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BELLSOUTH TELECOMMUNICATIONS, INC.  
DIRECT TESTIMONY OF JOHN A. RUSCILLI  
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 030137-TP  
MAY 19, 2003

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

A. My name is John A. Ruscilli. I am employed by BellSouth as Senior Director – Policy Implementation and Regulatory Compliance for the nine-state BellSouth region. My business address is 675 West Peachtree Street, Atlanta, Georgia 30375.

Q. PLEASE PROVIDE A BRIEF DESCRIPTION OF YOUR BACKGROUND AND EXPERIENCE.

A. I attended the University of Alabama in Birmingham where I earned a Bachelor of Science Degree in 1979 and a Master of Business Administration in 1982. After graduation I began employment with South Central Bell as an Account Executive in Marketing, transferring to AT&T in 1983. I joined BellSouth in late 1984 as an analyst in Market Research, and in late 1985 moved into the Pricing and Economics organization with various responsibilities for business case analysis, tariffing, demand analysis and price

1 regulation. In July 1997, I became Director of Regulatory and Legislative  
2 Affairs for BellSouth Long Distance, Inc., with responsibilities that included  
3 obtaining the necessary certificates of public convenience and necessity,  
4 testifying, Federal Communications Commission (“FCC”) and state regulatory  
5 support, federal and state compliance reporting and tariffing for all 50 states  
6 and the FCC. I assumed my current position in July 2000.  
7

8 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?  
9

10 A. The purpose of my testimony is to present BellSouth’s position on the  
11 unresolved policy issues in the arbitration between BellSouth and  
12 ITC^DeltaCom Communications, Inc. (“DeltaCom”) and to explain why the  
13 Florida Public Service Commission (“Commission”) should rule in BellSouth’s  
14 favor on these issues. BellSouth formally requested negotiations regarding an  
15 interconnection agreement with DeltaCom on April 12, 2002. BellSouth and  
16 DeltaCom negotiated in good faith and resolved many of the issues raised  
17 during the negotiations. DeltaCom raised 71 issues with multiple sub-issues in  
18 its Petition for Arbitration (the “Petition”) filed with the Commission on  
19 February 7, 2003. Since the DeltaCom Petition was filed, it is BellSouth’s  
20 understanding that the parties have reached agreement as to Issues 3, 4, 5, 7,  
21 8(b), 10, 11(c), 12, 13(a), 14, 15, 16, 17, 19, 20(a), 22, 28, 32, 35, 38, 43, 48,  
22 49, 52, 53(a), 61, 65(a), 68 and 71. (Should these issues not be resolved,  
23 BellSouth reserves its right to file supplemental testimony on those issues.)  
24 My testimony addresses Issues 1-2, 11(a-b), 24-25, 27, 39-42, 44-47, 51, 53(b),  
25 54-56, and 58-60, 62-64, and 65(b).

1 ***Issue 1: Term of the Agreement (GTC – Section 2.1; 2.3-2.6)***

2 ***(a) Should the new interconnection agreement provide that the parties***  
3 ***continue to operate under that Agreement or under BellSouth's Standard***  
4 ***Interconnection Agreement pending the determination of the***  
5 ***Commission's ruling in any future arbitration?***

6 ***(b) What should be the length of the term of the agreement resulting from***  
7 ***this arbitration?***

8

9 Q. WHAT IS BELLSOUTH'S POSITION ON THESE ISSUES?

10

11 A. (a) BellSouth's position is that it is not appropriate for the parties to continue  
12 to operate under the expired Agreement indefinitely. The parties should  
13 operate under the provisions of the expired Agreement for no more than 12  
14 months after the expiration date. Combined with the re-negotiation interval that  
15 can begin as early as 270 days prior to the expiration of the agreement, this  
16 gives the parties approximately 21 months to enter into a new Agreement,  
17 either through negotiation or arbitration. Following expiration of the 12-month  
18 period, the parties should default to BellSouth's Standard Interconnection  
19 Agreement, which is updated regularly to reflect all changes in the legal  
20 requirements imposed on BellSouth. It is unreasonable to require the rates,  
21 terms and conditions of the expired Agreement to continue to apply  
22 indefinitely after the expiration of the agreement because doing so stifles  
23 BellSouth's ability to implement new processes or, alternatively, forces  
24 BellSouth to maintain old processes to be performed manually. Hundreds of  
25 Alternative Local Exchange Carriers ("ALECs") operating under expired

1 agreements that contain antiquated processes and procedures for an extended  
2 period of time would be unmanageable and would inhibit BellSouth's ability to  
3 offer interconnection, UNEs and other services in an efficient and timely  
4 manner.

5  
6 (b) The term of the new Agreement should be no more than three years. The  
7 fact that the effective date of the new DeltaCom agreement is after the date the  
8 parties execute the new agreement, and not retroactive to the expiration date of  
9 the old agreement, eliminates the situation that occurred in the past (where the  
10 term of the agreement was retroactive) which resulted in the prospective term  
11 of the agreement being much reduced. Under BellSouth's proposal, the entire  
12 three-year term would be prospective. BellSouth's proposal for a three-year  
13 term is also consistent with the three-year timeframe set by the FCC in the past  
14 for review of its rules under Section 251, and is actually longer than the two-  
15 year timeframe more recently identified by the FCC for review of the rules  
16 enacted pursuant to its Triennial Review.

17

18 ***Issue 2: Directory Listings (GTC – Section 4; Attachment 6 – Section 2.2.2):***

19 ***(a) Should BellSouth provide DeltaCom, for the term of this Agreement, the***  
20 ***same directory listing language found in the BellSouth/AT&T***  
21 ***Interconnection Agreement?***

22 ***(b) Should BellSouth be required to provide an electronic feed of the***  
23 ***directory listings of DeltaCom customers?***

24 ***(c) Should DeltaCom have the right to review and edit its customers'***  
25 ***directory listings?***

1           (d) *Should there be a credit or PMAP measure for accuracy of directory*  
2           *listings and, if so, what should be the credit or PMAP measure?*

3  
4 Q.     WHAT IS BELLSOUTH'S POSITION ON THESE ISSUES?

5  
6 A.     (a) Pursuant to 47 USC § 252(i), DeltaCom can adopt rates, terms and  
7         conditions for network elements, services, and interconnection from any  
8         interconnection agreement filed and approved pursuant to 47 USC § 252,  
9         under the same terms and conditions as the original Interconnection  
10        Agreement. DeltaCom has requested of BellSouth to adopt language for  
11        directory listings from the AT&T agreement filed and approved by the Florida  
12        Commission, and BellSouth will agree to this as follows. To the extent  
13        DeltaCom adopts rates, terms and conditions for directory listings from an  
14        agreement filed and approved by this Commission, such an adoption would be  
15        incorporated into DeltaCom's agreement for the original term of the adopted  
16        agreement (i.e., for the term of the AT&T agreement). Section 252(i) clearly  
17        requires such an adoption to be "upon the same terms and conditions as those  
18        provided in the [approved] agreement". In such case, BellSouth proposes that  
19        the language included in its proposal replace the adopted language when it  
20        expires, to ensure that there are applicable rates, terms and conditions for  
21        directory listings for the full term of that agreement.

22  
23        (b) BellSouth is required to provide access to its directory assistance database  
24        and charges fees to do so pursuant to its Interconnection Agreement and its  
25        tariff. BellSouth Advertising & Publishing Company (BAPCO) will provide a

1 manual directory listing of an ALEC's customers upon request. BellSouth is  
2 not required to provide (and does not have the system capabilities to provide)  
3 an electronic feed of directory listings for DeltaCom customers.

4  
5 (c) DeltaCom has the right to review and edit its customers' directory listings  
6 through access to DeltaCom's own customer service records. BellSouth  
7 Telecommunications, Inc. does not have a database through which review and  
8 edits of directory listings may be made. In accordance with the agreement  
9 between BAPCO and the ALEC, BAPCO provides "review pages" of all  
10 listings prior to the book closing, if requested by the ALEC. The ALEC may  
11 provide edits to the "review pages."

12  
13 (d) If an error occurs in a Directory Listing, DeltaCom can request a credit for  
14 any monies billed that are associated with the charge for said listing pursuant  
15 to BellSouth's General Subscriber Service Tariff (GSST). This is consistent  
16 with BellSouth's treatment of its retail customers. Further, an arbitration  
17 proceeding with an individual ALEC is not the appropriate forum in which to  
18 address the issue of PMAP measurements.

19

20 ***Issue 11: Access to UNEs (Attachment 2 – Sections 1.1, 1.4 and 1.10):***

21 ***(a) Should the interconnection agreement specify that the rates, terms and***  
22 ***conditions of the network elements and combinations of network elements***  
23 ***are compliant with state and federal rules and regulations?***

24 ***(b) Should all network elements be delivered to DeltaCom's collocation***  
25 ***arrangement?***

1 Q. WHAT IS BELLSOUTH'S POSITION ON THESE ISSUES?

2

3 A. (a) The Interconnection Agreement should specify that the rates, terms and  
4 conditions of network elements and combinations of network elements should  
5 be compliant with federal and state rules promulgated pursuant to Section 251  
6 of the Telecommunications Act of 1996 ("Act"). The Interconnection  
7 Agreement is an agreement required under Sections 251 and 252 of the Act  
8 and should be limited to those interconnection, network elements and services  
9 required pursuant to Section 251 of the Act.

10

11 If a state commission orders BellSouth to provide access to network elements  
12 pursuant to its authority under Section 251 of the Act, then such requirements  
13 should be incorporated into the interconnection agreement. By contrast, if a  
14 state commission orders BellSouth to provide access to network elements  
15 pursuant to any authority other than Section 251 (for example under a separate  
16 state statutory authority), those elements should not be required to be included  
17 in a Section 251 agreement. Since such additional state requirements would  
18 not be ordered pursuant to Section 251 of the Act, BellSouth should not be  
19 required to incorporate them into an agreement that is entered into under  
20 Section 252 of the Act and that is subject to all of the requirements of Section  
21 252 – such requirements could be tariffed or offered pursuant to a separate  
22 agreement between the parties.

23

24 (b) Not all UNEs terminate to an ALEC's collocation space, such as databases.  
25 BellSouth's proposed language does not require that all elements terminate to a

1 central office collocation space and expressly excludes those elements that do  
2 not have to terminate at a collocation space. For instance, under certain  
3 provisions, carriers (ALECs, IXC's, or CMRS providers) may connect UNE  
4 loops, UNE local channels, or tariffed local channels to another carrier's  
5 collocation arrangement. Similarly, carriers may connect UNE or tariffed  
6 transport from the ordering carrier's collocation space to another carrier's  
7 collocation arrangement.

8

9 ***Issue 24: Rate and Provision of Performance Data (Attachment 2 – Sections***  
10 ***9.1.4.15 and 11.3.2.3):***

- 11 ***a) Should BellSouth be required to provide performance data for end-user***  
12 ***customer line, traffic characteristics and common (shared) transport? If so,***  
13 ***should BellSouth be required to provide performance data on BellSouth's***  
14 ***common (shared) transport when DeltaCom traffic is routed through it?***
- 15 ***b) If required to provide such performance data, what rate should BellSouth***  
16 ***charge DeltaCom for the performance data?***

17

18 Q. WHAT IS BELL SOUTH'S POSITION ON THESE ISSUES?

19

20 A. (a) Performance Data is not an issue subject to regulation under either Section  
21 251 or 271. BellSouth offered to provide performance data through a  
22 professional services agreement or New Business Request (NBR). The NBR  
23 process, which is designed to address these types of requests, is included in the  
24 interconnection agreement.

25



1 (b) The rates for Performance Data are not subject to the pricing requirements  
2 of Section 252. The rates will be determined by agreement of the parties or  
3 through the NBR process.  
4

5 *Issue 25: Provision of ADSL where DeltaCom is the UNE-P Local Provider*  
6 *(Attachment 2 – Section 8.4): Should BellSouth continue providing the end-*  
7 *user ADSL service where DeltaCom provides UNE-P local service to that*  
8 *same end-user on the same line?*  
9

10 Q. WHAT IS BELLSOUTH'S POSITION ON THIS ISSUE?  
11

12 A. BellSouth's policy is that it provides DSL and FastAccess® ("FastAccess") on  
13 BellSouth provided exchange line facilities. A UNE-P line is not a BellSouth-  
14 provided facility (i.e., the ALEC owns the entire loop); thus, BellSouth does  
15 not have access to the high frequency portion of the loop ("HFPL") and lacks  
16 permission to provision DSL over this portion of the ALEC loop.  
17 Furthermore, many databases would need to be created to track which ALECs  
18 are allowing BellSouth to use their HFPL, for which states, at what cost, and  
19 for which end users. Additionally, many system enhancements would need to  
20 be designed and implemented to ensure BellSouth's current systems would be  
21 able to interface with these databases. To continue to provide DSL service to  
22 migrating customers would be inconsistent with the manner in which  
23 BellSouth designed its DSL service. In order for BellSouth to recover its  
24 development costs for DSL over UNE-P, it would either have to charge the  
25 ALEC, or the network services provider ("NSP"), or its shareholders. Other

1 DSL providers are not subject to these additional regulatory requirements and  
2 costs, which would ultimately result in a higher price for the end user, and  
3 would most likely make BellSouth's DSL less competitive compared to service  
4 of other DSL providers and broadband technologies.

5  
6 Q. HAS THE COMMISSION PREVIOUSLY ADDRESSED THIS ISSUE?

7  
8 A. Yes. The Commission has issued two orders. In the Florida FDN Arbitration  
9 (Docket No. 010098-TP) the FPSC required BellSouth to continue providing  
10 its retail BellSouth FastAccess® Service ("Fast Access") for customers who  
11 migrate to FDN for voice service over UNE loops.<sup>1</sup> BellSouth's Agreement  
12 Language, accepted by FDN, allows BellSouth to provide FastAccess over a  
13 separate stand-alone loop, installed on the customer's premises.<sup>2</sup> In the Supra  
14 Arbitration (Docket No. 001305-TP), the Commission ordered BellSouth to  
15 continue to provide its FastAccess service to a customer migrating to Supra's  
16 voice service over UNE-P.<sup>3</sup> On August 22, 2002, the FPSC issued an Order  
17 Approving the Final Interconnection Agreement. On September 19, 2002,  
18 BellSouth appealed the Commission's Supra Arbitration decision to the United  
19 States District Court for the Northern District of Florida. In addition, Supra  
20 has filed a Complaint with the Commission regarding BellSouth's compliance

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<sup>1</sup> Final Order on Arbitration, Order No. PSC-02-0765-FOF-TP, dated 6/5/02 ("*FDN Arbitration Order*"), Order Denying Motions for Reconsideration, Cross-Motion for Reconsideration and Motion to Strike, Order No. PSC-02-1453-FOF-TP, dated 10/21/02 ("*FDN Reconsideration Order*"), and Order Resolving Parties' Disputed Language, Order No. PSC-03-0395-FOF-TP, dated 3/21/03.

<sup>2</sup> Pursuant to Order No. PSC-03-0395-FOF-TP, on 4/17/03, the parties submitted an executed Amendment to the Interconnection Agreement, adding new Section 2.10 to Attachment 2 of the Agreement, titled *Continued Provision of FastAccess to FDN End User*.

<sup>3</sup> FPSC Order No. PSC-02-0878-FOF-TP (dated 7/1/02), imputing its ruling in the FDN Arbitration Order regarding BellSouth's FastAccess service to the Supra/BellSouth arbitration proceeding, as clarified by the *FDN Reconsideration Order*. ("*Supra Arbitration Order*").

1 with the Commission orders using a separate stand-alone loop (as in FDN);  
2 that complaint is pending before the Commission (Docket 021249-TP).

3

4 Further, issues surrounding BellSouth's obligations to provide DSL service to  
5 customers receiving voice service from another carrier (both migrating  
6 BellSouth customers and customers who have never received service from  
7 BellSouth) are currently being addressed in Commission Docket No. 020507-  
8 TL, ("*FCCA Complaint*").<sup>4</sup>

9

10 Q. WHY IS BELLSOUTH PRESENTING ITS CASE ON THIS ISSUE AGAIN?

11

12 A. The *FDN Arbitration Order* and the *Supra Arbitration Order* decisions  
13 regarding BellSouth's provision of DSL service to customers migrating to  
14 ALECs for voice service are decisions rendered based on the specifics of  
15 individual ALEC cases. Further, each case puts different requirements on  
16 BellSouth: (1) BellSouth is required to provide its retail FastAccess DSL  
17 service for customers who migrate to FDN for voice service over UNE loops;  
18 (2) BellSouth is required to provide its retail FastAccess DSL service for  
19 customers who migrate to Supra for voice service over UNE-P. The *FCCA*  
20 *Complaint* case addresses broader applicability, but has not yet been heard by  
21 the Commission. Therefore, for purposes of determining language for the  
22 DeltaCom interconnection agreement, BellSouth states its case as follows.

23

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<sup>4</sup> *Complaint of the Florida Competitive Carriers Association Against BellSouth Telecommunications, Inc. and Request for Expedited Relief*, filed June 12, 2002 ("*FCCA Complaint*").

1 Q. SHOULD BELLSOUTH BE REQUIRED TO CONTINUE TO PROVIDE  
2 DSL SERVICES FOR CUSTOMERS TO WHOM DELTACOM PROVIDES  
3 VOICE SERVICES USING UNE-P?  
4

5 A. No. The FCC addressed this issue in its *Line Sharing Order*.<sup>5</sup> and concluded  
6 that incumbent carriers are not required to provide line sharing to requesting  
7 carriers that are purchasing UNE-P combinations. The FCC reiterated this  
8 determination in its *Line Sharing Reconsideration Order*.<sup>6</sup> It stated: "We deny,  
9 however, AT&T's request that the Commission clarify that incumbent LECs  
10 must continue to provide xDSL service in the event customers choose to obtain  
11 service from a competing carrier on the same line because we find that the  
12 Line Sharing Order contained no such requirement." *Id.* at ¶26. The FCC then  
13 expressly stated that the *Line Sharing Order* "does not require that they  
14 [LECs] provide xDSL service when they are not [sic] longer the voice  
15 provider." *Id.* The FCC explained: "We note that in the event that the  
16 customer terminates its incumbent LEC provided voice service, for whatever  
17 reason, the competitive data LEC is required to purchase the full stand-alone  
18 loop network element if it wishes to continue providing xDSL service." (*Line*  
19 *Sharing Order*, at ¶ 72).

20  
21 If DeltaCom purchases the UNE-P, DeltaCom becomes the voice provider over  
22 that loop/port combination, and it owns the entire loop, including the high

---

<sup>5</sup> *In Re: Deployment of Wireline Services Offering Advanced Telecommunications Capability*, Order No. FCC 99-355 in CC Docket Nos. 98-147, 96-98 (Released December 9, 1999) (*Line Sharing Order*).

<sup>6</sup> *Third Report and Order on Reconsideration* in CC Docket No. 98-147 and *Fourth Report and Order on Reconsideration* in CC Docket No. 96-98, Order No. FCC 01-26 (Released January 19, 2001) (*Line Sharing Reconsideration Order*).

1 frequency spectrum. The Commission should find, consistent with the FCC's  
2 rulings, that BellSouth is not obligated to provide DSL services for customers  
3 who switch to DeltaCom's UNE-P based voice services. Nothing precludes  
4 DeltaCom from entering into a line splitting arrangement with another carrier  
5 to provide DSL services to DeltaCom's voice customers or from providing its  
6 own DSL service over the UNE loop.

7  
8 Q. ARE THERE OTHER REASONS THAT BELLSOUTH SHOULD NOT BE  
9 REQUIRED TO CONTINUE TO PROVIDE ITS DSL SERVICE TO  
10 CUSTOMERS SERVED BY DELTACOM OVER UNE-P?

11  
12 A. Yes. There are significant operational issues that would make it extremely  
13 burdensome for BellSouth to provide DSL service over a UNE loop purchased  
14 by an ALEC to provide voice service. As mentioned previously, when an  
15 ALEC purchases a UNE-P, that ALEC controls the entire loop, including both  
16 the low frequency spectrum and the high frequency portion of the loop  
17 ("HFPL") that is used to provision DSL service. The ALEC can choose to use  
18 either portion of the loop as it wishes. Not all ALECs want BellSouth's DSL  
19 service to be provided when serving the customer via UNE-P: (1) some  
20 ALECs do not want BellSouth to continue its DSL service; (2) some ALECs  
21 want BellSouth to provide DSL service and will not charge BellSouth; or (3)  
22 some ALECs want BellSouth to provide DSL, but want BellSouth to pay the  
23 ALEC for leasing back the high frequency spectrum. Most importantly,  
24 BellSouth's systems are not capable of tracking different arrangements with

1 different ALECs, nor should BellSouth be forced to pay the ALEC to provide a  
2 service BellSouth does not choose to provide.

3

4 Q. ARE THERE INSTANCES IN WHICH AN ALEC'S VOICE CUSTOMER  
5 CAN CONTINUE TO RECEIVE BELL SOUTH'S DSL SERVICE?

6

7 A. Yes. Where an ALEC resells BellSouth voice service to an end user who  
8 already subscribes to FastAccess, BellSouth will continue to provide the retail  
9 FastAccess ADSL service and the wholesale interstate DSL transport service.  
10 Unlike the above situation with UNE-P, an ALEC reselling BellSouth's service  
11 does not have control of the loop. Specifically, the ALEC does not have  
12 access to the HFPL, which is required to provide DSL services. BellSouth  
13 retains access to the HFPL and, therefore, can continue to provide BellSouth's  
14 DSL service. Consequently, the operational issues mentioned earlier are not  
15 concerns in a resale scenario.

16

17 Q. WHAT STATES HAVE RULED IN FAVOR OF BELL SOUTH ON THIS  
18 ISSUE?

19

20 A. There are two states that have addressed this issue and have ruled that  
21 BellSouth is not required to provide DSL service to an end user receiving voice  
22 service from a ALEC: (1) The North Carolina Utilities Commission  
23 ("NCUC") considered this issue in BellSouth's 271 case. In the NCUC's  
24 Consultative Opinion to the FCC in BellSouth's 271 Application for Alabama,

1 Kentucky, Mississippi, North Carolina and South Carolina, WC Docket No.  
2 01-150, filed July 9, 2002, at p. 204, it found:

3 *“[T]he incumbent LEC has no obligation to provide DSL service over*  
4 *the competitive LEC’s leased facilities.”*

5 (2) The South Carolina Public Service Commission (“SCPSC”) issued an  
6 Order in Docket No. 2001-19-C on April 3, 2001 in the IDS Arbitration case,  
7 which stated,

8 *“Clearly, the FCC has not required an incumbent LEC to provide xDSL*  
9 *service to a particular end user when the incumbent LEC is no longer*  
10 *providing voice service to that end user. IDS’s contention that this*  
11 *practice is anticompetitive is therefore not persuasive when BellSouth*  
12 *is acting in accordance with the express language of the FCC’s most*  
13 *recent Order on the subject.” (page 29)*

14

15 Q. WHAT DOES BELLSOUTH REQUEST OF THIS COMMISSION?

16

17 A. BellSouth requests that this Commission reconsider its rulings in the FDN and  
18 Supra Arbitration cases and rule consistent with the FCC and the North  
19 Carolina and South Carolina Commissions that BellSouth is not required to  
20 provide its DSL service in instances where the end user’s voice  
21 telecommunications service is provided by an ALEC using an unbundled loop,  
22 or by UNE-P.

23

24 ***Issue 27: Treatment of Traffic Associated with Unbundled Local Switching but***  
25 ***Using DeltaCom’s CIC (Attachment 2 – Section 10.1.7): Should calls***

1           *originated by a DeltaCom end-user or BellSouth end-user and terminated to*  
2           *either DeltaCom or BellSouth be treated as local if the call originates and*  
3           *terminates within the LATA?*

4  
5    Q.    WHAT IS BELLSOUTH'S POSITION ON THIS ISSUE?

6  
7    A.    BellSouth's position is that traffic that originates through the use of a carrier  
8           identification code ("CIC") are access calls and would result in such calls  
9           being billed as toll calls.

10  
11   Q.    IS IT YOUR UNDERSTANDING THAT DELTACOM'S POSITION ON  
12           THIS ISSUE IS ACTUALLY A REQUEST FOR LATA-WIDE LOCAL  
13           TREATMENT?

14  
15   A.    Yes.   Based on testimony DeltaCom filed in another state, DeltaCom  
16           apparently considers this issue a request for LATA-wide local treatment.  
17           However, this issue is part of Attachment 2 of the Interconnection Agreement,  
18           which deals with Network Elements and Other Services. Issue 39, related to  
19           language in Attachment 3 of the Interconnection Agreement, deals with the  
20           definition of local traffic, and whether that definition should include all calls  
21           within the LATA. Issue 27 is requesting that calls using DeltaCom's CIC be  
22           treated as local calls. BellSouth does not agree to this request. Calls using  
23           DeltaCom's CIC (i.e., calls which cross BellSouth's local calling area  
24           boundaries) are appropriately treated as toll calls. If these calls are within the



1 LATA, they are treated as intraLATA toll calls; otherwise, they are treated as  
2 interLATA toll calls.

3

4 However, BellSouth has proposed, in Attachment 2, Section 10.1.6, for  
5 DeltaCom originated calls and for BellSouth originated calls where DeltaCom  
6 designates BellSouth as the presubscribed intraLATA carrier (LPIC), the  
7 Parties will consider as local any calls originated by a DeltaCom local end  
8 user, or originated by a BellSouth local end user and terminated to a DeltaCom  
9 local end user, where such calls originate and terminate in the same LATA,  
10 except for those calls originated and terminated through switched access  
11 arrangements (i.e., calls that are transported by a Party other than BellSouth).  
12 For such calls not using switched access arrangements, BellSouth will charge  
13 DeltaCom the UNE elements for the BellSouth facilities utilized. Neither  
14 Party shall bill the other originating or terminating switched access charges for  
15 such calls.

16

17 ***Issue 39: Definition and Treatment of Local Traffic and Tandem Switching***  
18 ***(Attachment 3):***

19 ***(a) Should local traffic be defined as any call that originates and***  
20 ***terminates within the LATA, is originated by either a DeltaCom or***  
21 ***BellSouth end-user, and is terminated to a DeltaCom or BellSouth***  
22 ***end-user?***

23 ***(b) Does DeltaCom's switch perform tandem switching?***

24

25 Q. WHAT IS BELL SOUTH'S POSITION ON THESE ISSUES?

1 A. (a) BellSouth's position is that compensation should be determined by the end  
2 points of the call. Calls should be treated as local traffic (and subject to  
3 reciprocal compensation) or intraLATA toll traffic (and subject to switched  
4 access compensation) as defined by BellSouth's retail local calling area.  
5 DeltaCom, or any other ALEC, is free to utilize its own defined local calling  
6 area for purposes of marketing services to its customers. However, utilizing  
7 BellSouth's retail local calling areas, as established by the Commission, is  
8 necessary for inter-carrier compensation in order to prevent an inappropriate  
9 arbitrage through avoidance of paying access charges.

10  
11 (b) DeltaCom must demonstrate, based on its deployment in each state,  
12 whether its switch(s) in that state serves "a geographic area comparable to that  
13 served by the incumbent LEC's tandem switch"<sup>7</sup> to be entitled to the tandem  
14 interconnection rate to terminate local telecommunications traffic on its  
15 network.

16  
17 Q. HAS DELTACOM DEMONSTRATED THAT ITS TANDEM SWITCHES  
18 IN FLORIDA SERVE A GEOGRAPHIC AREA COMPARABLE TO THAT  
19 SERVED BY BELLSOUTH?

20  
21 A. No. In its Order (PSC-02-1248-FOF-TP) in Docket No. 000075-TP, Phases II  
22 and IIA, dated September 10, 2002, the Commission determined that,  
23

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<sup>7</sup> *In re: Developing a Unified Inter-Carrier Compensation Regime*, FCC 01-132, CC Docket No. 01-92, 2001 WL 455872 ¶105 (April 27, 2001) (Notice of Proposed Rulemaking).

1           “an ALEC is entitled to be compensated at the ILEC’s tandem  
2           interconnection rate when its switch either serves a comparable  
3           geographic area to that served by an ILEC tandem switch, or  
4           performs functions similar to those performed by an ILEC  
5           tandem switch. We find that [FCC] Rule 51.711 establishes  
6           that an ALEC need only show geographic comparability to be  
7           entitled to the tandem rate. However, we also find that ¶1090  
8           of FC 96-235 establishes similar functionality as a second  
9           scenario by which a ALEC may receive the tandem rate.”  
10          (Order at p. 9)

11  
12  
13          DeltaCom has not yet demonstrated that its switches either serve a geographic  
14          area comparable to BellSouth’s tandem switch or that its switches perform  
15          functions similar to those performed by BellSouth’s tandem switch. Provided  
16          DeltaCom demonstrates to the Commission in this case that its Florida  
17          switches meet the geographic or functionality test, DeltaCom will be entitled  
18          to receive reciprocal compensation at the tandem interconnection rate.

19  
20          ***Issue 40: Point of Interconnection (“POI”) (Attachment 3):***

- 21           ***(a) Can DeltaCom select a single POI per LATA?***  
22           ***(b) If so, should each party pay its costs to reach that POI within the***  
23           ***LATA?***  
24           ***(c) Should DeltaCom’s existing POIs be grandfathered (i.e., not moved***  
25           ***to an end office)?***

1 Q. WHAT IS BELLSOUTH'S POSITION ON THESE ISSUES?

2

3 A. (a) BellSouth will abide by the Commission's decision in Docket No. 000075-  
4 TP in which the Commission allows the ALEC to designate its point of  
5 interconnection in each LATA.

6

7 (b) BellSouth will abide by the Commission's decision in Docket No. 000075-  
8 TP which requires the originating carrier to compensate the terminating carrier  
9 for transport and termination of traffic through intercarrier compensation.

10

11 (c) BellSouth's position is that the existing IPs should be transitioned to be in  
12 congruence with the new Agreement language.

13

14 ***Issue 41: Percent Local Facilities ("PLF") (Attachment 3): Should DeltaCom be***  
15 ***required to report a PLF to BellSouth?***

16

17 Q. WHAT IS BELLSOUTH'S POSITION ON THIS ISSUE?

18

19 A. The Percent Local Facility Factor, or "PLF", is similar to the Percent Local  
20 Use ("PLU") factor that is utilized by telecom providers in the industry. The  
21 PLF tells BellSouth what portion of the intraLATA facilities purchased by  
22 DeltaCom are "Local" (versus intraLATA toll) pursuant to the terms of the  
23 interconnection agreement. This determination is necessary for calls to be  
24 properly rated as either local or toll. It is DeltaCom's responsibility to advise  
25 BellSouth of DeltaCom's PLF.

1 *Issue 42: Audits of PIU/PLU (Attachment 3): Should a party have to pay for an*  
2 *audit when their reported factors are more than 20 percentage points*  
3 *overstated?*

4  
5 Q. WHAT IS BELLSOUTH'S POSITION ON THIS ISSUE?

6  
7 A. Consistent with provisions of BellSouth's FCC Tariff for Percent Interstate  
8 Usage ("PIU"), BellSouth's position is that the party requesting an audit  
9 should be responsible for the costs of the audit, except in the event the audit  
10 reveals that either party is found to have overstated the PLU or PIU factors by  
11 20 percentage points or more, in which case the party overstating the PLU/PIU  
12 should be required to reimburse the other party for the costs of the audit. The  
13 ALEC should bear the responsibility of ensuring that the factors it reports are  
14 accurate and BellSouth should not bear the cost of ensuring accurate reporting  
15 through the expense of audits, especially when the error is in the magnitude of  
16 20 percent or more. In that case, the party being audited should pay the costs  
17 of the audit. Any other result would remove the incentive for ALECs to report  
18 accurately and to ensure that inaccuracies are discovered timely and remedied  
19 immediately.

20  
21 *Issue 44: Establishment of Trunk Groups for Operator Services, Emergency*  
22 *Services, and Intercept (Attachment 3): Should the interconnection*  
23 *agreement set forth the rates, terms and conditions for the establishment of*  
24 *trunk groups for operator services, emergency services, and intercept?*

25

1 Q. WHAT IS BELLSOUTH'S POSITION ON THIS ISSUE?

2

3 A. The rates, terms and conditions for the establishment of trunk groups for  
4 operator services, emergency services, and intercept should not be included in  
5 the Interconnection Agreement. These services are no longer UNEs and  
6 therefore, are provided pursuant to the rates, terms and conditions in applicable  
7 BellSouth tariffs. Absent DeltaCom's agreement to accept BellSouth's  
8 proposed language (Section 6.1 of Attachment 3), BellSouth proposes that all  
9 rates, terms and conditions relevant to the establishment of trunk groups for  
10 Operator Services, Emergency Services and Intercept be removed from the  
11 Interconnection Agreement.

12

13 *Issue 45: Switched Access Charges Applicable to BellSouth (Attachment 3 –*  
14 *Section 9.2): Should DeltaCom be able to charge BellSouth switched access*  
15 *charges where BellSouth is the interexchange carrier?*

16

17 Q. WHAT IS BELLSOUTH'S POSITION ON THIS ISSUE?

18

19 A. BellSouth Long Distance (BSLD), not BellSouth Telecommunications, Inc., is  
20 the authorized interexchange carrier. Therefore, BellSouth  
21 Telecommunications should not be required to pay switched access charges to  
22 DeltaCom. Instead, DeltaCom and BSLD should negotiate the appropriate  
23 terms and conditions for the payment of switched access charges.

24

1 ***Issue 46: BLV/BLVI (Attachment 3): Does BellSouth have to provide BLV/BLVI***  
2 ***to DeltaCom? If so, what should be the rates, terms and conditions?***

3

4 Q. WHAT IS BELLSOUTH'S POSITION ON THIS ISSUE?

5

6 A. BellSouth provides Busy Line Verification ("BLV") and Busy Line  
7 Verification Interrupt ("BLVI") in a nondiscriminatory manner and at parity  
8 with how it provides such functionality to its retail customers. Should  
9 DeltaCom wish to avail itself of this offering, it can obtain BLV and BLVI  
10 pursuant to the rates, terms and conditions in BellSouth's applicable tariff.

11

12 ***Issue 47: Should BellSouth be required to Compensate ITC^DeltaCom when***  
13 ***BellSouth collocates in ITC^DeltaCom collocation space? If so, should the***  
14 ***same rates, terms and conditions apply to BellSouth that BellSouth applies to***  
15 ***DeltaCom?***

16

17

18 Q. HOW IS THE TERM "COLLOCATION" DEFINED IN THE  
19 TELECOMMUNICATIONS ACT OF 1996?

20

21 A. The Telecommunications Act of 1996 defines the term "collocation" in Section  
22 251, Interconnection, Section (c) (6) as: "The duty to provide, on rates, terms,  
23 and conditions that are just, reasonable, and nondiscriminatory, for physical  
24 collocation of equipment necessary for interconnection or access to unbundled  
25 network elements *at the premises of the local exchange carrier, ...* (emphasis

1 added).”

2

3 Q. DOES THE ACT REQUIRE DELTACOM TO PERMIT COLLOCATION  
4 OF BELLSOUTH’S EQUIPMENT IN ITS POP LOCATIONS OR ANY  
5 OTHER LOCATIONS (SUCH AS A CENTRAL OFFICE)?

6

7 A. No. The Act does not include a requirement that DeltaCom permit collocation  
8 of BellSouth's equipment in a DeltaCom POP location or any other location  
9 (such as a central office). Consequently, the rates, terms and conditions under  
10 which BellSouth would elect to collocate in a DeltaCom POP location or any  
11 other location (including a central office) should not be the subject of a Section  
12 252 arbitration. Additionally, any such rates, terms and conditions should not  
13 be included in an Interconnection Agreement between the Parties under  
14 Section 251, nor made public record, just as DeltaCom is not required to  
15 publicly file any other agreement that it has negotiated with another carrier for  
16 collocation. If BellSouth is required to file in the public record a commercial  
17 real estate arrangement between the parties, BellSouth could be negatively  
18 impacted in its future commercial real estate transactions with other entities.

19

20 Q. FOR WHAT PURPOSES HAS BELLSOUTH LOCATED EQUIPMENT IN  
21 A DELTACOM POINT OF PRESENCE (“POP”)?

22

23 A. BellSouth has installed equipment that is being used for the purpose of  
24 provisioning Special and Switched Access Services ordered by DeltaCom at  
25 various POP locations in Florida. This equipment provides DeltaCom with



1 dedicated SmartRing services and base-line services (access services and  
2 associated facilities, usually at optical high capacity interface bit rates) at these  
3 POP locations, which are then used by DeltaCom to provide its end users with  
4 specific services. At some locations, BellSouth has installed additional  
5 equipment that uses some of the excess capacity to exchange local traffic with  
6 DeltaCom. BellSouth has not originally located its equipment at a DeltaCom  
7 POP location or any other location for the sole purpose of interconnecting with  
8 DeltaCom's network or accessing Unbundled Network Elements ("UNEs") in  
9 the provision of a telecommunications service to the end users located in  
10 DeltaCom's serving area, nor does BellSouth intend to.

11

12 Q. APART FROM AN ARRANGEMENT THAT WAS ORIGINALLY  
13 INTENDED FOR ACCESS SERVICES AS DESCRIBED ABOVE, HAS  
14 BELLSOUTH SPECIFICALLY REQUESTED SPACE IN A DELTACOM  
15 POP OR CENTRAL OFFICE FOR THE DELIVERY OF ITS ORIGINATED  
16 LOCAL INTERCONNECTION TRAFFIC?

17

18 A. No. BellSouth has not specifically requested space in a DeltaCom POP or  
19 Central Office for the delivery of its originated local interconnection traffic.

20

21 Q. WOULD THE PLACEMENT BY BELLSOUTH OF ITS EQUIPMENT IN A  
22 DELTACOM POP CONSTITUTE COLLOCATION?

23

24 A. That depends. If the only equipment BellSouth has installed at a DeltaCom  
25 POP or other location is used for local interconnection, then BellSouth would,

1 in effect, be “collocating” (albeit not as that term is defined by the Act) at that  
2 particular DeltaCom location. However, if the equipment installed by  
3 BellSouth in a DeltaCom POP or other location is being used for the purpose  
4 of provisioning a Special or Switched Access Service, then BellSouth is not  
5 “collocating” at the DeltaCom location.

6  
7 Currently, BellSouth has a small amount of equipment that is located within  
8 the excess capacity at several of DeltaCom’s POPs to provide for the hand-off  
9 of local interconnection traffic. The parties have mutually agreed to this type  
10 of arrangement over the years. Obviously, BellSouth would not have placed  
11 any of this type of equipment if such an arrangement had not benefited  
12 DeltaCom. To my knowledge, there has never been any discussion between  
13 the Parties about this equipment being considered “collocated” equipment, nor  
14 the space utilized by this equipment in the DeltaCom POP or any other  
15 location as being considered “collocation space.”

16

17 Q. HAS DELTACOM EVER BILLED BELLSOUTH FOR THE EQUIPMENT  
18 PLACED IN ITS POPS USED FOR LOCAL INTERCONNECTION?

19

20 A. Not to my knowledge.

21

22 Q. PLEASE EXPLAIN WHY BELLSOUTH IS USING POP LOCATIONS TO  
23 EXCHANGE LOCAL TRAFFIC.

24

25 A. When a telecommunications carrier (“carrier”), such as DeltaCom, orders

1 access services from BellSouth, pursuant to the tariff, the carrier must furnish,  
2 at no charge to BellSouth, the necessary equipment, space and electrical power  
3 at the point(s) of termination of such services. Furthermore, the  
4 telecommunications carrier must also make necessary arrangements for  
5 BellSouth to have access to such space at reasonable times for installing,  
6 testing, repairing or removing BellSouth services. (See BellSouth Tariff FCC  
7 No. 1, Section 2.3.3 and BellSouth Florida Access Services Tariff, Section  
8 E2.3.3)

9  
10 Typically, when carriers, such as DeltaCom, and BellSouth negotiate the hand-  
11 off of local traffic to a specified Point of Interconnection (“POI”), the Parties  
12 would look at available capacity to determine if there is any existing capacity  
13 that could be used. If sufficient capacity exists to the Carrier’s POP, the carrier  
14 and BellSouth would, in most cases, mutually agree to use that excess capacity  
15 for the local traffic. Obviously, this decision would be reached after much  
16 discussion through network planning meetings held by the Parties.

17  
18 Q. WHY DOES IT MAKE SENSE TO USE AVAILABLE EXISTING  
19 CAPACITY AT DELTACOM’S POP?

20  
21 A. The use of available existing capacity to DeltaCom’s POP makes sense,  
22 because both Parties already have an established demarcation point at  
23 DeltaCom’s location and the establishment of a separate POI would not be cost  
24 effective for either DeltaCom or BellSouth. If DeltaCom has sufficient  
25 existing capacity, then it would be much cheaper to use that excess capacity.

1 Q. BASED ON THE DISCUSSION ABOVE, IT APPEARS THAT  
2 DELTACOM'S POP IS BEING USED FOR MULTIPLE PURPOSES? IS  
3 THAT CORRECT?

4  
5 A. Yes. DeltaCom's POP is being used as the point of termination for access  
6 services ordered by DeltaCom, as well as, in some cases, for the exchange of  
7 local traffic.

8  
9 Q. HAS BELLSOUTH PLACED EQUIPMENT IN ANY DELTACOM POP IN  
10 FLORIDA FOR THE PURPOSE OF PROVIDING LOCAL  
11 INTERCONNECTION?

12  
13 A. Yes, but only because DeltaCom requested it or it was to the parties' mutual  
14 benefit and only in those POPs that had excess capacity. In all of these POPs,  
15 the equipment installed for the exchange of traffic is incidental to the existing  
16 Special and/or Switched Access equipment installed by BellSouth at these  
17 POPs. BellSouth has no intention of establishing any stand-alone local  
18 interconnection arrangements.

19  
20 Q. PLEASE EXPLAIN BELLSOUTH'S PROPOSED RESOLUTION TO THIS  
21 ISSUE.

22  
23 A. It is BellSouth's position that all of the existing POPs and any other locations  
24 in which BellSouth has placed equipment, including any augments to the  
25 equipment placed at these sites should be exempted from any future

1 collocation agreement. This is because these locations have never been the  
2 subject of a collocation agreement in the past and were established to the  
3 mutual benefit of the parties at the time, without any expectation, at least on  
4 BellSouth's part, that they would be subject to a collocation agreement in the  
5 future. The prior collocation agreement was not used as the basis for  
6 establishing those arrangements and the lack of any billing under the  
7 collocation agreement on DeltaCom's part for those arrangements is evidence  
8 that DeltaCom did not intend for those types of arrangements to be governed  
9 by a collocation agreement either. For any POPs or other DeltaCom locations  
10 that are established after the effective date of the new collocation agreement  
11 ("future sites"), BellSouth would agree to pay mutually negotiated collocation  
12 charges for BellSouth equipment located and used solely for the purposes of  
13 delivery of BellSouth's originated local interconnection traffic, and only if  
14 BellSouth voluntarily requests to place a POI for BellSouth's originated local  
15 interconnection traffic in a particular POP or other DeltaCom location.

16  
17 In those instances in which DeltaCom requests that the DeltaCom POP or other  
18 location be designated as the POI for DeltaCom's originating traffic and where  
19 BellSouth must place equipment in order to receive this traffic, the POP or  
20 other location will NOT be deemed to be a location at which BellSouth has  
21 voluntarily chosen to place a POI for BellSouth's originated local  
22 interconnection traffic. Further, if DeltaCom has the right under the new  
23 Interconnection Agreement to choose the POI for both Parties' originated  
24 traffic and DeltaCom chooses to have the POI for BellSouth's originated traffic  
25 at a DeltaCom POP or other location, then such POP or other location will

1 NOT be deemed as a location at which BellSouth has voluntarily chosen to  
2 place a POI for BellSouth's originated local interconnection traffic. The  
3 provisions of BellSouth's tariffs would control if BellSouth locates equipment  
4 in DeltaCom's premises pursuant to such tariffs.

5  
6 Q. IF ACCEPTED BY DELTACOM, WOULD THIS PROPOSAL BE  
7 INCORPORATED INTO THE NEW INTERCONNECTION AGREEMENT  
8 THAT IS THE SUBJECT OF THIS PROCEEDING?

9  
10 A. No. This proposal would not be included in the new Interconnection  
11 Agreement that is the subject of this proceeding, because, as discussed earlier  
12 in my testimony, it is not a Section 251 requirement. Instead, the proposal  
13 would be included in a separate agreement and have the same expiration date  
14 as the new Interconnection Agreement.

15  
16 *Issue 51: Reciprocity of Charges (OSS Charges, Expedite Charges, "Change in*  
17 *Service Provider or Disconnect Charges", and any other Charges)*  
18 *(Attachments 1, 5 and 6):*

19 (a) *Is DeltaCom entitled to assess charges to BellSouth for work*  
20 *performed on LSRs sent from BellSouth to DeltaCom (i.e., an OSS*  
21 *charge)?*

22 (b) *Should DeltaCom be able to assess against BellSouth a "Change in*  
23 *Service Provider" charge?*

24 (c) *Should DeltaCom be able to assess charges for work or performance*  
25 *for BellSouth?*

1 Q. WHAT IS BELLSOUTH'S POSITION ON THESE ISSUES?

2

3 A. (a) DeltaCom is not entitled to recover charges for the development of  
4 Operational Support Systems (OSS) as BellSouth does not send DeltaCom  
5 LSRs via a mechanized system. BellSouth is required by the Act to provide  
6 access to OSS for all ALECs, and is entitled to recover its costs for developing  
7 OSS systems and interfaces. DeltaCom does not have the same obligation.

8

9 (b) BellSouth does not have a "Change in Service Provider Charge."  
10 BellSouth charges a Secondary Service Charge ("SSC"), also labeled "Charge  
11 for Processing Change in Service." The SSC is a charge for establishing the  
12 end user's account as an ALEC's customer for billing and provisioning  
13 records.

14

15 (c) This issue refers to DeltaCom's desire to charge BellSouth the disconnect  
16 charge. In a change of provider environment, DeltaCom does not perform any  
17 work for BellSouth. DeltaCom is simply disconnecting its own customer.

18

19 Q. PLEASE EXPLAIN THE SSC FURTHER.

20

21 A. The SSC is a tariffed service pursuant to Section A.4.1 of the GSST, which  
22 states that the SSC "[a]pplies per customer request for the receiving, recording,  
23 and processing of customer requests to change services or add new or  
24 additional services." The SSC compensates BellSouth for the receiving,  
25 recording and processing of a customer's request to change services, or add

1 new or additional services, which includes the process of transferring the  
2 responsible party of record to an ALEC. There is work that must occur in  
3 order for BellSouth to affect the transfer of service to an ALEC, or for  
4 BellSouth to establish an account for an ALEC when the ALEC acquires a new  
5 customer that desires to be added to BellSouth's white pages and directory  
6 assistance databases. The Secondary Service Charge is the appropriate charge  
7 for such work and is applied equally to BellSouth's own retail users when they  
8 make a change in responsibility for an account (e.g. change the responsible  
9 billed party from a mother to a son).

10

11 When an ALEC wins an end-user from BellSouth, that ALEC becomes the  
12 customer on BellSouth's records. BellSouth will render the former end user a  
13 final bill and then BellSouth will begin billing the ALEC. From that point  
14 forward, it is the ALEC that will order changes to its end user's service and  
15 will request maintenance on behalf of its end user. From BellSouth's  
16 perspective, responsibility for the account has been transferred from the end  
17 user to the ALEC, and BellSouth has no further relationship with that end user.

18

19 The SSC is not a charge imposed by BellSouth to disconnect the end-user.  
20 BellSouth recovers costs related to service disconnection from the end-user  
21 customer requesting disconnection. When DeltaCom disconnects a customer,  
22 whether that customer is migrating to BellSouth or to another ALEC,  
23 DeltaCom's disconnect activities are on behalf of its customer, not on behalf of  
24 BellSouth. DeltaCom should recover its costs from its customer and not from  
25 BellSouth.



1 DeltaCom does not establish BellSouth as DeltaCom's customer of record and  
2 does not perform the same functions of receiving, recording and processing the  
3 order that BellSouth does. Therefore, Deltacom is not entitled to recover this  
4 same charge.

5  
6 ***Issue 53: Rates and Charges not Ordered by the Commission (All Rate Sheets;  
7 Attachment 6 – Section 6: Attachment 2 – Section 22.3.3):***

8 ***(a) Should BellSouth be permitted to impose charges related to UNEs that have  
9 not been ordered by the Commission in its recent Order in the generic docket  
10 for setting UNE rates? [CLOSED]***

11 ***(b) Should BellSouth provide rate sheets for its contracts that specifically and  
12 separately identify those rates that have been approved by a Commission  
13 from those rates that BellSouth is proposing?***

14  
15 Q. WHAT IS BELLSOUTH'S POSITION ON ISSUE 53(b)?

16  
17 A. BellSouth has provided DeltaCom with its rate sheets. DeltaCom is equally  
18 capable of comparing BellSouth's rate sheets with the Commission ordered  
19 rates, which are public record. DeltaCom has, in fact, provided BellSouth a  
20 copy of such a comparison.

21  
22 ***Issue 54: Reimburse Costs to Accommodate Modifications (Attachment 2 – Section  
23 2.2.2.8): Can BellSouth impose a charge that has not been approved by the  
24 Commission for changes to an order after an FOC has been issued?***

25

1 Q. WHAT IS BELLSOUTH'S POSITION ON THESE ISSUES?

2

3 A. BellSouth should be entitled to impose order modification charges for designed  
4 and non-designed services pursuant to BellSouth's FCC tariff. The charge for  
5 order issuance is based on placing the order correctly and completely. Any  
6 changes after issuance of an FOC create additional costs for BellSouth and  
7 BellSouth should be entitled to recover those costs. DeltaCom's position on  
8 this issue is based on its assertion that the rate for Order Modification Charges  
9 is not a commission-approved rate. This is not true – the rate is approved as  
10 part of BellSouth's FCC tariff.

11

12 *Issue 55: Resend of CFA Fee: Should DeltaCom pay for BellSouth having to*  
13 *resend a CFA? If so, how much?*

14

15 Q. WHAT IS THE "RESEND OF CFA FEE"?

16

17 A. This fee permits BellSouth to recover its costs to *resend* CFA (Circuit Facility  
18 Assignment) information that BellSouth has previously provided to an ALEC,  
19 such as DeltaCom. (BellSouth recovers the cost of providing initial CFA  
20 information to ALECs through the Cable Records charge.) BellSouth is not  
21 legally obligated to resend this information to any ALEC, including DeltaCom;  
22 therefore, this rate does not have to be TELRIC-based. BellSouth's proposed  
23 rate is reasonable and is used to recover only the costs associated with  
24 resending the CFA information, at an ALEC's request.

25

1 Q. WHY DOES BELL SOUTH HAVE TO RESEND CFA INFORMATION TO  
2 THE ALECS?

3

4 A. Apparently, some ALECs are not keeping accurate records of the circuit  
5 facility assignment information they initially received from BellSouth.  
6 Instead, they are relying on BellSouth to be their backup file provider, when  
7 they cannot locate their original copy of their CFA data.

8

9 Q. WHY WOULD AN ALEC NEED ITS CFA INFORMATION?

10

11 A. An ALEC would need this information in order to submit service orders and/or  
12 collocation modifications that would include a request for additional services.  
13 An ALEC would also need its CFA data if it desired to give authorization to  
14 another telecommunications carrier to connect to its collocation space, because  
15 the CFA would be the means by which the terminating service would be  
16 connected to the ALEC's space.

17

18 Q. IF DELTACOM REQUESTS A RESEND OF ITS CFA INFORMATION  
19 BECAUSE THERE IS AN ERROR IN THE INITIAL DATA THAT WAS  
20 SENT TO DELTACOM, WOULD BELL SOUTH CHARGE DELTACOM  
21 THE "RESEND OF CFA FEE"?

22

23 A. No. If there were an error in the initial CFA information sent by BellSouth to  
24 DeltaCom, then BellSouth would not charge DeltaCom the Resend of CFA  
25 Fee.

1 Q. WHY SHOULD BELLSOUTH BE PERMITTED TO RECOVER THE  
2 "RESEND OF CFA FEE"?

3

4 A. BellSouth should be permitted to recover the Resend of CFA Fee, because it is  
5 a service that BellSouth is providing to those ALECs that have requested an  
6 additional copy of CFA information that has already been sent by BellSouth.

7

8 As I stated above, BellSouth is under no legal obligation to provide a resend of  
9 CFA information to ALECs. However, since BellSouth receives many  
10 requests for this service, BellSouth made a business decision to develop and  
11 offer this product to those ALECs that request CFA information be resent.  
12 Therefore, BellSouth should be permitted by this Commission to recover the  
13 Resend of CFA Fee, based on a market-based pricing structure.

14

15 ***Issue 56: Cancellation Charges:***

16 ***a) May BellSouth charge a cancellation charge which has not been approved***  
17 ***by the Commission?***

18 ***b) Are these cancellation costs already captured in the existing UNE approved***  
19 ***rates?***

20

21 Q. WHAT IS BELLSOUTH'S POSITION ON THESE ISSUES?

22

23 A. a) The rates applicable when an ALEC cancels an LSR are based on  
24 Commission-approved rates. When an ALEC cancels an LSR, cancellation  
25 charges apply on a prorated basis and are based upon the point within the

1 provisioning process that the ALEC cancels the LSR. The applicable  
2 percentages at different points in the provisioning process are included in  
3 BellSouth's FCC No. 1 Tariff. Any costs incurred by BellSouth in conjunction  
4 with the provisioning of that request will be recovered in accordance with  
5 BellSouth's Private Line Tariff, Section B2.4.4 (applicable for UNEs that are  
6 billed by BellSouth's CRIS system) or BellSouth's FCC No. 1 Tariff, Section  
7 5.4 (applicable for UNEs that are billed by BellSouth's CABS system). The  
8 Cancellation charge equals a percentage of the applicable installation  
9 nonrecurring charge. Since the Commission has approved the nonrecurring  
10 rates BellSouth charges for UNE installation and provisioning, BellSouth's  
11 recovery of its cost incurred prior to the cancellation of the LSR is appropriate  
12 and cost-based.

13  
14 b) The rates used to calculate applicable Cancellation charges are based upon  
15 Commission-approved rates and are not already recovered in the existing UNE  
16 approved rates.

17  
18 ***Issue 58: Unilateral Amendments to the Interconnection Agreement (Attachment 6***  
19 ***– Sections 1.8 and 1.13.2; Attachment 3):***

20 ***(a) Should the Interconnection Agreement refer to BellSouth's website address***  
21 ***to Guides such as the Jurisdictional Factor Guide?***

22 ***(b) Should BellSouth be required to post rates that impact UNE services on its***  
23 ***website?***

24

25 Q. WHAT IS BELL SOUTH'S POSITION ON THESE ISSUES?

1 A. a) Certain provisions of the Agreement should incorporate by reference various  
2 BellSouth documents and publications. BellSouth may, from time to time  
3 during the term of the agreement, change or alter such documents and  
4 publications as necessary to update processes, technical publications, etc.  
5 These documents are typically guides that affect processes and procedures, and  
6 are for use by all ALECs. This is the most efficient means of providing current  
7 documentation in a timely manner to all ALECs. To require that all of  
8 BellSouth's guides be included in the agreement as they exist as of a particular  
9 date, or not be referenced at all, would result in BellSouth not being able to  
10 update or change processes, mechanize systems or have a uniform approach to  
11 anything. BellSouth deals with nearly 150 ALECs just in Florida and must be  
12 able to exercise flexibility in enhancing its processes. In the event that  
13 BellSouth implements a change that the ALEC community does not agree  
14 with, that rare instance should be addressed to BellSouth, or to the  
15 Commission, at that time. Those rare exceptions should not be used to justify  
16 impeding BellSouth's ability to make the necessary changes and to apply those  
17 changes to all ALECs. The alternative would be to require BellSouth to amend  
18 every agreement any time it desired to improve a process – a costly and time-  
19 consuming requirement for both ALECs and BellSouth. Until all ALECs  
20 agreed upon the change, BellSouth would be required to continue to offer  
21 multiple processes, dating back to the earliest version incorporated into the  
22 oldest agreement. BellSouth's desire to offer interconnection, access to UNEs  
23 and other services in an efficient manner would be drastically impeded by such  
24 a requirement.

25

1 b) BellSouth notifies ALECs via Carrier Notification Letters in advance of  
2 changes impacting UNE services. The Carrier Notification Letters are posted  
3 on BellSouth's website as soon as possible, and serve as proper notification to  
4 DeltaCom, as well as other ALECs of such changes. To require rates to have  
5 been established and USOCs to have been assigned prior to BellSouth posting  
6 new offerings would unnecessarily delay the posting of the notices until after  
7 rates are developed – BellSouth strives to provide these notices as quickly as  
8 possible so that the ALECs are aware of the changes as soon as possible. New  
9 rates are provided to individual ALECs upon amendment of their agreement,  
10 and BellSouth has agreed to provide DeltaCom with an amendment within 30  
11 days of receipt of such a request.

12

13 ***Issue 59: Payment Due Date (Attachment 7 – Sections 1.4 and 1.4.1): Should the***  
14 ***payment due date begin when BellSouth issues the bill or when DeltaCom***  
15 ***receives the bill? How many days should DeltaCom have to pay the bill?***

16

17 Q. WHAT IS BELL SOUTH'S POSITION ON THESE ISSUES?

18

19 A. Payment should be due by the next bill date. There is no legitimate reason to  
20 allow DeltaCom a full thirty (30) days after receiving its bill to make payment.  
21 BellSouth invoices DeltaCom every 30 days, just as it does for every customer.  
22 The bill date is the same each month, and DeltaCom knows the date its bill will  
23 be due each month. Moreover, it can elect to receive its bills electronically so  
24 as to minimize any delay in bill printing and receipt. To the extent DeltaCom  
25 has questions about its bills, BellSouth cooperates with DeltaCom to provide

1 responses in a prompt manner and resolve any issue. It is reasonable for  
2 payment to be due before the next bill date. Furthermore, in a given month, if  
3 special circumstances warrant, DeltaCom may request an extension of the due  
4 date and BellSouth does not unreasonably refuse to grant such a request.  
5 DeltaCom should have from the date it receives its bill until the bill's due date  
6 to pay its bill.

7

8 ***Issue 60: Deposits (Attachment 7 - Section 1.11):***

9 ***(a) Should the deposit language be reciprocal?***

10 ***(b) Must a party return a deposit after generating a good payment history?***

11

12 Q. WHAT IS BELLSOUTH'S POSITION REGARDING SUBPART (a) OF  
13 THIS ISSUE?

14

15 A. The deposit language should not be reciprocal. BellSouth is not similarly  
16 situated with an ALEC provider and, therefore should not be subject to the  
17 same creditworthiness and deposit requirements/standards. If BellSouth is  
18 buying services from an ALEC provider's tariff, the terms and conditions of  
19 such tariff will govern whether BellSouth must pay a deposit. Thus, the  
20 interconnection agreement is not an appropriate location for a deposit  
21 requirement to be placed upon BellSouth.

22

23 Q. DOES DELTACOM HAVE DEPOSIT LANGUAGE IN ITS FLORIDA  
24 LOCAL SERVICES TARIFF?

25



1 A. Yes, it does. Section 2.8.6 of DeltaCom's Florida Local Price List – Section 2,  
2 states in part that:

3

4 The Company, upon initiation or reinitiation of service,  
5 may require a cash deposit from a prospective customer, a  
6 presently disconnected customer, or a former customer for  
7 the purpose of guaranteeing final payment for service when  
8 in the judgment of the Company, such deposit is necessary.

9 ...The Company reserves the right to cease accepting and  
10 processing Service Orders after it has requested a security  
11 deposit and prior to the Customer's compliance with this  
12 request. ...An additional deposit may be required from a  
13 telephone customer when excessive toll occurs and there is  
14 a known credit risk....

15

16 Q. IS DELTACOM'S DEPOSIT LANGUAGE SIMILAR TO BELLSOUTH'S  
17 DEPOSIT LANGUAGE?

18

19 A. Yes, although the deposit language in DeltaCom's Florida Local Price List is  
20 more rigid than BellSouth's tariff language since any applicant for service may  
21 be required to provide a security deposit to DeltaCom under its tariff language,  
22 and it can cease to accept or process orders if the deposit is not paid upon  
23 request.

24

1 Q. WHAT IS BELLSOUTH'S POSITION REGARDING SUBPART (b) OF  
2 THIS ISSUE?

3

4 A. BellSouth should not be required to return a deposit solely because an ALEC  
5 generates a good payment history. Payment history alone is not a measure of  
6 credit risk. BellSouth should be able to base a deposit requirement on an  
7 analysis of DeltaCom's credit worthiness, not just payment history. Timely  
8 payment alone is not enough to protect BellSouth in the event DeltaCom  
9 ceases making timely payments. BellSouth's proposed language includes, as  
10 part of Attachment 7, Section 1.11, the following:

11

12 BellSouth seeks adequate assurance of payment in the form  
13 of a deposit or other means of security for:

14

1. All new customers, excluding a new customer  
15 rated as 5A1 with Dun & Bradstreet (D&B).

16

2. Existing customers under the following  
17 circumstances:

17

18

(a) Poor pay history with BellSouth, defined as one  
19 time payment in excess of 30 days from bill date  
20 in a 12 month period (excluding legitimate  
21 disputes);

19

20

21

22

(b) Liquidity issues that create uncertainty of future  
23 payment as defined by objective criteria (i.e.,  
24 financial indices from last fiscal year end and

23

24

1 most recent quarter, bond ratings, and D&B  
2 ratings).

3 (c) If BellSouth experiences a pre-petition  
4 bankruptcy loss, customer reverts to new  
5 customer status, and Bellsouth can seek adequate  
6 assurance of payment in the form of a deposit or  
7 other means of security.

8

9 ***Issue 62: Limitation on Back Billing (Attachment 7 – Section 3.5): Should there be***  
10 ***a limit on the parties’ ability to back-bill for undercharges? If so, what***  
11 ***should be the time limit?***

12

13 Q. WHAT IS BELLSOUTH’S POSITION ON THIS ISSUE?

14

15 A. BellSouth’s position is that limitations for back billing are pursuant to the  
16 applicable Rules of the Florida Public Service Commission, specifically  
17 Chapter 25-4.110(10).

18

19 Q. WHAT DOES CHAPTER 25-4.110(10) REQUIRE WITH RESPECT TO  
20 BACKBILLING OF CHARGES?

21

22 A. Chapter 25-4.110(10) states, “Where any undercharge in billing of a customer  
23 is the result of a company mistake, the company may not backbill in excess of  
24 12 months.”

25

1    ***Issue 63: Audits (Attachment 7): Should the Agreement include language for***  
2            ***audits of the parties' billing for services under the interconnection***  
3            ***agreement? If so, what should be the terms and conditions?***

4

5    Q.    WHAT IS BELLSOUTH'S POSITION ON THIS ISSUE?

6

7    A.    Audits of BellSouth's billing for services under the interconnection agreement  
8            are not necessary. Performance measurements addressing the accuracy and  
9            timeliness of BellSouth's billing provide sufficient mechanisms for monitoring  
10           BellSouth's billing. Inclusion of audit language for billing in the agreement  
11           would be duplicative and an unnecessary use of resources. In response to  
12           DeltaCom's request to adopt AT&T's language on this issue, adoptions  
13           pursuant to 47 USC § 252(i) are limited to network elements, services, and  
14           interconnection rates, terms and conditions and do not apply to other aspects of  
15           the Interconnection Agreement that are not required pursuant to Section 251.  
16           47 USC § 252(i) only requires an ILEC to make available "any  
17           interconnection, service, or network element" under the same terms and  
18           conditions as the original Interconnection Agreement.

19

20    ***Issue 64: ADUF: What terms and conditions should apply to the provision of***  
21            ***ADUF records?***

22

23    Q.    WHAT IS BELLSOUTH'S POSITION ON THIS ISSUE?

24

1 A. BellSouth's position is that the terms and conditions for the provision of  
2 ADUF service to DeltaCom should be pursuant Attachment 7, Section 5.7 of  
3 BellSouth's proposed Interconnection Agreement. It appears that DeltaCom is  
4 asking BellSouth to isolate and provide to them only certain ADUF records.  
5 BellSouth is not required to do this. Consistent with the FCC's 271 Orders in  
6 BellSouth's states, BellSouth provides competing carriers with complete,  
7 accurate, and timely reports on the service usage of their customers in  
8 substantially the same manner that BellSouth provides such information to  
9 itself. If DeltaCom wants a customized report, it should submit a New  
10 Business Request to BellSouth.

11

12 ***Issue 65: Notification of Changes to OSS and Changes of Business Rules/Practices***  
13 ***(Attachment 6 – Sections 1 and 1.13.2):***

14 ***b) Should BellSouth be required to provide notice 60 days in advance of***  
15 ***deployment of OSS changes that would impact DeltaCom?***

16

17 Q. WHAT IS BELLSOUTH'S POSITION ON THIS ISSUE?

18

19 A. (b) BellSouth's position is that 30-days notice is appropriate. BellSouth will  
20 notify DeltaCom of changes to ordering and pre-ordering interfaces and  
21 business rules via the appropriate BellSouth website 30-days prior to such  
22 changes. In the spirit of cooperation, BellSouth has agreed to provide  
23 DeltaCom with a list of postings to the website on a daily basis.

24

25 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

1 A. Yes.

2