

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

PREFILED DIRECT TESTIMONY OF

FRAN MIRANDO

ON BEHALF OF

**TCG SOUTH FLORIDA AND
TELEPORT COMMUNICATIONS GROUP**

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1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Fran Mirando. I am an Associate Manager in the Revenue
3 Assurance department for AT&T Corp. My business address is 200 Laurel
4 Avenue, Middletown, New Jersey 07748.

5 **Q. PLEASE DESCRIBE YOUR BACKGROUND AND WORK
6 EXPERIENCE.**

7 A. I have held numerous management positions with AT&T in Basking Ridge,
8 New Jersey that have included responsibility for bill production, accounts
9 receivable maintenance, investment separation, financial analysis, and billing
10 for international operations. In my current position, I am responsible for
11 AT&T's billing for transport of local traffic and for intraLATA access to
12 BellSouth Telecommunications, Inc. ("BellSouth") and Verizon in Florida.

13 **Q. WHY ARE YOU TESTIFYING ON BEHALF OF TCG?**

14 A. I am providing this testimony on behalf of Teleport Communications Group
15 ("TCG") because AT&T acquired TCG in 1998 so my billing responsibilities
16 include AT&T and TCG billing disputes or problems. As I understand the
17 relationship, TCG South Florida is a wholly owned subsidiary of TCG.

18 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

19 A. The purpose of my testimony is to address Issues 4(b) and 5(b) in this
20 proceeding. My testimony addresses how I calculated the amount of
21 reciprocal compensation and switched access charges for intraLATA calling
22 that BellSouth owes TCG for the time period in TCG's complaint.

23 **Q. DESCRIBE THE DISPUTE.**

24 A. There are two parts to the dispute. The first part has to do with reciprocal
25 compensation and it has two sub-parts. The first sub-part is that BellSouth

1 refuses to pay reciprocal compensation for traffic bound for internet service
2 providers (“ISPs”). The second sub-part concerning reciprocal compensation
3 is that BellSouth remits reciprocal compensation to TCG for non-ISP calls
4 at a lower rate than TCG bills. The second part of the dispute concerns the
5 appropriate rate for switched access charges billed by TCG to BellSouth for
6 intraLATA calls.

7 **Q. DESCRIBE THE TWO SUB-PARTS OF THE RECIPROCAL**
8 **COMPENSATION PART OF THIS DISPUTE.**

9 A. The first sub-part to the reciprocal compensation claim has to do with traffic
10 going to ISPs. Each month, TCG sends BellSouth a bill for terminating local
11 traffic that originates with BellSouth’s customers. TCG does not exclude
12 calls that go to ISPs. Each month, BellSouth sends a letter to my department
13 indicating that they have performed a calculation that excludes a portion of
14 our billing—claiming that they have deducted calls to ISPs from their
15 payment. The percentage that BellSouth excludes for this purpose changes
16 each month.

17 I have asked BellSouth to explain how they perform the calculation
18 to exclude what they claim is ISP-bound traffic. BellSouth provided a
19 written description of what they are doing but it is not entirely clear because
20 I cannot get from BellSouth any raw data so that I can see the impact of the
21 written description on actual data.

22 The second sub-part to the reciprocal compensation claim is that TCG
23 bills for reciprocal compensation at the rate of \$.00325 but BellSouth reduces
24 that rate to \$.002. I believe BellSouth has reduced the applicable reciprocal
25 compensation rate by unilaterally excluding the tandem switching rate

1 element in the Second TCG-BellSouth Agreement (Exhibit ____ (RTG-1) to
2 Mr. Guepe's prefiled direct testimony).

3 **Q. DESCRIBE THE OTHER PART OF TCG'S CLAIM.**

4
5 A. In addition to the reciprocal compensation issues, BellSouth only partially
6 pays TCG's switched access bills. Each month, BellSouth remits a lower
7 sum for switched access than what TCG bills.

8 **Q. HOW DOES BELLSOUTH DETERMINE THE AMOUNTS IT**
9 **EXCLUDES FROM TCG'S SWITCHED ACCESS BILLING?**

10 A. I have asked BellSouth how they determine the switched access rate they use
11 to remit payment to TCG. I have not received a response. TCG bills
12 switched access to BellSouth at the rate of \$.02733 per minute of use.

13 **Q. DO YOU DETERMINE THE AMOUNT TCG BILLS TO**
14 **BELLSOUTH?**

15 A. Yes.

16 **Q. HOW DO YOU DETERMINE WHAT TCG BILLS BELLSOUTH FOR**
17 **RECIPROCAL COMPENSATION AND SWITCHED ACCESS?**

18 A. As I mentioned earlier, there are two parts to TCG's claim. The first part is
19 to: (1) recover reciprocal compensation for minutes that BellSouth excludes
20 each month for what they determine to be ISP-bound traffic and, (2) obtain
21 payment for reciprocal compensation at the \$.00325 rate. I used the figures
22 contained in the Second TCG-BellSouth Agreement. I understand that the
23 interconnection agreement was approved by this Commission. I multiply the
24 minutes of local calling that I receive from the billing system by the
25 reciprocal compensation rate of \$.00325 per minute of use. The second part
26 of TCG's claim is for switched access. Based on the rate elements in

1 BellSouth's intrastate switched access tariff, I have billed at the rate of
2 \$.02733 per minute of use.

3 I have attached to my testimony a chart labeled Exhibit __ (FM-1)
4 that shows the amounts TCG has billed and the amounts BellSouth has paid
5 for reciprocal compensation and switched access for the period included in
6 the complaint.

7 **Q. WHAT IS THE TOTAL OF TCG'S CLAIM AGAINST BELLSOUTH?**

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9 A. To summarize, TCG's claim is for:

10 (1) reciprocal compensation that BellSouth has not paid for calls going
11 to ISPs,

12 (2) reciprocal compensation at the rate that TCG bills (\$.00325 per
13 MOU),

14 (3) switched access charges for intraLATA calls at the billed rate,
15 (\$.02733 per MOU), and,

16 (4) interest on the money TCG is owed.

17 The total amount of TCG's claim through the time the complaint was
18 filed was \$9,820,731.44 plus interest in the amount of \$1,337,130.30, for a
19 total of \$ 11,157,861.74.

20 **Q. DOES THAT CONCLUDE YOUR TESTIMONY?**

21 A. Yes.

22

	Total		Amount Paid	Amount	Late Payment
Invoice Date	Billed	Credits	by BellSouth	Past Due	Charges
Jul-99	\$190,665.04	\$0.00	\$83,761.22	\$106,903.82	\$27,822.61
Aug-99	\$308,816.87	\$0.00	\$155,844.87	\$152,972.00	\$36,799.47
Sep-99	\$1,064,616.54	\$0.00	\$208,594.50	\$856,022.04	\$173,182.13
Oct-99	\$1,393,827.19	\$0.00	\$202,697.32	\$1,191,129.87	\$220,484.30
Nov-99	\$1,027,284.00	\$0.00	\$81,114.87	\$946,169.13	\$157,334.63
Dec-99	\$1,044,737.97	\$0.00	\$99,119.80	\$945,618.17	\$143,329.52
Jan-00	\$1,076,245.98	\$0.00	\$99,920.96	\$976,325.02	\$131,803.88
Feb-00	\$1,084,252.41	\$0.00	\$98,852.36	\$985,400.05	\$119,730.79
Mar-00	\$2,059,857.80	\$7,931.46	\$1,142,890.92	\$909,035.42	\$114,174.73
Apr-00	\$1,126,471.98	\$0.00	\$116,799.88	\$1,009,672.10	\$92,730.28
May-00	\$1,624,899.56	\$47,728.19	\$701,260.01	\$875,911.36	\$65,693.35
Jun-00	\$1,006,256.76	\$0.00	\$140,684.30	\$865,572.46	\$54,044.61
TOTAL	\$13,007,932.10	\$55,659.65	\$3,131,541.01	\$9,820,731.44	\$1,337,130.30