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BELLSOUTH TELECOMMUNICATIONS, INC.
REBUTTAL TESTIMONY OF JERRY KEPHART
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 001305-TP
AUGUST 15, 2001

Q. PLEASE STATE YOUR NAME, YOUR BUSINESS ADDRESS, AND YOUR POSITION WITH BELLSOUTH TELECOMMUNICATIONS, INC. (BELLSOUTH).

A. My name is Jerry Kephart. My business address is 675 West Peachtree Street, Atlanta, Georgia 30375. I am Senior Director - Regulatory for BellSouth. I have served in my present position since October 1997.

Q. ARE YOU THE SAME JERRY KEPHART WHO EARLIER FILED DIRECT TESTIMONY IN THIS DOCKET?.

A. Yes.

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY BEING FILED TODAY?

A. In my testimony, I will address the technical aspects of network related issues which have been raised in the Direct Testimony of David A.

1 Nilson in this docket. Specifically, I will address the following issues, in
2 whole or in part: Issues 10, 28, 34, 40 and 53. Also, I will address the
3 Direct Testimony of Olukayode A. Ramos with respect to issue 35.

4
5 Q. HAVE THE PARTIES DISCUSSED EACH OF THESE ISSUES IN AN
6 INTERCOMPANY REVIEW BOARD MEETING AS ORDERED BY
7 THE FLORIDA PUBLIC SERVICE COMMISSION?

8
9 A. No. Although BellSouth attempted to engage Supra Telecom on all
10 issues, Supra refused to negotiate the following issues during the
11 Intercompany Review Board: 28, 33, 34, 40, and 53

12
13 **Issue 10: Should the rate for a loop be reduced when the loop utilizes**
14 **Digitally Added Main Line (DAML) equipment?**

15
16 Q. IN WHAT CIRCUMSTANCES DOES BELLSOUTH DEPLOY DAML
17 EQUIPMENT?

18
19 A. BellSouth deploys DAML equipment on a very limited basis to expand
20 a single loop to derive additional digital channels, each of which may
21 be used to provide voice grade service. The deployment is limited to
22 those situations where loop facilities are not currently available for the
23 additional voice grade loop(s). DAML systems are generally not an
24 economical long-term facility relief alternative except possibly in slow
25 growth areas.

1 Q. IN HIS TESTIMONY, MR. NILSON STATES THAT BELLSOUTH
2 OFTEN ADDS DAML TO THE FIRST LINE OF A CLEC CUSTOMER,
3 WITH TWO PERFECTLY GOOD WORKING TELEPHONE CIRCUITS,
4 IN ORDER TO PROVIDE A CLEC CUSTOMER TWO DAML
5 PROVISIONED LINES. THIS THEN FREES UP A LOOP FOR A NEW
6 BELLSOUTH CUSTOMER AND BELLSOUTH IS GETTING THE
7 NEWLY DERIVED LOOP FOR FREE. IS THIS A TRUE
8 STATEMENT?

9
10 A. No. This is not a true statement. DAML equipment is provided by
11 BellSouth as discussed above. It is not BellSouth's policy to utilize
12 DAML equipment on CLEC customers in order to free up a loop for a
13 BellSouth customer. If Supra Telecom thinks it has examples of such
14 occurrences and wishes to furnish the specific examples to BellSouth,
15 we will be glad to investigate and respond on a case by case basis.
16 Regarding the statement that by adding a DAML, to either a BellSouth
17 or Supra Telecom customer, BellSouth is getting a newly derived loop
18 for free, this is also not true. The current in-plant equipment cost of
19 standard 2:1 DAML systems is approximately \$581. The current
20 Florida Commission approved non-recurring rate for a 2-wire analog
21 voice grade unbundled non-designed loop is \$44.68. It is quite evident
22 that BellSouth is not getting DAML derived loops for free.

23
24 Q. SHOULD THE RATE FOR THE UNBUNDLED LOOP BE REDUCED
25 WHEN DAML EQUIPMENT IS USED?

1 A. No. The use of DAML equipment is a means to meet a request for
2 service in a timely manner. As discussed above, it is not generally a
3 more economic means of meeting demand on a broad basis than
4 using individual loop pairs. Supra apparently believes that loops
5 utilizing DAML equipment should be offered at a lower cost than other
6 loops. However, costs for unbundled loops have been calculated in
7 compliance with Federal Communications Commission rules on a
8 forward-looking basis without regard to the manner in which the
9 customer is served (e.g., copper or digital loop carrier). Indeed,
10 because DAML-derived loops are more costly than DLC-derived loops,
11 including DAML into the technology mix would raise rather than lower
12 the rates on unbundled loops. Thus, the unbundled loop rates the
13 Florida Public Service Commission has approved in the current UNE
14 cost docket are appropriate and do not require any adjustment to
15 recognize the use of DAML equipment.

16
17 Q. IN HIS TESTIMONY, MR. NILSON STATES THAT WITH DAML
18 ADDED IN TO A STANDARD GR-303 INTERFACE A 56k MODEM
19 CAN FALL TO A TRANSMISSION SPEED AS LOW AS 4.8K. IS THIS
20 A TRUE STATEMENT.

21
22
23 A. It is true that the original Terayon DAML COT cards applied to some
24 loops (all copper or integrated SLC96 circuits in particular) resulted in
25 decreases in modem performance and a risk for customer

1 dissatisfaction and complaints. However, BellSouth has worked with
2 Terayon to support a new card that will not produce a significant
3 impairment to the signal. This card has undergone final testing and is
4 currently being deployed in BellSouth.

5
6 **Issue 28: What terms and conditions, and what separate rates if any,**
7 **should apply for Supra Telecom to gain access to and use BellSouth**
8 **facilities to serve multi-unit installations?**

9
10 Q. IN HIS TESTIMONY, MR. NILSON REQUESTS THAT THE PARTIES'
11 FOLLOW-ON AGREEMENT FOLLOW THE CURRENT STATE OF
12 THE LAW IN ALL MATTERS. DO YOU AGREE?

13
14 A. Yes I agree. It is BellSouth's intention to follow the law. In fact, Supra
15 offers no specific case in its testimony that attempts to show otherwise.
16 It is difficult to understand from Mr. Nilson's testimony what, if any,
17 problem Supra has with BellSouth on this issue. Regarding the issue of
18 access to BellSouth facilities in multitenant environments, the
19 Commission has ruled in dockets 000731-TP and 990149-TP that the
20 appropriate method is to require BellSouth to construct an access
21 terminal for access to NTW or INC pairs as may be requested by an
22 ALEC. Supra (or another ALEC) would interconnect its network to
23 these constructed access terminals. Such a methodology would
24 permit Supra appropriate access to end users while providing both
25 companies the ability to maintain appropriate records on an on-going

1 basis. These Florida rulings are fully consistent with all the FCC
2 requirements outlined in Mr. Nilson's testimony.

3

4 **Issue 34: What coordinated cutover process should be implemented to**
5 **ensure accurate, reliable, and timely cutovers when a customer changes**
6 **local service from BellSouth to Supra?**

7

8 Q. IN HIS TESTIMONY, MR. NILSON DISCUSSES BELLSOUTH'S USE
9 OF A "N" AND "D" (NEW AND DISCONNECT) ORDER INSTEAD OF
10 A SINGLE "C" (CHANGE) ORDER WHEN CHANGING LOCAL
11 SERVICE FROM BELLSOUTH TO SUPRA. HE ALSO CLAIMS THIS
12 IS NOTHING MORE THAN A BILLING CHANGE. IS THERE ANY
13 MERIT IN THIS POSITION?

14

15 A. No, there is not. This issue arose from the AT&T/BellSouth arbitration
16 and specifically dealt with the case when AT&T wanted us to use its
17 own switch to serve the end user. In such a case a coordinated cutover
18 process results in a transfer of service from a BellSouth switch to a
19 CLEC switch and is much more than a simple billing change. It
20 requires a disconnect from a BellSouth switch and a reconnect to a
21 CLEC switch as discussed in my previous testimony. The process
22 requires high levels of coordination between BellSouth and the CLEC
23 to which the unbundled loop is being provided to be successful. The
24 same high level of coordination is required if a CLEC customer
25 switches back to BellSouth. What Supra seems to be addressing is

1 when they are using a combination of network elements known as
2 "une-p" to serve the customer, and not when they are using their own
3 switch.

4
5 Q. MR. NILSON ALSO DISCUSSES THE NEED FOR REPORTING THE
6 TRUE CAUSE OF CUSTOMER LOSS OF DIALTONE SHORTLY
7 AFTER CONVERSION. DO YOU AGREE?

8
9 A. In a coordinated cutover process both parties are subject to failures
10 that could result in loss of customer dialtone. BellSouth should not be
11 held to a higher standard than Supra for reporting their difficulties.

12
13 **Issue 35: Is conducting a statewide investigation of criminal history**
14 **records for each Supra employee or agent being considered to work on**
15 **a BellSouth premises a security measure that BellSouth may impose on**
16 **Supra?**

17
18 Q. WHAT CONCERNS DOES SUPRA HAVE ABOUT CONDUCTING A
19 CRIMINAL INVESTIGATION ON THEIR EMPLOYEES?

20
21 A. It appears that Supra objects to the breath and scope of BellSouth's
22 criminal background requirements. According to Mr. Ramos' testimony,
23 Supra does conduct an open-ended, county-by-county criminal
24 background search for each and every Supra employee. Anyone found
25 to have been convicted of a felony or non-traffic related misdemeanor

1 is terminated from or not offered employment.

2

3 Q. IS SUCH A CHECK SUFFICIENT FOR BELLSOUTH?

4

5 A. Yes, provided Supra's check will also cover counties outside of Florida
6 for employees that worked and/or lived outside the state in the past
7 five years. All BellSouth asks is that Supra agree in the new contract
8 that they will continue with this policy and that it also cover any agents
9 of Supra that seek access to BellSouth central office locations. In fact,
10 BellSouth would even be agreeable to the less stringent requirement
11 as ordered by this Commission in the AT&T Arbitration Order, Docket
12 000731-TP. This order requires a criminal background check on
13 employees and agents who have been in their company for less than
14 two years, and that may work on BellSouth's premises. BellSouth does
15 not feel that either of these requirements are excessive, as stated by
16 Mr. Ramos in his testimony, since they represent essentially no more
17 than what Supra is already doing. BellSouth does not require any
18 additional checks after the pre-employment review is completed.
19 BellSouth still believes these background checks are necessary for the
20 reasons stated in my testimony.

21

22 **Issue 40: Should Standard Message Desk Interface - Enhanced (SMDI-**
23 **E) and Inter-switch Voice Messaging Service (IVMS), and any other**
24 **corresponding signaling associated with voice mail messaging be**
25 **included within the cost of the UNE switching port?**

1 Q. IN HIS TESTIMONY, MR. NILSON ASKS THAT THE COMMISSION
2 ORDER THAT SMDI (SMDI-E and ISVM) IS A COMPONENT OF THE
3 LOCAL SWITCH PORT AND ASSOCIATED SS7 SIGNALING AND
4 THAT IT BE PROVIDED AT NO COST WHEN SUPRA ORDERS
5 UNBUNDLED LOCAL SWITCHING. DO YOU AGREE?

6

7 A. No. I do not agree. As I discussed in my previous testimony, SMDI-E
8 and IVMS both have capabilities that go beyond the functionality
9 contained in an unbundled switch port. Both features provide for data
10 transmission to and from the customer's voicemail platform. BellSouth
11 will provide these data transmission capabilities to Supra at the same
12 tariffed rates that it provides SMDI-E and IVMS to other unaffiliated
13 voice messaging providers. These are also the same tariffed rates
14 BellSouth charges to its own voice messaging service. As an
15 alternative, Supra may arrange to provide its own data transmission
16 links and thus avoid the need to purchase BellSouth's services.

17

18 **Issue 53: How should the demarcation points for access to UNEs be**
19 **determined?**

20

21 Q. WHAT DOES SUPRA WANT WITH RESPECT TO THIS ISSUE?

22

23 A. Supra's testimony, while engaging in a reiteration of the FCC rules,
24 offers no outstanding dispute with BellSouth for any specific access
25 point to UNEs. Despite this lack of any current problem, Supra wants

1 the Commission to require BellSouth to provide access to UNEs at any
2 technically feasible point desired by Supra, and apparently without any
3 chance for BellSouth to present its case prior to arranging for such
4 access. This is clearly contradictory to the very FCC rules which Supra
5 quotes in its testimony. For example, Rule 51.319(a)(2)(B) states
6 under *Technical Feasibility: If parties are unable to reach agreement,*
7 *pursuant to voluntary negotiations, as to whether it is technically*
8 *feasible, or whether sufficient space is available, to unbundle the*
9 *subloop at the point where a carrier requests, the incumbent LEC shall*
10 *have the burden of demonstrating to the state, pursuant to state*
11 *arbitration proceedings under section 252 of the Act, that there is not*
12 *sufficient space available, or that it is not technically feasible, to*
13 *unbundle the subloop at the point requested.* Since Supra has not
14 even presented a specific point of disagreement for access to UNEs in
15 this arbitration case, BellSouth is not even in a position to know if it
16 might have a problem with technical feasibility. This Commission
17 should not allow Supra to have an unfettered right to determine
18 demarcation points in BellSouth's network and to have the
19 Commission penalize BellSouth even before it has the opportunity to
20 present its case.

21

22 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

23

24 A. Yes.

25