functions under terms and conditions that would provide a new entrant with a meaningful opportunity to compete. The DOJ correctly interpreted the FCC Order to require electronic interfaces. The DOJ found that machine-to-machine interfaces are necessary to provide larger new entrants a meaningful opportunity to compete. See DOJ SBC Evaluation, App. A, at 74-76; DOJ Ameritech Evaluation, App. A, at A-2. The fact that industry groups have either adopted or are in the process of adopting machine-to-machine interfaces as the industry standard is evidence that the industry has concluded that such interfaces are necessary to provide new entrants with a meaningful opportunity to compete. See DOJ SBC Evaluation, App. A, at 75; DOJ Ameritech Evaluation, App. A, at A-2, A-3 n.5, A-5 n.6. Additional evidence that machine-to-machine interfaces are necessary to provide larger new entrants a meaningful opportunity to compete is the fact that AT&T and MCI have arbitrated interconnection agreements that require BellSouth to provide machine-to-machine interfaces. Clearly, the DOJ, industry groups, and the larger new entrants themselves are in the best position to assess what types of OSS interfaces are necessary to provide new entrants with a meaningful opportunity to compete as required by the FCC Order.

Q. DO MANUAL PROCESSES FOR HANDLING ORDERS FOR "COMPLEX SERVICES" SATISFY BELLSOUTH'S OBLIGATION TO PROVIDE NONDISCRIMINATORY ACCESS?

A. No. BellSouth has the capability to input its own orders for complex services directly and electronically into BellSouth's OSS. Nondiscriminatory access requires that new entrants have the same capability to input orders for complex services directly and electronically into BellSouth's OSS, regardless of whether BellSouth chooses to use internal manual processes prior to electronic entry. It is that simple. If new entrants have direct order entry capability like BellSouth, the new entrants can automate and eliminate the inefficient manual processes that BellSouth developed in a monopoly environment and improve customer service. Without direct order entry capability, however, BellSouth cannot provide nondiscriminatory access and will be able to hold new entrants captive to BellSouth's own inefficient manual processes. That is not what competition is about.

Q. PLEASE EXPLAIN THE RELEVANCE OF INDUSTRY STANDARDS TO DETERMINING WHETHER BELLSOUTH'S PROPOSED INTERFACES PROVIDE NONDISCRIMINATORY ACCESS TO OSS FUNCTIONS.

A. BellSouth's OSS interfaces must provide new entrants with a meaningful opportunity to compete. Clearly, the telecommunications industry establishes standards because industry standards are important to competition. As the DOJ found, industry standards help reduce costs and facilitate the

development of interfaces, which is critical to competition. See DOJ SBC Evaluation, App. A, at 73-74; DOJ Ameritech Evaluation, App. A, at A-3. The fact that BellSouth claims to be a strong supporter of industry standards demonstrates that such standards are important. The Florida Commission, moreover, determined in the AT&T/BellSouth arbitration that BellSouth's "electronic interfaces should conform to industry standards where such standards exist or are developed."

Q. ARE INDUSTRY STANDARDS IN FINAL FORM AT THIS TIME?

A. The FCC Order recognized the competitive value of nationally standardized interfaces and sought "to ensure continued progress in establishing national standards". See FCC Order 96-325 ¶ ¶ 527-28. Thereafter, however, in its Second Order, the FCC made clear that incumbent LECs cannot delay competition by waiting until national standards have been fully developed before beginning to implement OSS interfaces.

BellSouth could have developed a pre-ordering interface that reflected industry standards even in the absence of final "industry standards." First, as the DOJ noted, the industry is developing EDI-based pre-ordering guidelines. See DOJ Ameritech Evaluation, App. A, A-5 n.6. Since pre-ordering and ordering are not strictly separated processes, it only makes sense that the pre-ordering interface also would be EDI-based so that it would be compatible with the ordering interface. AT&T, moreover, had been negotiating an EDI-based pre-ordering interface for some time before BellSouth ever conceived of LENS, which is not an EDI-based interface. All the signs pointed toward

the industry adopting an EDI-based pre-ordering standard. If it is premature to develop such interfaces, then BellSouth's attempt to enter the long distance market is similarly premature; as the DOJ has recognized, new entrants cannot be provided a meaningful opportunity to compete without EDI access. Nevertheless, BellSouth proceeded to develop LENS and now claims that its only alternative was to develop LENS or no pre-ordering interface at all. That claim simply is not supported by an objective review of the facts.

Q. IS AVAILABILITY OF ADEQUATE DOCUMENTATION RELEVANT TO DETERMINING WHETHER BELLSOUTH'S PROPOSED INTERFACES PROVIDE NONDISCRIMINATORY ACCESS TO OSS FUNCTIONS?

A. Yes. Inadequately documented interfaces do not provide new entrants with a meaningful opportunity to compete. Certainly, a new entrant will have to train personnel, undertake development work on its systems, and make adjustments in those systems to implement system improvements. Properly documented interfaces will facilitate the completion of those necessary tasks in a manner that provides new entrants a meaningful opportunity to compete.

New entrants need adequate information of system requirements sufficiently in advance of implementation in order to train their personnel and develop their own systems. With respect to LENS, BellSouth has not provided adequate information. New entrants also require a documentation change control system so that BellSouth and new entrants can implement changes efficiently and effectively. New entrants, however, have been excluded from

the process of managing programming changes to LENS. That is unreasonable because programming changes have the greatest impact on the end users of LENS -- new entrants. Compounding the problem is the fact that LENS is an immature system that will undergo numerous changes in the next six to nine months. Without adequate documentation of an electronic interface, new entrants will not have a meaningful opportunity to compete.

PROPOSED INTERFACES TO BELLSOUTH'S OPERATION SUPPORT SYSTEMS

GENERAL

Q. IS IT YOUR UNDERSTANDING THAT BELLSOUTH IS PROPOSING TO USE THE SAME ELECTRONIC INTERFACES UNDER ITS DRAFT SGAT AS BELLSOUTH AGREED TO PROVIDE UNDER ITS INTERCONNECTION AGREEMENT WITH AT&T?

A. No. The SGAT does not offer electronic interfaces as required by the Act. It is my understanding that certain interim interfaces available to AT&T under its Interconnection Agreement (like LENS) will be available to new entrants under the Draft SGAT, but as permanent interfaces. The Draft SGAT, however, does not offer the permanent interfaces to new entrants that BellSouth agreed to provide under its Interconnection Agreement with AT&T.

Q. CAN YOU BRIEFLY DESCRIBE THE TYPES OF INTERFACES PROVIDED UNDER THE DRAFT SGAT AND THE INTERCONNECTION AGREEMENT?

A. Yes. The Draft SGAT provides for the following types of OSS interfaces:

Manual Interfaces -- BellSouth's Draft SGAT refers to BellSouth's Ordering Guides. The Ordering Guides are geared toward instructing new entrants on how to complete paper forms that the new entrant would send to BellSouth via facsimile.

Local Exchange Navigation Systems (LENS) -- According to BellSouth, LENS uses "World Wide Web hypertext screens" to allow a new entrant to access several BellSouth systems and then use the output from one BellSouth system as the input for another BellSouth system to perform certain pre-ordering, ordering and provisioning functions. New entrants can access LENS by: (1) dial-up; (2) Local Area Network-to-Local Area Network ("LAN-to-LAN"); and (3) the Internet.

LENS is a human-to-machine interface in that LENS interfaces with the new entrant's service representative rather than directly with the new entrant's OSS. BellSouth intends to use LENS as a permanent interface despite the fact that BellSouth cannot adapt LENS to reflect evolving industry standards.

The Interconnection Agreement between BellSouth and AT&T acknowledges LENS as an interim interface that provides some pre-ordering capability. Under the Interconnection Agreement, AT&T reserved the right to: (1) review LENS specifications as they become available; and (2) elect to use LENS if it is operationally and economically viable. Nevertheless, LENS does not qualify as an electronic interface that would meet the requirements of Section 271.

Ordering Interfaces -- BellSouth proposes to offer an Electronic Data Interchange ("EDI") interface for ordering certain resold services and network elements, and the Exchange Access Control and Tracking ("EXACT") system for ordering interconnection services and other network elements. New entrants may use the EDI interface to transmit certain local service requests to BellSouth and receive an acknowledgment of each request. The EDI interface proposes to use national standards and has three different means of transmitting the EDI message: (1) dial-up; (2) value-added network ("VAN"); and (3) Connect:direct, which transfers files in a batch mode. The EXACT system, which is an existing system used in the access world, also uses national standards. As configured today, EDI and EXACT do not meet the requirements of Section 271.

Maintenance and Repair -- BellSouth proposes to offer access to its Trouble Analysis Facilitation Interface (TAFI) for basic exchange

services and to its Electronic Bonding Interface ("EBI") for other services.

The Interconnection Agreement provides for the following types of OSS interfaces:

> **Interim Interfaces** -- BellSouth agreed to provide AT&T with interim interfaces for Pre-Ordering, Ordering & Provisioning, Maintenance and Repair, and Billing for use until the required permanent electronic interfaces are in place. The interim interfaces are described in greater detail below, but generally do not satisfy the requirements of the Act because they require some varying degree of additional human intervention, lack certain important capabilities, or both. Exhibit JB-1 outlines the interim interfaces in use by AT&T for market entry in Georgia. The same interfaces will be used in Florida.
>
> **Permanent Electronic Interfaces** -- BellSouth and AT&T agreed to work together to develop and implement an electronic communications interface to replace the interim interfaces. The Interconnection Agreement defines "electronic communications interface" as a machine-to-machine or application-to-application interface, and expressly excludes an interface (such as LENS) that provides a presentation for manual entry. Interconnection Agreement, Attachment 15, ¶ 4.6. The Interconnection Agreement requires

BellSouth and AT&T to develop a project plan and a Joint Implementation Agreement to apply to the permanent electronic interfaces. Interconnection Agreement, Attachment 15, ¶ 9.1. BellSouth and AT&T agreed to use "best efforts" to implement such interfaces by December 31, 1997. Interconnection Agreement, Attachment 15, ¶ 4.6. BellSouth and AT&T also agreed to adapt the permanent electronic interfaces based on evolving industry standards. Interconnection Agreement, Attachment 15, ¶ 4.7. Exhibit JB-2 outlines the target view for the permanent electronic interfaces. When completed, fully tested and implemented, such interfaces should satisfy the requirements of the Act.

Q. ARE THERE SIGNIFICANT DIFFERENCES BETWEEN LENS AND THE PERMANENT ELECTRONIC INTERFACES DESCRIBED IN THE INTERCONNECTION AGREEMENT?

A. Yes. The permanent electronic interfaces should provide AT&T and other new entrants with nondiscriminatory access to BellSouth's OSS functions. LENS, however, is a classic example of a design that might meet the supplier's (BellSouth's) requirements but does not meet the customer's (new entrant's) requirements. LENS has significant deficiencies in each of the five characteristics of a nondiscriminatory interface that render it insufficient to comply with the Act. Some of the major deficiencies in LENS are:

Electronic -- LENS is not electronic because it is a human-to-machine interface.

Functionality -- LENS does not have the capability to perform the same functions as BellSouth's OSS.

Documented -- LENS is not sufficiently documented because BellSouth has not provided adequate technical specifications to allow a new entrant to build compatible systems.

Capacity -- LENS does not have sufficient pre-ordering capacity to meet the combined market demands of new entrants.

Standards -- LENS is a proprietary system that does not reflect existing and emerging industry standards.

Q. HAVE OTHER STATE COMMISSIONS DETERMINED WHETHER AN INCUMBENT LEC'S WEB-BASED INTERFACE CAN PROVIDE NONDISCRIMINATORY ACCESS TO OSS?

A. Yes. Like BellSouth, U.S. West has proposed a web-based interface to provide access to its OSS. Several state commissions have found that U.S. West's web-based interface did not meet the requirements of Section 251 or its implementing regulations. For example, the South Dakota Public Utilities Commission found that the web-based interface is a "human interface," provides "inferior" service, and "does not comply with the federal Act or the FCC First Report and Order." South Dakota Public Utilities Commission, Findings of Fact and Conclusions of Law Order, Docket No. TC96-184, at 25 (Mar. 20, 1997). Similarly, the North Dakota Public Service Commission found that "the web-based interface does not meet the requirements of the FCC's First Report." North Dakota Public Service Commission, Arbitrator's Decision, Case No. PU-453-96-497, at 57 (Mar. 19, 1997). Likewise, the

Montana Public Service Commission found merit in each of AT&T's criticisms regarding the deficiencies in the web-based interface. Montana Public Service Commission, Arbitration Decision and Order (No. 5961b), Docket No. D96.11.200, at 56 (Mar. 20, 1997). These deficiencies included: (i) that "the web page solution is a human interface and is prone to error;" and (ii) "the web page solution provides service inferior to that which U.S. West provides itself." Id. at 55. BellSouth's LENS system suffers from all of these infirmities.

Q. YOU STATE THAT LENS INVOLVES A HUMAN-TO-MACHINE INTERFACE WHEREAS THE PERMANENT ELECTRONIC INTERFACES INVOLVE A MACHINE-TO-MACHINE INTERFACE. PLEASE EXPLAIN.

A. Webster's dictionary defines "interface" as a point at which independent systems interact. Logically, an "electronic interface" is a point at which two independent systems interact electronically. LENS does not meet that definition of an electronic interface because it requires a new entrant's service representative to manually operate BellSouth's electronic OSS (i.e., human-to-machine) rather than allowing the new entrant's electronic OSS to interact or interoperate with BellSouth's electronic OSS (i.e., machine-to-machine). **Because LENS does not allow BellSouth's and the new entrant's OSS to interact electronically, the new entrant's service representative must manually input data into BellSouth's OSS, and then manually input that data again into the new entrant's OSS.** The new entrant's service representative effectively becomes the "interface" between the new entrant's

OSS and BellSouth's OSS in lieu of a direct electronic interface. These extra steps, which are not required of the LEC, introduce additional costs, delays, and human error and therefore are discriminatory.

An example will help illustrate how the new entrant's service representative becomes the interface. LENS is somewhat analogous to a remote terminal to BellSouth's OSS where a new entrant's service representative will work instead of a BellSouth service representative. A new entrant's service representative should be able to use LENS to obtain pre-ordering data from BellSouth's OSS, transfer that data electronically into a service order, and input the service order into BellSouth's OSS. The new entrant's service representative will need to use the service order to create certain records in the new entrant's OSS, such as a customer service record. The service order, however, resides only in BellSouth's OSS, and LENS cannot electronically transmit the service order from BellSouth's OSS to the new entrant's OSS. The new entrant's service representative, therefore, must manually input the service record data twice: once into BellSouth's OSS and once into the new entrant's OSS. LENS effectively requires the new entrant's service representative to become the human "interface" between BellSouth's OSS and the new entrant's OSS.

Q. DOES THE FACT THAT LENS IS A HUMAN-TO-MACHINE INTERFACE IMPACT THE DETERMINATION OF WHETHER LENS WILL PROVIDE NONDISCRIMINATORY ACCESS TO BELLSOUTH'S OSS?

A. Yes. LENS cannot provide nondiscriminatory access to BellSouth's OSS. As explained above, LENS requires double data entry by new entrants. Double data entry increases the risk of errors and the transaction time required to process a new customer, which in turn increase a new entrant's costs. BellSouth will not have to enter data twice when performing the same OSS functions. In addition, LENS does not provide a new entrant with the same on-line, front end edits available in BellSouth's Regional Negotiation System ("RNS") or Direct Order Entry ("DOE") system. On-line edits in RNS and DOE check for errors and prevent the release of orders to the Service Order Control System ("SOCS") until the service representative corrects such errors. LENS only looks for the presence of data in required fields and, therefore, would release orders with errors that RNS and DOE would not release. Consequently, many errors in LENS orders are identified after LENS releases the order and the new entrant's service representative is off-line with respect to that particular order. Without on-line edits, new entrants are more likely to submit orders that are later rejected and must be resubmitted. The cycle time for that process will cause delays in providing service to customers, as well as increase transaction costs. That is discriminatory.

Where LENS does provide on-line edits, it does so inefficiently. First, LENS does not highlight mandatory fields to distinguish them from optional fields. Highlighting mandatory fields would reduce omissions. Second, LENS only displays one error at a time. If a particular screen had three errors, a new entrant would have to repeat essentially the same process three times. If LENS could display all of the errors initially, new entrants could correct the

errors more efficiently and effectively. These differences may appear insignificant at first, but the fact is that BellSouth will enjoy the use of systems that do not suffer from these infirmities. BellSouth will not incur this delay and expense when offering service to its customers.

Q. YOU ALSO STATE THAT LENS IS A PROPRIETARY SYSTEM. DOES THAT AFFECT BELLSOUTH'S ABILITY TO PROVIDE NONDISCRIMINATORY ACCESS TO ITS OSS THROUGH LENS?

A. Yes. LENS is a proprietary system because BellSouth owns and controls the design of LENS and has no obligation to conform to any industry standards or guidelines. That creates several problems. Under a proprietary system, the RBOC can make unilateral changes to the system. Unilaterally imposed changes can be expensive and disruptive for new entrants. In contrast, a system based on national standards (i.e., a non-proprietary system) is more stable because it is not subject to unilateral changes. A new entrant can plan and implement its operations more efficiently and effectively if the OSS interface is stable.

Another drawback to proprietary systems like LENS is that such systems typically are unique to that particular carrier. Consequently, new entrants who conduct business with more than one carrier have to operate with multiple OSS interfaces, which increases a new entrant's costs and decreases its operational effectiveness and efficiency. Systems based on national standards alleviate that problem.

Finally, information about proprietary systems generally is not publicly available. For example, AT&T has requested the technical specifications for LENS as provided for under the parties' Interconnection Agreement and the FCC's Second Order on Reconsideration. BellSouth, however, has not provided AT&T with the LENS technical specifications. Instead, BellSouth provided AT&T with the LENS functional requirement specification, but that document is proprietary and does not provide the information a new entrant needs to use LENS effectively. BellSouth also has never provided AT&T with a description of the changes BellSouth plans to make to LENS, or the results of testing BellSouth claims it has conducted for LENS. Without easily accessible information about LENS, it is impossible for new entrants to integrate LENS into their own operations.

Q. ARE THERE SOFTWARE PROGRAMS OR PROGRAMMING TECHNIQUES THAT WOULD ELIMINATE THE DISADVANTAGES AND DRAWBACKS OF THE LENS INTERFACE?

A. No. There are two techniques which have been proposed by BellSouth as possible methods to eliminate the disadvantages and drawbacks of web server-based interfaces such as LENS. These proposed techniques are "Screen Scraping" and the use of a "Tag Value" data stream from LENS instead of a screen format. Each technique places an additional costly development burden upon new entrants to compensate for the deficiencies of BellSouth's LENS. Specifically, new entrants must: (1) develop, test and implement the "front end" Screen Scraping software or Tag Value translator,

and (2) develop, test, and implement modifications to its own operations support systems to accept and process the unique non-standard data elements used by the BellSouth LENS.

Neither technique reduces the adverse impact associated with the proprietary nature of LENS. To the contrary, both techniques increase the costs and operational disruptions associated with a BellSouth unilateral decision to make a change in LENS. For example:

Increased Costs -- A new entrant using LENS without Screen Scraping or a Tag Value data stream will incur training costs when BellSouth makes a change. A new entrant using LENS with Screen Scraping or a Tag Value data stream, however, will incur training costs plus the costs to develop, test and implement software changes to the new entrant's front end systems and its operations support systems.

Longer Operational Disruptions -- When BellSouth changes LENS, it will cause an operational disruption for all new entrants that use LENS. Depending on the change, the operational disruption could range from simple confusion to a complete loss of capability to place an order with BellSouth. The operational disruption will be longer for any new entrant using Screen Scraping or Tag Values because it will take longer to modify the new entrant's systems to accommodate BellSouth's change.

Although there are disruptions with any interface change in a standards environment, they are known in advance, which is not the case with BellSouth. The risk of increased costs and longer operational disruptions resulting from BellSouth's unilateral changes to LENS is a strong disincentive to new entrants investing resources to supplement LENS with Screen Scraping or Tag Value technology. That is particularly true because BellSouth requires new entrants to use the most current version of LENS (which is constantly changing) instead of allowing new entrants to choose to use older, but stable versions of LENS.

In any event, a new entrant cannot implement either of these techniques if BellSouth does not provide the specifications for LENS, the Web page screens it produces, or the Tag Values that will be sent in place of the screens. AT&T and BellSouth have been engaged in meetings to utilize the Tag Value method since January, 1997. Following AT&T's escalation of the issue to the BellSouth's executive level, BellSouth produced Tag Value documentation on March 20, 1997. Less than three weeks later (April 8, 1997), BellSouth retracted that documentation declaring their own work impractical. On April 15, 1997, BellSouth abandoned its efforts to develop the alternatives presented in their "White Paper" dated September 6, 1996. BellSouth later provided a set of descriptions of their LENS web pages that supposedly were current as of April 25, 1997. The LENS design, however, is frequently and constantly changing because of its immaturity and instability. These changes make it commercially impracticable, if not virtually impossible for any new

entrant to develop systems that will allow new entrants to integrate their OSS with LENS. New entrants cannot hit a moving target.

Q. DOES BELLSOUTH PROVIDE FOR TESTING OF LENS THAT IS SIMILAR TO THE TESTING OF PERMANENT ELECTRONIC INTERFACES REQUIRED UNDER THE INTERCONNECTION AGREEMENT?

A. No. BellSouth does not provide for any joint testing of LENS with a new entrant. In contrast, the Interconnection Agreement memorializes BellSouth's and AT&T's mutual understanding that "end-to-end testing and load testing are necessary processes in the implementation of electronic interfaces and in establishing what further work needs to be done to insure that AT&T will receive electronic interfaces at parity with what BellSouth provides itself, its Affiliates, and its customers." Interconnection Agreement, Attachment 15, ¶ 8.3. In the Interconnection Agreement, both "AT&T and BellSouth agree[d] that no interface will be considered as operational until end-to-end integrity . . . or other mutually acceptable documentation is completed to the satisfaction of both Parties." Interconnection Agreement, Attachment 15, ¶ 8.1. Without joint testing with new entrants, new entrants cannot determine whether they can use LENS effectively, and BellSouth cannot demonstrate that LENS provides new entrants with nondiscriminatory access to BellSouth's OSS.

Q. WHAT IS THE STATUS OF LENS?

A. It is difficult to determine the status of LENS. BellSouth claims that LENS was "available" on April 28, 1997. LENS, however, cannot reasonably be

considered available because: (1) the LENS design is not stable and will not be stable for at least six to nine months; (2) new entrants cannot readily obtain access to LENS; and (3) LENS has not been adequately tested.

The LENS Design Is Not Stable -- The BellSouth project manager for the LENS program wrote a letter to AT&T on May 19, 1997 advising that the LENS design was not stable, and would not be stable for six to nine months. Exhibit JB-3. LENS cannot be considered "available" when the design is not stable.

During LENS Demonstrations for AT&T and the industry conducted by BellSouth on May 5 and May 13, 1997, BellSouth's employees referred to and commented on at least 28 corrections and enhancements to LENS (which is not a complete list of LENS deficiencies). They characterized these variously as being either required to fix known problems, improve operations and usefulness, or planned to provide parity with existing BellSouth OSS. Exhibit JB-4 lists these 28 items and their status as known by AT&T on July 17, 1997. Many are still not available.

Access to LENS Is Not Readily Obtainable -- Another reason LENS cannot be considered "available" is that new entrants cannot readily obtain access to LENS. If a new entrant cannot obtain access to LENS after seven weeks, LENS can hardly be considered "available." AT&T, however, has tried unsuccessfully for almost seven weeks to obtain access to LENS. A

description of this saga will demonstrate why LENS cannot be considered "available."

May 6, 1997	AT&T orders two dial-up identification numbers.
May 7, 1997	AT&T orders two additional identification numbers. BellSouth advises AT&T that it will take two weeks to obtain the identification numbers.
May 21, 1997	AT&T calls BellSouth but speaks to Account Team regarding identification numbers. Account Team could not provide AT&T the identification numbers or any information regarding the status of the identification numbers.
May 23, 1997	AT&T calls BellSouth but BellSouth could not provide AT&T the identification numbers or any information regarding the status of the identification numbers.
May 23, 1997	AT&T receives user identification number and passwords for four users by U.S. mail, but no

	Secure Identification Card, which is required for dial-up access.
May 26, 1997	AT&T receives Secure Identification Card by U.S. mail.
June 3, 1997	One AT&T user attempts unsuccessfully to log onto LENS. AT&T user calls BellSouth user support group for assistance. After speaking with BellSouth, AT&T again unsuccessfully attempts to log onto LENS. AT&T again calls BellSouth user support group, but had to leave a message after reaching after-hours recording.
	A second AT&T user calls BellSouth user support group to obtain a Uniform Resource Locator (URL) which is required by the LENS login procedure. BellSouth's user support group advises second AT&T user that URL would be provided to users during LENS training, which had not yet been scheduled.
June 4, 1997	BellSouth user support group calls AT&T and advises that AT&T's identification numbers had been changed.

June 6, 1997	AT&T calls BellSouth to obtain URL.
June 9, 1997	BellSouth advises AT&T that URL will be forthcoming.
June 10, 1997	AT&T receives URL.
June 12, 1997	AT&T's repeated attempts to log onto LENS are unsuccessful. AT&T calls BellSouth user support group but had to leave message after reaching after-hours recording. BellSouth leaves message with AT&T inquiring about AT&T's ability to log onto LENS. AT&T returns call and leaves message that AT&T could not log onto LENS and that AT&T would meet with its system administrator to trouble shoot problem on June 13th.
June 13, 1997	BellSouth user support group advises AT&T that user support group cannot support users that have not attended LENS training. AT&T system administrator determines that URL is not responding. AT&T calls LENS project manager to advise of continuing problems.

	BellSouth subject matter expert calls AT&T user to walk through the log on process. BellSouth advises AT&T user that BellSouth had incorrectly issued an identification number for access to BellSouth secure router which would not provide access to LENS. BellSouth stated that BellSouth would take corrective action.
June 17, 1997	At a training session, BellSouth provided AT&T with valid user identification cards.

Access to LENS on a Regional-Basis Is Uncertain -- LENS appears to be incapable of accepting and automating profiles from a new entrant doing business in more than one geographic area at a time. AT&T recently initiated a request for IDs to use on a LAN-to-LAN connection. The forms provided by BellSouth request a number of items which were not required for the dial-up IDs. Additional items include: ACNA (Access Customer Name and Address Code), BAN (Billing Account Number), ACTL (Access Customer Terminal Location Code). The forms assume one entry for each of these items per LAN connection. ACNA is a constant, but BAN and ACTL are variables and multiple in nature. For example, AT&T will have four BANs per RAO (Revenue Accounting Office), BellSouth has 12 RAOs so AT&T will have 48 possible BANs. When questioned, BellSouth personnel indicated that they had not yet processed a request for LAN IDs and were not sure what was required. It is likely that new entrants will have to input

administrative, billing and contact information manually into LENS instead of having LENS populate these fields automatically based on the identity of the user, and the applicable NPA/NXX. This will be a time consuming and inefficient process and is not at parity with BellSouth's internal processes.

LENS Has Not Been Adequately Tested -- It is also premature to consider LENS an operable interface before the completion of appropriate testing. BellSouth claims that BellSouth has tested LENS internally, which is a necessary part of the process but should not be the total process. BellSouth, however, has not shared its internal testing procedures or its test data with AT&T. Moreover, it is difficult to understand how LENS could pass any meaningful internal tests if the LENS design is not yet stable. In any event, LENS has not been subject to inter-carrier testing. As noted by the Attorneys General from 13 states including Florida:

> Testing of the systems by the BOC is not enough to provide reasonable assurance that they will function as planned with the systems of the CLECs. It will require some experience with the systems on a day-to-day basis under conditions of genuine local competition in order to assess their adequacy on this measure.
>
> Even if a BOC acts with the best of intentions, it seems likely that the necessarily complex OSS functions it designs and implements will require some shakedown and debugging period before they interact smoothly with the systems of the CLECs. InterLATA approval should not be granted before the debugging has been successfully

completed, since the prospect of such approval provides a strong incentive for the BOC to focus on this problem and devote the resources necessary to resolve it.

Reply Comments of the Attorneys General, SBC Communications § 271 - Oklahoma (May 27, 1997), at 8-9. As discussed above, the DOJ reached a similar conclusion. See DOJ Evaluation, App. A, at 85-89. Again, it is simply premature to conclude that LENS is ready for commercial use by CLECs.

Q. WHAT IS THE STATUS OF THE ELECTRONIC INTERFACES REQUIRED UNDER AT&T'S INTERCONNECTION AGREEMENT?

A. Most of the interim interfaces that AT&T will be using to enter the market as a reseller are in place. These interim interfaces, however, do not provide AT&T with nondiscriminatory access to BellSouth's OSS.

With respect to the permanent electronic interfaces, BellSouth and AT&T are conducting joint planning meetings to develop project plans and joint implementation agreements. BellSouth and AT&T recently signed a Joint Implementation Agreement ("JIA") for Long Term Pre-ordering Interfaces. That JIA provides for the following eleven (11) steps of "external" joint testing to address interoperability between gateway-to-gateway and end-to-end systems. The first test (the OSI Stack Conformance testing) relating to the long-term pre-ordering interfaces between BellSouth and AT&T is scheduled to begin on July 15, 1997. The last test (the Beta Trial) is scheduled to begin on January 2, 1998.

1. OSI Stack Conformance Testing (this test is internal to each company)
2. Network-to-Network Testing
3. Stack-to-Stack Testing
4. EDI Testing
5. Pre-Order Application Conformance Testing
6. End-to-End Testing
7. Soak and Load Testing
8. End-to-End Testing
9. Network Validation Testing
10. Operational Readiness Testing
11. Beta Trial

Exhibit JB-5 depicts the relationship between these tests and the supplier's (BellSouth's) and customer's (AT&T's) gateways, operations support centers, and work centers, and the interconnecting network.

The JIA test plan is associated with a highly sophisticated interface almost in complete conformance with the ultimate industry concept of being fully electronically bonded. Nevertheless, the principles of testing reflected in the JIA test plan are applicable to any interface between two companies from a manual telephone-based process to a fully electronically bonded process. Testing occurs from the inside out, from simple to complex, adding more pieces of the process with each step until both customer and supplier are satisfied that the interface meets their business needs and requirements.

A similar test plan was used for the EDI interface now being used by AT&T for Market Readiness Testing in Georgia. Market Readiness Testing is a form of Beta Trial. Service Readiness Testing also occurs within Beta Trials. AT&T expects that the interfaces required by the Interconnection Agreement, once fully implemented, will provide AT&T with nondiscriminatory access to BellSouth's OSS. Expectations, however, are not sufficient to demonstrate actual availability and operability of access to BellSouth's OSS.

INDIVIDUAL INTERFACES

Q. WOULD YOU DISCUSS THE DIFFERENT INTERFACES FOR EACH MAJOR OSS FUNCTIONAL AREA?

A. Yes. I discuss below BellSouth's proposed interfaces for each of the major OSS functional areas (pre-ordering, ordering and provisioning, maintenance and repair, and billing). I also describe the specific reasons why BellSouth's proposed interfaces do not currently provide new entrants with nondiscriminatory access to BellSouth's OSS.

PRE-ORDERING INTERFACE

Q. WHAT IS PRE-ORDERING?

A. The FCC Rules define "Pre-Ordering" and "Ordering" together. Under the FCC Rules, pre-ordering and ordering "includes the exchange of information between telecommunications carriers about current or proposed customer

products and services or unbundled elements or some combination thereof." 47 C.F.R. § 51.5. In other words, pre-ordering is the exchange of information necessary to prepare an order, whereas ordering is the actual transmission of the order, along with attendant acknowledgments, notices, and status reports. Pre-ordering ordinarily takes place while the customer is on the telephone. Pre-ordering functions include: (1) determining the customer's existing services; (2) determining the services and features available to that customer; (3) validating the customer's address; (4) assigning a telephone number; and (5) scheduling appointments for required site visits and establishing due dates for the commencement of services.

Q. IS "PRE-ORDERING INFORMATION" NECESSARY TO COMPETE FOR EXISTING CUSTOMERS?

A. Yes. First, BellSouth requires a valid street address for every order, even if the customer is only switching service providers. New entrants, therefore, need access to BellSouth's OSS for address validation (the Regional Street Address Guide known as RSAG). Second, new entrants must be able to offer potential customers the ability to choose the services that each customer wants and needs. New entrants will not have a meaningful opportunity to compete with BellSouth for its existing customers if new entrants can only offer potential customers the ability to "switch as is" because the new entrant cannot perform critical pre-ordering functions. Third, new entrants need pre-ordering information for their records even if the customer only wants to switch service providers. Fourth, new entrants need to access pre-ordering information even after the CLEC has already obtained new customers, e.g., to

offer its new customers new features, services, and promotions. Finally, the Act requires BellSouth to provide new entrants with access to pre-ordering functions. BellSouth's obligations under the Act are not diminished by the possibility that some customers may only want to switch service providers.

Q. DOES LENS PROVIDE A NEW ENTRANT WITH THE SAME PRE-ORDERING CAPABILITIES THAT BELLSOUTH PROVIDES ITSELF?

A. No. LENS will not provide new entrants with nondiscriminatory access to BellSouth's OSS for pre-ordering functions. As explained above, there are significant gaps between a new entrant's pre-ordering capabilities using LENS and BellSouth's own pre-ordering capabilities with respect to the five characteristics of a nondiscriminatory interface.

ELECTRONIC -- As discussed above, LENS is a human-to-machine interface that does not allow electronic communication between BellSouth's OSS and a new entrant's OSS. One of the consequences of this defect is that new entrants have to record manually the pre-ordering information obtained from LENS in the Inquiry Mode for manual input into an EDI order. The LENS User Guide suggests that new entrants can print out the LENS screens to record the pre-ordering information. That creates many problems. First, service representatives typically do not have printers. New entrants would have to buy printers for each service representative to create that capability. Second, as we all know, printers experience problems relatively often -- the paper jams, it runs out of paper, etc. A new entrant would have to hold a customer on the line while the printing problem is fixed. Third, in the Inquiry

Mode, LENS does not "remember" information. Consequently, a new entrant would have to print out numerous screens rather than one summary screen. That is not practical. Finally, the new entrant still has to input the pre-ordering information manually into an EDI order. In other words, after going through the lengthy process of obtaining the information through LENS, the new entrant has to go through another lengthy process of sorting through the computer print-outs to re-input that information manually into an EDI order. Clearly, this duplicative and manual process does not meet the requirements of the Act.

FUNCTIONALITY -- As discussed below, LENS does not provide new entrants with the same capabilities as BellSouth, nor does LENS provide new entrants with the capabilities necessary for new entrants to compete effectively. In fact, BellSouth has estimated that LENS will not be stable for six to nine months. In other words, LENS still must undergo numerous changes before LENS can provide the functionality that even BellSouth believes are appropriate. Discussed below are some of the deficiencies in LENS:

General

1. LENS does not operate efficiently. BellSouth did not design LENS with the new entrant in mind. It is my understanding that BellSouth did not even consult with new entrants when designing LENS. As a result, there are many instances where LENS does not operate efficiently. For example, LENS does not allow a new entrant to reach all fields by tabbing, which usually is the most efficient way

for a service representative to move from field to field. LENS also does not allow a new entrant to select address information from the drop-down dialog box, which is a feature that is available in AT&T's interim address validation interface, and presumably is available to BellSouth. These types of design defects makes LENS more cumbersome to use.

Address Validation

1. LENS requires new entrants to validate addresses repeatedly. -- In its Inquiry mode, LENS requires a new entrant to validate a customer's address repeatedly in order to perform various pre-ordering functions. LENS requires a new entrant to validate the address at the beginning of the every pre-ordering process except viewing customer service records. As a result, a new entrant must validate a customer's information four times during the pre-ordering process. That unnecessary repetition wastes time and invites errors.

2. LENS does not allow CLECs to assign house numbers for unnumbered addresses. Without that capability, a new entrant's service representative must contact BellSouth to perform the assignment function for the new entrant. That manual process will adversely affect the new entrant's ability to provide timely, accurate and inexpensive service to its customers.

3. LENS does not display the same type of information that is available to BellSouth's service representatives. For example, RNS displays driving instructions and a neighbor's phone number and DOE

provides the identification of the serving central office. LENS does not display this information.

Telephone Number Selection

1. LENS is unable to perform certain telephone number searches as advertised. -- BellSouth claims that LENS can perform nine kinds of telephone number searches: Random Numbers; Vanity Numbers; Easy Numbers; Ascending Line Digits (i.e, 1234, 2345, 3456); Descending Line Digits (i.e., 9876, etc.); Identical Line Digits (i.e., 2222, etc.); Sequential Line Numbers (i.e., XXX1, XXX2, XXX3); Special Number Patterns; and Number Exclusions. Of those nine searches, LENS has not been able to accomplish ~~five types of searches (Ascending Line Digits, Descending Line Digits, Identical Line Digits, Sequential Line Numbers, and Number Exclusions).~~ with "the Number Exclusion Search." With respect to Special Number Patterns, LENS cannot perform this type of search unless the new entrant knows the NXXs available in the relevant central office, but LENS does not provide that information. ~~In sum, LENS appears capable of fully performing only three types of number searches: random numbers, vanity numbers, and easy numbers.~~

2. LENS does not provide new entrants with the same options as BellSouth for selecting telephone numbers. -- LENS does not allow new entrants to select the options of Ringmaster, Hunting and Specific NXX. BellSouth's service representatives have that capability.

3. LENS does not provide equivalent access to telephone numbers. --LENS will limit new entrants to the lower of 100 reserved telephone numbers, or five percent of the available numbers for any given central office. BellSouth deems that a new entrant "reserves" a telephone number when the new entrant chooses a telephone number in the LENS Inquiry Mode for use in EDI or manual ordering. That telephone number is not transformed from "reserved" status to "selected" status until the service order with that telephone number is entered into BellSouth's Service Order Completion System ("SOCS"). It could take minutes or days for a service order to be entered into SOCS. In contrast, BellSouth deems a telephone number to be "selected" instead of "reserved" when BellSouth itself chooses a telephone number or a new entrant chooses a telephone number in the LENS Firm Order Mode. As a practical matter, the 100 number limit will affect only large new entrants because the larger new entrants are more likely to submit EDI orders in quantities that could trigger the 100 number limit. That discriminates against larger new entrants.

The impact of this discrimination is real. During my evaluation of LENS, I attempted to choose a telephone number in a particular central office via the LENS Inquiry Mode. My attempt was unsuccessful. I made the same attempt in the Firm Order Mode and LENS presented a list of available numbers. In other words, telephone numbers that are available to BellSouth and new entrants using LENS in the Firm Order Mode are not available to new entrants that use the industry standard, EDI ordering interface. If BellSouth's

limitation of 100 telephone numbers per central office affects a new entrant now at minimal order volumes, imagine the adverse impact it will have when the new entrant starts placing hundreds or thousands of orders per day.

4. LENS does not provide new entrants with the same capability to reserve telephone numbers -- BellSouth can use its OSS to reserve more types of telephone numbers than a new entrant using LENS. For example, BellSouth can reserve up to 25 numbers using its OSS, but a new entrant using LENS cannot reserve more than six telephone numbers at a time. BellSouth also can use its OSS to reserve multi-line hunt group numbers, but new entrants cannot use LENS to reserve these numbers. Furthermore, a new entrant will incur charges for conducting searches whereas BellSouth will not incur charges for conducting the same searches. Specifically, BellSouth will impose search and assign charges on new entrants both when the new entrant itself conducts searches, and when BellSouth must conduct the search for a new entrant because LENS does not provide that search capability. Yet, BellSouth does not charge itself for such searches. While BellSouth may incur some minimal cost for conducting searches for a new entrant, that cost is not the same as the search and assign charge. BellSouth, moreover, does not incur any additional cost, but receives additional revenue, when a new entrant conducts its own search. That is discriminatory.

Products and Services

1. LENS does not allow new entrants to obtain Primary Interexchange Carrier ("PIC") information efficiently. -- LENS presents a random list of available long distance carriers, which may consist of over 300 carriers, with no search capability. A new entrant, therefore, may have to view over 30 screens (10 carriers per screen) in order to find the appropriate code for the long distance carrier the customer would like to select. Finding a single carrier in a list of over 300 carriers can take a considerable amount of time and is prone to errors. At the very least, LENS should list the available long distance carriers alphabetically or provide a search capability.

2. LENS does not provide complete products and services information. -- Like the PIC information, LENS does not present its lengthy list of products and services (typically over 100 items) in any particular order that would facilitate locating information about a specific product or service in a timely and accurate manner. LENS also does not list the services available to a particular customer when LENS is in the Firm Order Mode. Instead, LENS only identifies the products and services that can be ordered through LENS. For example, the LENS Inquiry Mode identified 114 products and services that were available in a particular central office, but identified only 8 products and services in its Firm Order Mode. Consequently, new entrants using LENS in the Firm Order Mode will not have an accurate list of the available products and services.

LENS does not provide complete products and services information in the Inquiry Mode either. In addition to identifying a

particular product or service, new entrants need the capability to obtain additional information beyond whether the service is available for resale to place orders. LENS provides information (extended name, availability status, availability date, USOC, and tariff notes) for certain services. For other services like "ESSX" and "Multiserv," this information is not available. Interestingly, LENS was unable to retrieve product and service information for "ESSX" and "Multiserv" during LENS demonstrations on May 5 and May 13, 1997. After several minutes of waiting for the requested information, LENS had to be shut down and restarted. BellSouth Witness Calhoun previously testified that BellSouth had corrected this problem. It now appears that BellSouth's "solution" to this problem simply was not to provide product and service information for services like "ESSX" and "Multiserv."

3. LENS does not support certain products as a pre-ordering function. --BellSouth can select certain products (inside wiring and jacks) as pre-ordering elements in RNS, but LENS does not provide that functionality. Similarly, BellSouth can select certain business products (hunting) as a pre-ordering element in DOE, but LENS does not provide that functionality. LENS' lack of this product and services functionality adversely affects its capability to provide due date and appointment scheduling functionality when new entrants operate LENS in the inquiry mode.

4. LENS does allow new entrants to select more than one service or product at time. -- LENS requires that new entrants select

services and products individually rather than as a group. LENS does not allow a new entrant to highlight several products and services for selection at one time. As a result, a new entrant must repeat the selection process for each individual product and service. Multiple selections cause delays and increase the chance that a new entrant may duplicate or omit a selection.

Direct Order Entry Support Applications Program ("DSAP")

1. LENS does not provide access to calculated due dates in the inquiry mode.-- BellSouth service representatives can ascertain the earliest available due date by using DSAP, which applies an algorithm to a number of variable inputs (including the number of lines, type of service, work load, and availability of network facilities) in order to calculate the due date. If the earliest available due date does not meet the customer's needs, the BellSouth service representative can use DSAP to ascertain alternative dates. Once the customer accepts a proposed due date, the BellSouth service representative can reserve that due date using BellSouth's Service Order Completion System ("SOCS"). New entrants' service representatives, on the other hand, do not have access to the essential capability of DSAP when using LENS for pre-ordering and EDI for ordering, which BellSouth projects will account for 80 percent of all service orders. Instead, LENS provides new entrants with a table of projected service intervals for the applicable central office instead of the earliest available due date calculated by DSAP. That is discriminatory.

The new entrant's inability to access the essential capability of DSAP when using LENS for pre-ordering will have a significant effect on customers. First, the new entrant's customers may receive a later due date or appointment than a similarly situated BellSouth customer because the new entrant does not have equal access to DSAP during pre-ordering. Second, the entrant's customers likely will experience a higher percentage of due date and appointment rescheduling than a similarly situated BellSouth customer. The reason for that is the new entrant does not know until hours after submitting an order whether the due dates and appointments provided to customers are actually available. If the due date or appointment is not available, the new entrant must contact the customer and go through the scheduling process again when the date or appointment selected by the BellSouth's SOCS does not meet the customers' requirements.

2. LENS does not provide due dates or appointment intervals for network elements. --BellSouth has not provided due date or appointment intervals for network elements. A new entrant cannot provide its customers with accurate due dates and appointments for orders involving network elements without such intervals.

3. LENS does not allow new entrants to schedule appointments windows in specified four hour blocks. --LENS only allows new entrants to specify AM or PM appointments. BellSouth can offer its customers any four hour block, e.g., 10 A.M. to 2 P.M.

DOCUMENTED -- BellSouth has not adequately documented the LENS interface. Specifically, BellSouth has not provided the technical specifications necessary for new entrants to develop or modify their own internal OSSs to be able to communicate electronically with LENS. The LENS design, moreover, is not yet stable, and will not be stable for at least 6 to 9 months. Even if BellSouth were to provide technical specifications, however, those specifications would quickly become obsolete because of the continuing design changes. As a result, it would not be practical for new entrants to develop or modify their internal systems until LENS is stable. Even then, BellSouth does not have any change control processes in place that would: (a) manage design changes effectively and efficiently from the collective viewpoints of BellSouth and new entrants; and (b) communicate the design changes sufficiently in advance to provide new entrants with a meaningful opportunity to adjust their systems. Currently, new entrants have little if any involvement in the change process.

Another area where LENS documentation is deficient is in the area of training. BellSouth proposes to provide representatives from each new entrant with two or three days of training, and then those representatives would train the new entrants' employees. In contrast, BellSouth provides weeks of training to its service representatives.

CAPACITY -- BellSouth claims that LENS has the capacity to process 1000-1200 orders per day, and multiple pre-ordering transactions associated with 5000 orders per day (1000 LENS and 4000 EDI orders) for the nine state

BellSouth region. BellSouth has not provided any data to demonstrate that LENS has adequate capacity to handle the combined market volumes for all new entrants. Without information regarding how BellSouth tested the capacity of LENS and the data resulting from that testing, the Commission cannot be sure that LENS has the requisite capacity.

STANDARDS -- As discussed above, LENS is a proprietary system that does not comply with any industry standards. EDI has been endorsed as the data element structure for the pre-ordering industry standard. That only makes sense because EDI is the industry standard for ordering, and service orders are populated with pre-ordering information. BellSouth, however, proposes to use a pre-ordering interface (LENS) that is not compatible with the industry standard EDI ordering interface, even though BellSouth projects that 80 percent of all service orders will flow over the EDI interface. That makes no sense, unless BellSouth is trying to make it difficult for new entrants to place service orders.

Q. WHAT KIND OF ELECTRONIC INTERFACES FOR PRE-ORDERING HAS BELLSOUTH AGREED TO PROVIDE UNDER ITS INTERCONNECTION AGREEMENT WITH AT&T?

A BellSouth has agreed to provide interim interfaces until the permanent electronic interfaces are operational. Provided below is a brief description of the required interim interfaces and permanent electronic interfaces.

Interim Pre-Ordering Interfaces

a. Address Validation -- BellSouth provides on-line, LAN-to-LAN connectivity to BellSouth's Regional Street Address Guide ("RSAG").

b. Service Feature Availability -- BellSouth provides AT&T a copy of its Products/Services Inventory Management System ("P/SIMS") files via a batch mode transmission.

c. Telephone Number Assignment -- Upon AT&T's request, BellSouth provides AT&T with a file consisting of a block of 100 reserved telephone numbers via a batch mode transmission.

d. Appointment Scheduling -- BellSouth provides AT&T with paper standard interval guidelines for use in scheduling appointments for the installation of resold services.

e. Customer Service Record ("CSR") Requests -- BellSouth provides CSRs after receiving customer consent via three way call (customer, AT&T and BellSouth), or facsimile of the customer's Letter of Agency.

Permanent Pre-Ordering Interfaces

The Interconnection Agreement provides for a single transaction-based, electronic communications interface that is capable of performing a full range of pre-ordering functions for both resold services and network elements. When the permanent interfaces are in place, AT&T would be able to populate its service order and other records with the pre-ordering information obtained via the permanent electronic interface.

Q. WILL THE INTERIM INTERFACES UNDER THE INTERCONNECTION AGREEMENT PROVIDE AT&T OR ANY OTHER NEW ENTRANT WITH THE SAME PRE-ORDERING CAPABILITIES THAT BELLSOUTH PROVIDES ITSELF?

A. No. The interim pre-ordering interfaces have many deficiencies and, as a result, do not provide for nondiscriminatory access to BellSouth's OSS for pre-ordering. For example:

> **Telephone Number Assignment** -- Because the interim interface limits AT&T to a defined block of 100 telephone numbers, AT&T cannot satisfy its customers' requests for special numbers (e.g., contiguous blocks of numbers, vanity numbers, easy numbers, etc.) without the manual intervention of BellSouth service representatives. The interim interface also requires AT&T to create and maintain a "shadow" telephone number inventory system to keep track of the available telephone numbers for each central office for the purposes of assigning telephone numbers and replenishing AT&T's inventory. In contrast, a BellSouth representative can access all available telephone numbers without manual intervention, and its OSS automatically maintains an inventory of telephone numbers. That is discriminatory, does not offer entrants substantially the same time and manner of access as BellSouth, and therefore does not comply with Section 251 of the Act.

Appointment Scheduling -- The interim interface simply is a document that lists standard estimated intervals for performing a particular task. The interim interface, therefore, may project an appointment that: (1) is not actually available; or (2) is not the first available appointment. The interim interface, moreover, does not allow AT&T to reserve an appointment when AT&T is taking the customer's order. Instead, AT&T must send the order with a projected appointment to BellSouth and wait until BellSouth sends AT&T a Firm Order Confirmation ("FOC"). If the FOC indicates that the projected appointment is not available, AT&T must contact the customer and start the process again (i.e., send BellSouth a supplemental order with a new projected appointment, wait for a FOC, and repeat the process if the new projected appointment is not available). BellSouth, on the other hand, can determine what appointments are actually available, and reserve that appointment with the customer on the line. That is discriminatory.

Customer Service Records -- The interim interface does not provide AT&T direct access to CSRs, when such access is authorized by the customer. AT&T, therefore, must use cumbersome manual processes that take more time and resources than the electronic access that BellSouth provides itself. That is discriminatory.

Q. WILL THE PERMANENT ELECTRONIC INTERFACES PROVIDE AT&T OR ANY OTHER NEW ENTRANT WITH THE SAME PRE-

ORDERING CAPABILITIES THAT BELLSOUTH PROVIDES ITSELF?

A. Hopefully, but it is premature to make that conclusion. Only after BellSouth and AT&T jointly test the permanent electronic interfaces as required by the Interconnection Agreement, and compare the performance of those interfaces with the internal performance of BellSouth's OSS (i.e., without interfaces), will empirical data demonstrate whether BellSouth is providing AT&T with nondiscriminatory access to BellSouth's OSS for pre-ordering functions. BellSouth, however, has indicated that it may not provide AT&T with certain capabilities. For example, BellSouth has indicated that it does not intend to provide full access to DSAP (Direct Order Entry Support Applications Program) , and intends to apply the telephone number reservation restrictions previously discussed. Nondiscriminatory access to OSS functions cannot exist if BellSouth continues down its stated path.

ORDERING & PROVISIONING

Q. WHAT IS ORDERING AND PROVISIONING?

A. Ordering is the process of placing a request into the incumbent LEC's OSS for a set of products and services or unbundled network elements or combination thereof. After processing an order, the incumbent LEC will begin the provisioning process.

The FCC Rules state that provisioning "involves the exchange of information between telecommunications carriers where one executes a request for a set

of products and services or unbundled network elements or combination thereof from the other with the attendant acknowledgments and status reports." 4 C.F.R. § 51.5. In other words, provisioning is the process of implementing the order for telecommunications service. The attendant acknowledgments and status reports associated with provisioning include initial order verification, firm order confirmation, the monitoring of service order status, the reporting of service order jeopardies, and notification of order completion.

Q. DOES THE DRAFT SGAT ADDRESS ELECTRONIC INTERFACES FOR ORDERING?

A. Yes, in a limited fashion. The Draft SGAT states:

> BellSouth provides CLECs electronic options for the exchange of ordering and provisioning information. The Exchange Access Control and Tracking System (EXACT) is for service requests involving interconnection trunking and many unbundled network elements. BellSouth provides an Electronic Data Interchange (EDI) arrangement for resale requests and some unbundled network elements. As an alternative to the EDI arrangement, BellSouth also provides through LENS an ordering and provisioning capability that is integrated with the LENS pre-ordering capability.

Draft SGAT at 8. In other words, the Draft SGAT does not provide for electronic interfaces that would satisfy the Act.

Q. WILL LENS PROVIDE A NEW ENTRANT WITH NONDISCRIMINATORY ACCESS TO ORDERING AND PROVISIONING FUNCTIONS?

A. No. BellSouth has estimated that LENS will not be stable for six to nine months. In other words, LENS still must undergo numerous changes before LENS can provide the functionality that even BellSouth believes is appropriate. Discussed below are some of the reasons why LENS does not meet the criteria of a nondiscriminatory interface:

ELECTRONIC -- As discussed above, LENS is a human-to-machine interface that does not allow electronic communication between BellSouth's OSS and a new entrant's OSS. Consequently, when a new entrant submits an order via LENS, that order must be manually entered into the new entrant's own internal OSS. Further, LENS cannot process electronically orders even for the so-called "simple" network elements that LENS purportedly supports. Although BellSouth has suggested that new entrants can order "simple" network elements through LENS using the "remarks" section, the remarks sections are unformatted and information contained therein must be processed manually by BellSouth. This is not electronic ordering.

FUNCTIONALITY -- LENS does not provide new entrants with the same capabilities as BellSouth, nor does LENS provide new entrants with the capabilities necessary for new entrants to compete effectively. For example:

1. LENS Does Not Have The Capability To Perform Many Ordering Activities. As reflected in Exhibit JB-6, LENS does not perform many of the ordering activities that are standard in the industry and which BellSouth performs for itself, such as ordering suspension or restoration of service, changes or modifications to existing services, or inside or outside moves.

New entrants that order services through LENS will have to fax service orders for those activities which LENS is not capable of performing. For example, a new entrant will have to fax a service order to BellSouth if the new entrant's customer wants to add a new feature like call waiting or change their directory listing. Similarly, a new entrant has to fax an order to suspend and restore service for seasonal businesses. These are just two of the many situations where LENS cannot provide nondiscriminatory access to BellSouth's OSS functions.

2. LENS Does Not Support Most of the Industry-Standard Requisition Types. Industry groups have identified ten requisition types to identify the kinds of products and services a new entrant can

order. As depicted in Exhibit JB-7 LENS supports only one of the ten industry standard requisition types.

Because LENS does not have the capability to support most types of requisitions, service orders for these types of requisitions will not be processed electronically.

3. LENS Does Not Have the Ordering Capability To Support Many Resale Services. LENS does not have capability that would allow new entrants to order all of the services that are available for resale. In one particular central office, for example, LENS allows a new entrant to order only eight services for resale: POTS, Touchstar, Touchtone, Customized Call Restriction, Memory Call Enhanced, Remote Call Forwarding, Custom Calling, and Ringmaster. In the Inquiry Mode, however, LENS reveals that there actually are one hundred fourteen (114) different services that are available at that central office. BellSouth has the capability to submit electronic orders for all of those 114 services, while new entrants may only order eight. LENS cannot be considered nondiscriminatory if it enables new entrant to order electronically only eight types of resale services while BellSouth can order electronically 114 types of services in its retail operations. Provided in Exhibit JB-8 is a table of the 114 types of services. Services that can be ordered through LENS (and therefore are the only services that are listed as available in the Firm Order Mode of LENS) are bolded and underlined:

4. New Entrants Cannot Perform Equivalent Provisioning Functions through LENS. LENS will not provide new entrants with the capability to receive detailed firm order confirmation ("FOC") or Completion Notices ("CN") that are comparable to the information to which BellSouth has easy access. While LENS will show that a new entrant ordered something, it will not tell the new entrant what was actually ordered. Once the order has been entered into BellSouth's LENS, it literally disappears. A new entrant, therefore, cannot pull up the order record as can BellSouth, to determine the status of the order. LENS will allow a new entrant to view the status of an order (like "Order Rejected for Error"), but cannot view the order itself, as can BellSouth. A new entrant, moreover, cannot cancel or change an order that has been passed to BellSouth's Local Carrier Service Center ("LCSC") for manual processing or an order that has been rejected for error. In short, the provisioning functionality of LENS has little if any practical usefulness. Not only must new entrants incur the time and expense of entering duplicate records of orders placed on LENS, but those records – because they will be on the entrants' own systems – cannot provide the functionality of records available to BellSouth.

5. LENS Does Not Have The Capability To Order Most Directory Listing Options. As reflected in Exhibit JB-9 LENS, does not provide new entrants the capability to order most of the directory listing options that BellSouth can order electronically.

A new entrant using LENS to submit orders would have to fax BellSouth an order for most directory listing options, assuming that the new entrant even knew that these options were available. In contrast, BellSouth can submit orders for these options electronically. Clearly, this disparity will cause additional expense and delay to the new entrant, and does not allow new entrants to serve their customers in substantially the same time and manner as BellSouth.

DOCUMENTED -- As discussed above in the pre-ordering section, BellSouth has not adequately documented the LENS interface.

The Draft SGAT similarly defines ordering and provisioning, stating that "Service ordering provides the CLEC order entry functions, including supplements, and the capability to establish directory listings." Draft SGAT at 6. The Draft SGAT also states that "Provisioning information available to CLECs include firm order confirmation and completions." Draft SGAT at 7.

CAPACITY -- As discussed above, LENS does not have adequate capacity to handle the combined market volumes for all new entrants. The LENS server apparently has a capacity of 1200 transactions per day.

STANDARDS -- The industry standard for ordering is EDI. LENS does not comply with that standard.

Q. HOW DO THE DEFICIENCIES IN LENS AFFECT A NEW ENTRANT AND ITS CUSTOMERS?

A. A new entrant must use manual processes to submit orders and receive provisioning information for those services and other products that cannot be ordered via LENS. In addition, new entrants must use manual processes to input LENS information from LENS into the new entrants' OSS because LENS, as previously discussed, is a human-to-machine interface. Manual processes are more expensive, slower, and more prone to errors, all of which adversely affect the new entrant's ability to provide its customers with service at the same level of quality service that BellSouth can provide its customers. This is not merely an academic issue – new entrants must compensate for lack of electronic ordering parity by adding more manual processes, which take additional time, cost more money, and inconvenience customers. BellSouth is not similarly handicapped. In short, LENS does not provide a new entrant with nondiscriminatory access to BellSouth's OSS or a meaningful opportunity to compete.

Q. DOES THE EDI INTERFACE PROVIDE NEW ENTRANTS WITH NONDISCRIMINATORY ACCESS TO BELLSOUTH'S OSS FOR ORDERING AND PROVISIONING FUNCTIONS?

A. No, it does not. BellSouth's EDI ordering interface does not meet the criteria of a nondiscriminatory interface:

> ELECTRONIC -- BellSouth's EDI Ordering interface most likely will involve manual intervention by both the new entrant and

BellSouth. The EDI ordering interface requires additional human intervention on the part of new entrants because it is not integrated with an electronic interface for pre-ordering functions. New entrants, therefore, must manually input pre-ordering information into the EDI service order. In contrast, BellSouth's OSS for ordering is integrated with its OSS for pre-ordering, which allows BellSouth to populate its service records electronically with pre-ordering information.

BellSouth's EDI ordering interface also may require additional human intervention by BellSouth. BellSouth claims that its Local Exchange Service Order Generation ("LESOG") is operational and will allow BellSouth to process EDI orders without manual intervention (i.e., without the BellSouth service representative manually inputting the EDI service order into BellSouth's OSS). BellSouth, however, has refused to provide AT&T with any data about the number of AT&T EDI orders that LESOG has processed electronically . If new entrants must use interfaces that require manual intervention where BellSouth provides itself electronic access to its OSS ordering and provisioning functions, BellSouth is not providing new entrants with nondiscriminatory access to BellSouth's OSS. Again, this issue is not merely academic. The addition of manual processes means that new entrants' orders cannot be completed as promptly as BellSouth's orders.

FUNCTIONALITY -- Only the Phase I version of BellSouth's EDI interface is actually being used. Since December 1996, BellSouth has issued four versions of its Local Exchange Ordering Implementation Guide describing the Phase II EDI interfaces. BellSouth has indicated that a fifth version is in progress to address errors in the fourth version. Put simply, new entrants cannot yet use BellSouth's Phase II EDI interface. Described below are some of the functional deficiencies of BellSouth's EDI interface:

Scope of Capabilities -- BellSouth's Phase I EDI interface allows a new entrant to submit, modify and cancel orders for certain resold services, and to receive inferior types of Firm Order Confirmations (FOCs), Completion Notices (CNs) and functional acknowledgments. A new entrant, however, cannot receive all types of notices through EDI that BellSouth itself receives electronically. For example, BellSouth will send error notices, reject notices, jeopardy notices, and status reports to new entrants via facsimile or telephone. The new entrant then must manually input these notices and reports into its OSS before the new entrant can respond to the notices, thus increasing its costs and delays. Furthermore, FOCs and CNs that BellSouth provides via EDI are inferior to those generated for BellSouth. New entrants will receive only notice of confirmation or completion, but BellSouth's internal functional equivalents to FOCs and CNs are detailed in that they identify

what was ordered or what was installed. New entrants must engage in manual follow-up to obtain this information. That is discriminatory.

Breadth of Capabilities -- BellSouth's EDI interface supports POTS and vertical services for residential and business customers, PBX trunks, and Direct Inward Dialing trunks. A new entrant, however, cannot order all of the services through EDI that BellSouth now orders electronically to support its retail operations. For example, a new entrant cannot use EDI to order private line services, Centrex-like services, ISDN services, or complex business services of any sort. New entrants, moreover, cannot order network elements via the EDI interface. That is discriminatory.

Real-Time or Near Real-Time Capability -- BellSouth's Ordering Guides provide that new entrants can reach BellSouth's EDI interface by sending messages through one of three delivery methods: (1) one or more Value Added Network ("VAN") providers; (2) dial up port; or (3) private line connection using Direct:Connect software. All three delivery methods involve a batch process, which means that BellSouth cannot process a new entrant's EDI order for up to 30 minutes after the new entrant transmitted its EDI order to BellSouth. Once more, this disparity increases costs and delays in the new

entrant's ordering process. In its Interconnection Agreement with AT&T, BellSouth agreed to provide a different delivery method (a dedicated T1 private line facility using TCP/IP software) that reduces the delivery time sufficiently to be considered "near real-time." They have not delivered such a method at this time. Without this faster delivery method (which uses off-the-shelf standards-based solutions), BellSouth's EDI interface cannot provide new entrants with nondiscriminatory access to BellSouth's OSS.

Q. HOW DO THE DEFICIENCIES OF THE EDI INTERFACE AFFECT A NEW ENTRANT AND ITS CUSTOMERS?

A. Because of the deficiencies of BellSouth's EDI interface, a new entrant will have to use manual processes to perform certain ordering and provisioning functions for its customers where BellSouth can use faster and less expensive electronic processes to perform the same functions for similarly situated BellSouth customers. A new entrant, for example, must use manual processes to submit orders and obtain provisioning information for many services (including most private line services, Centrex-like services, ISDN services and complex business services). BellSouth can order such services electronically. A new entrant also must use manual processes to perform certain functions and receive certain information for all services that the EDI interface cannot perform (such as error, reject and jeopardy notices, or providing detailed FOCs and CNs). BellSouth performs these functions for itself electronically. Furthermore, a new entrant must manually input

information obtained via BellSouth's pre-ordering interfaces into the EDI order. BellSouth can electronically input pre-ordering information into its own orders. These manual processes do not provide nondiscriminatory access to BellSouth's OSS because the manual processes are more expensive, slower, and more prone to errors than the electronic processes that BellSouth provides for itself. In addition, BellSouth begins to process its own orders immediately upon transmission, but a new entrant's order may wait up to 30 minutes after transmission before BellSouth begins to process the new entrant's EDI order. All of these deficiencies will adversely affect a new entrant's ability to provide its customers with the requested services in a timely and cost effective manner that is at parity with BellSouth.

Q. WHAT ORDERING AND PROVISIONING INTERFACES HAS BELLSOUTH AGREED TO PROVIDE AT&T UNDER THE INTERCONNECTION AGREEMENT?

A. BellSouth has agreed to use its best efforts to provide AT&T with permanent interfaces for ordering and provisioning by December 31, 1997. Until the permanent interfaces are operational, BellSouth has agreed to provide interim EDI interfaces and the Access Service Request ("ASR") process using EXACT. These interim interfaces and processes do not allow AT&T to serve customers in substantially the same time and manner as does BellSouth, as shown below.

Interim EDI Interfaces -- The interim EDI interfaces include a Phase I and a Phase II. Phase I provides AT&T with the EDI capability to

order business and residential POTS (including vertical features), PBX trunks and DID trunks. Under Phase I, BellSouth and AT&T will use a Value-Added Network to transmit EDI transactions. Phase II, once fully implemented, would provide AT&T the EDI capability to order all services available for resale under BellSouth's General Subscriber Tariff and Private Line Tariff, and some customer specific network elements. Under Phase II, BellSouth and AT&T will transmit EDI transactions via a dedicated T1 private line facility using TCP/IP software. As shown below, the Phase I interim interface is not yet fully implemented.

Interim ASR Process -- AT&T will use the interim ASR process to order certain network elements via EXACT. The interim ASR process involves the same process that interexchange carriers currently use in the access world. In addition, AT&T will use manual work-arounds to supplement the ASR process where necessary. BellSouth and AT&T are currently identifying and negotiating the need for manual work-arounds.

Permanent Interfaces-- For resale and customer-specific network elements (e.g., loops, ports, local number portability, etc.), BellSouth has agreed to provide AT&T a permanent EDI interface that contains enhancements over the Phase I and Phase II interim EDI interfaces. For the remaining network elements, BellSouth has agreed to provide AT&T a permanent interface that contains enhancements over the existing ASR process. BellSouth also has agreed to adapt the

permanent EDI and ASR process to comply with standards adopted by appropriate industry groups within seven months after adoption of such standards. These permanent interfaces are not expected to be in place before year-end 1997.

Q. WHAT IS THE CURRENT STATUS OF THE INTERIM EDI INTERFACES?

A. **PHASE I** is not yet fully implemented. BellSouth and AT&T currently are conducting joint testing of the region-wide Phase I EDI interface in Georgia. The testing program consists of three sequential tests: (1) end-to-end testing; (2) service readiness testing; and (3) market readiness testing. BellSouth and AT&T have completed end-to-end testing for both resold business and residential services. End-to-end testing involves transmitting and receiving an EDI order, but the testing stops before BellSouth provisions the order.

BellSouth and AT&T have been involved in Service Readiness Testing ("SRT") in Georgia for both resold business and residential services. SRT involves sending an order through the entire system, but AT&T does not bill the end users . In other words, AT&T places the order, BellSouth actually provisions the order, and sends AT&T a bill. SRT takes place in a controlled environment. Selected AT&T employees use a script to place an order, and only eight residential orders and eight business orders can be "in the system" at any given time. AT&T has completed SRT for residential services in Georgia.

During the first week of May 1997, BellSouth and AT&T entered Market Readiness Testing ("MRT") in Georgia. MRT is similar to SRT, but on a larger scale and involves AT&T billing the end user. Instead of just 100 residential and 100 business customers, MRT is open to all AT&T employees and selected business customers. AT&T's tariff for residential services in Georgia became effective on June 24, 1997.

Since the EDI Interface serves the entire BellSouth territory, the cycle of testing to support market entry in Florida does not need to be as extensive as the initial entry testing in Georgia. This is true because the underlying technology is identical, and only situations unique to the Florida market will need to be tested. Testing to support market entry in Florida is not yet underway.

PHASE II -- BellSouth has reported to the Georgia PSC that its Phase II EDI interface (which BellSouth developed unilaterally) was "ready" on December 15, 1996. BellSouth's Phase II EDI interface, however, does not provide EDI capability to order all services available for resale under BellSouth's General Subscriber Tariff and Private Line Tariff, and a dedicated T1 private line facility using TCP/IP software is not in place. Since December 15, 1996, moreover, BellSouth has issued three different implementation guides that have significantly changed its "ready" Phase II EDI interface, including significant changes in basic coding philosophy. BellSouth has informed me and I have seen draft pages of a fourth implementation guide scheduled for release in the immediate future to align with the latest standards. As I have

said before, new entrants cannot hit a moving target. Even assuming that the Phase II EDI interface was somehow "ready," it likely will be several months before any new entrant can complete the necessary steps to be able to use BellSouth's unilaterally developed Phase II EDI interface. AT&T does not expect to be able to test the Phase II EDI interface with BellSouth until late in the third quarter of 1997. Thus, while several carriers (including AT&T, Sprint, Cellular Holding, National Telecommunications of Florida, and DeltaCom) have expressed interest in the Phase II EDI interface, no carriers are in the position to conduct the necessary testing or use that interface. If no one can use the Phase II EDI interface, it is not yet "ready."

Q. WHAT ARE THE PRELIMINARY TESTING RESULTS FOR THE PHASE I EDI INTERFACE?

A. So far, the SRT generally has succeeded in identifying "bugs" in the system. Integrating BellSouth's and AT&T's ordering systems and procedures has been a difficult task. If AT&T had tried to enter the market without testing, it would have been a disaster. The "bugs" would have caused poor customer service, which in turn would have severely damaged the AT&T brand and its market image. I expect that BellSouth and AT&T will continue to work together to resolve problem areas as they arise. That is the purpose of testing. Until testing is complete, however, the Phase I EDI interface is not ready for full-scale market entry.

During testing AT&T discovered that BellSouth had not correctly implemented an agreed field for directory listings. BellSouth maintains they

never agreed to the field size in question. Manual work arounds will be implemented to allow multiple listing types to be processed. These work arounds will restrict AT&T's ability to serve its customers.

Q. AT THE PRESENT, DO BELLSOUTH'S OPERATIONS SUPPORT SYSTEMS ALLOW NEW ENTRANTS TO PERFORM PREORDERING AND ORDERING IN SUBSTANTIALLY THE SAME TIME AND MANNER AS BELLSOUTH?

No. Attached to my testimony are two exhibits (Exhibits JB-10, JB-11) that contain performance data from AT&T's SRT/MRT with BellSouth in Georgia and a comparative analysis of that performance. Collectively, these exhibits demonstrate that BellSouth's performance as a supplier of local resold services has been inconsistent and has not achieved the initial targets contained in AT&T's interconnection agreement with BellSouth. There's no reason to expect better performance in Florida. Without data regarding BellSouth's internal performance, AT&T cannot determine how BellSouth's performance as a retailer compares with its performance as a wholesaler. All indications, however, suggest that BellSouth's wholesale performance is inferior to its retail performance, and thus it does not provide new entrants with the ability to compete effectively.

Q. PLEASE DESCRIBE THE EXHIBITS.

Exhibit **JB-10** is a set of data currently under development to depict the provisioning performance of BellSouth from the perspective of AT&T's customer on a weekly basis from March 17, 1997, to the present. These nine

charts depict Volumes, Firm Order Confirmation Receipt, Firm Order Confirmation Receipt by Interval, Completion Notice Receipt, Completion Notice Receipt by Interval, New Order Completions, Migration Order Completions, Completion Intervals, and Back Log **JB - 10** will be updated at or before the hearing with most current set of charts existing at that time reflecting performance across a broader range of measures and current to that point in time. This exhibit shows that from the perspective of AT&T, BellSouth is not meeting its commitment to return FOCs within 24 hours (Page 3) or its commitment to return CNS within 1 day (Page 5). From the perspective of AT&T's end-user, BellSouth is not completing new installations on the requested due date (Page 7) or migration orders on the requested due date (Page 8).

Exhibit **JB - 11** is a set of ten charts comparing BellSouth's current month and year-to-date performance in provisioning and maintenance to their peers and the national composite. Exhibit **JB - 11** also will be updated at or before the hearing. This exhibit shows that BellSouth is unable to meet its own committed due dates for consumer and business work orders. For example, Page 1 shows that BellSouth completed only 49% of work orders on time, and Page 2 shows that only 60.5% of business work orders were completed on time. Moreover, installation intervals for both consumer and business installations exceed 13 days on average (Page 3 and Page 4). Additionally this exhibit shows that BellSouth's average cycle time to restore service to a customer who is out of service is 72.5 hours, about three times longer than the target time of 24 hours (Page 5). BellSouth's average cycle

time to repair service for a customer having service difficulties is 86.9 hours, 20 percent longer than the target time of 72 hours (Page 9).

These exhibits clearly show that BellSouth is not providing new entrants with the ability to compete effectively.

MAINTENANCE AND REPAIR

Q. WHAT IS MAINTENANCE AND REPAIR?

A. The FCC Rules provide that maintenance and repair "involves the exchange of information between telecommunications carriers where one initiates a request for maintenance or repair of existing products and services or unbundled network elements or combination thereof from the other with attendant acknowledgments and status reports." 4 C.F.R. § 51.5. In other words, maintenance and repair involves the monitoring and fault management activities that assure the proper functioning of local services. These activities include trouble reporting, and the testing, monitoring and correction of reported troubles.

The Draft SGAT does not track this definition exactly. Instead, it refers to "maintenance and repair" as "service trouble reporting and repair," and states:

> Service trouble reporting and repair allows CLECs to report and monitor service troubles and obtain repair services. BellSouth provides CLECs service trouble reporting availability and monitoring in a nondiscriminatory manner that provides CLECs the same ability to report and monitor service troubles that

BellSouth provides itself. BellSouth also provides CLECs an estimated time to repair, an appointment time or a commitment time, as appropriate, on all trouble reports.

Draft SGAT at 7. In other words, BellSouth will allow CLECs to make and monitor trouble reports, but they will not be able to test and correct trouble reports, as can BellSouth.

Q. WHAT KIND OF ELECTRONIC INTERFACES FOR MAINTENANCE AND REPAIR IS BELLSOUTH PROPOSING TO OFFER UNDER ITS DRAFT SGAT?

A. The Draft SGAT states that "BellSouth provides two options for electronic trouble reporting. For exchange services, BellSouth offers CLECs access to the Trouble Analysis Facilitation Interface (TAFI). For individually designed services, BellSouth provides electronic trouble reporting through an electronic communications gateway." Draft SGAT at 8. The electronic communications gateway referred to in the Draft SGAT is not yet available, and is not expected to be developed until December, 1997. In the meantime, new entrants supposedly can report troubles for "designed" or "special" services through the Electronic Bonding Interface ("EBI") currently used by interexchange carriers for access services.

Q. WILL EBI AND TAFI PROVIDE A NEW ENTRANT WITH NONDISCRIMINATORY ACCESS TO BELLSOUTH'S OSS FOR MAINTENANCE AND REPAIR FUNCTIONS?

A. No. As explained below, TAFI and EBI do not possess all of the five characteristics of a nondiscriminatory interface.

ELECTRONIC

1. TAFI is a human-to-machine interface. Like LENS, TAFI does not allow electronic communication between BellSouth's OSS and a new entrant's OSS. Consequently, when a new entrant submits a trouble report via TAFI, that order must be manually entered into the new entrant's own internal OSS. That is discriminatory because TAFI does not enable new entrants to perform maintenance and repair functions in substantially the same time and manner as BellSouth -- new entrants must manually input the data twice whereas BellSouth manually inputs the data only once. Once more, BellSouth's lack of necessary and appropriate electronic interfaces creates additional costs and delays not experienced by BellSouth.

2. EBI is not fully automated. EBI allows a new entrant to transmit orders electronically, but BellSouth then must manually enter trouble reports for resold services and certain network elements into BellSouth's internal OSS. Manual intervention is necessary because BellSouth has not coded its systems to process those types of maintenance orders. Consequently, EBI operates only like a fancy facsimile machine that suffers from the same problems (slower, less accurate, more costly) that inevitably result from manual intervention.

As discussed above, manual intervention increases new entrants' costs and causes delays in their ability to provide service to their customers.

FUNCTIONALITY -- TAFI and EBI do not provide new entrants with the electronic capability to submit and receive status on a significant portion of the new entrants' trouble reports BellSouth, on the other hand, can submit orders and obtain status electronically for all of its trouble reports. TAFI only supports basic local exchange services, which accounts for approximately 82 percent of BellSouth's trouble reports. The remaining trouble orders (approximately 18 percent) will require manual intervention by BellSouth repair attendants, and therefore will increase delays experienced by new entrants' customers.

CAPACITY -- TAFI does not have adequate capacity to handle efficiently and effectively the combined operational requirements of all new entrants. BellSouth claims that TAFI currently has the capacity to support 195 simultaneous users if BellSouth activates its "hot spare" arrangement. The combined operational requirements for new entrants, however, is much higher than TAFI's claimed capacity. Each new entrant needs to be able to have all of their repair attendants logged into TAFI simultaneously just as BellSouth does. Otherwise, a new entrant's repair attendant will have to log onto TAFI every time they receive a trouble report for a customer in BellSouth territory, causing more cost and delay not experienced by BellSouth. AT&T

alone has hundreds of repair attendants, any one of which may receive a trouble report from an AT&T customer in BellSouth territory. Other new entrants, particularly the larger national carriers, also would have large numbers of repair attendants who would need to be logged into TAFI in order to provide timely service to their customers.

STANDARDS -- EBI is an industry standard, but TAFI is not. Since April 1996, AT&T has been requesting that BellSouth provide TAFI functionality through the EBI interface. BellSouth, however, has refused to provide that arrangement. As a result, new entrants have the Hobson's choice of using an industry standard interface that has currently has no functionality with respect to resold services and certain network elements (EBI), or a non-standard human-to-machine interface that generally has adequate functionality for the resold services that it supports.

Q. WHAT KIND OF ELECTRONIC INTERFACES FOR MAINTENANCE AND REPAIR HAS BELLSOUTH AGREED TO PROVIDE UNDER ITS INTERCONNECTION AGREEMENT WITH AT&T?

A. BellSouth has agreed to provide AT&T with interim interfaces until BellSouth develops the permanent electronic interfaces for maintenance and repair. Under the Interconnection Agreement, the interim interfaces for

Maintenance and Repair consists of: (a) telephone calls between AT&T and BellSouth; and (b) BellSouth's TAFI for POTS.

With respect to the permanent electronic interface, the Interconnection Agreement provides that BellSouth and AT&T shall establish an electronic bonding interface that enables AT&T to: (1) enter maintenance orders into BellSouth's maintenance system; (2) retrieve and track current status of maintenance orders; (3) receive estimated-time-to-repair on a real-time basis; (4) initiate a technician dispatch; (5) receive timely notice if the BellSouth repair person missed or will miss a repair appointment; (6) retrieve all time and material charges upon closing a maintenance order; and (7) perform electronic tests at time of order entry and receive test results. The Interconnection Agreement provides for a single electronic bonding interface for Maintenance and Repair to handle both resold services and network elements.

Q. WILL THE INTERIM INTERFACES PROVIDE AT&T OR ANY OTHER NEW ENTRANT WITH THE SAME MAINTENANCE AND REPAIR CAPABILITIES THAT BELLSOUTH PROVIDES ITSELF?

A. No. The interim interfaces will not provide AT&T with the same maintenance and repair capabilities as BellSouth provides itself through BellSouth's OSS. The same defects exist in the interim interfaces provided to AT&T for maintenance and repair functions that exist in TAFI and EBI.

Q. WILL THE PERMANENT ELECTRONIC INTERFACES PROVIDE AT&T OR ANY OTHER NEW ENTRANT WITH THE SAME MAINTENANCE AND REPAIR CAPABILITIES THAT BELLSOUTH PROVIDES ITSELF?

A. Hopefully, the permanent electronic interfaces will provide AT&T with nondiscriminatory access to BellSouth's OSS for maintenance and repair functions. It is, however, too early to tell, since the permanent electronic interface is still in the development phase. AT&T provided its functional requirements to BellSouth on July 24, 1996. Under the current schedule, BellSouth and AT&T must use their best efforts to implement the permanent electronic interface by December 31, 1997. Until the permanent interface is fully implemented, AT&T will not have nondiscriminatory access to BellSouth's OSS for maintenance and repair functions.

BILLING

Q. WHAT IS BILLING?

A. The FCC Rules provide that billing "involves the provision of appropriate usage data by one telecommunications carrier to another to facilitate customer billing with attendant acknowledgments and status reports. It also involves the exchange of information between telecommunications carriers to process claims and adjustments." 4 C.F.R. § 51.5. In other words, billing involves the process by which an incumbent LEC records and transfers data that enables a new entrant: (1) to bill its customers for telecommunication services (i.e., customer usage data) or other telecommunications carriers for

access and call termination/transport; and (2) to pay the incumbent LEC for services rendered.

Q. WHAT KIND OF ELECTRONIC INTERFACES FOR BILLING IS BELLSOUTH PROPOSING TO OFFER UNDER ITS DRAFT SGAT?

A. It is not clear. The Draft SGAT provides that "[b]illing for interconnection services will be through the Carrier Access Billing System ('CABS')." Draft SGAT at 5. The Draft SGAT, however, does not state how BellSouth will bill new entrants for network elements. With respect to billing for resale services, the Draft SGAT states that detailed guidelines for billing of resold services are contained in BellSouth's Resale Ordering Guide. Draft SGAT at 24. BellSouth's Resale Ordering Guide, however, does not address how BellSouth proposes to bill a new entrant.

With respect to customer usage data, the Draft SGAT states:

> Customer daily usage data provides detailed information for determining billable usage for services such as directory assistance or toll calls associated with a resold line or a ported telephone number. This usage option allows CLECs to bill their end-user customers at their discretion, rather than on BellSouth's billing cycles. It also allows a CLEC to establish toll limits, detect fraudulent calling or analyze the usage patterns of its customers.

Draft SGAT at 7. To establish Daily Usage File Service, BellSouth's Ordering Guides provide that new entrants must enter into a separate contract with BellSouth. Whether that separate contract will comply with the Act is unknown because the Ordering Guides do not include such a contract. It is also unknown whether the charges for Daily Usage File Service are cost-based.

Q. WILL THE DRAFT SGAT PROVIDE A NEW ENTRANT WITH NONDISCRIMINATORY ACCESS TO BELLSOUTH'S OSS BILLING FUNCTIONS?

A. No. The Draft SGAT does not specify how BellSouth will bill new entrants for network elements and resold services. It is my understanding that BellSouth does not yet have the capability to record usage data or generate mechanized bills for many network elements. In addition, BellSouth does not have the capability to generate Carriers Access Billing Systems (CABS) formatted bills for resold services. Without CABS formatted bills, new entrants will receive two types of bills (Customer Record Information System (CRIS) and CABS) instead of a single bill (CABS), which will adversely affect a new entrant's billing operations. Auditing two bills is more difficult than auditing one bill, and therefore new entrants will incur more costs and expend more resources to perform billing functions using the interim interface than the permanent interface.

Q. WHAT KIND OF ELECTRONIC INTERFACES FOR BILLING HAS BELLSOUTH AGREED TO PROVIDE UNDER ITS INTERCONNECTION AGREEMENT WITH AT&T?

A. BellSouth has agreed that, no later than August 3, 1997, BellSouth will provide AT&T with bills for all services (e.g., interconnection, network elements, and resold services) using only CABS or the CABS format. BellSouth, however, has indicated that CABS formatted bills will not be available for certain network elements until much later. On an interim basis until that time, BellSouth has agreed to provide AT&T with bills in CRIS/CLUB ("Customer Large User Bill") format for certain services, and CABS bills for other services. With respect to customer usage data, BellSouth has agreed to provide AT&T with customer usage data in a standard format via a batch file transfer.

Q. WILL THE INTERIM INTERFACES PROVIDE AT&T OR OTHER NEW ENTRANTS WITH NONDISCRIMINATORY ACCESS TO BELLSOUTH OSS FOR BILLING FUNCTIONS?

A. No. As discussed above, BellSouth's interim interfaces do not provide nondiscriminatory access to BellSouth's OSS for billing functions because: (1) BellSouth does not have the capability to record usage or generate mechanized bills for many network elements; and (2) BellSouth does not provide CABS formatted bills for resold services. These deficiencies prevent new entrants from serving their customers in substantially the same time and manner as BellSouth.

Q. WILL THE PERMANENT ELECTRONIC INTERFACES PROVIDE AT&T OR ANY OTHER NEW ENTRANT WITH THE SAME BILLING CAPABILITIES THAT BELLSOUTH PROVIDES ITSELF?

A. The permanent electronic interfaces should provide AT&T with nondiscriminatory access to BellSouth's OSS for billing, but it is too early to tell. For example, BellSouth does not have the methods and procedures in place for recording usage data that is necessary for the billing of many network elements. BellSouth, moreover, continually cancels meetings regarding key billing issues. As a result, AT&T cannot be certain that BellSouth's billing system will have the technical capability to provide nondiscriminatory access until that system is operational, as defined by the Interconnection Agreement. Additionally, BellSouth must measure the performance of its billing systems to determine whether the billing services that BellSouth provides AT&T is at least equal in quality to the billing services that BellSouth provides itself internally. Only empirical data will prove that BellSouth is providing nondiscriminatory access to its OSS for billing functions.

SUMMARY

Q. PLEASE SUMMARIZE YOUR TESTIMONY.

A. BellSouth must provide nondiscriminatory access to its OSS in order to comply with Sections 251 and 271 of the Act. Nondiscriminatory access to OSS is an integral part of providing access to unbundled elements, as well as

making services available for resale. At the present time, BellSouth cannot do so.

To provide nondiscriminatory access, BellSouth must make available electronic interfaces to BellSouth's OSS that: (1) enable a new entrant to perform the same or equivalent OSS functions in the substantially the same time and manner as BellSouth; and (2) provide new entrants with a meaningful opportunity to compete. To date, however, BellSouth has not provided any new entrant with nondiscriminatory access to BellSouth's OSS. BellSouth's proposed interfaces do not enable new entrants to perform OSS functions in substantially the same time and manner as BellSouth because more human intervention is required for the new entrant to perform OSS functions than BellSouth. This additional human intervention is a consequence of BellSouth's interfaces being human-to-machine (LENS and TAFI specifically), lacking the same functional capabilities as BellSouth's OSS (all OSS interfaces), and not providing integrated, industry standard interfaces (EDI and LENS, TAFI and EBI). In addition, BellSouth has not demonstrated that its proposed interfaces (LENS and TAFI) have sufficient capacity to meet the combined operational requirements of all new entrants. Furthermore, BellSouth's proposed interfaces do not comport with industry standards and are not adequately documented, which substantially diminishes if not eliminates any meaningful opportunity for new entrants to compete with BellSouth.

BellSouth has not provided any empirical evidence that its interfaces meet the requirements of the Act. BellSouth's interfaces have not been sufficiently tested and have little if any operational experience in the real world. BellSouth, moreover, has not measured its performance as a retailer and a wholesaler in order to provide an objective comparative standard against which to judge nondiscrimination.

For these reasons and the reasons explained above, I recommend that the Florida Commission find that BellSouth's proposed OSS interfaces do not yet comply with the provisions of Section 251 of the Act. Specifically, I recommend that the Commission make a negative determination for Issue Nos 2, 3, 3(a), 9, 10, 12, 15, and 15(a).

Q. DOES THAT COMPLETE YOUR TESTIMONY?

A. Yes.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Consideration of BellSouth Telecommunications Inc.'s Entry Into InterLATA Services Pursuant to Section 271 of the Federal Telecommunications Act of 1996.	))))))	DOCKET NO. 960786-TL FILED: July 31, 1997

REBUTTAL TESTIMONY
OF
JAY BRADBURY
ON BEHALF OF
AT&T COMMUNICATIONS OF
THE SOUTHERN STATES INC.

BACKGROUND

Q. PLEASE STATE YOUR NAME AND ADDRESS.

A. My name is Jay Bradbury. My business address is 1200 Peachtree Street, Atlanta, Georgia.

Q. DID YOU PREVIOUSLY FILE TESTIMONY IN THIS DOCKET?

A. Yes. I filed direct testimony on July 17, 1997.

Q. WHAT IS THE SCOPE OF YOUR REBUTTAL TESTIMONY?

A. I address five important points. First, I explain that the work-arounds proposed by BellSouth to compensate for the problems associated with LENS being a human-to-machine interface are not commercially viable and certainly do not provide nondiscriminatory access. Second, I explain that the pre-ordering capabilities of LENS are not available to new entrants submitting service orders via the industry-standard EDI ordering interface, the Personal Computer based EDI ordering package, or by fax machine in the manner described by Ms. Calhoun. Consequently, BellSouth does not provide nondiscriminatory access to pre-ordering functions. Third, I explain that, contrary to Ms. Calhoun's claims, BellSouth does not provide new entrants with nondiscriminatory access to BellSouth's ordering functions for so-called complex services. Fourth, I correct the false impression that Ms. Calhoun created regarding the Georgia PSC's findings on LENS. Fifth and finally, I explain that Ms.

Calhoun's claim that BellSouth is providing new entrants with timely and useful usage data is incorrect. (Issues 2, 3, 3(a), 10, 15, 15(a)).

Q. PLEASE EXPLAIN BELLSOUTH'S PROPOSED WORK-AROUNDS TO COMPENSATE FOR THE PROBLEMS ASSOCIATED WITH LENS BEING A HUMAN-TO-MACHINE INTERFACE.

A. In her direct testimony at pages 10-11, BellSouth Witness Calhoun suggests two work-arounds to "integrate" LENS with a new entrant's operational support systems ("OSS") to compensate for the fact that LENS is a human-to-machine interface. The proposed methods are for a new entrant to: (1) "cut and paste" information from LENS into the new entrant's OSS; and (2) develop and build a Common Gateway Interface (CGI). These methods are commercially impracticable and discriminatory.

Cutting and pasting information from LENS into a new entrant's OSS is a manual and cumbersome process. From a practical standpoint, it offers few if any advantages over retyping the information into the new entrant's OSS. The data elements and formats used in LENS are not consistent with those used in the industry standard EDI ordering interface, the PC based EDI package, or the Ordering and Billing Forum ("OBF") fax forms, so cutting and pasting will additionally necessitate editing. Furthermore, cutting and pasting is available only if the new entrant's OSS uses certain software. In any event, forcing new entrants to use this manual and

cumbersome process to overcome a LENS design deficiency is discriminatory because BellSouth does not have to cut-and-paste between different systems to perform its own OSS functions.

With respect to developing and building screen-scraping or CGI software, I touched upon that issue in my direct testimony at page 36-39. To summarize, I explained that "screen scraping" and using "Tag Value" data streams would increase a new entrant's costs and result in longer operational disruptions whenever BellSouth changed LENS. CGI is a Tag Value data stream, so it is similarly objectionable. I also explained that a new entrant cannot implement either screen-scraping or Tag Value data streams if BellSouth does not provide the specifications for LENS, the Web page screens it produces, or the Tag Values that will be sent in place of the screens. In her direct testimony at page 12, Ms. Calhoun states that BellSouth's CGI specification is available to any new entrant interested in pursuing that option. That is incorrect, and the brief chronology provided below demonstrates that BellSouth has not provided the information necessary to implement the techniques it proposes:

August 23, 1996	BellSouth and AT&T discuss LENS for the first time. AT&T reasserts its need for a machine-to-machine interface instead of the LENS' human-to-machine interface.
September 6, 1996	BellSouth prepares a "White Paper" describing a "data stream" and a "Tag Value" method that BellSouth could

		generate from its LENS server instead of Web pages.
	Sept. 96 to Jan. 97	During these months, AT&T repeatedly requests additional specifications regarding BellSouth's proposed data stream and Tag Value methods. BellSouth does not provide the requested specifications.
	January 23, 1997	BellSouth and AT&T meet to discuss the Tag Value method. BellSouth states that it had dedicated its resources to implementing LENS, and believes that it could implement the Tag Value method within 30 days after LENS was implemented (i.e., May 1, 1997). AT&T renews its request for technical specifications.
	March 20, 1997	After the previous unsuccessful attempts by the AT&T team to obtain technical specifications for implementing the Tag Value system, AT&T executives were forced to intervene in the process. As a result, BellSouth finally provides the technical specifications for implementing the Tag Value method. AT&T determines that July 1, 1997, was then the earliest possible date that the parties could complete

		development and testing of the Tag Value method.
	April 1-3, 1997	BellSouth advises new entrants at LENS demonstrations that the Tag Value method is an available alternative to the LENS Web page.
	April 8, 1997	BellSouth advises AT&T that current Tag Value specifications are not technically feasible and that implementation of the Tag Value method cannot occur by July 1, 1997.
	April 14-15, 1997	BellSouth and AT&T discuss alternatives ranging from the original Tag Value approach to finding commercially available software to perform conversion work. Neither BellSouth nor AT&T find such software, and both estimate it would take 2-3 months to develop the software.
	April 15, 1997	BellSouth advises the Georgia PSC that the Tag Value alternative (referred to as the Common Gateway Interface or CGI) builds upon the LENS interface; and, therefore, firm specifications cannot be provided until the LENS interface is finalized.
	April 25, 1997	BellSouth faxes AT&T a description of LENS Web-page outputs from which

		BellSouth says AT&T can develop its own conversion program.
	May 5, 1997	At a LENS demonstration, BellSouth's project manager for LENS states that LENS has changed since becoming "available" on April 28, and it will continue to change on no less than a monthly basis through at least the end of 1997.
	May 19, 1997	BellSouth's project manager for LENS confirms in a letter that the LENS design is immature, that the system will require multiple and frequent changes, and that it will not be stable for six to nine months.

As BellSouth acknowledged on April 15 in its report to the Georgia PSC, the Tag Value alternative cannot occur until the LENS interface is finalized. BellSouth, however, does not expect that the LENS design will be stable until 1998. Accordingly, it is commercially impracticable, if not virtually impossible, for any new entrant to develop systems that will allow them to integrate their OSS with LENS. This is particularly true because the permanent interfaces under AT&T's interconnection agreement should be completed by December 31, 1997. It makes no sense for AT&T or any other new entrant to expend resources to develop an interim interface that probably could not be implemented before the permanent interfaces are implemented. In any event, the Act requires

BellSouth to provide a nondiscriminatory interface; it does not require new entrants to develop systems to minimize the impact of BellSouth's discriminatory interfaces.

Furthermore, even if such alternative software were to be developed by new entrants, the resulting data elements extracted would still not be consistent with those used in the industry standard based EDI ordering interface, the PC based EDI ordering package, or the OBF based fax forms. LENS data elements do not conform to EDI or OBF guidelines.

Q. YOU STATE THAT THE PRE-ORDERING CAPABILITIES OF LENS ARE NOT AVAILABLE TO NEW ENTRANTS SUBMITTING SERVICE ORDERS VIA THE INDUSTRY-STANDARD EDI ORDERING INTERFACE, THE PC BASED EDI ORDERING PACKAGE, OR BY FAX MACHINE IN THE MANNER DESCRIBED BY MS. CALHOUN. PLEASE EXPLAIN.

A. BellSouth's LENS pre-ordering functionality is not integrated with the EDI, PC EDI, or fax ordering processes. LENS operates in two modes: "Inquiry" and "Firm Order." The Inquiry mode performs various pre-ordering functions independently. The Firm Order mode, on the other hand, performs pre-ordering and ordering functions in a set, integrated process. BellSouth has suggested that the two modes have different functionalities because the Firm Order mode is associated with a service order, whereas the Inquiry mode is not associated with a service order. That simply is not true. Presumably, BellSouth intends new entrants to use the Firm Order mode of LENS when the

new entrant submits its order through LENS, and to use the Inquiry mode when the new entrant submits its service order through a means other than LENS (e.g., EDI, PC EDI, or fax). Since BellSouth expects that 80 percent of all new entrant service orders will be EDI orders, one would anticipate that most new entrants would use the Inquiry mode. The Firm Order mode offers different functionality than is available in the Inquiry mode for all pre-ordering functions, except access to customer service records.

BellSouth has suggested that new entrants use the Firm Order mode to avoid some of the inefficiencies of the Inquiry mode. This is unworkable; neither mode by itself offers the features and functionalities required for parity. The Firm Order mode of LENS alone is not a commercially viable pre-ordering option to new entrants submitting EDI, PC EDI, or faxed orders for the following reasons:

Address Validation -- New entrants must validate a customer's address repeatedly in the Inquiry Mode in order to obtain telephone numbers, view available features and services, or view the installation calendar. While the Firm Order mode requires only one address validation, it doesn't supply other necessary features and functions as discussed below.

Telephone Numbers --In the Inquiry mode, LENS limits new entrants to 100 reserved telephone numbers, or 5 percent of the available numbers for any given central office. While that

limitation does not apply to the Firm Order mode, a new entrant cannot reserve a number in the Firm Order mode for an EDI, PC EDI, or fax order: the selected telephone number is released as soon as the new entrant aborts a particular LENS order. Therefore, as a practical matter, new entrants must use the Inquiry mode of LENS to select telephone numbers for EDI, PC EDI, or faxed orders.

Features and Services -- In the Firm Order mode, a new entrant must perform an address validation and select a telephone number before selecting features and services. Once at the Features and Services section of the Firm Order mode, a new entrant cannot view all of the features and services available at a particular central office. Instead, the new entrant can view only those limited features and services that can be ordered via LENS. That limitation does not apply in the Inquiry mode. Therefore, as a practical matter, new entrants are forced to use LENS in the Inquiry mode to view feature and services information for EDI, PC EDI, and faxed orders. In fact, a new entrant using LENS to submit orders would have to access LENS in the Inquiry mode as well as the Firm Order mode if a customer wanted information about a service that could not be ordered through LENS. In other words, neither mode by itself allows a complete inquiry at all, let alone on a parity basis.

Due Dates -- In the Inquiry mode, new entrants do not have access to the essential functionality of BellSouth's Direct Order Entry Support Applications Program ("DSAP"). According to BellSouth, DSAP calculates due dates based on an intricate logic incorporating all variables that can influence due dates. Instead of providing access to DSAP's intricate logic, the Inquiry Mode of LENS provides new entrants with an installation calendar that contains only some of the information that may affect due dates.It does not calculate the due date or allow a new entrant to reserve a due date. In contrast, new entrants operating LENS in the Firm Order mode have access to DSAP, as BellSouth also does when using its OSS. As a practical matter, however, new entrants cannot use LENS in the Firm Order mode to obtain due dates for EDI, PC EDI, or faxed orders. That is because a new entrant must go through dozens of steps in order to obtain access to DSAP, which is the last step before submitting a LENS order to BellSouth. Furthermore, there is no guarantee that a new entrant will be able to obtain the same due date when submitting an EDI, PC EDI or faxed service order.

BellSouth currently does not offer a pre-ordering interface that is integrated with the EDI ordering interface. BellSouth touts the industry standard EDI as its primary ordering interface through which 80 percent of all service orders will flow, yet new entrants must sacrifice pre-ordering functionality for the ability to submit orders via EDI.

As demonstrated above, new entrants operating LENS in the Inquiry mode do not have the equivalent access to pre-ordering functions as new entrants operating in the Firm Order mode or BellSouth operating in its retail environment. Furthermore, it is not practical for new entrants to attempt to use LENS in the Firm Order mode to support EDI, PC EDI, or faxed orders. Consequently, LENS' dual mode design fails to provide nondiscriminatory access to BellSouth's pre-ordering functions for new entrants using the industry EDI ordering interface (an estimated 80 percent of all orders), new entrants using the PC EDI ordering interface, or new entrants faxing orders by choice or by necessity (i.e., where neither LENS nor EDI supports a particular service or network element).

Q. YOU STATE THAT CONTRARY TO MS. CALHOUN'S CLAIMS, BELLSOUTH DOES NOT PROVIDE NEW ENTRANTS WITH NONDISCRIMINATORY ACCESS TO BELLSOUTH'S ORDERING FUNCTIONS FOR SO-CALLED COMPLEX SERVICES. PLEASE EXPLAIN.

A. On pages 14-15 and 41-43 of her testimony, Ms. Calhoun suggests that BellSouth provides new entrants with nondiscriminatory access to BellSouth's ordering functions for so-called complex services. That is not true. Ms. Calhoun obfuscates the issue by confusing the pre-ordering process with the ordering process. While BellSouth may manually gather pre-ordering information for complex services, BellSouth has the capability to input orders for complex services directly and electronically

into BellSouth's OSS. Nondiscriminatory access requires that new entrants have the same capability to input orders for complex services electronically into BellSouth's OSS. It is that simple.

As noted in my direct testimony at page 15, the DOJ found that the FCC's nondiscrimination rules are not limited by the role that any particular OSS function plays in an RBOC's retail operations. See DOJ SBC Evaluation, App. A, at 78. In other words, BellSouth must provide new entrants with the functionality of its OSS and cannot limit the way the new entrant uses that functionality. For complex services, BellSouth is attempting to limit a new entrant's use of an OSS function by forcing it to use BellSouth's process for supporting complex services. Under BellSouth's process, the BellSouth account team for a particular new entrant will be a bottleneck that restricts a new entrant's ability to order complex services efficiently, effectively, and confidentially. If new entrants have direct order entry capability like BellSouth, however, the new entrants can automate and eliminate the inefficient manual processes that BellSouth developed in a monopoly environment, thereby improving customer service. Without direct order entry capability, BellSouth will be able to hold new entrants captive to its own inefficient manual processes. This is not what competition is about.

In fact, forcing new entrants to utilize BellSouth's present manual pre-ordering processes for these so called complex services is discriminatory even though BellSouth uses the process today. This is true because it

denies new entrants the meaningful opportunity to compete by eliminating the capability to improve upon BellSouth's process. If BellSouth's process takes four weeks, and a new entrant can perform the process in three weeks, requiring the new entrant to use BellSouth's process is discriminatory.

Q. YOU STATE THAT MS. CALHOUN CREATED A FALSE IMPRESSION REGARDING THE GEORGIA PSC'S FINDINGS ON LENS. PLEASE EXPLAIN.

A. At page 33 of her direct testimony, Ms. Calhoun created a false impression that the Georgia PSC somehow found that the LENS design provides new entrants with access to BellSouth's OSS functions that is equivalent to that which BellSouth provides itself. However, Ms. Calhoun testified in the Louisiana 271 proceeding that the Georgia PSC has never found that any of BellSouth's interfaces comply with the Act or its implementing regulations. See Louisiana 271 Hearing Transcript at 416 (May 20, 1997). As explained below, the Georgia PSC never made any such findings. What the orders of the Georgia PSC do indicate is that LENS is only an interim interface that does not provide nondiscriminatory access to OSS functions.

In Docket No. 6352-U, AT&T requested, among other things, that the Georgia PSC require BellSouth to establish electronic operational interfaces for OSS functions pursuant to Georgia law. In response to AT&T's request, on June 11, 1996, the Georgia PSC required BellSouth to establish the requested interfaces by July 15, 1996. Subsequently, by

order dated July 11, 1996, the Georgia PSC established a revised schedule that required BellSouth to provide some interfaces in the Fall of 1996, and other interfaces by the Spring of 1997.

On December 4, 1996, the Commission issued an order in Docket No. 6801-U, which involved AT&T's arbitration with BellSouth under the Telecommunications Act. Georgia PSC Order, Docket No. 6801-U (Dec. 4, 1996). In that order, the Georgia PSC found that the interfaces BellSouth had developed to date complied with its previous orders and, therefore, would be sufficient to meet AT&T's interim needs. Id. at 23. The LENS interface was neither developed nor in service on the date of the order and thus cannot be considered to have been approved by the Georgia PSC. The Commission also found that AT&T and BellSouth should continue to work jointly with industry groups to develop standards for long-term electronic interface solutions. Id.

In its Supplemental Order in Docket 6801-U, the Georgia PSC reiterated that its earlier approval related only to interim interfaces. The Georgia PSC then adopted permanent interface requirements which mirror those in the AT&T-BellSouth Florida agreement, and set a completion deadline of December 31, 1997.

In Docket 7253-U, which involved the review of BellSouth's SGAT under Section 252(f) of the Act, the Georgia PSC referred to LENS as an "interim" interface. Georgia PSC Order, Docket 7253-U, at 28 (March 21,

1997). The Georgia PSC found that "BellSouth has not yet demonstrated that it is able to provide access to [OSS] on a nondiscriminatory basis that places CLECs at parity with BellSouth." Id. at 10.

Q. YOU STATE THAT BELLSOUTH INCORRECTLY CLAIMS IT IS PROVIDING USEFUL AND TIMELY USAGE DATA. PLEASE EXPLAIN.

A. At page 54 of her direct testimony, Ms. Calhoun claims that BellSouth is providing useful and timely usage data. That is not accurate. BellSouth Witness Milner has acknowledged that BellSouth currently cannot generate a mechanized bill for local switching usage. Milner Direct at 21. In addition, BellSouth cannot record and transmit all of the usage data that new entrants require to bill access and mutual compensation in a network element or facilities-based environment. This recorded data is required not only for billing by CLECs, but also for conducting usage studies, market analysis and forecasting, as BellSouth is able to do. Without this capability, BellSouth cannot provide nondiscriminatory access to its OSS for billing functions.

Q. PLEASE SUMMARIZE YOUR REBUTTAL TESTIMONY.

A. BellSouth has proposed a patchwork of interfaces that do not provide new entrants with nondiscriminatory access to BellSouth's OSS functions. For example, BellSouth proposes LENS for pre-ordering functions, but LENS is not compatible with the EDI ordering interface, which is the standard recognized by the telecommunications industry for ordering functions. In

fact, a new entrant must sacrifice some of the pre-ordering functionality available in LENS in order to use the EDI ordering interface. Most new entrants' orders will use the industry standard EDI ordering interface despite these limitations. Even though it provides integrated pre-ordering capabilities, BellSouth admits that the LENS ordering functionality is discriminatory. The work-arounds (both automated and manual) that BellSouth has floated to compensate for deficiencies of its interfaces are not viable in any commercial sense. In any event, BellSouth does not meet the Act's requirements for nondiscrimination even if a new entrant could take some extraordinary efforts to somehow make BellSouth's proposed interfaces barely adequate. For these reasons and the reasons set forth in my direct testimony, the Florida Commission should find that BellSouth's proposed OSS interfaces do not yet comply with the provisions of Section 251 of the Act. Specifically, the Commission should make a negative determination for Issues 2, 3, 3(a), 10, 15 and 15(a).

Q. DOES THAT COMPLETE YOUR REBUTTAL TESTIMONY?

A. Yes.

(Transcript continues in Volume 26.)