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

SIXTH DAY - AFTERNOON SESSION

VOLUME 29

PAGE 3204 through 3326

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 3:00 p.m.
PLACE:	Betty Easley Conference Center Room 148 4075 Esplanade Way Tallahassee, Florida
REPORTED BY:	NANCY S. METZKE, RPR, CCR

APPEARANCES:

(As heretofore noted.)

I N D E X

WITNESSES

EXHIBITS - VOLUME 29

P R O C E E D I N G S

(Transcript continues in sequence from Volume)

CHAIRMAN JOHNSON: We're going to go back on the record.

MS. BARONE: Madam Chairman, I would like to inform the Commission that Mr. Ellenberg and I have reviewed the items in Exhibit Number 102, and we have been able to agree on items that will come out of that exhibit in Late-filed Exhibit Number 1 contained in Number 102. We've agreed that the following items should be taken out, Item 41, 44, 52, 53, 56, 73 and 83, and with those removed, staff moves that exhibit, moves 102 at this time.

CHAIRMAN JOHNSON: Okay. I'm sorry, you said 41, 44, 53?

MS. BARONE: 52, 53, 56, 73 and 83.

CHAIRMAN JOHNSON: Okay. BellSouth, did you have --

MR. ELLENBERG: With respect to that, we have agreed those items are out. I have made the objection to the remainder of the documents, and we are obviously not stipulating to the relevance of any of the materials that are coming in, but with that agreement, with the understanding that the remaining materials will be taken for what they are worth, then we are withdrawing the objection to the remainder.

CHAIRMAN JOHNSON: Okay. Well, then we'll show the document as admitted with the exception of those numbered items that were mentioned by counsel.

MS. WHITE: Madam chairman, at this time BellSouth would like to introduce in the record MCI's responses to BellSouth's second set of interrogatories. The responses are not proprietary with the exception of the answer to Item 10A, and that will be provided to the Commission staff on a proprietary basis subject to MCI's filing of a request for confidential classification, so I would like to have that identified as an exhibit. The redacted -- excuse me, the MCI's responses to BellSouth's second set of interrogatories I would like to have identified as an exhibit.

CHAIRMAN JOHNSON: This is something that I have?

MS. WHITE: No, I'm getting ready to pass it out.

CHAIRMAN JOHNSON: Oh, okay. We'll identify that as Exhibit 112.

MR. MELSON: And Commissioner Johnson, just so I'm clear, my understanding is that BellSouth was not going to offer the answer to Interrogatory 10B. There were two pieces that were confidential, and BellSouth was going to offer only one of the confidential pieces was my understanding.

MS. WHITE: Mr. Melson, is correct, and I

apologize, we will be offering all of the responses with the exception of 10B, and response 10A is proprietary to MCI, and they will seek confidential classification of it.

CHAIRMAN JOHNSON: Okay. Could you give me a short title for that exhibit?

MS. WHITE: MCI responses to BellSouth's interrogatories.

CHAIRMAN JOHNSON: Okay. That will be fine.

MS. WHITE: And I have a copy for the parties if they want one.

CHAIRMAN JOHNSON: Any other preliminary matters?

(NO RESPONSE)

CHAIRMAN JOHNSON: MCI.

MR. BOND: MCI would like to call Mr. Ronald Martinez as its next witness. And just for the Commission's information, Mr. Martinez will not be addressing the details of the Jacksonville demonstration in his summary. Thank you.

Whereupon,

RONALD MARTINEZ

was called as a witness on behalf of MCI and, after being duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. BOND:

Q Mr. Martinez, have you been sworn?
A Yes, I have.
Q Could you please state your name and business address?
A Ronald Martinez, 780 Johnson Ferry Road, Atlanta Georgia, 30342.
Q By whom are you employed and in what capacity?
A MCI, T in the law and public policy group as an executive staff member.
Q Have you prefiled direct testimony in this docket consisting of 59 pages?
A Yes, I have.
Q Do you have any changes or corrections to that testimony?
A No, I don't.
Q If I were to ask you the same questions today, would your answers be the same?
A Yes, they would.
MR. BOND: Chairman Johnson, I would ask that Mr. Martinez's prefiled direct testimony be inserted into the record as though read.
CHAIRMAN JOHNSON: It will be so inserted.
BY MR. BOND:
Q Mr. Martinez, have you also prefiled rebuttal testimony in this docket consisting of 33 pages?

A Yes, I have.

Q Do you have any changes or corrections to your rebuttal testimony?

A No, I don't.

Q If I were to ask you the same questions today, would your answers be the same?

A Yes, they would.

MR. BOND: Chairman Johnson, I also ask that Mr. Martinez's prefiled rebuttal testimony be inserted into the record as though read.

CHAIRMAN JOHNSON: It will be so inserted.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY OF RONALD MARTINEZ

ON BEHALF OF MCI TELECOMMUNICATIONS CORPORATION

DOCKET NO. 960786-TL

July 17, 1997

Q. PLEASE STATE YOUR NAME, ADDRESS, AND POSITION.

A. My name is Ronald Martinez. My business address is 780 Johnson Ferry Road, Atlanta, Georgia 30342. I am employed by MCI Telecommunications Corporation ("MCI") in the Law and Public Policy group as an Executive Staff Member II. My responsibilities in my current position include working with the MCI business units to ensure timely introduction of products and services.

Q. PLEASE PROVIDE INFORMATION ON YOUR BACKGROUND AND EXPERIENCE.

A. In my previous position at MCI, I managed the business relationships between MCI and approximately 500 independent local exchange companies ("LECs") in twenty-one states. I have experience in network engineering, administration and planning; facilities engineering, management and planning; network sales; and technical sales support. Prior to joining MCI, I was the Director of Labs for Contel Executone for several years. Before that, I worked for 16 years in the Bell system in numerous engineering, sales and sales support functions. I

have a Master of Science degree in Operations Research, and a Bachelor of Science degree in Electrical Engineering from the University of New Haven. I was one of the principal negotiators in the negotiations between BellSouth and MCI which was conducted pursuant to Section 252 of the Telecommunications Act of 1996(the "Act").

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to provide information to the Florida Public Service Commission ("Commission") to assist the Commission in their evaluation of the BellSouth Operation Support Systems ("OSS"). In regards to BellSouth's OSS, I will discuss: (1) the readiness, or lack thereof, of BellSouth's OSS systems to support competition in local exchange services; (2) the ways in which BellSouth's OSS systems fail to provide parity to a competing Alternative Local Exchange Carrier ("ALEC"); and (3) other issues that raise fundamental questions about BellSouth's capabilities to support competition in the local telephone service market.

OPERATIONS SUPPORT SYSTEMS

(Commission Issues No. 3 and 15)

Q. BEFORE DISCUSSING THE PARTICULAR ISSUES RAISED BY THE CURRENT STATE OF BELLSOUTH'S OSS FUNCTIONS, CAN YOU

PROVIDE SOME GENERAL BACKGROUND ABOUT OSS FUNCTIONS?

A. Yes. Operations Support Systems, or OSS, consist of all the computerized and automated systems, together with related business processes, that ensure that a telecommunications carrier can satisfy customer needs and expectations. In the developing competitive environment, carriers will not be able to compete without powerful and efficient wholesale support processes for resale services and unbundled elements which must support the following:

1. Pre-ordering
2. Ordering
3. Installation
4. Repair and Maintenance
5. Billing

Like all BOCs, BellSouth has for years utilized highly complex OSS systems to successfully manage its internal processes and customer interactions. These well-tested systems ensure, for example, that customer service representatives have immediate real-time access to all information necessary to respond fully and correctly to customer queries about such things as the variety and prices of services available, or the status of repair calls. They also ensure, among other things, that customer orders are correctly processed and that bills are timely, complete, and accurate.

Q. WILL THE ILECS' OSS NEED TO BE MODIFIED TO SUPPORT LOCAL COMPETITION?

A. Yes. Consistent with the Act, Incumbent Local Exchange Carriers ("ILECs") must make changes to their OSS to enable competition to develop in local markets. To the extent new competitors such as MCI must rely on the ILECs' networks and OSS capabilities for a realistic opportunity to compete, it will be essential for the ILECs to develop and implement OSS interfaces and downstream processes sufficient to ensure that they can provide unbundled network elements and resale in a timely, reliable, and nondiscriminatory fashion in volumes adequate to satisfy demand. In addition, the FCC's rules specifically require that ILECs develop interfaces capable of providing ALECs nondiscriminatory unbundled access to its OSS functions themselves. The U.S. Department of Justice ("DOJ"), in its Evaluation dated May, 16, 1997 in the SBC-Oklahoma Section 271 case (CC Docket No. 97-121) ("DOJ Evaluation") at page 27 stated:

> [T]he department will evaluate (1) the functions BOCs make available; and, (2) the likelihood that such systems will fail under significant commercial usage. Overall, the Department will consider whether a BOC has made resale services and unbundled elements as well as other checklist items, practicably available by providing them via wholesale support processes that (1) provide needed functionality; and (2)

operate in a reliable, nondiscriminatory manner that provides entrants a meaningful opportunity to compete.

These requirements mean, at a minimum, that ILECs must provide parity to requesting ALECs in at least three respects: the scope of information available, the accuracy of information supplied, and the timeliness of communications.

Q. PLEASE EXPLAIN HOW THE COMMISSION SHOULD DETERMINE WHETHER THESE REQUIREMENTS ARE MET.

A. In order to determine whether a BOC has satisfied these requirements -- namely, that it has implemented OSS systems and interfaces capable of ensuring that it can "fully implement" the competitive checklist, and that it provides nondiscriminatory unbundled access to OSS functions and databases -- two questions are key: First, are the interfaces and specifications the BOC employs to communicate with the ALECs adequate to fulfill pro-competitive needs? Second, assuming the BOC proposes to use a competitively acceptable interface to provide competitors access to a particular OSS function, has there been sufficient experience with the interface and associated systems and processes so as to ensure they will work "as advertised"? To this end, the DOJ Evaluation at page 29, noted:

> In determining whether a BOC's wholesale support processes can provide the necessary functionality, the Department will view internal testing by a BOC as

substantially less persuasive evidence than testing with other carriers, and testing in either manner as less persuasive evidence than commercial operation.

Q. PLEASE ELABORATE ON THE DIFFERENT TYPES OF OSS INTERFACES.

A. In theory there are numerous ways an ALEC might be able to access BOC OSS functions. One basic distinction is between the modern automated electronic interactive access and the more primitive manual access. Manual access means that the ALEC' s access is mediated by human intervention on the part of the BOC or, by virtue of the BOC interface, mediated by human intervention on the part of the ALEC. For example, when an ALEC orders a resale service or unbundled element manually, it ordinarily means that the ALEC transmits an order form to the BOC by facsimile, at which point a BOC employee types the information supplied on the form into the BOC's computerized order entry system. Manual intervention also occurs when, after information is exchanged electronically, a BOC representative must re-enter or otherwise manipulate it before it can be processed downstream.

Conversely, a manual intervention requirement can also be imposed on the ALEC, by virtue of the interface provided by the BOC. For example, an ALEC may be required to enter an order separately into its own system and then reenter the order into the BOC's system. This duplicate manual entry on the

part of the ALEC would be costly both in time and dollars but not be a cost that would be incurred by the BOC. The BOC representatives could, by virtue of their direct access to databases, assemble information and automatically process their orders on line. Another example of manual intervention on the part of the ALEC might be the simple task of verifying an address. If a BOC representative's system were to routinely check and correct for normal typing errors during the course of order entry and correctly populate these in the proper fields of the order while the ALEC had to manually select a database then retype the correction into the order it was creating, then the OSS system supplied to the ALEC is manual. This would be true even though the system was accessed electronically by the ALEC and, once connected, was interactive with respect to that specific database of the BOC. The fact would still remain that the system was not provided in a manner that permitted it to be interactive with the ALEC's system. This would certainly be true where a BOC requires an ALEC to access different and diverse systems for pre-ordering and Ordering functions while the BOC itself treats these functions as a chain of serial events on a common system.

To this end, the DOJ Evaluation at page 26, states:

> Because each BOC has millions of access lines, meaningful compliance with the requirements that the BOC make available resale services and access to unbundled elements demands that the BOC put in place efficient processes, both

electronic and human, by which an ALEC can obtain and maintain these items in competitively-significant numbers. The checklist requirements of providing resale services and access to unbundled elements would be hollow indeed if the efficiency of -- or deficiencies in -- these "wholesale support processes," rather than the dictates of the marketplace, determined the number or quality of such items available to competing carriers.

Q. PLEASE DESCRIBE THE VARIOUS TYPES OF AUTOMATED ACCESS THAT COULD BE PROVIDED.

A. Automated access means that information is directly exchanged between the ALEC and BOC computers. This can be done through a variety of different interfaces and protocols that range widely in degrees of sophistication and utility.

The most sophisticated type of automated access is termed electronic bonding ("EB"). Electronic bonding solutions are the most sophisticated and useful because, in certain applications, they can allow new entrants to approximate the same real-time access to the BOC's functions as the BOC itself enjoys. From the customers' perspective, interactions with an ALEC that has electronically bonded to the ILEC are indistinguishable from interactions with the ILEC. Furthermore, because electronic bonding links the ALEC's existing OSS system

to that of the ILEC, the ALEC does not need to develop a new OSS interface to communicate with the ILEC for a given function.

Less sophisticated automated access arrangements involve the transfer of data between computer systems in batches. These "batch transfer" solutions work much like electronic mail, but are much more rigorously structured in terms of format, syntax, and vocabulary. The standard batch transfer interface for most applications, Electronic Data Interface ("EDI"), is also termed a "transactional" interface because it has long been used for ordinary business transactions like exchanging bills of lading or service orders. File transfer protocol, perhaps the classic batch interface, transmits large amounts of data at scheduled and infrequent intervals.

Q. ARE MANUAL INTERFACES ADEQUATE TO SUPPORT LOCAL COMPETITION?

A. No. Manual access arrangements are not compatible with MCI's needs as a new entrant seeking to compete against an incumbent LEC. Every manual intervention causes delay, sometimes substantial, and creates significant risk of error. By relying upon manual interventions, the ILEC can hold its competitors hostage to its own response time, hours of operation, and ability (or incentive) to provide accurate information. Also, manual arrangements increase ALECs' costs in two ways: First, ALECs must employ more people to handle the process and to audit the ILEC's performance. Second, and similarly, these

arrangements increase the ILEC's costs by requiring more employees to input data, etc., and the ILEC is likely to try to pass its own inflated costs through to the ALECs. Accordingly, solutions that require manual intervention on the ILEC's side cannot be acceptable in either the short or long term.

Q. WHAT AUTOMATED ACCESS ARRANGEMENTS WOULD BE SATISFACTORY?

A. Each ILEC should adopt the automated interfaces and data formats adopted and approved by the relevant national standard-setting bodies or industry forums. The three principal groups are: the Ordering and Billing Forum ("OBF") of the Carrier Liaison Committee; the T1 Committee; and the Electronic Communications Implementation Committee ("ECIC"). All three are sponsored by the Alliance for Telecommunications Industry Solutions ("ATIS") and accredited by ANSI. ILECs should adopt standardized systems for two reasons.

First, for ALECs that hope to compete in markets presently controlled by different BOCs it is absolutely critical that interfaces are uniform. The costs of developing systems and software and of training necessary to use any particular interface are substantial. This is why most BOCs try to unify their own systems. BellSouth, for example, uses essentially the same OSS interfaces and formats throughout its region and has a single OSS service center for ALECs, the Local Customer Service Center, to serve all of the states within its region.

A nationwide ALEC like MCI must be able to realize similar economies. We can only do so, however, if the several large ILECs conform to nationally standardized interfaces and formats.

To this end, the DOJ Evaluation at page 73, states:

> The Department views as critical a BOC's meaningful commitment to comply with emerging industry standards. If all BOCs adhere to the same standard it will ultimately reduce the need for competitors to build separate interfaces for each BOC, lowering competitor costs and facilitating faster development of such interfaces.

Second, the industry forums are well positioned to resolve which interfaces and formats are reasonably necessary and practical for each particular OSS function or sub-function. Different functions and services may create different OSS needs. While electronic bonding solutions -- with their real-time accessibility -- are essential for any function that is conducted while the carrier's service representative is actually speaking with the end-user (such as all pre-ordering functions), some sorts of batch transfer solutions might adequately serve competitive needs for other functions.

For both of these reasons, I agree with the FCC that "[i]deally, each incumbent LEC would provide access to support systems through a nationally

standardized gateway." See FCC, First Report and Order, paragraph 527 (Aug. 8, 1996). Similarly, I agree with the DOJ's view of the criticality of a BOC's meaningful commitment to comply with emerging standards. Consistent with these views, MCI is investing its development monies for OSS in the technical interface solutions developed through the industry forums. The FCC has chosen to rely on the carriers to agree to nationally standardized interfaces voluntarily. The likelihood that the large ILECs and ALECs will reach voluntary consensus on nationally uniform interfaces will be sorely tested if the BOCs are allowed to offer in-region long distance services before such solutions are adopted. Because the time and incremental capital investment required for ALECs to develop non-standard OSS interfaces represents a considerable barrier to entry, regulatory incentives toward standardization are critical.

Q. IN THE ABSENCE OF INDUSTRY STANDARDS, WHAT OSS INTERFACES SHOULD ILECS ADOPT?

A. While the industry forums have made substantial progress, they have not yet established standards for all OSS functions. In particular, they have not finalized interfaces and standards for the information exchanges that typically occur before an ALEC actually places an order with an ILEC. To the extent that standard-setting forums have not yet adopted standards for all functions, the BOC should be expected to adopt the least costly interim solution that would give requesting carriers the same level of access to the BOC's OSS

functions as the BOC itself enjoys. It is not reasonable for individual large ILECs to implement any interim solutions that would require ALECs to commit substantial resources of their own to access the ILEC's solution when equally adequate interim solutions can be devised that would prove less costly to the ILEC's would-be local competitors.

With respect to interim solutions and, for that matter, long-term solutions that would give requesting carriers the same level of access to the BOC's OSS functions and/or databases as the BOC itself enjoys, it is not sufficient to provide access similar to that which a BOC representative has. Quite often, a BOC will restrict, for business reasons, access to data and/or subsets of data from their Business Office Representative. An example of this is number reservations. A BOC Marketing Organization typically prescreens numbers that might spell a word (i.e. 225-5624 spells CALL-MCI) from new NPAs being established in their serving area. To control the assignment of these numbers, a BOC representative would be restricted from accessing this number and would need to contact the controlling party to obtain a release of this number for the customer. The ultimate release of the number and/or the search for a compatible number would be controlled by the BOC's business practices. An ALEC, like MCI, must have access to the database containing these valued numbers and visibility into the database at parity with the BOC itself, not merely at parity with the Business Office Representative of the BOC.

Q. WHAT TEST SHOULD THE COMMISSION APPLY IN DETERMINING WHETHER BELLSOUTH'S OSS INTERFACES ARE SUFFICIENT TO ENABLE IT TO MEET THE CHECKLIST REQUIREMENTS?

A. A BOC's OSS interfaces should be deemed satisfactory only if these conditions are satisfied: (1) Wherever there exists an existing industry standard, the BOC must have adopted and implemented it; and (2) wherever an industry standard does not yet exist, the BOC must (a) enter into a binding contractual commitment (backed up by adequate contractual and regulatory penalties) to comply with industry standards as soon as possible (pursuant to a specified implementation schedule) and (b) offer and implement an interim solution that gives requesting carriers the same level of access that the BOC's operational groups have to its systems and that is as consistent as possible with expected industry standards. Because OSS interfaces, like other software packages and operating protocols (e.g., WordPerfect and Microsoft Windows) are periodically updated and improved, conformance with industry standards entails adoption of the most advanced available specifications for a given standardized interface. For example, that would mean BOCs should presently be using the long-available EDI issue 6.0 for ordering functions and should shortly transition to the recently OBF-approved issue 7.0. The DOJ Evaluation recognized this requirement in footnote 98, at page 73:

> ATIS committees have previously performed translations or "mappings" of telecommunications ordering forms to be

used between large business customers and their telecommunications carriers. These previous mappings, known as Issue 5 and Issue 6, were used by some carriers to implement partially standardized electronic transactions between BOCs and ALECs prior to the stabilization of the issue 7 draft. Any changes made to issue 7 before its final release will have to be implemented by carriers using prerelease drafts.

Q. WHAT OSS CAPABILITIES ARE NECESSARY, BEYOND ELECTRONIC INTERFACES?

A. The adoption and implementation of an appropriate OSS interface, configured to appropriate specifications, is a necessary condition for the development of local competition, but it is far from sufficient. The interface merely governs the communication between the ILEC and ALECs. The theoretical capacity for rapid and efficient communication between the carriers is of little use if either the ILEC lacks the internal systems necessary satisfactorily to effect the functions a particular interface is designed to support, or the ALEC lacks the systems, software, and training needed to make efficient and effective use of the OSS access provided. Therefore, before a BOC can establish that it will be able to provide unbundled network elements or resale services in a competitively acceptable manner, it must demonstrate both that its OSS interfaces are linked to downstream systems that can provide the necessary services in a prompt and

trouble-free fashion and that it provides adequate training and support to competing local carriers.

Once the ILEC has devised, tested, and implemented its interfaces, it must still design, develop, test and implement business processes adequate to effect the relevant inter-carrier business functions. Because this is a critical point, I would like to elaborate.

First and foremost, BellSouth should adopt and commit to performance measurements with penalties that would be assessed if BellSouth fails to live up to these commitments. The DOJ Evaluation, at page 47, agreed with the need for such a requirement:

> The establishment of such performance measurements will ensure the continued availability of functional and operable wholesale support processes and signal to competitors and regulators that the market has been irreversibly opened to competition. With clear performance benchmarks in place, both competitors and regulators will be better able to detect and remedy any shortcomings in the BOCs delivery of wholesale support services to its competitors.

The DOJ Evaluation also stated at page 48 that "the Department will pay close attention to the adequacy of a BOC's established performance measures." With respect to penalties, the DOJ Evaluation made the following statement in

footnote 60, page 48: "Another factor that is relevant to this showing is whether the BOC has entered into, or is subject to, clear penalties for failing to meet basic performance benchmarks, e.g. a time interval for provisioning unbundled loops. In fact, the BellSouth in their Negotiations Handbook for collocation expects an ALEC to pay "liquidated damages" on damages caused by the behavior of an ALEC's employee. Hence, the concept of damages for failure to perform does not appear foreign to BellSouth.

Also, OSS is not just about inter-carrier interfaces. To the contrary, as mentioned earlier, local exchange carriers rely on advanced OSS capabilities to run their internal operations; these capabilities have nothing to do with the particular LEC's relationship to other carriers. Some of these processes will work essentially the same way whether the function at issue is performed for an end-user or an ALEC. For example, when a customer orders an entirely new line from a reseller, the reseller basically stands in the shoes of the BOC: If the interfaces between the two carriers work as they should, the fact that the pre-ordering and ordering processes are mediated through a new carrier (the ALEC) should not add additional complication to the BOC's existing provisioning systems. That is, the provisioning function itself should look much the same regardless of whether the end-user takes that service directly from the BOC or from a reseller of the BOC's service.

There are, however, other ways in which the new ALEC-ILEC relationship imposes new burdens on the ILEC's downstream systems. For example, when an ALEC resells an existing service to an existing ILEC customer, the processing of that order requires a communication between the ILEC's ordering and billing systems that the ILEC does not otherwise engage in for itself. In other words, the ILECs were not required to migrate an existing line with existing vertical services prior to the implementation of the resale requirements. Similarly, when an ALEC orders unbundled elements, the new challenge for the ILEC is not only to receive and understand that order (this is where the ordering interfaces come in), but also to give effect to that order. Before the 1996 Act, the ILECs did not have OSS systems in place to effectuate the unbundling of, for example, local switching. Today, however, ILECs must provide additional personnel and material resources to support such ALEC orders.

Assuming that an ILEC has deployed an appropriate interface and has adequately tested downstream systems that can accommodate all foreseeable demand in a nondiscriminatory fashion, it is critical that the ALEC is able to use the ILEC's interfaces effectively. The ILECs have a responsibility to assist the ALECs in this regard because the ILECs select the interface, tailor its specifications and vocabulary, and control the timing of its implementation. This responsibility holds even when a BOC adopts an interface approved by an industry forum, as most industry-standard interfaces are very loosely defined to

allow individual carriers great flexibility in tailoring their own specifications. Consequently, just as the market requires the manufacturer of a complicated software package to provide initial and ongoing customer support, regulators must ensure that the BOCs provide ALECs with adequate training, updates on system changes and assistance -- including complete and intelligible manuals and pull-down on-screen menus where necessary. With respect to updates, the BOC should be required to provide timely informational updates on the systems as they evolve and to ensure that the ALECs receive updates to the manuals they obtain during training.

Q. WHAT TESTING IS NECESSARY TO ENSURE THAT OSS CAPABILITIES ARE FUNCTIONING PROPERLY?

A. The process of ensuring that the business processes linked to a given OSS interface work as planned is itself lengthy and requires careful planning and testing. After each carrier's systems are developed and deployed, it is necessary to conduct "integration" testing -- full end-to-end trials designed to make sure that the systems can communicate properly with each other to accomplish the intended results in the designed manner. After integration testing has been successfully completed, the systems may be put into actual competitive use, supporting "live" customer transactions. Even once this stage of actual implementation is reached, however, testing is not completed. To the contrary, it is almost inevitable that the early stages of actual competitive use will reveal design and operating flaws that had escaped detection during integration

testing, thus requiring further trouble-shooting and system modification.

To this end, the DOJ Evaluation (footnote 39, page 29) quoted comments made by the Wisconsin Department of Justice Telecommunications Advocate, in their response to the Second Notice and Request for Comments in Docket No. 6720-TI-120, at 7 (Jan 27,1997):

> In order for the systems to be considered operational, they must satisfy two tests. First, Ameritech must demonstrate that the systems incorporate sufficient capacity to be able to handle the volumes of service anticipated when local competition has reached a mature state...In addition, the systems must have been proven adequate in fact to handle the burdens placed upon them as local competition first takes root.

From an OSS perspective, paper promises are not enough to ensure effective real-world application. Because deploying "operationally ready" OSS is a substantial and time-consuming undertaking, there is a real difference between saying a system is ready and actually using it to provide services in a commercially satisfactory way. In light of the innumerable potential glitches and pitfalls that must be eliminated prior to commercial availability, one cannot know how well things can be provided until they are supported by a full and varied track record of having been provided. In short, OSS must be in real

competitive use (not merely promised) and subject to auditing and monitoring of key performance indicators before OSS can be deemed to be operationally ready.

Q. PLEASE SUMMARIZE YOUR CONCLUSIONS CONCERNING THE OSS CAPABILITIES GENERALLY REQUIRED TO SUPPORT COMPETITION IN THE LOCAL TELEPHONE SERVICE MARKET.

A. As a general matter, any OSS system will need to meet three tests before it can be certified as sufficiently robust to provide a foundation for competition in the local service arena. First, the system must not rely on any manual interfaces for basic functions, such as ordering loops or requesting customer service records. Second, the system must comply with national industry standards. Otherwise, ALECs will be forced to developed numerous, ILEC-specific interfaces, and consumers will suffer by paying higher prices. Finally, and most fundamentally, it will be impossible to determine whether a particular OSS capability can support competition until the capability has been in actual, commercial use for a meaningful period of time. For OSS capabilities, "the proof will be in the pudding." Any other approach to evaluating the suitability of OSS capabilities could lead to a premature endorsement of ILEC entry into long distance and, accordingly, to serious anti-competitive consequences.

Q. AT PRESENT, ARE BELLSOUTH'S OSS CAPABILITIES ADEQUATE TO SUPPORT LOCAL COMPETITION?

A. No. In numerous respects, BellSouth's current OSS capabilities are inadequate to support competition in the local exchange market. Many functions rely on manual intervention, and ALECs can expect that substantial service problems will result from these arrangements. Moreover, BellSouth's Local Exchange Navigational System ("LENS") and Trouble Analysis Facilitation Interface ("TAFI") do not adhere to the industry standards in the OSS arena and are BellSouth Proprietary systems. As discussed above, without standard interfaces, national ALECs such as MCI will find it prohibitively expensive to compete against ILECs. ILECs in every region, or even every state within a region, could generate idiosyncratic OSS requirements that would defeat any economies of scale that ALECs might hope to achieve.

In its negotiations with MCI, BellSouth has committed to specified timelines for implementing electronic bonding (EB). BellSouth has agreed to make EB available for pre-ordering and ordering functions within one year after the implementation of interexchange EB. With respect to local maintenance, BellSouth has committed to implementing EB within one year of the effective date of its interconnection contract with MCI. These paper promises, while indicating BellSouth's intent to institute EB, should not be considered the equivalent of actual, tested, in-use systems.

With that said, BellSouth's current OSS capabilities can be discussed in terms of the five discrete functions performed by OSS: pre-ordering, ordering,

provisioning, maintenance & repair, and billing. The pre-ordering function involves the exchange of information between carriers prior to, and in anticipation of, the placing of an actual order. As opposed to pre-ordering, which concerns interactions with customers to determine which services to order, ordering relates to the processes required for an ALEC to submit an actual order for either unbundled network elements or resold services. Provisioning involves the exchange of information between carriers in which one executes a request for a set of products or services from the other, with attendant acknowledgments and status reports. Maintenance and repair relates to how those two physical services will be provided, as opposed to ordering and provisioning, which relate to how the need for those processes will be communicated. Finally, OSS functions that support billing keep track of ALEC and/or ALEC customer usage of ILEC services and facilities. Billing systems also provide information in various formats from the ILEC to the ALEC, and vice versa. I will discuss each of these OSS functions as they relate to BellSouth's existing OSS capabilities for both facilities-based and resale components.

Q. ARE BELLSOUTH'S CURRENT PRE-ORDERING INTERFACES ADEQUATE TO SUSTAIN LOCAL COMPETITION?

A. No. At present, BellSouth's interfaces do not support many of the pre-ordering requirements, especially the sub-functions supplying the real-time information that ALECs will need to provide to their potential customers in order to have

any hope of competing against BellSouth. The overwhelming business requirement for a pre-ordering interface is the ability of the ILEC system to provide real-time, up-to-date information within seconds of an electronic request -- while the customer is on the line. Anything short of this key capability fails to meet customers' expectations for customer service from any modern business organization, whether it is providing credit, insurance, catalog, or telephone services.

This Commission has been at the forefront of state commissions in mandating parity of access to operations support systems. See Order No. PSC-96-1579-FOF-TP, Docket No. 960846-TP, pp. 76 to 86, and see FCC, First Report and Order, paragraph 519 (Aug. 8, 1996) (CC Docket No. 96-98). Even so, BellSouth is still operating on interim OSS systems. While it may be true that ALECs such as MCI can "get by" with the interim OSS measures adopted by BellSouth, the simple fact of the matter is that these measures cannot realistically support local competition. Simply put, BellSouth's interim methods for providing pre-ordering information to both facilities-based competitors and resellers are clearly inadequate.

There are at least seven key pre-ordering sub-functions that must be provided to all telecommunication carriers: (1) access to customer service records; (2) the ability to select and reserve telephone numbers while the end-user is on-line; (3) determination of features available to the end-user; (4) the ability to select

an order due date and to schedule any necessary outside work while the end-user is on-line; (5) address validation; (6) access to a potential subscriber's current directory listings; and (7) access to the information that an ALEC would require at the pre-ordering stage in order to convert an existing customer's services through an unbundling situation involving a second ALEC.

Q. ARE THESE FUNCTIONS ADEQUATELY PROVIDED THROUGH BELLSOUTH'S LENS SYSTEM?

A. No. It is important to note, the BellSouth Local Exchange Navigation System (LENS) is not an industry standard and, in fact, is a BellSouth proprietary system as noted on LENS: "1997 BellSouth Telecommunications. Inc. All Rights Reserved". The industry has recently agreed that EDI via TCP/IP is the proper preordering interface. In addition, LENS is a manual dedicated access system that is incapable of integrating with an ALEC's OSS system. Further, the back up for LENS is the LCSC which is only open Monday-Friday from 8:00 am to 5:00pm central standard time. MCIm's customers expect service twenty-four hours a day and, moreover, BellSouth's own service centers are open and operational twenty-four hours a day seven days a week. Thus, LENS is insufficient to serve the ALEC's needs and is discriminatory against the ALECs. Lastly, MCIm, after repeated requests, did not receive the technical specifications associated with LENS until July 8, 1997, so that it could assess the requirements of building an interface to this proprietary system. The documentation provided previous to this was only the "LENS Users Guide"

which was represented as the technical specification. In regards to the LENS USERS Guide, it is worth noting that there have been three revisions since March and the knowledge that this Users Guide had changed was, in every instance, obtained from sources other than BellSouth.

Q. PLEASE DISCUSS THE VARIOUS PRE-ORDERING FUNCTIONS AVAILABLE IN LENS.

A. In BellSouth's LENS "USERS GUIDE", BellSouth offers four (4) of these pre-ordering functions to ALECs through its LENS system. These functions include: access to feature and service availability; access to the Regional Street Address Guide ("RSAG"); access to telephone number assignment; and, appointment scheduling (i.e. due date scheduling). Access to Customer Records is also referenced in the Guide; however, access to customer records has only recently become available (the pop down screen suddenly appeared in the preordering section of LENS).

1. Customer Service Records

Q. PLEASE DESCRIBE HOW LENS PROVIDES ACCESS TO CUSTOMER SERVICE RECORDS.

A. In its arbitration decision in Docket No. 960846-TP, this Commission found that BellSouth must provide access for MCI to receive customer service records. See Order No. PSC-96-1579-FOF-TP, pp. 79-81. While access to a limited subset of the CRIS record has been provided to the ALEC, the LENS

system only allows the ALEC to print the Billing Name and Address page of the CSR. Hence, an ALEC must write down all of the pertinent information before proceeding to place an order on LENS.

CSRs are necessary for ALECs to place orders for both unbundled network elements and resold services. The CSR contains information relating to the services that the customer is currently receiving, as well as accurate billing name and address information. Without this information, ALECs will find it difficult to advise potential customers concerning the best mix of services to meet their needs. The initial lack of immediate access to CSRs has, at a minimum, created significant delays in ALECs' abilities to respond to customer requests for service. Unlike BellSouth's service representatives, an ALEC's customer service representative could not check that all of the customer information needed to submit the order was correct without calling the customer back to verify, after reviewing the CSR.

While MCI has only had a chance to view this feature in LENS, there is a fundamental flaw in the LENS system that effects both the pre-ordering and ordering sections. Ms. Calhoun captures the spirit of this flaw at page 18 of her pre-filed testimony when she defines pre-ordering: "The FCC Part 51 rules define preordering and ordering as including 'the exchange of information between telecommunications carriers.'" Pre-ordering and ordering are joined at the hip and are not separate and distinct functions as designed into LENS. A

BellSouth representative has access to all functions; as evidenced by Ms. Calhoun's exhibits, the pull down screens are always present to access CSR information and other functions. In LENS, the ALEC must print the screen because nothing is saved once they pass onto the next phase. Even printing screens will not save all the necessary information, since, as already stated, the ALEC can only print the Billing Name and Address page of the CSR. Ms. Calhoun notes on page 11 that "the data underlying the presentation screens supplied through LENS is available for customization by an ALEC." While it will be a while before MCI can fully evaluate this statement, it is quite apparent that an ALEC choosing to use this system will have no other choice. This will become more evident as I continue, but before I do, I would like to present an example of this problem with respect to CSRs.

Assume that an ALEC has viewed the CSR data and wants to proceed to place a simple order such as "Change As Is." One would not expect that a second view of the CSR was necessary, but LENS requires the ALEC to input the IXC PIC and IntraLATA PIC into the system before it will continue. This information is required even though, by definition, the IXC PIC and the IntraLATA PIC are not being changed by the order. To review the CSR in order to view the PICs associated with this line, the customer service representative must exit the Change As Is Ordering which deletes the document the representative was working on. If the ALEC puts in the wrong PICs the order is rejected because, of course, that is a change order and does not qualify

under the Change As Is. While the customer presumably knows their long distance carriers, it is highly unlikely that they would know the related Carrier Identification Codes ("CIC"). If the customer had been PICed to BellSouth for intraLATA toll, there is no way that the end user customer, who never selected BellSouth but was defaulted to them when intraLATA 1+ opened in Florida, would know the CIC associated with BellSouth. Again, the BellSouth representative is not denied access to this information when they are in the order writing phase because there is no distinction between pre-ordering and ordering. The only difference between these two phases is time. They are but one continuous string of events that go back and forth between systems. Yet LENS forces the ALEC to treat them as two completely separate processes.

2. Telephone Number Assignment

Q. HOW DOES LENS HANDLE NUMBER ASSIGNMENTS?

A. With respect to the OSS functions purported to exist within LENS, BellSouth has designed a cumbersome interim method for customers to select telephone numbers during pre-ordering in cases where an ALEC does not have an NXX code. Instead of permitting ALECs to access BellSouth's telephone reservation system, BellSouth is proposing that ALECs be able to assign only a finite number of telephone numbers, up to six per customer. The ALEC will receive confirmation on these assignments in no more than 2 business days. If, as BellSouth suggests, this is at parity with itself, an ALEC customer will not be able to use the number either for business cards or simple referrals until they

have this confirmation. However, it is unclear as to the method by which BellSouth intends to confirm this number.

Should an ALEC be asked by a customer to assign a "Vanity Number," which is a telephone number that spells a word or simple statement (i.e. 225-5624 spells CALL-MCI), the number must spelled out by the ALEC to determine its availability. If this specific number was not available per LENS, the ALEC would need to repeat the process (i.e. go back to initial screen) with each new combination that their customer might want to use to substitute for the original number requested. Each new vanity number the customer wished to try would need to be entered until either the customer runs out of ideas or the number is available. While it may be true that a BellSouth Representative does not have access to the entire list of "Vanity Numbers", BellSouth as a whole does know all remaining "Vanity Numbers." The decision to restrict BellSouth personnel from access to these numbers is purely an internal business restriction of BellSouth. MCI as a whole is entitled to have similar information that is available to BellSouth as a whole for it to make its own business decisions as to the information available to its representatives.

As previously pointed out in my testimony, ALECs should have access to the database and not be subjected to BellSouth's internal business decisions. An ALEC should have the exact same access capabilities as the BOC, as a whole, has. To this end, the DOJ has stated: "The Commission's nondiscrimination

rules require parity of access to specific OSS 'functions.'" The DOJ Evaluation (page 78) recognized that providing such access "may require some modifications to existing systems," and is nowhere limited by the role such functions play with respect to the BOC's retail offerings.

In the case of an actual order, after the ALEC obtains the number from the system, writes it in the order, and completes the sale, if the customer asks: "What was that number again?" LENS provides no way to look at the order. It is gone.

3. Feature Availability

Q. HOW DOES LENS PROVIDE INFORMATION ON FEATURE AVAILABILITY?

A. BellSouth's LENS will permit an ALEC's service representative to access a set of features associated with a specific telephone number. This, like most of the LENS applications, is a one-feature at a time scenario. LENS presents a list of features that are available from that office. "Tariffed" would be a more appropriate label for this list, since unused but available features did not appear to be present. Each of the features on the list that the ALEC required information on would need to be accessed because nothing but the feature name is provided. As such, to determine the pertinent billing and USOC information the ALEC would need to access and manually record the information before proceeding with the order. This must be done while the customer waits

patiently on the line to complete the order. Lastly, one would think that access to this list of features would be driven either by the Telephone number or the end office itself. This appears not to be the case as the screen requires the ALEC to enter a valid telephone number before access is provided. If an ALEC fails to enter a telephone number, the system will invoke the address validation screen. A valid address would need to be entered that would provide a valid telephone number which could be used to obtain the features

One interesting feature that appears on the list of features available from the office is BellSouth Long Distance. Interestingly enough, BellSouth Long Distance is on the scrambled list of long distance carriers with all of the other carriers. However, this is the only long distance company listed as a feature that can be selected by clicking on the feature table.

4. Select an Order Due Date

Q. HOW DOES LENS HANDLE THE ASSIGNMENT OF DUE DATES?

A. BellSouth' LENS also has the capability to permit ALECs to schedule an "Appointment Date". One must assume that this is a reference to a customer due dates that can be provided over the phone, even for the most basic exchange services. With respect to the assignment of due dates, there is no history, from the ALEC's perspective, that allows the ALEC to know what BellSouth's intervals are, with respect to their customers, which would permit the ALEC to assign due dates at "Parity" with BellSouth. Unless the ALEC

employed prior BellSouth personnel, how would they ever know that a feature activation, if received by 3:00 p.m., would be installed the same day. If the ALEC were to assign an appointment date based on the intervals they have been receiving from BellSouth, they might very well assign a seven (7) day interval to this customer request.

MCIs experience with test orders adding a single feature in Georgia was:

	Avg	1-2 Days	3-4 Days	5-7 Days	8-10 Days	11-15 Days	16+ Days
GA	7	0	19	16	10	15	3

In addition, attempts to use the BellSouth LENS to view the appointment calendar for a new customer that just moved to an established sub-division in the area failed. The system, in fact, knocked the user off and the MCI representative making the attempt had to restart from the beginning and log on to LENS. It appears that a telephone number is required before the customer service representative can review the installation calendar for the office that would serve this customer. The intervals that were provided for a similarly situated customer, with a valid telephone number, were sparse to say the least and there was no mention of the "in-by-three, out-by-five" policy.

Work Days Interval

	Bus	Res		
Prem vis-reinst 1-2 lines	02	02	add 3 lines	04
reinstall 3 or more lines	02		add 4 lines	04
New install 1-2 lines	02	02	add 5 lines	04

Inside Wire/Dreg other	02	02	add 6-10 lines 07
Additional Line	02	02	add 11-15 lines 10

In addition, it appeared that this particular office was closed (dates were random and not sequential) for the next seven (7) days, "Closed all day Miscellaneous".

As discussed above, the LENS system locks up when a problem is presented (no telephone number). This flaw must be fixed before this system can be deemed operational. Customers expect and deserve to be informed of service start dates in real-time, especially new customers to the area that need to establish new phone service.

Ms. Calhoun, at page 30, line 22, of her pre-filed testimony, states that, although DSAP does not calculate a due date for a LENS due date inquiry that is not associated with an order, this is not discriminatory. However, a Change As Is order, which is only a name change and does not require any field work what so ever, routinely comes back with a 7 - 9 day interval because work is required. In a recent order placed in Georgia with the customer on the line an interval of thirteen days was provided through the Due Date Calculator. The customer could not wait that long because they did not currently have service and called BellSouth. The phone was installed that next evening. It is inconceivable that BellSouth does not recognize that this is a discriminatory practice.

5. Address Validation

Q. HOW DOES LENS PROVIDE FOR ADDRESS VALIDATION?

A. BellSouth's LENS will permit an ALEC's service representative to have access to the various databases necessary for pre-ordering (e.g., the Regional Street Address Guide). However, utilizing LENS, a web-type server, the ALEC customer service representative would have to visually read information from the BellSouth database, and manually input the information into the ALEC's internal order entry system. Such web-based applications present severe competitive limitations: They are time consuming for customers waiting on the phone. To utilize, they require navigation through numerous screens or windows in order to obtain responses to simple inquiries. Further, these applications do not provide the data requested or necessary error messages dynamically back to the user without some manual steps. By contrast, BellSouth customer service representatives have one integrated platform through which they take customers' orders. This disparity in access to BellSouth's OSS will only become more pronounced as the volume of local competition grows: ALECs could easily be overwhelmed by the manual steps necessary to pre-order. These types of electronic interfaces that require the ALEC to employ manual interfaces or uses for the data are, therefore, unacceptable in a fully competitive marketplace.

In regards to the issues discussed in items 1-5 above, the DOJ tenders the following: "Application-to-application interfaces allow a competitor to design its own system based on standardized sets of inter-carrier transactions. Leveraging these standard interfaces, a competitor may then present its customers service representatives with its own set of customized screens and information, and automatically populate its own databases with information at the same time it interacts with a BOC's systems." DOJ Evaluation, page 76.

Q. IS LENS AN ADEQUATE SYSTEM FOR PERFORMING PRE-ORDERING FUNCTIONS?

A. No. Neither the LENS "Users Guide", the Retail Ordering Guide ("ROG") or the Facilities Ordering Guide ("FOG") address (1) how ALECs will be able to access potential customers' directory listing information during the pre-ordering process, or (2) how ALECs will be able to determine customer information concerning customers of other ALECs. In fact, during the MCI trial, BellSouth was unable to determine what ALEC our customers were being served by. It was MCI's understanding that a BellSouth customer that migrated to MCI would have their customer service record changed to reflect that MCI was the customer of record for that telephone number. BellSouth will need to address these critical areas of information in order to fully implement local competition in Florida.

In summary, it is clear, even from the limited access that MCI has been afforded to this system, that LENS is in no way ready for operation even from a trial mode. This rudimentary OSS system that BellSouth has in place for pre-ordering will serve as a significant anti-competitive hurdle. New customers attempting to do business with ALECs will immediately notice the inability of ALECs readily to access information that BellSouth customer service representatives have at their fingertips. In fact, ALECs attempting to use BellSouth's primitive pre-ordering systems could suffer long-term damage, as consumers may come to associate ALECs will cumbersome service and therefore hesitate to purchase from ALECs even after BellSouth has implemented more suitable standards-driven pre-ordering solutions.

Q. ARE THERE ANY DEFICIENCIES IN BELLSOUTH'S ORDERING CAPABILITIES?

A. Yes. BellSouth's ordering procedures require far too many manual interventions on the ALECs part to complete the multiplicity of transactions required to convert each customer that has been won away from BellSouth. In its evaluation, the DOJ was also critical of wholesale support processes that force ALECs to engage in multiple transactions. It is worth quoting DOJ Evaluation again:

> Because each BOC has *millions* of access lines, meaningful compliance with the requirement that the BOC make available resale services and access to unbundled elements

demands that the BOC put in place efficient processes, both electronic and human, by which an ALEC can obtain and maintain these items in competitively-significant numbers. The checklist requirements of providing resale services and access to unbundled elements would be hollow indeed if the efficiency of -- or deficiencies in -- these 'wholesale support processes,' rather than the dictates of the marketplace, determined the number or quality of such items available to competing carriers." Simply put, wholesale support processes must provide a sound basis for active competition. (Page 26)

Q. ARE BELLSOUTH'S ORDERING SYSTEMS CAPABLE OF HANDLING ORDERS FOR UNBUNDLED NETWORK ELEMENTS?

A. No. BellSouth readily admits that their ordering systems are not and will not be ready for UNEs and that BellSouth "[w]ill require manual effort which they will be beefing up." This requires the ALEC to fill out and then fax four (4) separate order forms to complete the order for an Unbundled Network Element. UNEs are critical to all ALECs, but in particular to providers such as MCIm who have their own switch. UNEs are a basic building block enabling a switch based provider, such as MCIm, to expand the geographic scope of its offerings while being able to use its innovation and creativity to develop new switched based services. This is clearly a result for the people of Florida that

this Commission intended to be achieved through local competition.

Q. ARE BELLSOUTH'S SYSTEMS ADEQUATE TO HANDLE ORDERS FOR RESALE OF BUSINESS SERVICES?

A. No. As in the case of UNEs, BellSouth has no mechanism in place, other than manual, for resale of business products such as CENTREX, CSAs or even, for that matter, an order for more than six lines. As such it is worth repeating the DOJ remarks on this subject: "Application-to-application interfaces allow a competitor to design its own system based on standardized sets of inter-carrier transactions. Leveraging these standard interfaces, a competitor may then present its customers service representatives with its own set of customized screens and information, and automatically populate its own databases with information at the same time it interacts with a BOC's systems." Evaluation, page 76.

Ms. Calhoun goes to great lengths to describe the manual processes associated with complex orders. The problem is she apparently does not know the difference between sales activities and ordering activities. Ms. Calhoun expects an ALEC to invite BellSouth to work with its prospective customer to understand what the customer needs, then for BellSouth to design the service for the customer, and finally for the ALEC to hand the order off to a BellSouth service representative to type the order into the system. Ms. Calhoun references Smarrtring as an example of a service where this procedure would be

Second, neither LENS nor the BellSouth's Resale Ordering Guide provide information on how ALECs can order some of the more complex service offerings -- such as Centrex Services, PBX trunks and ISDN services. This information is critical for ALECs to be able to offer these services to their business and (for ISDN) their residential customers. ALECs must be provided with OSS that support the ordering of offerings that are at parity with the systems that BellSouth uses. Case-by-case negotiations between ALEC and BellSouth representatives, who are competitors of the ALEC, over common elements or services are no substitute for standardized, tested OSS interfaces and procedures. BellSouth's OSS system must accommodate the physical placement of an order for complex services. At some time, even in the life cycle of a BellSouth complex order, a BellSouth person must place the order into their system to create the service order. ALECs, such as MCI, must be afforded the same interface capability through the OSS system. Again, a BellSouth business practice of not allowing BellSouth Business Office representatives to enter complex orders should not dictate what is made available to an ALEC. The idea of proposing that a BellSouth person must be manually in the loop for the potential loss of a business customer borders on the absurd.

Third, BellSouth has announced that it intends to follow resale ordering procedures that will make it very difficult for its competitors to order accurately the specific features a customer desires. BellSouth will not permit ALECs to

submit orders to switch a customer "as specified." This restriction means that ALECs must obtain the CSRs of their new customers before ordering and then, if the customer wants different services than it had with BellSouth, the ALEC would have to inform BellSouth which features should be added and which should be deleted. With switching "as specified" electronically, by contrast, an ALEC would only have to list the new service to create the change order and would not need to obtain the CSR to determine which features to add and drop. The inability to switch customers "as specified" will make it extremely difficult for ALECs to order service in a timely manner.

Switch "as is" is comparable to today's "PIC of all" in the interexchange world. "PIC-of-all" is not limited to single line residential or business customers as they seem to be for ALECs. In fact, the "PIC-of-all" was intended for large complex customers. If a local business subscriber wanted to switch their entire service to an ALEC, this represents to BellSouth *nothing more than a name change* within their CRIS billing system and should be accomplished on the same day that the order was issued. Anything less should be totally unacceptable. This feature must be added to the BellSouth OSS ordering system before they are deemed commercially available.

Q. HOW DOES THE LENS SYSTEM HANDLE ORDER REJECTS?

A. The LENS system supposedly transmits rejects back to the ALEC for correction and their ultimate resubmitting of the order. In fact, what appears to

happen, is the subsystem LEO or LESOG sends the reject to the LCSC. The LCSC then researches the order to determine what is wrong and then inputs this back into LENS for the ALEC to see. This is definitely not what happens through the ILEC's own systems, where the ILEC's representative cannot continue with an order in error until the error is corrected. This has and will greatly increase the time required by an ALEC to place an order into the system.

Q. ARE THERE ANY OTHER SHORTCOMINGS IN BELLSOUTH'S ORDERING SYSTEMS?

A. Yes. The FOG states that two options are available for ordering unbundled network elements, either via facsimile or, for access related elements, via the Exchange Access Control and Tracking System ("EXACT") electronic interface. Neither of these options is competitively viable over the long run. Both procedures ultimately require that BellSouth employees manually enter ALECs' orders into the BellSouth ordering system. Both procedures accordingly do not provide parity of service with that available to BellSouth from itself, and they both will inevitably lead to significant errors and delay. While these ordering options will have to suffice for the time being, they should not be accepted by the Commission as adequate justification for BellSouth's entry into long distance.

BellSouth is offering MCI the ability to use an EDI, batch-type interface for ordering during this interim period. This interface is not acceptable, however, because it is not keeping pace with the work being done at the OBF. More importantly, BellSouth is designing the LENS system as the sole interface for customer records. The combination of LENS pre-ordering and EDI ordering from a large ALEC, such as MCI, that has their own OSS systems is a slap in the face with respect to parity. The OBF is already examining the ability of the EDI to provide access to customer service records. This addition by BellSouth, remembering that EDI is a batch process, is at least more desirable from a single system perspective, but still lacks the ability to provide true "Parity" between the ALEC and BellSouth with respect to order pre-order and order processing.

Despite the fact that BellSouth has agreed in the MCI/BellSouth Interconnection Agreement to provide specific due dates for services and to provide service within certain time intervals, BellSouth does not commit itself to the due dates generated by LENS. In addition, the due dates generated are often substantially longer than the agreed-upon time intervals. It remains to be seen whether EDI does a better job handling due dates.

Moreover, BellSouth has not provided for electronic ordering of interim local numbering portability ("ILNP"). The FOG states that paper forms are to be used to order ILNP. Facilities-based competitors will have great difficulty in establishing a customer base if basic functions such as ILNP are relegated to

manual intervention.

BellSouth's OSS is competitively unsatisfactory for the additional reason that it provides for limited "flow through" from ordering to provisioning. Once an ALEC has submitted an order and BellSouth has verified the accuracy of the order, BellSouth's OSS requires additional manual intervention prior to the order going into the BellSouth provisioning queue as the interval or appointment as well as telephone number assigned must still be verified. This additional step will likely create a bottleneck resulting in significant backlogs for resale orders as volumes increase with emerging competition in the local market.

Q. IS IT YOUR OPINION THAT BELLSOUTH'S PROVISIONING INTERFACES ARE SUFFICIENT TO SUPPORT LOCAL COMPETITION?

A. No. There are four provisioning sub-functions, i.e., four types of reports the provisioning ILEC must communicate to the requesting ALEC: Firm order confirmation ("FOC"); change in order status; error notification; and, order completion. BellSouth's announced procedures do not perform these functions adequately.

Specifically, BellSouth states repeatedly that an FOC is not a guarantee that the service will be provided on the date communicated to the ALEC. In addition,

many of the preordering functions (e.g. telephone number assignment and appointment) must be confirmed at a later date through either the EXACT system, an EDI interface, or facsimile or via telephone. In addition, BellSouth plans to notify ALECs via telephone if a committed service date cannot be met. As discussed above, these types of interfaces will require human intervention for processing and will increase costs for both BellSouth and for ALECs. This process is further complicated when the order is complex. The actual definition of "complex" is not clearly articulated anywhere by BellSouth. However, any ALEC activity that entails greater than six lines or trunks (i.e. the magical point between a normal and a complex order) must have the dates negotiated. It is unclear what the ALEC is negotiating if BellSouth does not feel obligated to meet the dates provided. Moreover, it is unclear how electronic ordering could be effective where orders greater than six lines or trunks will require manual intervention

Q. HAS BELLSOUTH DEMONSTRATED THAT IT IS CAPABLE OF PROVIDING SUFFICIENT MAINTENANCE AND REPAIR SERVICES TO ALECS?

A. No. BellSouth has provided scant information on the details of how to process a trouble report, how to escalate, expected service levels, or performance metrics. Without this information, it will be impossible for ALECs to measure BellSouth's responsiveness to repair requests. The Trouble Analysis Facilitation Interface (TAFI) is another of BellSouth proprietary system

offerings that would require ALECs such as MCI to have multiple log-ons --. both to the MCI trouble management system and to the BellSouth TAFI system.

Q. HOW DOES BELLSOUTH PROPOSE TO HANDLE TROUBLE REPORTS FOR INTERCONNECTION AND UNBUNDLED ELEMENTS?

A. With respect to Interconnection and Access to Unbundled Elements, BellSouth has offered to accept either verbal or electronic batched trouble reports. Clearly, verbal procedures and the delays and errors they entail are an unacceptable basis for local competition. Trouble reports submitted in electronic batches are also problematic, in that further manual interventions are necessary once the reports reach BellSouth. With respect to TAFI, it is a BellSouth proprietary system that does not conform to the national standards organizations specifications.

I also have continuing concerns that the Local Customer Service Center ("LCSC") established by BellSouth to handle installation orders and maintenance requests from ALECs will be capable of providing sufficient support. MCI's experience with this very center has been less than satisfactory. In fact, the level of service deteriorated to a point where the Director of the BellSouth LCSC wrote to MCI. In response to the up to 45 minute hold times that our service representatives were experiencing, the following was offered:

Our telephone reports do not indicate any excessive delays in queue, but during the time frame that you indicate we had just installed our new phone system and there is a possibility that a problem may have existed.

Training, or lack thereof, of the BellSouth LCSC representatives leaves much to be desired. In fact, MCI was told by the LCSC that MCI was not authorized to order unbundled loops for a customer. This statement was made after this Commission had approved our Interconnection Agreement with BellSouth.

Q. HOW DOES BELLSOUTH PROPOSE TO HANDLE REPAIR SERVICE FOR RESALE CUSTOMERS?

A. For resale competitors, BellSouth is not even offering the small comfort of the LCSC to handle repair issues or, as previously noted, complex orders. Resellers apparently will have to call into a number of varying BellSouth locations to obtain answers to common day-to-day business questions and to handle repair requests. These are the same service centers that BellSouth has established for retail customers. In all likelihood, the ALEC will be required to engage in awkward, three-way telephone calls with their customers and the BellSouth service center. With respect to the assigned account teams, if MCIs experience holds true for other ALECs, very few of the account personnel assigned will have any experience with the local markets. Although BellSouth also offers ALECs the option of sending batched electronic trouble reports,

such batched messages (as discussed above) will likely introduce significant delay and mistake into the repair process. Until EB is introduced, resale competitors will find it impossible to obtain maintenance and repair for their customers which is the equivalent of what BellSouth provides to itself.

Q. ARE THE BILLING INTERFACES PRESENTLY OFFERED BY BELLSOUTH ADEQUATE FOR LOCAL COMPETITION?

A. No. As with the other OSS functions, BellSouth's current billing systems cannot support local competition. While BellSouth has committed to use the industry-standard Carrier Access Billing System ("CABS") bills, the Customer Records Information System ("CRIS") billing system will be used for at least the first 180 days. CRIS bills are almost impossible to audit, they use idiosyncratic protocols, and they do not provide sufficiently specific information to determine whether what has been ordered is being billed. Although CRIS bills may be acceptable in the short term as a stop-gap measure, their use is unacceptable as a basis for long-term, full-scale competition. The commission should obtain the actual date that BellSouth intends to begin billing using CABS for all of the ALECs activities.

Q. DOES BELLSOUTH PROVIDE A RESELLER WITH ALL THE USAGE INFORMATION NECESSARY FOR THE ALEC TO RECOMMEND THE MOST COST EFFECTIVE PACKAGE OF SERVICES TO ITS CUSTOMERS?

A. No. The daily usage feeds being provided by BellSouth to ALECs, such as MCI, do not contain customer usage data on all calls made by their customers. Information critical to the enable the ALEC to advise customers on the proper products they should be using is being denied. The information needed relates to local calls made from non-measured resold lines. The reason given by BellSouth for its failure to provide such data is that it does not extract this information for itself. As in the case of vanity numbers, BellSouth again is seeking to impose its internal business practices on the ALEC community. BellSouth has access to this data and hence an ALEC should have this data provided to it. How else will an ALEC be able to determine if a customer should or should not be on a measured or flat business or residential line?

Q. PLEASE SUMMARIZE YOUR ANALYSIS OF BELLSOUTH'S CURRENT OSS CAPABILITIES.

A. The systems BellSouth presently has in place to interface with ALECs do not provide a reliable basis for full scale competition in Florida. I have serious reservations about BellSouth's OSS capabilities in each of the five OSS subfunctions. BellSouth's interim OSS solutions are still far too cumbersome to allow ALECs to even approach the levels of customer service provided by BellSouth. Only EB interfaces will truly permit ALECs to offer service at parity with that of BellSouth. Although BellSouth has committed to implementing EB in the future, the Commission should wait until EB is in place and functioning before determining whether BellSouth's EB processes provide a

sufficient basis to support local competition.

Q. YOU HAVE BEEN DISCUSSING HOW INEFFECTIVE ORDERING SYSTEMS CAN HARM THE PROSPECTS FOR LOCAL COMPETITION, COULD YOU RECOUNT SOME FLORIDA SPECIFIC EXAMPLES OF ACTUAL PROBLEMS MCI HAS ENCOUNTERED IN ITS ATTEMPTS TO ORDER SERVICE FOR CUSTOMERS FROM BELLSOUTH?

A. Yes. MCI has been ordering residential resale service for some of its employees in Florida on a test basis. Despite the simple nature of resale orders and BellSouth's claims that it has the necessary systems in place, it has taken BellSouth an average of 6 days to process each order. While I believe that it is appropriate to look at problems throughout BellSouth's service area since BellSouth uses the same ordering and provisioning systems in other states, below is a sample of the problems MCI has encountered in Florida:

1. In separate incidents in March and May, 1997, MCI had new customers lose dialtone when they tried to switch to MCI. According to BellSouth representatives, BellSouth processes orders in two steps: One to disconnect the customer from BellSouth and one to connect to MCI local. In both cases, the first order disconnecting the customer was processed but the second order connecting the customer to MCI was not and the customer was left without dialtone for 24 hours. In one case, the customer's family experienced a medical emergency during the outage. A third MCI customer similarly lost dialtone when switched in March,

1997; however, BellSouth representatives never confirmed the reason for the problem. It is worth noting that BellSouth utilized this procedure despite the fact that the Interconnection Agreement between MCI and BellSouth, which was pending at the time of these incidents, specifically disallows BellSouth from unnecessarily disconnecting an MCI customer during the migration. See Para. 2.2.2 of Attachment VIII of the Agreement. The specific customers have had their loss of dialtone restored; however, the underlying problem apparently still exists. In March, 1997, MCI reported the problem to the manager of the Local Carrier Service Center. BellSouth stated that they would research the matter and report back to MCI. In May, 1997, the problem occurred again. According to a BellSouth representative, the customer representative working an order is responsible for ensuring that the separate orders go through, which did not happen in these cases. Unless BellSouth simplifies its process and makes it more user friendly, perhaps by using only one order to accomplish the switch, the problem will likely recur. This problem will be exacerbated when the volume of switches increases beyond merely test orders.

2. A myriad of problems with the way BellSouth processes resale orders can cause significant delays in switching customers. Although BellSouth gives "completion" dates, it has failed to process orders by that date. This is sometimes difficult to detect, however, since BellSouth does not send MCI a verification of what action it takes on orders. Before the work is done, BellSouth sends back a due date; but it does not send a confirmation when the work is actually done and it does not

confirm what features/services have been added. Instead, they require MCI to request a new CSR after the migration. The combination of these problems has resulted in cases where customers were still not switched well past their due dates and BellSouth failed to inform MCI that the date had not been met. It is worth noting that the Interconnection Agreement between MCI and BellSouth specifically requires BellSouth to send an order completion notification to MCI and to provide to MCI the date the service is initiated. See Para. 2.2.13 and Para. 2.2.6.3 of Attachment VIII of the Agreement.

In one case, MCI faxed an order to BellSouth on February 19, 1997, for the resale of two numbers. No response to the order was received, so a status request was faxed to BellSouth on March 19, 1997. BellSouth then requested that the original order be refaxed. On March 20, 1997, BellSouth sent a rejection stating that one of the telephone numbers was incorrect. On the same day, MCI sent a corrected version. On March 21, 1997, MCI called BellSouth to make sure that they had received the order. On March 24, 1997, MCI received a confirmation with a completion date of March 25, 1997. On April 4, 1997, the customer received a bill from BellSouth for the next month. MCI contacted a BellSouth representative who researched the matter and reported that the order had errored out; however, no one had bothered to report this to MCI. MCI had to send a new order on April 7, 1997. BellSouth gave the new order a due date of April 8, 1997. On April 14, 1997, the customer complained that one of the numbers still had not been switched. MCI contacted BellSouth which gave a new completion date of April 16, 1997.

In another case, MCI sent a resale order for two telephone numbers for a customer. MCI received confirmation by BellSouth on March 3, 1997, with a completion date of March 3, 1997. The customer received a BellSouth bill for both numbers at the beginning of May, 1997. On May 5, 1997, MCI called a BellSouth representative who reported that neither number had ever been switched to MCI. One number was still with BellSouth and the other number was switched to a third carrier in error. MCI faxed a new order and received a confirmation for both lines with a completion date of May 9, 1997.

BellSouth eventually resolved these individual incidents on a case-by-case basis; however, MCI continues to experience delays in processing its orders. Such incidents, if allowed to continue, will have a disastrous effect on MCI's ability to compete. End users will not know the cause of such mix-ups and problems, and could likely perceive it as the ALEC's incompetence. An ALEC's ability to maintain customer confidence cannot be allowed to be controlled by the ILEC.

3. BellSouth continues to fail to timely respond to customer service requests from MCI. In March, 1997, MCI representatives experienced problems such as being left on hold for 45 minutes when trying to contact BellSouth through its LCSC, which is MCI's designated point of contact. See Para. 2.3.1.5 of Attachment VIII of the Interconnection Agreement between MCI and BellSouth. Such unresponsiveness from BellSouth, if allowed to continue, will have a disastrous effect on MCI's ability

to compete. End users will not know the cause of delays and probably would not care who is at fault, they will only perceive that switching from an ILEC to an ALEC is more trouble for them than staying with the incumbent. After incidents in March 1997, BellSouth had stated that they would timely respond to MCI's inquiries; however, MCI continues to experience long callhold times, unreturned telephone calls, and unresponsiveness.

For example, on May 23, 1997, MCI received two BST Information/Clarification faxes regarding two "Migrate As Is" trunk orders. An MCI representative called the BellSouth employee who had sent the faxes to seek clarification. He made two attempts to call and got voice mail both times. He left a message at 11:00a.m. At 2:50, he had not heard anything so he called and left another message with the same BellSouth representative. At 2:57, he called the LCSC. His call was answered by a second BellSouth employee. The MCI representative explained the situation and was placed on hold for two minutes. The second BellSouth representative came back on to let him know that the first BellSouth representative was not available. She placed the MCI representative on hold for an additional two minutes. She then told him that the first BellSouth representative was not at her desk and offered to take a message. At 3:39 p.m., the MCI representative called a third BellSouth representative, who had called MCI for clarification on the orders. The third BellSouth employee then told the MCI representative that he was not the one who handled the orders and he placed the MCI representative on hold. He said that a fourth BellSouth representative was handling the order and needed to know what

we needed done on the order. The MCI representative stated that we were trying to Migrate or Convert As Is the trunks. That was apparently all the clarification that was needed, which is odd because the OBF clearly stated order type.

On May 29, 1997, the MCI representative called the LCSC at its 800 number. After 20 rings it was answered by a fifth BellSouth representative. She stated she does not handle trunk orders and put the MCI representative on hold for 4 minutes. She returned to say that both people who handle trunk orders were online. She tried to pull the order information up herself but could not. She said she would have to take a message and have someone call back.

On May 30, 1997, the MCI representative again called the 800 number. The fourth BellSouth representative answered and transferred the MCI representative to a sixth BellSouth representative who then transferred him to a seventh BellSouth representative. The seventh representative said that she could not locate the order anywhere and placed the MCI representative on hold for 2 minutes. She found an eighth BellSouth representative who then transferred him back to the fourth BellSouth employee. The fourth representative then checked and said that a ninth BellSouth representative had checked out the order but was not there. The fourth representative went to check the ninth representative's desk but could not find the order. He told the MCI representative to call the ninth representative back later.

The problem of callhold times, unreturned telephone calls, unresponsiveness, and the delays they create appears to be on going. It is not clear why BellSouth has been unable to resolve these problems.

4. The Commission has ordered that BellSouth use LCSC as MCI's single point of contact for handling orders. See Para. 2.3.1.5 of Attachment VIII of the Agreement. In addition, the Agreement requires BellSouth to use the same process for handling both business and residential orders. See Para. 2.3.1.2 of Attachment VIII of the Agreement. Despite this, BellSouth's LCSC has refused to handle a complex order from MCI insisting that MCI send it to the BBS.

In the incident in question, MCI submitted the order to the LCSC on April 1, 1997. On April 2, 1997, a MCI representative called the LCSC to confirm that the order was received. BellSouth stated that the fax had not been received. MCI refaxed the order. No response was received from BellSouth, so on April 17, 1997, the MCI representative called BellSouth for the status. The BellSouth representative at the LCSC stated that the order was assigned to a BBS representative. The MCI representative was transferred to the BBS and was placed on hold for 15 minutes. The BBS representative said she could not find the order and that she knew nothing about it or the service center who had transferred the MCI representative to her. She told us to refax the order. The order was refaxed, but when she got it, she said her service center should not process it because it was a business order. She said that her name was given by the LCSC in error, that she had never seen the order.

On April 18, 1997, the MCI representative called BellSouth's to ask how and with whom the order should be processed. The service center said BBS was wrong, and that the order has to be processed by the BBS center. The BellSouth representative stated that the problem would be investigated and we should expect a call back. No call was received. On April 21, 1997, the MCI representative called for status and was told that this order was sent to the BBS center. The MCI representative asked for BBS's phone number so MCI discuss the order with them. The BellSouth representative did not know the number but promised to find it and give it to MCI. On April 21, 1997, the MCI representative received a call from another BellSouth representative who stated that the order could not be processed by the Resale Service Center and that BellSouth's MCI account team would have to be notified and the account team would have to submit the order to the BBS Service Center because it is a complex order.

I believe these example are a good illustration of the difference between saying you can do something and actually being able to do it. Paper promises are just that. More importantly, in the examples provided above - customers are the losers. The Commission should not find that to be acceptable and should not reward BellSouth for the current state of affairs.

CONCLUSION

Q. PLEASE PROVIDE A RECOMMENDATION TO THE COMMISSION

REGARDING THE SUITABILITY OF BELLSOUTH'S OSS SYSTEMS TO SUPPORT LOCAL COMPETITION ON A COMMERCIAL SCALE.

A. The systems BellSouth presently has in place to interface with ALECs do not provide a reliable basis for full scale competition in Florida. BellSouth's interim OSS solutions are still far too cumbersome to allow ALECs to even approach the levels of customer service provided by BellSouth. Only Electronic Bonding interfaces will truly permit ALECs to offer service at parity with that of BellSouth. Although BellSouth has committed to implementing EB in the future, the Commission should wait until EB is in place and functioning before determining whether BellSouth's EB processes provide a sufficient basis to support local competition.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

required. Well, if MCI was capable of redesigning the entire Federal Aviation Agency network and getting it installed without an ILEC's help, I think we can handle Smartring. What we can not do is place the resale order with BellSouth, because the systems in service are limited to ordering only the most basic of telecommunications services. This is not what this Commission ordered nor is it what the Act requires.

Q. ARE THE BELLSOUTH OSS ADEQUATE FOR SIMPLE RESALE ORDERS?

A. No. BellSouth's resale ordering provisions are unsatisfactory in several respects. Especially troubling is BellSouth's use of the "features available" function of LENS to offer BellSouth Long Distance as a service associated with resale. In addition the system requires the user to work each feature as a separate order or function. This means, rather than selecting multiple features required, the ALEC must select each feature, one at a time, always being forced back to the beginning. In addition, system hic-ups, where the ALEC is locked out of the system when an input or system error occurs, happen far to frequently. This is comparable to writing a document on your PC and, not having saved the information along the way, losing power or connection forcing you to start from the beginning. This is a situation that simply can not be permitted.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

REBUTTAL TESTIMONY OF RONALD MARTINEZ

ON BEHALF OF MCI TELECOMMUNICATIONS CORPORATION

DOCKET NO. 960786-TL

July 31, 1997

Q. PLEASE STATE YOUR NAME, ADDRESS, AND POSITION.

A. My name is Ronald Martinez. My business address is 780 Johnson Ferry Road, Atlanta, Georgia 30342. I am employed by MCI Telecommunications Corporation ("MCI") in the Law and Public Policy group as an Executive Staff Member II.

Q. ARE YOU THE SAME RONALD MARTINEZ WHO PREVIOUSLY FILED DIRECT TESTIMONY IN THIS MATTER.

A. Yes, I am.

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. The purpose of my rebuttal testimony is to respond to BellSouth's Proposed Statement of Generally Available Terms ("SGAT") and their claim that it complies with the fourteen point checklist. My testimony is organized in a way which tracks the proposed SGAT and the fourteen point checklist. I note that

more than 80,000 pages accompany the SGAT. While that filing includes much redundant information, the job of examining the entire filing would still take many months. Accordingly, the issues discussed in this testimony simply illustrate the myriad of problems with BellSouth's filing. This testimony does not exhaustively discuss all of the defects in BellSouth's filing. However, I will endeavor to identify the most obvious problems.

Q. DO YOU HAVE ANY INITIAL COMMENTS YOU WOULD LIKE TO MAKE REGARDING BELLSOUTH'S PROPOSED SGAT?

A. Yes. BellSouth has apparently conceded that it should be proceeding under Track A of Section 271. See Testimony of Alphonso J. Varner at p. 16. The proposed SGAT is, therefore, irrelevant since the issue under Track A is whether BellSouth has fully implemented and is providing each checklist item under an approved interconnection agreement, not whether it is offering items under an SGAT. Beyond this obvious problem, the proposed SGAT does not even offer the checklist items in compliance with the fourteen point checklist.

CHECKLIST ITEM 1 (Commission Issue No. 2)

Interconnection Points

Q. DOES THE SGAT PERMIT ALECS TO INTERCONNECT AT BST'S LOCAL TANDEM SWITCHES?

A. No. Although the point of interface for the exchange of local and EAS traffic between independent telephone companies and BellSouth is the local tandem

switch, BellSouth has refused to permit ALECs to interconnect at their local tandem switches.

In the diagrams provided in Volume 1-2 "Checklist Item 1 - Local Interconnection Switched Local Interconnection" under the Tab Technical Service Description (no page number) entitled "Trunking and Interconnection Arrangement Between BST Access Tandem and OLEC Toll/Local Switch," as filed by Mr. Milner, it is quite clear that the ALEC is not provided the option of interconnecting at the BellSouth Local Tandem. In addition, the labels of the interconnect points are, at best, misleading. The box labeled "BSTEO Local (BellSouth End Office Local) is in fact the Common Transport Trunk Group ("CTTG") for all Interexchange Toll traffic as well as for ALEC local originating/terminating traffic. BellSouth's local traffic remains on a dedicated network that does not utilize the Access Tandem. Hence traffic won by the ALEC is removed from the BellSouth Local Network and Local Access Tandem and placed onto the IXC Toll Network. This has the net effect of enhancing BellSouth's local service at the cost or degradation of the IXC Toll Network.

Q. DOES BELLSOUTH CLAIM IN THE SGAT TO PROVIDE INTERMEDIARY TANDEM SWITCHING AND TRANSPORT FOR THE ALEC's CONNECTION TO ITS END USER?

A. Yes. On page 3 of the Draft SGAT, however, BellSouth provides an incorrect definition of Intermediary Tandem Switching. Intermediary tandem switching is switching a call from one tandem to another tandem for the purpose of completing a call. The only intermediary tandem switching BellSouth could be offering in the SGAT is from their local tandem to their access tandem. Thus, BellSouth seeks to charge two tandem switching fees by denying ALECs a local tandem connection.

Access Rates

Q. DO YOU HAVE CONCERNS WITH BELLSOUTH'S PROPOSAL REGARDING ACCESS RATES CHARGED BY ALECs?

A. Yes. It appears at page 4 of the Draft SGAT that BellSouth seeks to dictate the interstate and intrastate switched access rates which ALECs charge to BellSouth. The Draft SGAT states that "[i]f BellSouth is serving as the ALEC end user's presubscribed interexchange carrier or if the ALEC end user uses BellSouth as an interexchange carrier on a 10XXX basis, the ALEC will charge BellSouth the appropriate BellSouth tariff charges for originating network access services." There is no explanation for this absurd requirement. The ALEC should charge its own appropriate and tariffed access rates, not those of BellSouth.

Records for 800 Billing (Commission Issues No. 2 and 11)

Q. DO YOU HAVE CONCERNS WITH THE PROPOSED SGAT'S TREATMENT OF 800 BILLING?

A. Yes. Similar to switched access, BellSouth seeks to require that the ALEC charge the BellSouth rates. Again, there is no explanation for such a requirement.

800 Access Screening (Commission Issues No. 2 and 11)

Q. DO YOU HAVE CONCERNS REGARDING BELLSOUTH'S PROPOSAL RELATING TO 800 ACCESS SCREENING?

A. Yes. Paragraph 7 of page 4 of the Draft SGAT limits the ability of ALECs, such as MCI, to access the BST STP for purposes of obtaining the proper routing information necessary to complete 800/888 calls. ALECs must be allowed options for establishing connection to the BellSouth Toll Free Database. As set forth in more detail in the discussion of Checklist Item 10 below, there are three options which should be available: 1) the ALEC is non-SS7-capable and the ILEC provides functionality for the ALEC; 2) the ALEC is SS7-capable and the ALEC makes a query through the ILEC's STP/SCP; and, 3) the ALEC is SS7-capable and makes the query through a third party's STP/SCP. The 800 Access Ten Digit Screening Service described on page 4 of the Draft SGAT satisfies only the first option, where BellSouth performs both the database lookup function and the subsequent call routing function.

Because 800 Access Service with ten digit screening is a tariffed offering of BellSouth, an ALEC would have the right to obtain this service without this paragraph in the SGAT. However, BellSouth appears to be representing this offering as an Unbundled Network Element. That is, by making this tariffed service available to ALECs, BellSouth appears to be trying to claim that it is offering unbundled access to the toll free databases and the associated signaling. As discussed in connection with Checklist Item 10, below, this service falls far short of true unbundled access to the Toll Free Database.

Billing Disputes (Commission Issue No. 2)

Q. PLEASE EXPLAIN YOUR CONCERNS REGARDING BELLSOUTH'S PROPOSAL TO DEAL WITH BILLING DISPUTES.

A. The proposed SGAT does not contain a dispute resolution clause. Such a provision should be included at page 5 of the Draft SGAT. While I am not a lawyer, I am concerned that BellSouth may claim that the SGAT controls billing disputes and thus ALECs must remit payment with no defined procedure for mediation of billing disputes.

Customer Daily Usage Data

Q. DOES THE PROPOSED SGAT ADEQUATELY ADDRESS THE ISSUE OF CUSTOMER DAILY USAGE DATA?

A. No. I understand that BellSouth has refused to provide usage detail on resold flat-rated business or residential lines. This information is critical to determine

if a customer is better served by a measured line or should remain on a flat rated service offering. In the competitive world we are heading toward, an ALEC will need to provide its end user customers with the products that best meet their needs. One basic need, from an ALEC's perspective, will be information needed to counsel its customers on the products and services for which they are paying. Whether a customer should be on a measured service or a flat rated service depends upon the calling habits of that particular customer. Competitors in the long distance arena are well aware that if they leave their customer on an expensive plan that is not needed they will lose the customer to the first competitor that comes through the door. The same will become true in the local arena, and information as to local usage will be invaluable in curbing that type of customer loss. BellSouth has indicated that they do record this usage information, but, since they do not pull the information for themselves, they have no intention of providing it to ALECs. This is true even though the ALEC would be compensating BellSouth for these usage records. Clearly the difference is that BellSouth has the ability to access this information at will but they choose not to. This is a shortcoming in the SGAT which must be corrected.

Local Traffic

Q. DO YOU HAVE CONCERNS WITH BELLSOUTH'S DEFINITION OF LOCAL TRAFFIC?

A. Yes. On pages 1 and 2 of the Draft SGAT, BellSouth defines local traffic by stating that "in no event shall the Local Traffic area for purposes of local call termination billing between the parties be decreased. No company shall represent Exchange Access Traffic as Local Interconnection traffic." Additionally, on page 1, BellSouth alludes to local traffic in terms of NPA-NXXs.

It is essential that if the Commission intends to accept this definition of local traffic, and thus hold ALECs to these limitations, BellSouth must be required to provide to ALECs a complete listing of the BellSouth NPA-NXXs that make up each local service area and such information must be provided in a usable format.

CHECKLIST ITEM 2 (Commission Issue No. 3)

Ordering and Provisioning and Interfaces for OSS

Q. IS THE PROPOSED SGAT ADEQUATE WITH REGARD TO ORDERING AND PROVISIONING GUIDELINES?

A. No. I will not repeat my direct testimony, but suffice it to say that BellSouth continues to put forward the Local Exchange Navigation System or "LENS" as a solution for pre-ordering issues. LENS is not acceptable because it is not a real-time interactive system; thus, it is not at parity with what BellSouth provides itself. Further, LENS is only applicable to simple resale orders. It cannot be used for complex orders or orders for unbundled network elements.

Q. DOES THE PROPOSED SGAT PROVIDE A SATISFACTORY SOLUTION TO ISSUES RELATING TO INTERFACES FOR OSS?

A. No. As discussed above, LENS is not adequate. Additionally, I could not find a Directory Assistance form in the pre-ordering materials put forward by BellSouth. Also, I do not believe that a LENS manual or, for that matter, any documentation on LENS, has been filed. Even if they have been filed, I have strong concerns with a system that can be unilaterally changed by BellSouth and that has no supporting documentation provided to the ALECs using it. This would put the fate of competition in the hands of BellSouth. Documentation management appears to be nonexistent on the local side of BellSouth.

Collocation

Q. DOES BELLSOUTH'S PROPOSED SGAT ON PAPER OFFER COLLOCATION AS REQUIRED BY THE FEDERAL ACT.

A. No. An ALEC is denied the ability to have their personnel work on their equipment. At page 9 of the BellSouth Telecommunications Negotiations Handbook for Collocation, which is not an attachment of the SGAT but was included as Mr. Scheye's Exhibit RCS-7, only certified vendors may install equipment. There is no reference anywhere as to how an ALEC can have its personnel certified. Hence the ALEC is restricted to using the limited list of vendors identified on page 14 of this document.

Similar to the situation for rights-of-way, which are discussed below under Checklist Item 4, there is not a single collocation time frame that the SGAT requires BellSouth to meet. The only dates are those demanded of the ALEC for occupying the space once construction is completed. Lastly, the concept of liability is captured in this document in what appears to be boiler plate language for liquidated damages. At page 10, under the caption Liability, BellSouth states "The collocator is responsible for the actions of their employees and their agents. The collocator will be required to pay liquidated damages to BST for damage done to BST property, equipment or facilities as a result of the actions or behaviors of either the collocator employees or their agent." Surprisingly, BellSouth includes this requirement even though the agent is in all likelihood the certified vendor from BellSouth's vendor list.

Construction Rates

Q. ARE YOU SATISFIED WITH THE RATES FOR CONSTRUCTION WHICH ARE CONTAINED ON PAGE 1 OF THE PRICE LIST IN ATTACHMENT A OF THE PROPOSED SGAT?

A. No. I cannot find any cost support relating to these rates. These rates should be set at TELRIC and the Commission should require BellSouth to provide adequate cost support.

Combination of Network Elements

Q. DOES THE PROPOSED SGAT ALLOW COMBINATION OF NETWORK ELEMENTS AS REQUIRED BY THE FEDERAL ACT?

A. No. On page 9 of the Draft SGAT, BellSouth asserts that if unbundled network elements are combined to recreate an existing BellSouth service, then BellSouth will charge a wholesale resale price. "Identical services are services provided by the ALEC that do not use their own switching or other functionality or capability together with BellSouth unbundled network elements in order to produce the service. Operator services shall not be considered a functionality or capability for this purpose." This Commission has never placed such a restriction on the recombination of network elements. MCI believes that unbundled network elements can be combined without restriction. In addition, MCI believes that the addition by an ALEC of functionality such as operator services clearly differentiates the resultant ALEC service offering from that of BellSouth. MCI has a continuing concern with the failure by BellSouth to recognize that ALECs are free to combine unbundled network elements in whatever way they desire and should not be penalized in any way for any combination.

CHECKLIST ITEM 3 (Commission Issue No. 4)

Poles, Ducts, Conduits and Right-of-ways

Q. DOES BELLSOUTH'S PROPOSED SGAT ON PAPER OFFER ACCESS TO POLES, DUCTS, CONDUITS AND RIGHTS-OF-WAY AS

REQUIRED BY THE FEDERAL ACT?

A. No. On page 14 of his direct testimony, Mr. Milner states that 13 ALECs have executed license agreements with BellSouth but references only cable television companies and power companies with respect to usage. A checklist item as important as this one is to the ALEC community should, at a minimum, set forth a time frame by which an ALEC can obtain a license. It is simply amazing that BellSouth can assert that it is ready to provide these items when it cannot even provide the time frame for obtaining the prerequisite license.

Page 18 of attachment D to the Draft SGAT, section 1.5.1, states "the time frames for the issuance of the license shall be established pursuant to section 1.5.4.3." Section 1.5.4.3 provides for the establishment of a joint task force to develop all procedures necessary to effectuate the provisions of this section. In addition, it provides for good faith negotiation to reduce said agreement to writing within sixty (60) calendar days from the effective date of the agreement.

After the ALEC has wasted the two months waiting to get a written agreement, the ALEC can submit the necessary forms to apply for a license. There is, however, no required time frame within which BellSouth must complete the application process. In this situation, an ALEC gains little comfort from the provision which requires BellSouth to notify the ALEC if its request is being denied on the grounds that the conduit or duct space requested is necessary for BellSouth's present needs. Attachment D, p. 5, Sec. 1.2.3. Again, the ALEC

lacks any recourse.

Q. DOES THE PROPOSED SGAT PROVIDE ADEQUATE ACCESS TO ENGINEERING RECORDS?

A. No. To effectively compete, ALECs must be able to obtain access to this information with great ease. The SGAT, at page 9, requires a bona fide request for access to engineering information. Upon receiving a request for access to records, it is my understanding that BellSouth then has ninety (90) days to respond. It is not clear what BellSouth will require before it allows access. I am concerned that BellSouth may use the bona fide request process to create delay and to make obtaining this information a difficult and lengthy process.

CHECKLIST ITEM 5 (Commission Issue No. 6)

Common Transport

Q. IS BELLSOUTH'S PROPOSED SGAT SATISFACTORY WITH REGARD TO THE PROVISIONING OF COMMON TRANSPORT?

A. No. In order to unbundle Common Transport from local switching pursuant to the requirements of the Federal Act, the switch port and the physical trunk must be priced at a flat rate. The only way to measure the service is from the switch. Thus if Common Transport is priced on a usage sensitive basis, it is necessarily being bundled with local switching. As explained below, the BellSouth proposed SGAT is unclear on this element. See Draft SGAT at p. 11.

Local Transport

Q. DOES THE PROPOSED SGAT OFFER LOCAL TRANSPORT UNBUNDLED FROM SWITCHING?

A. No. Page 19 of Mr. Milner's testimony states that as of June 1, 1997, BellSouth has 277 dedicated trunks providing interoffice transport to ALECs in Florida. However, there is no reference to the unbundling of common transport trunk groups.

Q. WHAT IS A COMMON TRANSPORT TRUNK GROUP?

A. A common transport trunk group is a trunk group over which traffic is carried from an originating switch to a tandem switch. It is called a "common" trunk group because it carries traffic that will ultimately be terminated through the tandem network to a variety of destinations. It can carry either traffic originated by a single carrier (i.e. dedicated common transport) or traffic originated by multiple carriers (i.e. shared common transport). In contrast, a dedicated transport trunk group is a trunk group over which traffic is carried from a switch (end office or tandem) to a single destination such as another end office switch or an IXC toll switch.

Q. WHY DO YOU SAY THAT BELLSOUTH'S SGAT DOES NOT OFFER COMMON TRANSPORT UNBUNDLED FROM SWITCHING?

A. In the introductory paragraph of Section V on page 11 of the Draft SGAT, BellSouth states that it provides "local transport from the trunk side of its switches unbundled from switching. . ." Yet in paragraph V.A.2 on the same page, BellSouth states that: "BellSouth provides common transport on a per minute basis." Since the only way to measure traffic over a trunk group to impose a per minute charge is to use the measurement capability of the switch, this creates the inference that common transport is not unbundled from switching. If common transport is in fact unbundled from switching, then BellSouth could not be providing it as a measured service.

In addition, the SGAT does not offer the trunk port that the ALEC would use to connect to the local end office switch. Without such a port, there would be nothing to which the ALEC could connect the facility piece of the common transport.

Q. WHY IS IT IMPORTANT FOR AN ALEC TO BE ABLE TO OBTAIN UNBUNDLED LOCAL TRANSPORT?

A. An ALEC should be able to obtain all the elements necessary to replicate the incumbent LEC's interoffice trunking network. As with the incumbent's distribution network, the interoffice network represents a bottleneck that, when controlled by the ILEC, represents a barrier to competition.

An ALEC should be able to obtain local transport from BellSouth to support two separate applications. The first is the tandem application where an ALEC which provides its own local switching (using either its own switch, switching capacity leased from a third party, or switching capacity obtained from BellSouth on an unbundled basis) will obtain a Common Transport Network Element from BellSouth to connect its local switching to an Originating Port on BellSouth's tandem switch. In this scenario, the ALEC would be subtending BellSouth's tandem and would be using the Common Transport Network Element to deliver traffic to the tandem for termination on BellSouth's network. If the ALEC has opted to utilize unbundled local switching from BellSouth's switch, then the ALEC will have combined BellSouth's Local Switching, Common Transport, and Tandem Switching elements.

The second application is the local switching application in which the ALEC has purchased unbundled local switching from BellSouth but provides the tandem switching function itself (using either its own switch or switching capacity leased from a third party). In this application, the ALEC's traffic would be routed from BellSouth to this tandem on a common trunk group provided by BellSouth, by the ALEC, or by a third party. If the ALEC opted to use BellSouth's local transport, then BellSouth's Local Switching Network Element would be combined with the Common Transport Network Element to permit traffic being originated on BellSouth's local switch to be switched and terminated on the ALEC's provided network elements.

With respect to the 277 dedicated trunks (not trunk groups) providing interoffice transport, Mr. Milner fails to identify if these trunks are tandem or end office directs. Since the SGAT does not offer a trunk port option as part of the local switching and there is no tandem port offer under the tandem switching elements, in my opinion these trunks are not unbundled from the switch.

Q. HAS BELLSOUTH PROPERLY UNBUNDLED TANDEM SWITCHING?

A. No. There are two basic elements associated with tandem switching: The first is an originating port, which provides access to the tandem switching functionality from the network of either the ILEC, ALEC, IXC, or other third party switching provider. The second is a terminating port, which provides egress from the tandem switch to connect to the network of the ILEC, ALEC, IXC, or other third party switching provider. The tandem switching network element consists of both a physical trunk port and the switching function that connects two networks or switches together. To effectively unbundle tandem switching, each of these two elements must be offered from both the originating side and the terminating side of BellSouth's tandem switch. In other words, an ALEC should have the capability to order either an originating port (e.g., 2-wire analog ground start port or equivalent IMT) or a terminating port and the associated features and functions of that port.

Q. PLEASE EXPLAIN HOW AN ALEC WOULD USE UNBUNDLED ORIGINATING AND TERMINATING PORTS ON BELLSOUTH'S TANDEM SWITCH.

A. If an ALEC purchases an originating tandem port, the ALEC would provide the originating tandem protocol functions as options for its customers and would instruct BellSouth on the call routing or terminating functions required (e.g., Intermachine Trunk - IMT - equipped for 2-stage FGD and route traffic per existing 3rd party and ILEC routes for o+/o-, 1+, IDDD, etc.). This element could be combined with common transport obtained from BellSouth, provided by the ALEC itself, or obtained from a third party.

Similarly, an ALEC should have the capability to order a terminating tandem switching port, to combine it with dedicated transport (either purchased from BellSouth as a network element, provided by the ALEC itself, or obtained from a third party), and to instruct BellSouth on the call termination routing or announcement exceptions that may be required for the ALEC's terminating traffic.

In the originating side example, BellSouth is providing the tandem functionality for the ALEC so that calls that originate on the ALEC switch (which can be provided by the ALEC, a third party, or obtained from BellSouth on an unbundled basis) will be terminated over BellSouth's network. In this situation, the ALEC would either combine the Originating Port and tandem switching

with a Common Transport Network Element from BellSouth or would provide this transport itself or through a third party. In the terminating side example, BellSouth again is providing the tandem functionality. In this example, calls that originate on the network of BellSouth, the ALEC, or a third party will be switched by BellSouth's tandem and will be terminated over dedicated transport facilities from the tandem to the ILEC's, ALEC's, or other third party's switch. This path would be used for the sole purpose of terminating traffic to End User Customers.

In either case, unless a Tandem Trunk Originating Port and/or a Tandem Trunk Terminating Port is offered in association with the Tandem Switching Network Element, it is not possible to offer either the Common Transport Network Element or the Dedicated Transport Network Element, since there would be nothing to connect the Tandem Switching Network Element to.

Lastly, the concept of origination and termination is used in the above examples only to depict the two critical functions that a tandem performs. A single path can be established to connect the tandem to an ALEC's switch and used to both originate and terminate traffic. Hence, there should be no restrictions on the ALEC's use of two-way trunks to accomplish these important switching connections in the most cost effective manner.

CHECKLIST ITEM 6 (Commission Issue No. 7)

Q. DOES THE PROPOSED SGAT OFFER UNBUNDLED SWITCHING?

A. No. On page 21 of his testimony, Mr. Milner states that BellSouth has 7 unbundled switch ports in service in Florida. Mr. Milner claims that this is evidence of the functional availability of unbundled local switching. However, there are two sides to the switch - the port (or line) side and the trunk side. Only the trunk side of local switching combined with the common transport group is offered in the SGAT. Thus, BellSouth has not unbundled local switching so that both line side and trunk side are offered separately. This issue is also a concern because at page 12 of the Draft SGAT, BellSouth ignores the need for trunk side termination.

Just as in the case of tandem switching, there are two basic elements associated with local switching: the ports (or access and egress elements) and the switching function. To effectively unbundle local switching, each of these two elements must be offered from both the line side and the trunk side. In other words, an ALEC should have the capability to order a line side port (e.g., 2-wire analog subscriber port) in combination with the switching function. In this case, the ALEC would be provided the originating line class functions as options for their customers and would instruct the ILEC on the call routing exception functions required (e.g., route o+/o- to the tandem for terminating on the CIC 222 trunk group and all 1+ to the CIC 852 trunk group). From the trunk side of the local switching Network Element, an ALEC should have the

capability to order a Direct Tandem Trunk/Group (e.g. Intermachine Trunk - IMT - equipped for 2-stage FGD) and to instruct the ILEC on the call routing or announcement exceptions that may be required.

In the first scenario, the ALEC is ordering a line side interface to serve its customers and would combine the Port with a local loop Network Element. In the trunk side example, the ALEC would be providing, either directly or through a third party, the tandem functionality for its end user or interexchange customers. The trunk side interface could be combined with the Common Transport Network Element offered by BellSouth or transport could be provided either by the ALEC or a third party. Without a trunk side Local Switching Network Element as an offering, of course, it is not possible to offer the Common Transport Network Element as there would be nothing to connect to. See the discussion of local transport under Checklist Item 5 above.

CHECKLIST ITEM 10 (Commission Issue No. 11)

Access to Databases and Associated Signaling Necessary for Call Routing and Completion

Q. DOES THE SGAT OFFER NONDISCRIMINATORY ACCESS TO BELLSOUTH'S 800 DATABASE?

A. No. On page 32 of his testimony, Mr. Milner states that BellSouth has offered access to its 800 database and Line Information Database ("LIDB") for years.

That is not true. What BellSouth has offered with respect to the 800 database is access for Responsible Organization (RESPORG), which only provides access to the 800 Service Management System ("SMS") database. Such access does not provide an ALEC with access to BellSouth's Service Transfer Point ("STP") for access to the BellSouth Service Control Point ("SCP") for the sole purpose of providing an ALEC the ability to do its own look-up on 800 traffic. In fact, Volume 10-4 "Checklist Item 10 - Access to Databases, Routing and Signaling" under the Maintenance Procedures Tab -Temporary Work Instructions - 800, 888 data Base" filed with Mr. Milner's testimony, states:

> Note: This document is for use as a guide as of March 31, 1997. The final 800 Data Base and LIDB service, as related to ALECs, has not yet been finalized by the project teams.
>
> The assumption used to write this document is that the Unbundled Local ALEC end users will be using BST dial tone and routing to handle their incoming and outgoing calls. Therefore, Unbundled Local ALEC end users maintenance and provisioning will be similar to BST customer handling.
>
> Unbundled Local Loop ALEC will use their own switches for dial tone and routing translations. Calls to and from these Unbundled Local Loop ALEC end user's, from the BellSouth network, will be via the one

way and two way trunk groups connected directly to the ALEC. Trunk groups between the BST End Office, or Access Tandem, will be provisioned and maintained by the ACAC, similar to the IC facilities. Local Call treatment to and from the Unbundled Local Loop ALEC, will be as from a BST End Office."

What follows this statement is nothing but a recap of what is contained, today, in BellSouth's access filing and has no relationship to the unbundling required by the Act. Hence, no procedures exist today for the provision or billing of these network elements.

Q. WHAT WOULD BE REQUIRED TO UNBUNDLE THESE NETWORK ELEMENTS?

A. There are three scenarios that an ALEC could use to handle 800 traffic if these network elements were unbundled. In the first scenario, assume that the ALEC switch does not have the necessary functionality to be a signal point ("SP") on the SS7 network. Here the ALEC would rely on BellSouth to perform the necessary look-up and to provide a connection to the carrier identified that will carry this traffic. When an 800/888 call originated on the ALEC's switch, the switch would select the tandem route and, in the first stage of the FGD out pulsing, would insert BellSouth's CIC code, normally a 110, and the appropriate OZZ or routing code for that tandem. The BellSouth tandem would respond, collecting the second stage (called/calling party information),

and, through BellSouth's SS7 network, query the SCP and establish the path for the call based on the provided information. The BellSouth tandem would then complete the call to the 800/888 transport carrier. This is one of the offerings available to the independent telephone company community that does not appear to be addressed in the SGAT. Under this scenario, since BellSouth would be using its switch and SS7 network in total, it would need to be priced out as a TELRIC rather than the established tariff rate.

In the second scenario, the ALEC will make the database query through BellSouth's Signaling Transfer Point ("STP") and Signal Control Point ("SCP"). Hence, the ALEC queries the SCP and obtains the necessary routing information. Then, if direct trunking is available through the ALEC's switch, it will connect to the 800/888 transport carrier's switch and complete the call. Where direct trunking does not exist, the ALEC will seize a trunk to BellSouth's tandem and, in the first stage of FGD out pulsing, send the appropriate CIC/OZZ information. The BellSouth tandem will connect the ALEC to the 800/888 transport carrier's switch and the ALEC will complete the call by out pulsing the second stage of the FGD call. In order to complete calls through BellSouth's tandem under this scenario, the ALEC must use FGD signaling, Yet on page 4 of the SGAT, BellSouth states: "The ALEC will not utilize Switched access FGD service." Without the use of the FGD protocol the ALEC would be required to have direct connections to every 800/888 transport provider. The only restrictions should rest with the ALEC as they

deal with economics and not capabilities. With respect to pricing, the only cost incurred by the ILEC is that of the STP/SCP functions and should be void of the switch and STP transport functions as they are being provided by the ALEC. The availability of this option from BellSouth is not clear. If it is available, it is unclear whether BellSouth has the ability to properly charge the correct rates.

The third scenario is where the ALEC opts to query a third party SCP. In this case, the routing of the call would be virtually the same as the second scenario, the only difference between the two would be that the database query charge is levied by the third party. It should be noted that the above scenarios assume that an ALEC is using only the Access to Database UNE and that no other network element combinations have been requested.

Common Channel Signaling

Q. IS THE PROPOSED SGAT SATISFACTORY WITH REGARD TO COMMON CHANNEL SIGNALING?

A. No. At page 27 of the Draft SGAT, BellSouth states that it will provide LEC to LEC Common Channel Signaling where available except for call return. There is no reason why call return should not be made available to an ALEC. Similar to the 800 database access issue discussed previously, this is further evidence of BellSouth's desire to restrict ALEC access to call completing databases in violation of the federal Act. In this case, Call Return is a basic CLASS feature

offered by nearly all ILECs to their end users.

Access to Directory Service Listings

Q. DO YOU HAVE OTHER CONCERNS REGARDING NONDISCRIMINATORY ACCESS TO DATABASES?

A. Yes. With regard to access to Directory Service listings for independent telephone companies and other ALECs, BellSouth simply refuses to provide the necessary data. This issue is discussed in more detail below under Checklist Item 12.

CHECKLIST ITEM 11 (Commission Issue No. 12)

Q. ARE THERE ANY CONCERNS THAT YOU HAVE WITH RESPECT TO THE SGAT OFFERINGS AS THEY RELATE TO INTERIM NUMBER PORTABILITY?

A. Yes. While as I mentioned above it is impossible to review all of the 80,000 pages of information provided by BellSouth, it does appear that there should have been at least one more page to address an issue critical to ALECs and their customers. In the MCIm arbitration, in connection with Interim Number Portability ("INP"), a vital requirement was to have the BellSouth operator transfer to the ALEC operator emergency interrupt and busy verification requests made on ported numbers. Throughout the arbitration, BellSouth maintained that it had to test whether it is technically feasible to do this.

The Commission agreed with MCI that these transfers must be made. The Commission found in its Final Order Approving Arbitration Agreement, dated March 21, 1997, as follows: "Upon review, we note that this issue was not addressed in the arbitration proceeding. Nonetheless, MCIm and BST have proposed the same language to be included in the agreement. We have reviewed the language and find it appropriate. Therefore, the parties shall be allowed to include this language in the signed agreement." The adopted language states that if a query is not successful the operator shall confirm whether the number has been ported and shall direct the request to the appropriate operator. See Attachment VIII section 6.1.3.15 of the MCI/BellSouth Interconnection Agreement

In Volume 11-1; Checklist Item 11 - Interim Number Portability under the tab "Testing" as submitted by Mr. Milner, there is no reference to any tests ever performed on the interaction of INP and Busy Line Verification/Busy Verification. Further, in the switch sections of this document, the only limitation or restriction (page 4 of preliminary 841-406-022BT issue 1, 11/95) set forth is that SS7 is required for Touchstar type services and Outgoing trunk groups for delivering "number portability" traffic must be provisioned as SS7.

I now seriously doubt that BellSouth has performed the tests it indicated it needed and, while the test results on this matter could be contained somewhere in this mass of paper, they do not appear to be included. The test results and

confirmation of compliance with this Commission's order in the MCIm arbitration proceedings must be extended to the ALEC community. If BellSouth has failed to make any necessary adjustments to address to this serious issue, they should not be perceived as having met checklist item number eleven until they have done so.

CHECKLIST ITEM 12 (Commission Issue No. 13)

Dialing Parity

Q. DOES BELLSOUTH'S PROPOSED SGAT OFFER DIALING PARITY AS REQUIRED BY THE FEDERAL ACT? (Commission Issues No. 11 and 13)

A. No. On page 36 of Mr. Milner's testimony, he states that local service subscribers in BellSouth's region will dial the same number of digits to place a call, without the use of an access code, regardless of their choice of provider. This is simply untrue. With regard to access to Directory Service listings for independent telephone companies and other ALECs, BellSouth refuses to provide the necessary data. Thus, an MCI local customer would need to be transferred by MCI to BellSouth's Directory Assistance or dial a special code to by-pass MCI and get the BellSouth Directory Assistance group to obtain the telephone numbers of end users served by other ALECs or independent telephone companies. This is hardly dialing parity and certainly creates a situation where MCI's local service is less attractive than BellSouth's. At pages 16 through 17 of the Draft SGAT, BellSouth makes it clear that they will refuse

to provide adequate data base information for Directory Assistance relating to independent telephone companies and ALEC customers.

CHECKLIST ITEM 14 (Commission Issue No. 15)

BellSouth Interaction with ALEC Customers

Q. DO YOU HAVE CONCERNS WITH BELLSOUTH'S PROPOSAL REGARDING INTERACTION WITH ALEC CUSTOMERS?

A. Yes. This is an area where the importance of implementation and execution is highlighted. While page 22 of the Draft SGAT indicates that BellSouth will leave behind generic cards with ALEC customers, it is my understanding that in trials where MCI is providing resold BellSouth service to MCI employees, the BellSouth representative leaves behind BellSouth - not generic or MCI - cards. While this Commission did not require penalties for BellSouth's actions or lack thereof, the assessment of penalties might be the only means by which this type of abuse is eliminated.

Transfer of BellSouth Customers

Q. DOES THE PROPOSED SGAT PROVIDE A COMPETITIVELY NEUTRAL PROCESS FOR TRANSFER OF CUSTOMERS?

A. No. Under BellSouth's plan, an ALEC must provide proof of authorization upon request to effect a transfer. While MCI certainly will maintain such records, it is inappropriate for the SGAT to create a situation where BST can demand such proof without justification. BellSouth's proposal sets themselves

up as the telephone "police", which is hardly a competitively neutral solution and indeed creates an incentive for mischief and anti-competitive behavior. While this Commission is sensitive to slamming issues, a concern MCI shares, BellSouth's SGAT overreaches on this issue. The SGAT should require BellSouth to have clear reasons and justification, such as a customer complaint, before it is warranted in requesting proof of authorization.

Unauthorized Transfer of Customer

Q. IS BELLSOUTH'S PROPOSAL FOR A CHARGE OF $19.41 PER LINE FOR THE UNAUTHORIZED TRANSFER OF A CUSTOMER FAIR AND REASONABLE?

A. No. The appropriate charge should be much less. No cost justification is provided. Any changes would be simply a name change in CRIS, which is BellSouth's billing system for general exchange tariff services. No physical work is required to do this as it is merely a matter of changing the billing name and address in the CRIS system. A proposed charge of $19.41 for such a simple, minor task is unwarranted and insupportable. If the purpose of the charge is to deter unauthorized changes, in order to be fair it must be symmetrical and thus applicable to BellSouth if BellSouth fails to make an authorized change or makes an unauthorized change itself. BellSouth's proposal again sets itself up as the telephone "police", which is a recipe for disaster.

Customer of Record

Q. WHAT DOES BELLSOUTH PROPOSE WITH REGARD TO WHAT ENTITY IS THE CUSTOMER OF RECORD AND PLEASE COMMENT ON THAT PROPOSAL.

A. At page 23 of the Draft SGAT, BellSouth seems to propose that the ALEC be the customer of record. If this is the case, it is not clear why, if a customer changes to an ALEC, BellSouth cannot determine which ALEC is providing provide service to the customer. The CRIS record should provide the ALEC's name and the BellSouth representative should have easy access to the CRIS record. Yet during test orders, the BellSouth Business Office was called to determine if BellSouth could identify the ALEC serving the end user and provide the proper referral. In every instance, the BellSouth representative was unable to identify the ALEC as MCIm.

Sale of Information

Q. WHAT DOES THE PROPOSED SGAT SAY ABOUT SALE OF INFORMATION?

A. It is unclear. At page 24 of the Draft SGAT, BellSouth states that "[t]elephone numbers transmitted via any resold service feature are intended solely for the use of the end user of the feature. Resale of this information is prohibited." I simply do not know what this means. At minimum, BellSouth should explain this strange limitation.

Discontinuing ALEC End User Service

Q. PLEASE COMMENT ON BELLSOUTH'S PROPOSED SGAT TREATMENT OF DISCONTINUANCE OF END USER SERVICE.

A. Again at pages 24 and 25 of the Draft SGAT, BellSouth would have itself act as the judge and jury for customer problems. As is the case with too many customer issues in the SGAT, BellSouth creates procedures which ALECs must follow; if they do not, BellSouth can automatically discontinue service. The problem with this approach is that there is no dispute resolution process to serve as a check on BellSouth's activities and to ensure that ALECs have the opportunity to be fully heard on the particular issue. Formal procedures are particularly important with regard to service disconnection.

ALEC Resale Audit

Q. PLEASE DESCRIBE THE SGAT PROPOSAL REGARDING A RESALE AUDIT.

A. According to the Draft SGAT at page 31, BellSouth has the right at any time to audit services purchased by an ALEC for resale. Obviously, such an audit is an opportunity for BellSouth to learn more about an ALEC's market and inhibit its ability to compete. The Commission should not allow such an opportunity to exist at BellSouth's whim.

CONCLUSION

Q. PLEASE PROVIDE A RECOMMENDATION TO THE COMMISSION.

A. As I stated at the outset of my rebuttal testimony, BellSouth's proposed SGAT is irrelevant since, under Track A, the issue is whether BellSouth has fully implemented and is providing each checklist item, not whether it is offering items on paper. Beyond this obvious problem, the proposed SGAT is woefully inadequate and does not even offer the checklist items in compliance with the fourteen point checklist. Finally, not only would the SGAT fail to facilitate competition in local markets, if approved, it would actually thwart competition. Thus, I strongly recommend rejection of the SGAT and a finding that BellSouth has not met the fourteen point checklist.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

BY MR. BOND:

Q Mr. Martinez, you had no exhibits to either your direct or rebuttal testimony; is that correct?

A That's correct.

Q Could you please summarize your testimony?

A Yes.

Good evening, Commissioners. My direct testimony provides information about BellSouth's operational support systems and shows that these systems fail to meet the nondiscrimination requirement of Checklist Items 2 and 14. My rebuttal testimony shows how BellSouth's SGAT fails to meet Items 1, 3, 5, 6, 10, 11, 12 and 14 of the competitive checklist.

With respect to OSS the FCC has said that a BOC does not meet its obligation of nondiscrimination unless OSS systems that it provides to ALECs meet the same standards of quality, timeliness and accuracy as the systems the BOC provides itself. This is at 139. In addition, the FCC has said that OSS functions provided by the BOC must support each of the three modes of competitive entry established by the Act, interconnection, unbundled network elements and resale. This is at 133.

The FCC also said that for those functions that a BOC accesses electronically it must provide equivalent electronic access to competing carriers. The OSS provided

by BellSouth fails these tests. With regard to resale, an ALEC cannot place electronic orders for all the services that BellSouth orders on an electronic basis. With regards to the UNEs, only a handful of UNEs can be ordered on an electronic basis. Even those orders do not flow through BellSouth's downstream systems, but instead fall out and require manual processing. And BellSouth provides no system at all for ALECs to order combinations of UNEs. Where an electronic pre-ordering or ordering system is provided, the system does not provide equal quality, timeliness and accuracy for reasons described by Mr. Bradbury.

The FCC has also said that a BOC is obligated to provide competing carriers with the specifications necessary to instruct competing carriers on how to modify or design their systems in a manner that will enable them to communicate with the BOC's Legacy systems and any interfaces utilized by the BOC for such access. This is at 1237.

BellSouth has not met this requirement. Specifically, MCI requested the technical specification for LENS in mid May but did not receive them until the first week in July, and even then BellSouth stated that the specifications were not complete and has never furnished MCI with the promised updates.

CHAIRMAN JOHNSON: Do you have another copy of his summary?

MR. BOND: No, I had given the witness my copy. We'll just have to wait a minute. I apologize.

CHAIRMAN JOHNSON: We'll go off the record for a couple of seconds.

WITNESS MARTINEZ: I will just remember what I had put down as best I can.

CHAIRMAN JOHNSON: We'll go back on the record.

A OSS systems in and of themselves are not the only problems confronting the ALEC community. There are actions on the part of the ILEC, or in this case BellSouth, through their network where they can cause harm or disturbances to the ALEC community as they try to get going in the marketplace. One of the ones that I reference, which to a certain extent has been, I won't say eliminated, but at least been resolved as an issue, local tandem connections. In the local tandem connections, we do have a letter stating that they will allow us to make these local connections; however, the finalized detail of where those local tandems are, it was to be finalized in the local exchange routing guide, the LERG, as of September, and we have yet to have that verified.

The last issue that I was going to address from a network perspective was the call return issue associated

with SGAT where call return, which is a class or advanced intelligent network issue that is very prominent in the consumer world is being denied for no reasons that MCI can understand. That same feature, based on our contract, would have been allowed. We have the right to resell any gained feature or class feature that BellSouth resells itself, we have the right to resell it.

In essence, a lot has been done, and I don't want to belittle that, a lot has been done since we started working in attempting to get into the local market. These actions must continue. We must continue to have the support of the incumbent, in this case, BellSouth, to get the problems off of the table. To prematurely punch BellSouth's ticket, if you would, into the long distance market will in our opinion remove the incentive to help, and the incentive is so important. Without two parties willingly at the table negotiating the items that need to be done, there is no way that we can ever hope to have the open competition that we both want in this marketplace. And with that I'll close.

MR. BOND: Commissioner Johnson, the witness is available for cross examination.

CHAIRMAN JOHNSON: Okay. Any, do you want to --

MS. BARONE: Mark our exhibits.

CHAIRMAN JOHNSON: Okay.

MS. BARONE: Thank you. Madam Chairman, we would ask RM-1, which consists of Martinez's deposition transcript, errata sheet and late-filed deposition exhibits be marked as Composite Exhibit 113.

CHAIRMAN JOHNSON: It will be marked 113.

MS. BARONE: Thank you.

CHAIRMAN JOHNSON: Any of the other parties have questions?

(No response)

CHAIRMAN JOHNSON: Bell.

MR. CARVER: Thank you, Madam Chairman.

CROSS EXAMINATION

BY MR. CARVER:

Q Good evening, Mr. Martinez.

A Good evening.

Q My name is Phil Carver, and I represent BellSouth. Let me ask you just a couple of follow-up questions to the questions that I asked Mr. Gulino about MCI's entry into the local market. Do you know when MCI plans to begin serving residential customers in Florida?

A I don't have a specific date, I'm not in the marketing, but it will be sometime this year.

Q Sometime in 1997?

A That's correct.

Q And will those customers be served by way of

resale?

A Yes.

Q Will there be any facilities-based service to those customers?

A That will depend greatly on the customer and its relationship to the ring to policies that are basically in place. If a customer fell on to a ring that happened to be a residential, then obviously it would be fully; but as it would stand right now, I would feel it would be highly unlikely that that would occur.

Q Have the rings that you're talking about been placed for the purpose, or for the primary purpose of serving business customers in the local market?

A The rings were placed by Western Union, ATS initially, to serve interexchange and business customers and are being used now for the use in Metro. They have been expanded, but you're right, yes.

Q So the residential customers who would be served are essentially incidental in that they would happen to be where the facilities that you are utilizing are; is that correct?

A Yes, and for reasons it's fairly difficult for a new entry to try to replicate the entire distribution system. One has to place that initial investment in areas that will reach the biggest benefit, and generally high

concentration of business customers would fit that profile.

Q Do you remember when I cross examined you in Kentucky a couple of weeks ago?

A Yes, I do.

Q Okay. Do you remember we had a discussion about, that the issue of whether or not MCI's pending merger with British Telecom would affect your local market entry plans?

A Yes, I do.

Q Without recapping that whole discussion, let me just ask you, do you know whether or not that pending merger will have any impact, specifically whether it will slow down MCI's otherwise existing plans to enter the local market?

A I don't believe it will slow down the existing plans as I mentioned in Kentucky. Where there are switches in place, obviously there is a need to recapture the --

Q I'm sorry, I may have asked the question wrong, but I was asking this time about Florida. You said in Kentucky.

A Well, as I -- I was just referencing it, as I told you in Kentucky.

Q Oh, I'm sorry, okay.

A We do have a significant investment in switches in the State of Florida, so I would think if anything we would expedite in Florida to try to recoup some of the

capital dollars that we have spent.

Q Is MCI currently serving residential customers anywhere in the country?

A Yes.

Q Okay. Let me ask you something, have you looked at a copy of USA Today today?

A No, I did not.

Q Okay. Let me ask you, and I'm not going to mark this as an exhibit or anything, but there is an ad here placed by MCI, and there is something in it that caught my attention, and I just want to show it to you and ask you if you can explain it, and if you can't, that's fine. It's a two-page ad, and I'll show it to you, but basically it is encouraging customers of the local market to use MCI as their sole provider for long distance, international, local, conferencing, data, cellular, Internet, et cetera. And then down at the bottom, in very small print, it says, "Local and cellular services are only available in certain areas. This offer is only available for medium and large businesses with local service over MCI facilities." So let me bring this to you and let you have a look at it, and then I have a question.

(Document tendered to the witness)

Q Is what I just said about that advertisement basically accurate?

A It is from the business perspective. Looking at this, this is an ad put out by our business markets group, so I would -- remembering we have separate and distinct marketing organization, one is what we call mass markets. Mass markets deals with the residential area, and the business markets deals with the business markets, medium size and up. Actually mass markets would deal with small business. This is obviously a business ad. Basically their dollars are spent to attract business customers.

Q Okay. I think you may have answered my question before I asked it, but what I was going to ask was whether that language at the bottom where it said the offer available only to medium and large businesses, that doesn't indicate that residential customers are not being served or that they are not being solicited?

A No, this ad is pointed directly from a business markets perspective to that medium to large size business customer.

Q Where are residential customers being served in the United States by MCI?

A I won't go through the whole list. We'll just start, California, Chicago, from a resale perspective, here in BellSouth. I'm trying to think of some of the other areas that are most noteworthy. I believe some in the NYNEX areas.

Q Okay. Rather than indulging my curiosity any further, let's turn to your testimony, and I'll ask you a few questions about what you've actually prefiled. Now you state in your testimony at page 16, lines 9 through 11 the following --

A Page?

Q 16.

A 16.

Q Lines 9 through 11, and I'll just read it. "First and foremost, BellSouth should adopt and commit to performance measurements with penalties that would be assessed if BellSouth fails to live up to these commitments." Is that your testimony?

A That's correct.

Q Okay. Has MCI proposed any particular performance measurements in this docket?

A Is this a continuation of the interconnection 251, 252 proceedings?

Q Well, that's a -- you're kind of asking me for a legal opinion, but, no, it's not. Would you like to ask me my opinion as to whether BellSouth is checklist compliant while you are asking me legal questions?

A I think I would know the answer.

Q Okay. Sorry. Your answer.

A Yes, we believe that DMOQs especially with

penalties are appropriate; however, we do respectfully understand that this Commission did in our proceedings not see fit to provide those types of penalties, but it doesn't change our opinion as to what is necessary to hold a supplier in line.

Q Okay. I think you probably answered my next few questions, so I just want to see if I understand your answer. You are agreeing that in the arbitrations this Commission declined to accept MCI's request for penalties of this sort, but you are nevertheless advocating them here; is that a fair summary?

A Yes.

Q Okay. Moving to a different area, the LENS system can be used for pre-ordering for both business and residential service customers in all nine BellSouth states; isn't that correct?

A Yes.

Q And in your testimony you state on page 10 -- just a moment, please -- lines 17 and 18, "For ALECs that hoped to compete in markets presently controlled by different BOCs it is absolutely critical that interfaces are uniform." And then a little bit later in the paragraph, on line 21, you say, "BellSouth, for example, uses essentially the same OSS interfaces and formats throughout its region." Do you see that in your testimony?

A Yes.

Q Now isn't it true that the RNS system or regional negotiation system is used by BellSouth for pre-ordering only for residential customers?

A Yes, they have the capability, however, as was demonstrated in Jacksonville of accessing DOE which was their business and complex business system. So from a perspective of just accessing one system, that one system is designated as residential.

Q And to access the -- well, the service order negotiation system or SONGS system is used for business customers in certain BellSouth states; isn't that correct?

A Yes, that's true.

Q And the DOE system or direct order entry system is used by BellSouth in four of its states which I believe are this state, Georgia, North Carolina, and South Carolina; isn't that correct?

A Yes, that would go along with the separations between Southern Bell and South Central Bell which traditionally these systems demarked on.

Q But the point that I'm getting to is that we have one BellSouth system that is used for residential customers, two different BellSouth systems that it uses for business customers in different states, correct?

A Yes.

Q And that is not a uniform interface usage throughout the nine-state region, is it?

A Uniform with respect to the output and outflow through the systems is there. When I talk in terms of essentially the same systems, I'm not saying or suggesting that SONGS and DOE are exactly alike. What I'm saying is that the system allows the down flow or flow through of orders placed into it, whether they be manually inputted differently. They do allow for those systems to interact.

Q Now I believe you were involved in the negotiation of the MCI/BellSouth interconnection agreement, were you not?

A Yes, I took over as chief negotiator consistent with the end of my testimony in Tennessee in the 251, 252 proceeding, so that will date it especially, specifically as to when I took over.

Q Let me ask you generally, is it true that in that agreement there is a requirement that BellSouth's interfaces shall provide MCI with the same process and system capability for both residential and business ordering and provisioning?

A Yes.

Q So then the three systems that BellSouth uses for itself, if those were provided to MCI, that wouldn't meet the MCI requirement that is manifested in the agreement,

would they?

A In the interim steps that we talk about, the agreement basically talks in terms of a long-term solution which I am on public record all over these great southern states as talking about electronic bonding, and electronic bonding is theoretically possible for us to have a single gateway into your systems.

Q But my question is, as a long-term solution, if BellSouth made available to you precisely the same systems that BellSouth has, then that wouldn't meet the MCI requirement that is set forth in the agreement, would it?

A Literally, no; but if we did have access to the same systems, we would at least have been at parity with you.

Q In a different area, there is one source of confusion I just want to try to clear up. You state in your testimony that the LCSC is only open Monday through Friday from eight a.m. to five p.m.; is that correct?

A Yes.

Q Now are you aware that Ms. Calhoun has filed rebuttal testimony, and specifically on page 33 of that testimony she states that this is not correct and that the LCSC is open 24 hours a day, seven days a week?

A Yes.

Q Well, let me ask you then, is she correct?

A As far as the opening is concerned, I would say yes; however, we shared with staff a letter that came from our account team who researched, and the LCSC will only process our rejects during those hours. So what they are going to be doing, as I mentioned in my deposition, for the remaining time is beyond me because their chief function would be to clean up orders or accept orders from MCI.

Q So then what you have literally in your testimony, that the LCSC is open only in those limited hours is not correct?

A No, it is correct to the functionality they perform. The letter specifically states that they will only work on our issues between 8:30 and five, and we assume that to be Eastern Standard Time because the letter came from the account team which was in Atlanta.

Q So when you say it's only open during those hours, what you meant to say was that they are only doing the work that you consider crucial during those hours; is that what you're saying?

A Yes, for -- I still am at a loss as to what they would be doing the remaining hours. If they are not working or functioning with respect to the ALECs, specifically to MCI, they serve no purpose being there the remainder of the time.

Q Now the letter, and this was -- The letter from

the account team is the one that you relied on in making that statement in your testimony?

A Yes.

Q Okay. Now is this the letter that was identified in your deposition as Exhibit Number 2?

A I believe you're correct.

Q Do you have those deposition exhibits with you?

A Yes.

Q I have a copy here. If it would be easier, I can walk it down to you, whatever you'd like.

(Document tendered to the witness)

A Yes, that's the letter.

Q Now the letter -- Well, actually it looks like it was perhaps electronically transmitted?

A Yes, we and MCI spend our lives on E-Mail. We use it quite extensively.

Q And I apologize if I'm being repetitive, but this is the letter that you relied on?

A Yes.

Q And what is the date on this letter?

A August the 4th.

Q Now isn't it true that your direct testimony was filed July 17th?

A The responses were verbalized first and then put into a written format. The letter -- this letter is in

direct response to a letter that Andre Weathersby -- and in fact, a number of other people on issue lists that had been asking. We are very much concerned with the processing of orders after hours.

Q Okay. Mr. Martinez, let's take it one step at a time. Your testimony was filed on July 17th, correct?

A That's correct.

Q So the letter appears to have been issued about 18 days after your testimony was filed?

A That's correct.

Q So is what you just said basically that you didn't rely on this letter after all but rather on some conversations?

A Yes, with the letter -- the letter was requested. A response was requested specifically to that, and we had already known what the letter was going to contain, and that was the hours that are mentioned in there.

Q Thank you.

MR. CARVER: I have nothing further.

CHAIRMAN JOHNSON: Staff.

CROSS EXAMINATION

BY MS. BARONE:

Q Good evening, Mr. Martinez.

A Good evening.

Q I would like to clarify exactly what UNEs MCI has

requested or actually ordered from BellSouth, and I'm going to go through a list and ask you specifically which ones you have ordered. First, with respect to subloop unbundling, has MCI ordered loop distribution media?

A Are we now talking -- when you took loop, you are talking the entire loop itself?

Q Okay. First, the category is local loop transmission.

A Right.

Q And the subgroup of that is subloop unbundling, and now I want to know whether you've ordered loop distribution media.

A Yes, we have.

Q And through which interface did you order that?

A That was done by a fax with the standard BellSouth UNE forms.

Q Did you receive what you requested?

A Yes.

Q Have you ordered loop cross connects?

A Yes, because we ordered the port as well; and obviously, if it was necessary to cross connect, that would have been inclusive in that.

Q And you ordered that through fax also?

A Yes.

Q What about loop concentration systems?

A No.
Q What about the NID?
A No.
Q Okay. With respect to --
A Well, I take that back. There was a NID on the interface that we ordered.
Q And you ordered that through fax as well?
A Yes.
Q And you've received the loop -- You've received the NID?
A Yes, the reason that I corrected there, that I know we had to order the NID from them because we have a bone of contention with respect to putting our own, our physical NID on their particular loop and that they are requesting a bona fide request for that activity. While it's not in Florida, it would be universal across the region.
Q Okay. And when I ask you these questions, I'm asking Florida specific.
A Yes.
Q So do I need to go back and ask you again?
A No.
Q So your answers pertain to Florida?
A Yes.
Q With respect to unbundled local transport, I'm

going to ask you about the local transport elements. Have you ordered dedicated transport?

A Can I ask one question? Is order where we have asked for it?

Q No, I'm trying to be real specific because people have -- when I say request, they sometimes think that I'm talking about requesting pursuant to an interconnection agreement. What I want to know is have you actually physically ordered it and have you received it?

A We have physically, outside of the interconnection agreement, we have physically requested it; however, there has been a request for a BFR and the request had to do with the --

Q Okay. So let me clarify, so you didn't ask dedicated transport pursuant to an interconnection agreement, but you have asked --

A Oh, I'm sorry. Dedicated, yes, I'm sorry. It's flat, yes.

Q Okay. Do I need to back up to the subloop unbundling?

A No.

Q All right. So you have requested dedicated transport. Which interface did you use to request it?

A ASR.

Q And did you receive what you requested?

A Yes.

Q And again was this in Florida?

A Yes.

Q Have you requested, or rather ordered common transport?

A It is this area that we have requested dedicated shared common transport in association with selective routing. That has not finalized in an order as we have a disagreement as to whether we require a BFR to do that.

Q Was that pursuant to your interconnection agreement?

A Yes.

Q It was?

A Yes.

Q And is BellSouth now stating that you have to request it through the BFR process?

A Yes, it had to do with selective routing on the loop/port combination that we had installed. Our next phase was to actively put in selective routing to our operator services in our DA. We chose a path that would have used a dedicated shared common transport from the end office serving the customer to the tandem and then picking that traffic up on that dedicated to us. It is in the signaling, and as I mentioned in my deposition, I believe that there is a disconnect between the two parties where

BellSouth seems to be thinking that we are asking for OSS7 signaling on that trunk group when, in fact, SS7 is the proper and correct signaling that would be used even though operator traffic is going on there.

Q So basically the disagreement is whether it's actually in your interconnection agreement or not?

A Yes, and that is, OSS7 -- it is in our interconnection agreement. If, in fact, BellSouth does activate or install OSS7, we have the right to use it; however, they don't have it, and that's what is confusing about the BFR request.

Q Well, when you requested common transport, did you also request that through ASR, or how did you request that?

A It was requested at a meeting held with BellSouth, first, to discuss exactly the elements that we wanted to order and where we wanted to put them in and the whys. We never have gotten to an ASR because there is a requirement for this BFR.

Q So you haven't ordered that through a specific interface at this time?

A No.

Q Okay. What about tandem switching, have you ordered that?

A No.

Q I'm going to move on to unbundled local switching. Have you ordered 2-wire and 4-wire analog port?

A We have ordered a 2-wire analog port. To the best of my knowledge, that is the port that we installed.

(Transcript Continues in Sequence in Volume 30)