

ORIGINAL



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January 7, 2003

**BY HAND DELIVERY**

Ms. Blanca Bayó, Director  
The Commission Clerk and Administrative Services  
Room 110, Easley Building  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

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COMMISSION  
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Re: Docket No. 030851-TP

Dear Ms. Bayó:

Enclosed for filing are an original and 15 copies of the Rebuttal Testimony of Jay Bradbury (Redacted), Cheryl Bursh, Mark Van De Water (Redacted), and Don Wood on behalf of AT&T Communications of the Southern States, LLC in the above-referenced docket.

Please acknowledge receipt of this letter by stamping the extra copy of this letter "filed" and returning to me.

Thank you for your assistance with this filing.

RECEIVED & FILED

Sincerely yours,

*las*  
\_\_\_\_\_  
FPSC-BUREAU OF RECORDS Tracy Hatch/las  
Tracy W. Hatch

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- OTH \_\_\_\_\_

FWH/las  
Enclosure  
cc: Parties of Record

Bradbury 00265-04  
Bursh 00266-04  
Van De Water 00267-04  
Wood 00268-04

**CERTIFICATE OF SERVICE  
DOCKET NO. 030851-TP**

I HEREBY CERTIFY that a copy of the foregoing has been furnished via electronic mail and U.S. Mail as indicated this 7<sup>th</sup> day of January 2004, to the following parties of record:

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*Tracy Hatch/ks*

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Tracy W. Hatch

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Implementation of requirements arising )  
from Federal Communications Commission ) Docket No. 030851-TP  
triennial UNE review: Local Circuit Switching )  
for Mass Market Customers. )

**REBUTTAL TESTIMONY OF**

**JAY M. BRADBURY**

**ON BEHALF OF  
AT&T COMMUNICATIONS OF THE SOUTHERN STATES, LLC**

**JANUARY 7, 2004**

**REDACTED VERSION**

DOCUMENT NUMBER PAGE

00265 JAN-7-04

FPSC-COMMISSION CLERK

1 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND POSITION**  
2 **TITLE.**

3 A. My name is Jay M. Bradbury. My business address is 1200 Peachtree Street, Suite  
4 8100, Atlanta, Georgia 30309. I am employed by AT&T Corp. ("AT&T") as a  
5 District Manager in the Law and Government Affairs Organization.

6  
7 **Q. ARE YOU THE SAME JAY M. BRADBURY THAT PREVIOUSLY FILED**  
8 **DIRECT TESTIMONY IN THIS DOCKET ON DECEMBER 4, 2003?**

9 A. Yes, I am.

10

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

12 A. My rebuttal testimony responds to portions of the direct testimony of BellSouth's  
13 witnesses W. Keith Milner, Pamela A. Tipton, Christopher Pleatsikas, and John  
14 Ruscilli. I also respond to certain statements contained in the direct testimony of  
15 Verizon's witness, Orville D. Fulp.

16 I have organized my rebuttal in sections around the following topics:

17

18 • Section I. The factual information about AT&T's deployment of local  
19 switches and network in Florida reveals that AT&T does not meet the  
20 Triennial Review Order's ("TRO") qualifications to be considered a "trigger"  
21 candidate.

22 • Section II. AT&T's (and other CLECs') actual local switch and network  
23 deployment, serving the mass market, has been misrepresented in the ILEC's  
24 direct testimony.

25 • Section III. Knowledge of where CLECs are actually providing competitive  
26 choices to customers through the use of both UNE-P and UNE-L is vital to the  
27 commission's tasks in this docket.

- 1 • Section IV. The CLEC's ability to benefit by provisioning DSL services to its
- 2 customers in Florida is overstated by BellSouth's assumptions in its BellSouth
- 3 Analysis of Competitive Entry ("BACE") model.
- 4 • Section V. Impairment caused by existing legacy network technology cannot
- 5 be cured by improvements to the hot cut process – batch, bulk, or rolling.
- 6 • Section VI. Conclusion.
- 7

8 **I.**  
9 **THE FACTUAL INFORMATION ABOUT AT&T'S DEPLOYMENT OF LOCAL**  
10 **SWITCHES AND NETWORK IN FLORIDA REVEALS THAT AT&T DOES NOT**  
11 **MEET THE TRO'S QUALIFICATIONS TO BE CONSIDERED A "TRIGGER**  
12 **CANDIDATE".**  
13

14 **Q. PLEASE PROVIDE THE COMMISSION WITH A BRIEF DEFINITION AND**  
15 **OVERVIEW OF THE SIGNIFICANT DIFFERENCE BETWEEN MASS**  
16 **MARKET AND ENTERPRISE CUSTOMERS AS THE TERMS RELATE TO**  
17 **YOUR TESTIMONY.**

18 A. The significant difference for the purpose of my testimony is that mass market  
19 customers are served using analog DSO loops, while enterprise customers are served  
20 using DS1 and higher capacity loops, as noted in the TRO at paragraph 459 and note  
21 1402.

22 The mass market for local services consists primarily of consumers of analog  
23 "plain old telephone service" or "POTS" that purchase only a limited number  
24 of POTS lines and can only economically be served via analog DS0 loops.  
25

26 Mass market customers are residential and very small business customers –  
27 customers that do not, unlike larger businesses, require high-bandwidth  
28 connectivity at DS1 capacity and above.  
29

30 A more detailed description of the differences between mass market and enterprise  
31 customers can be found in the rebuttal testimony of FCCA witness Joseph Gillan, also  
32 being filed today. For the purposes of my testimony, however, it is sufficient to

1 divide customers served from CLEC switches into mass market or enterprise by  
2 classifying all customers served by analog DSO UNE loops as mass market  
3 customers and all others as enterprise customers.  
4

5 **Q. PLEASE DESCRIBE AT&T'S LOCAL SWITCH AND NETWORK**  
6 **DEPLOYMENT IN FLORIDA THAT IS CAPABLE OF SERVING THE**  
7 **MASS MARKET.**

8 A. In Florida, AT&T operates eight (8) switches capable of providing service to mass  
9 market customers. As I will discuss further below, two (2) of these switches  
10 exclusively serve customers of Comcast under a special arrangement resulting from  
11 the merger of AT&T Broadband and Comcast. Therefore, AT&T operates only six  
12 (6) switches in Florida that can possibly be considered in any analysis of AT&T's  
13 operations under a "trigger" test. Five (5) of these switches are located in BellSouth's  
14 territory and one (1) is located in Verizon's territory. The location and identification  
15 of all eight (8) are shown in the following table.

Switch Name	Switch CLI
JACKSONVILLE(COMCAST)	JCVLFLGHDS0
JACKSONVILLE	JCVLFLCLDS6
MIAMI - 1	NMIAFLAYDS0
MIAMI - 2	FTLDFLOVDS3
MIAMI -3	OJUSFLTLDS3
POMPANO BEACH (COMCAST)	PMBHFLEDDS0
ORLANDO	ORLEFLGVDS0
TAMPA	TAMQFLRYDS0

16  
17 AT&T's six (6) local switches are, of course, dependent upon the deployment of  
18 collocation arrangements as discussed in my direct testimony and the direct testimony  
19 of BellSouth's witness W. Keith Milner. A collocation arrangement to serve an



1 individual customer in an ILEC wire center may consist of either EELs and  
2 collocations or collocations alone. In Florida, AT&T currently has no EELs serving  
3 mass market customers and has collocations capable of serving mass market  
4 customers in only **BEGIN CONFIDENTIAL \*\* \*\* END**  
5 **CONFIDENTIAL** out of 288 wire centers.

6  
7 **Q. IS THERE A DISTINCTION BETWEEN SWITCHES BEING MASS**  
8 **MARKET CAPABLE AND ACTUALLY SERVING THE MASS MARKET**  
9 **FOR PURPOSES OF THE TRO SWITCHING TRIGGER ANALYSIS?**

10 A. Yes. To satisfy the TRO “trigger” test, a CLEC must actually be serving mass market  
11 customers with its own switch and meet other criteria established in the TRO that will  
12 be discussed below. A Northern Telecom DMS500 switch that serves only customers  
13 on DS1 or higher loops “could” be used to provide analog POTS service to mass  
14 market customers, but unless it “is” doing so, and meets the other necessary criteria,  
15 the switch and the CLEC may not be counted as a trigger.

16  
17 **Q. YOU IDENTIFIED TWO SWITCHES AS SERVING ONLY CUSTOMERS OF**  
18 **COMCAST UNDER AN ARRANGEMENT RESULTING FROM THE**  
19 **MERGER OF AT&T BROADBAND AND COMCAST. PLEASE DESCRIBE**  
20 **THIS ARRANGEMENT IN MORE DETAIL.**

21 A. In response to discovery from BellSouth, AT&T provided the following confidential  
22 information:

23 **BEGIN CONFIDENTIAL \*\***  
24 **XX**

1  
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XX  
XX

**\*\* END CONFIDENTIAL** (AT&T Response to BellSouth Interrogatory  
No. 14.)

15     **Q.     HOW THEN SHOULD THESE AT&T SWITCHES BE CLASSIFIED AND**  
16     **COUNTED IN A TRIGGER CASE ANALYSIS?**

17     A.     The switches, used to provide service to Comcast under this unique arrangement,  
18             should not be counted at all in a trigger analysis. They do not rely upon the ILEC  
19             analog loop to provide service to mass market customers, which is one of the criteria  
20             established by the FCC in the TRO to be applied to the analysis of trigger candidates.  
21             Further, they should not be counted because the arrangement between AT&T and  
22             Comcast is a large-scale enterprise arrangement.

23

24     **Q.     WITNESSES FOR BELL SOUTH AND VERIZON CONCLUDE THAT**  
25     **TRIGGERS HAVE BEEN MET FOR SEVERAL MARKETS IN FLORIDA.**  
26     **ARE THERE CRITERIA IN THE TRO THAT THIS COMMISSION SHOULD**  
27     **APPLY IN THE ANALYSIS OF TRIGGER CANDIDATES?**

28     A.     Yes. The direct testimony of FCCA witness Joseph Gillan discusses six criteria  
29             found in the TRO that must be applied in the “self provisioning” trigger test:

1 The self-provisioning trigger criteria can be organized into six categories.  
2 Before a “trigger candidate” can be found to qualify as satisfying the self-  
3 provisioning trigger, the criteria contained in the TRO for each of these  
4 categories must be satisfied. The six categories are as follows:  
5

- 6 1. The self-provisioning trigger candidate’s switches must not  
7 be “enterprise” switches.
- 8 2. The self-provisioning trigger candidate must be actively  
9 providing voice service to mass market customers in the  
10 designated market, including residential customers, and is  
11 likely to continue to do so.
- 12 3. The self-provisioning trigger candidate should be relying on  
13 ILEC analog loops to connect the customer to its switch.
- 14 4. If the self-provisioning trigger candidate provides an  
15 “intermodal service,” its service must be comparable to the  
16 ILEC service in cost, quality, and maturity.
- 17 5. The self-provisioning trigger candidate may not be affiliated  
18 with the ILEC or other self-provisioning trigger candidates.
- 19 6. The existence of the self-provisioning trigger candidate  
20 should be evidence of sustainable and broad-scale mass market  
21 competitive alternatives in the designated market.  
22

23 Only if each of these trigger criteria is met does a candidate qualify as one of  
24 the three self-provisioning providers necessary to satisfy the FCC’s self-  
25 provisioning trigger. (Gillan Direct, pp 36-37 – bullets in original replaced  
26 with numbers 1-6)  
27

28 I will provide evidence that AT&T’s actual deployment of local switches and network  
29 does not meet the TRO’s requirements for criteria 1, 2 and 6, as more fully described  
30 by Mr. Gillan’s direct testimony on pages 37 through 52. As noted above, the AT&T  
31 switches used to provide service only to Comcast do not meet criteria 1 and 3.  
32

33 **Q. PLEASE EXPLAIN HOW AT&T’S LOCAL SWITCHES DO NOT FULFILL**  
34 **THE CRITERION THAT THE SELF-PROVISIONING TRIGGER**  
35 **CANDIDATE’S SWITCHES MUST NOT BE “ENTERPRISE” SWITCHES**  
36 **(CRITERION 1).**

1 A. As shown in the data table below, AT&T's switches are being used predominantly to  
 2 serve enterprise customers. AT&T does not provide service to any residential  
 3 customers from these switches, and all service being provided to very small business  
 4 is an artifact of a previous business plan which is no longer being pursued to provide  
 5 service to new customers in Florida. Given the economic and operational  
 6 impairments associated with attempting to serve mass market customers using UNE-  
 7 L, it is not AT&T's business plan to serve mass market customer from these switches  
 8 and so these switches will remain enterprise switches into the foreseeable future.

9  
 10 **Shaded cells contain Confidential Information**

Switch Name	Switch CLI	Number of voice grade equivalent lines (VGE)	Of VGE lines, number of DSO Lines		Percent Enterprise	
			AT&T Records	ILEC Records	AT&T	ILEC
Miami 1	NMIAFLAYDS0				88%	86%
Miami 3	OJUSFTLDS3				100%	100%
Miami 2	FTLDFLOVDS3				69%	65%
Jacksonville	JCVLFLCLDS6				97%	97%
Orlando	ORLEFLGVDS0				85%	88%
Tampa	TAMQFLRYDS0				98%	98%
STATE					88%	87%

11 **Shaded cells contain Confidential Information**

1 All but one of AT&T's local switches in Florida serve a business customer universe  
2 that is at least 85% enterprise. The single switch that has a lower percentage of  
3 enterprise customers is located in the Southeast Florida LATA that also contains two  
4 other AT&T local switches. Collectively, the three switches in the Southeast Florida  
5 LATA serve a business customer base that is at least 83% enterprise, when calculated  
6 using BellSouth's records of AT&T's use of analog DS0 loops. At the state level  
7 AT&T's local switches serve a universe of business customers that are at least 87%  
8 enterprise. All six of AT&T's local switches in Florida should be excluded as they  
9 are enterprise switches and therefore do not meet the TRO trigger test criteria.

10  
11 **Q. PLEASE EXPLAIN HOW AT&T'S LOCAL SWITCHES DO NOT FULFILL**  
12 **THE CRITERION THAT THE SELF-PROVISIONING TRIGGER**  
13 **CANDIDATE MUST BE ACTIVELY PROVIDING VOICE SERVICE TO**  
14 **MASS MARKET CUSTOMERS IN THE DESIGNATED MARKET,**  
15 **INCLUDING RESIDENTIAL CUSTOMERS, AND IS LIKELY TO**  
16 **CONTINUE TO DO SO (CRITERION 2).**

17 A. As discussed above, AT&T does not provide residential service using UNE-L.  
18 Further, AT&T is not actively providing service to very small businesses using UNE-  
19 L and has no plans to do so in the foreseeable future. Thus, AT&T is not serving "the  
20 mass market" as defined by the TRO and is not an "active" provider of service even  
21 to the very small business segment of the mass market, and so does not meet the self-  
22 provisioning trigger criteria.

23

1 AT&T once had an active business plan to serve very small businesses using DS0  
2 UNE-L loops, collocations, and our own local switches (which also served enterprise  
3 customers using DS1 and higher loops) in the 1999-2001 time period. That business  
4 plan did not materialize on a national basis, as well as here in Florida, because of  
5 operational, economic, and other problems that were documented at the FCC in a  
6 Declaration filed by Ellycee Brenner. Citations in the TRO to the Brenner  
7 Declaration and the problems AT&T encountered may be found in paragraphs 437,  
8 466 and 468 and their associated footnotes. The problems identified in the TRO,  
9 which included high losses of customers before they were even cut over and  
10 ineffective coordinated hot cuts, occurred regularly here in Florida, leading to  
11 customer dissatisfaction and lower than expected financial returns, because of  
12 increased costs and other economic factors.

13  
14 As a result, active provisioning of service to very small business using DS0 UNE-L  
15 loops ended in late 2001. During 2001, when the business plan was active, almost  
16 7,000 new lines were provisioned. In 2002 the number declined to approximately  
17 900, and in 2003 declined further to approximately 700. The embedded base,  
18 remaining as an artifact of the old business plan, has declined to approximately

19 **BEGIN CONFIDENTIAL \*\* \*\* END CONFIDENTIAL.**

20  
21 The lines being provisioned in 2002 and 2003 are not the result of an active business  
22 plan, but rather, reflect maintenance of existing very small business accounts already  
23 served via DS0 UNE-L, meeting the business needs of enterprise customers served on

1 a DS1 level for "off lines" at the DSO level. These "off lines" are used to support  
2 facsimile machines, analog data modems, and the like.

3  
4 In both cases, that is, adding new lines to existing customers and providing "off lines"  
5 to enterprise customers, the use of UNE-L rather than UNE-P avoids adding the  
6 administrative complexity of splitting the account between those lines provisioned on  
7 UNE-L and those lines provisioned on UNE-P. Alternatively, continuing to use  
8 UNE-L avoids the necessity to convert the entire account to UNE-P by arranging for  
9 and paying for a "reverse hot cut," which carries with it the very real probability of a  
10 disruption of service, and the need for the customer to reprogram all switched-based  
11 custom features and capabilities in place.

12  
13 BellSouth's own data about AT&T's base of analog DSO loops in Florida also  
14 demonstrates that AT&T is not an active provider of services to the mass market  
15 using UNE-L and its own switches. The data in the table below, prepared from  
16 BellSouth's response to AT&T's Interrogatory 125, shows that in the 18 months from  
17 May 2002, through November 2003, AT&T's use of analog DSO loops decreased by  
18 26% in Florida, and that the decrease was widespread, not concentrated in a single  
19 location or group of locations. They also show that AT&T's ability to employ UNE-  
20 L to customers in individual ILEC end offices has been modest at best, and that it has  
21 never achieved a scale that would allow it to efficiently deploy, use and maintain the  
22 central office specific equipment that is necessary to collect and backhaul mass  
23 market users' traffic to AT&T switches. This provides additional evidence that

1 AT&T (and carriers in similar circumstances) would not likely be able to continue to  
 2 provide UNE-L service even to small business customers.

3 **Shaded cells contain Confidential Information**

	Market	CLLI	May 2002	Nov 2003	Percent Decrease
1	FT LAUDERDALE Z1				28%
2					23%
3					38%
4					42%
5	FT LAUDERDALE Z2				16%
6					20%
7					22%
8					28%
9					11%
10					38%
11					30%
12	JACKSONVILLE Z1				20%
13	JACKSONVILLE Z2				-
14					18%
15	JACKSONVILLE Z3				-
16	MIAMI Z1				27%
17					-
18					13%
19					33%
20					22%
21					44%
22	MIAMI Z2				38%
23					32%
24					19%
25	ORLANDO Z1				13%
26	ORLANDO Z2				8%
27					28%
28					29%
29					2%
30					27%
31	WPB-BOCA RATON Z1				28%
32					25%
33					22%
34	WPB-BOCA RATON Z2				30%
	TOTALS				26%

4 \* AT&T (TCG) does not have collocations in these wire centers and believes  
 5 BellSouth's data to be incorrect. However, the number of circuits (3) is insignificant



1 and does not impact the conclusion that AT&T does not actively provide service to  
2 mass market customers using UNE-L.

3 **Shaded cells contain Confidential Information**

4  
5 In sum, AT&T's local switches in Florida are being used to serve enterprise  
6 customers almost exclusively. AT&T does not use UNE-L to provide service to  
7 residential customers and uses UNE-L to provide service to a relatively few and  
8 declining number of very small business customers that are an artifact of a failed  
9 business plan.

10  
11 **Q. PLEASE EXPLAIN HOW AT&T'S LOCAL SWITCHES DO NOT FULFILL**  
12 **THE CRITERION THAT THE EXISTENCE OF THE SELF-PROVISIONING**  
13 **TRIGGER CANDIDATE SHOULD BE EVIDENCE OF SUSTAINABLE AND**  
14 **BROAD-SCALE MASS MARKET COMPETITIVE ALTERNATIVES IN THE**  
15 **DESIGNATED MARKET (CRITERION 6).**

16 A. As explained above, AT&T does not serve the mass market using UNE-L and its own  
17 local switches, but rather serves enterprise customers. The small embedded base of  
18 very small business customers, totaling approximately **BEGIN CONFIDENTIAL \*\***  
19 **\*\* END CONFIDENTIAL** lines, exists only as an artifact of a failed business  
20 plan. AT&T has never served residential customers using UNE-L. There is no future  
21 plan to utilize UNE-L to serve the mass market due to the economic and operational  
22 impairments that continue to exist. Nothing about AT&T's presence in Florida  
23 provides any evidence of sustainable and broad-scale mass market competitive  
24 alternatives in any market as defined by BellSouth or Verizon.

1  
2 **II.**  
3 **AT&T'S (AND OTHER CLECS') ACTUAL LOCAL SWITCH AND NETWORK**  
4 **DEPLOYMENT, SERVING THE MASS MARKET, HAS BEEN MISREPRESENTED**  
5 **IN THE ILEC'S DIRECT TESTIMONY.**

6 **Q. BELLSOUTH'S WITNESS PAMELA A. TIPTON STATES THAT "CLEC'S**  
7 **HAVE DEPLOYED MORE THAN 100 SWITCHES IN FLORIDA, AT LEAST**  
8 **77 OF WHICH ARE SERVING OVER 100,000 'MASS MARKET'**  
9 **CUSTOMERS." SHE THEN PROVIDES EXHIBIT PAT-1 THAT SHE**  
10 **CLAIMS IS A LIST OF CLEC SWITCHES DEPLOYED IN FLORIDA. ARE**  
11 **HER STATEMENT AND EXHIBIT ACCURATE RELATIVE TO EITHER**  
12 **AT&T OR CLECS IN GENERAL?**

13 A. No, and in addition, the change to Ms. Tipton's testimony filed on December 30,  
14 2003, revising her statement to read that "at least 30" instead of 77, changes nothing  
15 about the inaccuracy of her statement or the incompleteness of her testimony.  
16 Nowhere in her testimony or its exhibits does Ms. Tipton identify the switches about  
17 which she writes or the wire centers to which they provide service. Additionally, in  
18 responses to discovery, BellSouth admits that it did not ask about the number of mass  
19 market customers being served and has no data to support any statements about how  
20 many there are. In AT&T's Interrogatory 120, BellSouth was asked to provide the  
21 number of mass market customers it claimed to be served from each switch covered  
22 by Ms. Tipton's statement. BellSouth's response was "BellSouth did not request that  
23 CLECs provide the number of mass market customers served by each CLEC switch.  
24 Therefore, BellSouth does not have the information responsive to Interrogatory 120  
25 subpart (c)." Thus, BellSouth does not have (and affirmatively did not seek) the very

1 kind of “objective” information that is necessary for the Commission to make a  
2 reasonable judgment as to whether the proposed trigger candidates should be counted  
3 when applying a trigger test.

4  
5 In addition to the eight (8) AT&T local switches discussed above (only six (6) of  
6 which are even eligible for analysis as trigger candidates), AT&T also operates  
7 fourteen (14) toll switches in Florida. (12 in BellSouth territory and 2 in Verizon  
8 territory.) Information regarding all twenty-two (22) of these switches, including  
9 which ones were capable of serving mass market customers, was provided to  
10 BellSouth in interrogatory responses and discussed with BellSouth in at least two  
11 informal meetings in which I personally participated. Despite having this  
12 information, BellSouth and Ms. Tipton cite the source for PAT-1 as the Local  
13 Exchange Routing Guide (“LERG”), a group of databases administered by Telcordia  
14 for the industry, the purpose of which is to provide routing information, not a count of  
15 switches.

16  
17 PAT-1 includes 128 rows of data that Ms. Tipton has apparently extracted from one  
18 (or more) of the LERG databases using some unidentified and inexplicable sorting  
19 criteria. While this might be the source for the claim of over 100 switches, PAT-1  
20 does not support that claim. Many of the rows are repetitions of data about the very  
21 same switch. For example, on page 1, of PAT-1, the same information about one of  
22 AT&T’s toll switches located in Ellisville is presented three times. This multiple  
23 counting of switches occurs throughout PAT-1 and is not limited to AT&T’s

1 switches. For example, the information about NewSouth's switch in Jacksonville on  
2 page 1 of the Exhibit, or at the information about Network Telephone's switch in  
3 Pensacola on page 3. Despite knowing that AT&T operates a total of twenty-two  
4 (22) switches [eight (8) local switches and fourteen (14) toll switches], Ms. Tipton  
5 would have this Commission mistakenly believe from PAT-1 that AT&T/TCG  
6 operates 37 switches in Florida. In all, I count 58 rows of data in PAT-1 that contain  
7 duplicative data. It is impossible to determine from PAT-1 either the number of  
8 switches CLECs are operating in Florida or the number of CLEC switches which are,  
9 or are not, serving mass market customers. Ms. Tipton's and BellSouth's failure to  
10 perform a simple edit for duplicate data in PAT-1, or to state the criteria they are  
11 using to gather and sort the data they present as factual is very disconcerting. Thus,  
12 any conclusions reached by Ms. Tipton regarding the number of CLEC switches in  
13 Florida serving mass market customers are inaccurate and cannot be relied upon by  
14 the Commission in determining the outcome of this proceeding.

15  
16 **Q. YOU STATED THAT AT&T OPERATES 14 TOLL SWITCHES IN THE**  
17 **STATE. WHY DID YOU INCLUDE THIS DATA AND HOW IS IT**  
18 **RELEVANT TO THE MASS MARKET SWITCHING SELF-PROVISIONING**  
19 **TEST OF THE TRO?**

20 **A.** I have included this data to be complete in my portrayal of AT&T's presence in  
21 Florida and to demonstrate that these fourteen (14) switches are, in fact, not capable  
22 of providing local service to mass market customers despite the fact that they provide  
23 a form of local service to large enterprise customers. When the enterprise lines

1 (BEGIN CONFIDENTIAL \*\* \*\* END CONFIDENTIAL) served from  
2 these switches are added to the enterprise lines served from the six local switches  
3 discussed above, it becomes even more evident that AT&T's self-provisioned  
4 switching in Florida is focused on the enterprise market.

5  
6 The ILECs are aware that these fourteen (14) switches are used to provide a service  
7 known as AT&T Digital Link ("ADL") to enterprise customers that have their own  
8 on-site customer owned or customer provided switches, often referred to as Private  
9 Branch Exchange ("PBX") switches. Despite this knowledge, PAT-1 contains data  
10 related to AT&T's toll switches that misleadingly makes it appear that these switches  
11 provide local service to mass market customers.

12  
13 The Commission may also remember discussions of ADL in other dockets. The  
14 customer's PBX provides all the classical "line side" functions to the customer's  
15 telephone sets (dial tone, vertical features, etc.) and is connected to both the ILEC  
16 local and IXC long distance networks using "trunks," not "lines". Both the ILEC  
17 local switch and the IXC long distance switch treat the PBX switch as if it were  
18 another switch on their networks. As a long distance company, AT&T has long  
19 provided "special access" trunk connections between large enterprise PBX switches  
20 and our toll switches. After the passage of the Act, AT&T began offering these same  
21 customers the opportunity to reduce their overall telecommunications expenses by  
22 using their existing "special access" trunk connections to originate and terminate

1 local traffic. Using this option, large enterprise customers are able to eliminate the  
2 vast majority of their PBX trunks to the ILEC.

3  
4 Because a toll switch with ADL customers must terminate both toll and local traffic  
5 to an ADL customer's PBX, it is necessary for the toll switch and its Location  
6 Routing Number ("LRN") to appear in local portions of the LERG databases.

7 Unfortunately, due to Telcordia's database design limitations, when this happens the  
8 same (toll) switch appears in the LERG with a different Common Language Location  
9 Identification ("CLLI") code than it has in the toll world. Toll switch CLLI codes  
10 typically end in three characters, --T<sup>1</sup>; however, the same switch, when listed in the  
11 local sections of the LERG, will have a CLLI that typically ends in DS-<sup>2</sup>. AT&T  
12 pointed this out to BellSouth in at least one informal discussion in which I  
13 participated and followed up with a supplemental interrogatory response to  
14 BellSouth's Interrogatory 1. See Exhibit No. \_\_\_\_, JMB-R1. Despite this knowledge,  
15 PAT-1 contains data related to AT&T's toll switches that misleadingly makes it  
16 appear that these switches provide local service to mass market customers.

17  
18 **Q. CAN THESE 14 TOLL SWITCHES BE MODIFIED TO SERVE MASS**  
19 **MARKET LOCAL CUSTOMERS?**

20 A. No. A more detailed explanation of why this is true is included in Exhibit No. \_\_\_\_,  
21 JMB-R1. Briefly, these 14 switches are either 4ESS (which even BellSouth agrees  
22 cannot be so modified), or 5ESS and DMS "edge" switches that AT&T purchased

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<sup>1</sup> For example, 01T, 03T.

<sup>2</sup> For example, DS3, DS6.

1 with only a toll trunk switching capability. The “edge” switches do not have a “line,”  
2 or “customer,” side and cannot provide dial tone or vertical features. They are, like  
3 the 4ESS, purely trunk switching machines.

4  
5 AT&T’s fourteen (14) toll switches, when used to provide the ADL product, are  
6 serving only large enterprise customers connected to the switches via high-capacity  
7 “special access” arrangements through long-term contracts. The switches are not, and  
8 cannot be, used to provide local service to mass market customers and are therefore  
9 not relevant to the TRO’s mass market switching trigger tests.

10  
11 BellSouth’s inclusion of data about these switches in its triggers case, with full  
12 knowledge of their characteristics and limitations, skews its analysis, results in  
13 misleading conclusions, and renders the overall evaluation of its trigger case  
14 unreliable and incompetent for supporting a commission decision.

15  
16 **Q. HOW DID VERIZON DEPICT AT&T’S SWITCH AND NETWORK**  
17 **DEPLOYMENT IN ITS DIRECT TESTIMONY?**

18 A. Mr. Fulp also relies upon the LERG as his source of data. Verizon did not serve  
19 interrogatories on AT&T about these matters, so I cannot say that Mr. Fulp ignored  
20 AT&T’s information. He simply did not ask. As a result, the table on page 15 of his  
21 direct testimony incorrectly identifies AT&T as having three (3) local switches in  
22 Verizon’s territory when, in fact, we have one (1) local switch and two (2) toll  
23 switches, as discussed above. The single AT&T local switch in Verizon’s territory is

1 associated with **BEGIN CONFIDENTIAL \*\* \*\* END CONFIDENTIAL**  
2 mass market capable collocations. There are ninety (90) wire centers in Verizon's  
3 Florida territory. Thus, just as in the BellSouth territory, AT&T's actual deployment  
4 of facilities capable of supporting mass market customers is very limited and  
5 overstated by the Verizon's "evidence". AT&T's Tampa switch serves no residential  
6 customers and a business universe that is 98% enterprise.

7  
8 **III.**  
9 **KNOWLEDGE OF WHERE CLECS ARE ACTUALLY PROVIDING**  
10 **COMPETITIVE CHOICES TO CUSTOMERS THROUGH THE USE OF BOTH**  
11 **UNE-P AND UNE-L, IS VITAL TO THE COMMISSION'S TASKS IN THIS**  
12 **DOCKET.**  
13

14 **Q. ON PAGE 10 OF HIS TESTIMONY, BELLSOUTH WITNESS W. KEITH**  
15 **MILNER PROVIDES AN EXTRACT FROM THE TESTIMONY OF AN**  
16 **AT&T WITNESS IN DOCKET 000731-TP, NOVEMBER, 2000. MR. MILNER**  
17 **CLAIMS THE EXTRACT IS A DEMONSTRATION OF "CLEC**  
18 **ARCHITECTURAL CONSIDERATIONS," STATES THAT CLEC**  
19 **NETWORKS ARE "NOT CONFIGURED LIKE BELLSOUTH'S", "RELYING**  
20 **ON FEWER SWITCHES AND MORE TRANSPORT." IS THE TESTIMONY**  
21 **MR. MILNER HAS SELECTED DESCRIPTIVE OF HOW AT&T (OR ANY**  
22 **OTHER CLEC) MAKES DECISIONS ABOUT WHEN, WHERE, AND HOW**  
23 **TO DEPLOY ITS NETWORK TO SERVE CUSTOMERS?**

24 **A.** No. The issue being discussed in AT&T's Arbitration in November, 2000, was the  
25 rate BellSouth should pay AT&T when BellSouth terminated calls to one of AT&T's  
26 switches. (See Exhibit No. \_\_\_\_\_, JMB-R2 for a more complete extract showing the



1 context in which this testimony was presented.) AT&T's position that the "tandem  
2 rate" should apply was ultimately upheld. The purpose of the testimony Mr. Milner  
3 has selected was to demonstrate that the potential coverage of AT&T's switches was  
4 comparable to that of a BellSouth tandem switch – a requirement for eligibility to  
5 receive the tandem rate. It does not address the process or factors used in determining  
6 if it is economic to deploy network equipment to actually serve the customers based  
7 upon where they are located relative to the ILEC's legacy network. The statements  
8 that "AT&T has the ability to connect..." and "TCG is able to connect..." do not  
9 provide any information about how AT&T, or any other CLEC, determines whether it  
10 is economic to make such connections. Therefore, I believe Mr. Milner misses the  
11 mark on a very important issue that must be determined at this hearing.

12  
13 As I indicated in my direct testimony, a crucial issue in this proceeding is not whether  
14 a CLEC simply "can" connect its switch with the local loops of the end user, but  
15 whether a CLEC can "efficiently use" its own switch to connect to the local loops of  
16 end users. In contrast, the issue being discussed in the testimony Mr. Milner has  
17 selected was geographic comparability not the actual deployment of network facilities  
18 to serve customers.

19  
20 **Q. IN MR. MILNER'S DIRECT TESTIMONY HE PRESENTS INFORMATION**  
21 **ABOUT THE OPTIONS BELL SOUTH SAYS ARE AVAILABLE TO CLECS**  
22 **IN BUILDING NETWORKS TO SERVE MASS MARKET CUSTOMERS**  
23 **USED IN THE BELL SOUTH ANALYSIS OF COMPETITIVE ENTRY**

1           **(“BACE”) MODEL. IN YOUR DIRECT TESTIMONY YOU CONTRAST**  
2           **ILEC AND CLEC NETWORKS. DO ANY DIFFERENCES IN HOW THE**  
3           **TWO OF YOU DESCRIBE CLEC NETWORKS IMPACT YOUR**  
4           **CONCLUSIONS THAT CLECS ARE IMPAIRED BY THE ILEC’S LEGACY**  
5           **NETWORK ARCHITECTURE?**

6    A.    No. We both agree that CLEC networks are not configured like BellSouth’s and that  
7           CLEC’s must rely on fewer switches and more transport than BellSouth.    Mr.  
8           Milner’s testimony describing the network architecture assumptions underlying the  
9           BACE model is sufficiently generic as to be non-controversial. However, a number of  
10          other BellSouth witnesses point to Mr. Milner’s testimony and to the extract from  
11          AT&T’s Arbitration testimony in 2000 to support some particularly outlandish  
12          positions.

13  
14          Each of the three “Network Construct” options Mr. Milner describes in his testimony  
15          explains how customers served from an ILEC central office (or wire center) are  
16          connected to the CLEC’s switch using either EELs and collocations or collocations  
17          alone. In each option he describes the central office or wire center serving the  
18          customer’s loop as the starting point of the analysis. The customer’s wire center is  
19          essential to the “Network Construct” and the process of determining whether it is  
20          economic to serve customers in that wire center. This central role for the wire center  
21          is also noted in the testimony of BellSouth’s witnesses James Stegeman and Dr.  
22          Debra Aron, and throughout Mr. Stegeman’s exhibits on BACE. However, despite  
23          the testimony of witnesses Milner, Stegeman and Aron, two other BellSouth

1 witnesses make the outlandish claims that the wire center concept has no meaning  
2 and that where the customer is located is unnecessary information in determining  
3 whether CLECs can use their own switching facilities to economically and efficiently  
4 serve mass market customers.

5  
6 **Q. WHICH OTHER BELLSOUTH WITNESSES MAKE THE CLAIM THAT**  
7 **THE WIRE CENTER HAS NO MEANING?**

8 A. Dr. Christopher Jon Pleatsikas and Ms. Pamela A. Tipton.

9  
10 **Q. PLEASE DISCUSS DR. PLEATSIKAS' CLAIM.**

11 A. Citing to the hearing transcript in the same AT&T arbitration cited by Mr. Milner  
12 (FPSC Docket 0007321-TP, Tr. at page 94), Dr. Pleatsikas concludes his testimony as  
13 follows:

14 Therefore, the wire center concept has no meaning with regard to market  
15 definition, and **specifically no economic meaning in terms of how CLECs**  
16 **provision services to their end users.** The geographic scope of the service  
17 offered is limited by the CLEC's ability to economically serve those  
18 customers using the CLECs' network design, not by the location or span of  
19 BellSouth's wire centers. (Pleatsikas Direct, Page 11, lines 15-19. Emphasis  
20 added.)

21 Dr. Pleatsikas' testimony is designed to support the concept of defining the mass  
22 market to be Component Economic Areas ("CEA") divided by UNE Zones, but his  
23 statements about wire centers having no meaning in determining whether that market  
24 definition is valid, or in determining whether it is economic for CLECs to serve  
25 customers in a given wire center, are misleading and have the potential of defining a  
26 market in such a manner that only certain customers will have competitive choices. If  
27 a wire center, included in a market as defined by Dr Pleatsikas, cannot be

1 economically and efficiently served by any CLEC using its own switching facilities,  
2 the mass market customers in that wire center having a competitive choice through  
3 CLECs' use of UNE-P will lose that choice, and be able to obtain POTS only from  
4 the ILEC.

5  
6 Sprint's witness, Brian K. Stairh, at page 5, lines 3-22 of his direct testimony,  
7 discusses the requirement, supported by the TRO's language in ¶ 501 and ¶ 517, that  
8 for impairment to be found non-existent, competition must exist throughout the whole  
9 market, not only in portions of the market.

10  
11 In his direct testimony, FCCA witness Joseph Gillan discusses the concept of  
12 "competitive signature" (pages 36-52), and in their joint rebuttal testimony, FCCA  
13 witnesses Don J. Wood and Joseph Gillan discuss other aspects, concepts and tools  
14 the Commission should use to evaluate whether impairment no longer exists  
15 ubiquitously across a defined market area from the wire center level up.

16  
17 **Q. DOES COMPETITION FOR MASS MARKET POTS CUSTOMERS**  
18 **CURRENTLY EXIST IN EVERY FLORIDA BELLSOUTH WIRE CENTER?**

19 A. Yes. The evidence in this docket clearly demonstrates that one or more CLECs, using  
20 UNE-P, provide service to customers in every BellSouth wire center. Therefore, in  
21 testing any BellSouth market definition, the Commission must assure itself that UNE-  
22 L competition will exist in every wire center. Any lesser result means that the  
23 Commission will be making an affirmative decision to deny competitive choice to

1 customers who have it today and ignoring the real economic and operational  
2 impairment faced by CLECs.

3  
4 **Q. PLEASE DISCUSS MS. TIPTON'S CLAIM THAT THE LOCATION OF**  
5 **CUSTOMERS IN A MARKET IS IRRELEVANT.**

6 A. On page 14 of her direct testimony Ms. Tipton, referencing Mr. Milner's testimony  
7 discussed above, reaches the following incorrect conclusion about the need to provide  
8 more specific information regarding the location of CLEC customers served via  
9 UNE-L:

10 Given that, the actual physical location of the individual end users in each  
11 market area is not relevant. If the CLECs have chosen to serve certain  
12 customers in BellSouth's market areas, according to the CLECs, they can  
13 serve any customers in those market areas. (Tipton Direct, page 14, lines 11-  
14 14.)

15  
16 "Are," "can" and "can economically," represent three different concepts, only two of  
17 which, "are" and "can economically," have relevance to the task before this  
18 Commission as a result of the TRO. The "trigger" tests are concerned with "are" -  
19 what competitive choices actually exist and where they exist, as a result of the  
20 implementation of both UNE-P and UNE-L. The "potential deployment" test is  
21 concerned with "can economically" and, as is noted in the testimony of BellSouth's  
22 witnesses Milner, Stegerman and Aron, BellSouth incorporates where by basing its  
23 analysis on a wire center focused analysis.

24  
25 Ms. Tipton's claim that customer location is not relevant to her trigger analysis denies  
26 the Commission knowledge of the actual data it needs, both to determine whether

1 impairment has ceased to exist in any given market and to protect mass market  
2 customers who currently have competitive choices. AT&T served BellSouth with  
3 discovery in an attempt to obtain this necessary information. Analysis of the data in  
4 BellSouth's response to AT&T's Interrogatory 125 reveals that facilities based  
5 competition is present in only 113 (57%) of BellSouth's 198 Florida wire centers. In  
6 many of the 113 wire centers, fewer than 3 CLECs are actually present.

7  
8 **Q. WHY IS DATA ABOUT WHICH WIRE CENTERS ARE BEING SERVED BY**  
9 **CLECS USING UNE-L VITAL TO THE COMMISSION'S TASK?**

10 A. As I noted above, customers located in 100% of BellSouth's wire centers have  
11 competitive choices today through one or more CLECs offering service using UNE-P.  
12 That simply is not the case for UNE-L. For example, AT&T offers service using  
13 UNE-L in only **BEGIN CONFIDENTIAL \*\* \*\* END**  
14 **CONFIDENTIAL** of the 198 BellSouth wire centers in Florida. To my knowledge,  
15 there is no combination of CLECs that results in 100% coverage of BellSouth's wire  
16 centers using UNE-L. BellSouth's answer to AT&T's Interrogatory No. 89 states that  
17 there are no collocation arrangements in 70 of its Florida wire centers and their  
18 response to AT&T's Interrogatory No. 10 reveals that BellSouth has never performed  
19 a hot cut in 92 of its Florida wire centers. As noted above, there is no facilities based  
20 competition in 57% of BellSouth's Florida wire centers.

21  
22 Based on triggers, a finding that impairment does not exist in a market that contains  
23 one or more of these wire centers means that customers who currently have

1 competitive choices for local service, by way of UNE-P, will lose those choices.

2 Such a result is inconsistent with the Act, the TRO, and Florida Statutes as discussed  
3 by FCCA witness Joseph Gillan, and would be a Type 1 error of the type described in  
4 the testimony of MCI witness Dr. Mark T. Bryant, i.e., a finding that CLECs without  
5 access to unbundled switching are not impaired when, in fact, they are impaired.

6  
7 **Q. DOES TESTIMONY SUBMITTED BY VERIZON CONTAIN ANY SIMILAR**  
8 **CLAIMS CONCERNING CLECS AND THE RELEVANCE OF WIRE**  
9 **CENTERS?**

10 A. Yes. Verizon witness Orville D. Fulp makes two references to the testimony of an  
11 AT&T panel in New Jersey earlier this year (Fulp Direct, page 12, line 5, and page  
12 17, line 16.) As in the case of the testimony cited by Mr. Milner of BellSouth, the  
13 testimony Mr. Fulp cites occurs in an arbitration proceeding, is concerned with the  
14 tandem rate issue, and is not related to how CLECs make determinations as to when,  
15 where and how to implement UNE-L market entry strategies. (Exhibit No. \_\_\_\_,  
16 JMB-R3 provides the testimony Mr. Fulp references in more complete context.)  
17 AT&T has also served Verizon with discovery to obtain the information necessary for  
18 the Commission's consideration in this docket. Analysis of Verizon's response to  
19 AT&T's Interrogatory 122 reveals that facilities based competition is present in only  
20 39 (43%) of Verizon's 90 Florida wire centers. In many of the 39 wire centers, fewer  
21 than 3 CLECs are actually present

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**IV.  
THE CLECS ABILITY TO BENEFIT BY PROVISIONING DSL SERVICES TO IT  
CUSTOMERS IN FLORIDA IS OVERSTATED BY BELL SOUTH'S  
ASSUMPTIONS.**

**Q. IN YOUR DIRECT TESTIMONY (PAGE 42), YOU CONTRASTED THE  
CLECS' AND ILECS' ABILITIES TO PROVIDE DSL SERVICES TO  
CUSTOMERS. HOW DOES BELL SOUTH ADDRESS THIS IN ITS DIRECT  
TESTIMONY?**

A. Mr. Milner recognizes that limitations exist, without being specific as to what the limitations are. "By choosing this configuration, the CLEC also gives itself access to more loops composed entirely of copper facilities, thus enlarging its Digital Subscriber Line ("DSL") footprint..." (Milner Direct, page 5, lines 11-13). In contrast, Dr. Aron's assumptions about CLEC DSL penetration in her Exhibit DJA-05, and thus in the BACE model, do not reflect any consideration of these limitations. For residential customers, Dr. Aron assumes a 5% penetration rate in year one, leaping to 15% in year three. For the small office, home office ("SOHO") customer, she assumes an astounding 10% penetration in year one, leaping to 25% in year three. To place these assumptions in perspective, BellSouth's current penetration rate for its retail FastAccess Service is approximately 6% after being in the market since 1998. CLECs using UNE-L can only offer DSL service to those customers to whom it can obtain an all copper loop of less than 18,000 feet free of any defects that disqualify it for DSL service. The data provided by BellSouth in its response to AT&T's



1 Interrogatory No. 25 reveals that only 42% of BellSouth's loops in Florida are all  
2 copper; however, as I noted in my Direct Testimony, BellSouth states that it can  
3 provide its retail FastAccess Service to over 86% of its customers. Therefore, at best,  
4 CLECs in Florida using UNE-L have less than half the capability to provide DSL  
5 service to customers as BellSouth.

6  
7 The actual percentage of all copper loops will obviously vary by wire center, but Dr.  
8 Aron's assumptions need to be revised to reflect reality before being used in any  
9 BACE analysis.

10  
11 Overstated assumptions about product penetrations will generate overstated revenues  
12 and result in false determinations that entry in a given market is economically  
13 possible.

14  
15 **V.**  
16 **IMPAIRMENT CAUSED BY EXISTING LEGACY NETWORK TECHNOLOGY**  
17 **CANNOT BE CURED BY IMPROVEMENTS TO THE HOT CUT PROCESS**  
18 **- BATCH, BULK, OR ROLLING**  
19

20 **Q. IN HIS TESTIMONY ON PAGE 16, LINES 7 - 21, BELLSOUTH WITNESS**  
21 **MR. RUSCILLI SUGGESTS THAT ONE OF THE KEY REASONS**  
22 **BELLSOUTH HAS DEVOTED SO MUCH OF ITS DIRECT TESTIMONY TO**  
23 **HOT CUTS IS BECAUSE IT EXPECTS CLECS, AT&T, AND/OR FCCA TO**  
24 **ADVANCE THE ARGUMENT THAT NO ADEQUATE HOT CUT PROCESS**  
25 **IS POSSIBLE USING EXISTING TECHNOLOGY, AND FURTHER THAT**

1           **THE FCC “REJECTED AT&T’S PROPOSAL” FOR ELECTRONIC LOOP**  
2           **PROVISIONING (“ELP”) IN THE TRO. DID THE FCC “REJECT” AT&T’S**  
3           **ELP PROPOSAL?**

4    A.    No. The FCC’s substantive discussion of ELP occurred in a single paragraph of the  
5           TRO (491) that ended as follows:

6                         Given our conclusions above, we decline to require ELP at this time, although  
7                         we may reexamine AT&T’s proposal if hot cut processes are not, in fact,  
8                         sufficient to handle necessary volumes. (TRO ¶ 491)  
9

10           The FCC did not reject ELP, it reserved the right to consider requiring it in the future.

11  
12    **Q.    IS AT&T PROPOSING THAT THIS COMMISSION ORDER THE**  
13           **IMPLEMENTATION OF ELP AS A RESULT OF ITS DELIBERATIONS IN**  
14           **THIS DOCKET?**

15    A.    No. That is not the purpose of this docket, nor is ELP an issue in this docket.  
16           However, AT&T believes that, as a result of this docket, the Commission will find  
17           that, without access to unbundled local switching and UNE-P, the CLECs are  
18           impaired, just as the FCC determined. The FCC based its determination solely on the  
19           issues it found in the evidence before it relating to the ineffectiveness of the hot cut  
20           process. The FCC noted that there were likely other causes of impairment  
21           (operational and economic) in addition to hot cuts and charged state regulators, like  
22           this Commission, to investigate those in the “nine month” proceedings at the same  
23           time the states validated the finding of impairment resulting from the hot cut process.

24  
25           AT&T firmly believes this Commission will find that impairment in Florida is

1 widespread and results not only from hot cuts, but also from a number of operational  
2 and economic factors directly related to the limitations of the existing legacy  
3 technology. AT&T's ELP proposal directly attacks all of the technology limitations  
4 and, therefore, has the potential to eliminate impairment economically and  
5 effectively.

6  
7 The Commission should open a separate docket to address how to eliminate the  
8 impairment it will find here. It is in that docket that ELP and any other proposals  
9 with potential to eliminate impairment should be considered.

10  
11 AT&T's discussion of ELP in this docket in no way complicates or obscures this  
12 Commission's task in investigating the impairments CLECs face in Florida. Rather,  
13 it demonstrates that the impairment we are confident the Commission will find can be  
14 cured through an industry effort similar to that which was required to remove the  
15 impairments to competition in the long distance market through the implementation  
16 of equal access.

17  
18 As I pointed out in my direct testimony, the technology and equipment necessary to  
19 implement ELP are available today and are being deployed and used by the ILECs in  
20 association with their deployment of DSL services. (Direct, page 49.)

21  
22 **VI.**  
23 **CONCLUSION**  
24

1 Q. PLEASE SUMMARIZE YOUR REBUTTAL TESTIMONY.

2 A. Contrary to BellSouth's and Verizon's assertions, AT&T's use of its local switches  
3 and network in Florida does not meet the requirements of the TRO for AT&T to be  
4 identified as a trigger in any BellSouth or Verizon defined market. AT&T does not  
5 provide any mass market residential service. AT&T's universe of business customers  
6 served is 87% enterprise. The small number of very small business customers being  
7 served is an artifact of a prior failed business plan that will not be revived and that is  
8 not being used to provide service to new very small business customers. AT&T is not  
9 actively provisioning UNE-L service to very small business customers.

10

11 BellSouth has misrepresented the CLECs' actual deployment of local switches and  
12 networks in its direct testimony and failed to provide the Commission with the data to  
13 support BellSouth's claims.

14

15 BellSouth has compounded its failure to provide the data to support its claims by  
16 improperly asserting that the location of customers being served by both UNE-P and  
17 UNE-L, but particularly UNE-L, is irrelevant. Knowing where competition exists  
18 today using UNE-P, but would not exist in the future if UNE-P were made  
19 unavailable, is critical to the Commission's requirement to foster the on-going  
20 development and preservation of competition for local service.

21

1 BellSouth has overstated assumptions about the CLECs' ability to provide DSL  
2 services in a manner that may lead to the erroneous determination that entry in a  
3 given market is economically possible.

4

5 The impairment caused by the existing legacy network technology cannot be cured by  
6 improvements to the hot cut process, be they "batch", "bulk", or "rolling" processes.

7 AT&T's Electronic Loop Provisioning proposal is capable of curing these

8 deficiencies, but curing the continuing impairment that AT&T believes the

9 Commission will find exists is not an issue in this proceeding. The Commission

10 should open a separate docket to address how to eliminate the impairment it will find

11 in this docket.

12

13 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

14 **A.** Yes, at this time.

15

REQUEST: BellSouth First Set of Interrogatories

DATED: October 9, 2003

Interrogatory 1: Identify each switch owned by AT&T that AT&T uses to provide a qualifying service anywhere in Florida, irrespective of whether the switch itself is located in the state and regardless of the type of switch (e.g., circuit switch, packet switch, soft switch, host switch, remote switch.)

Response: Subject to the following, see Confidential Attachments 1 and 1A. To the extent that the definitions of "qualifying service" and "non-qualifying service" as defined by BellSouth in BellSouth's First Set of Interrogatories to AT&T are different than the definitions of "qualifying" and "non-qualifying" service as defined in 47 C.F.R. § 51.5, this interrogatory is vague. Specifically, 47 C.F.R. § 51.5 defines a "qualifying service" as "a telecommunications service that competes with a telecommunications service that has been traditionally the exclusive or primary domain of incumbent local exchange carriers ("ILECs"), including, but not limited to, local exchange service, such as plain old telephone service ("POTS"), and access services, such as digital subscriber line services and high capacity circuits." "Non-qualifying services" are defined as services that are "not qualifying service[s]." Id. Subject to the foregoing, and without waiving any objection, AT&T will construe the terms contained in this interrogatory, and all other interrogatories, in accordance with 47 C.F.R. § 51.5 and applicable law and consider all traditional local telecommunications service as a "qualifying" service and all traditional long distance service as "non-qualifying" service.

Subject to the foregoing and pursuant to Section 1.340(c), Florida Rules of Civil Procedure, see Confidential Attachments 1 and 1a. These attachments provide information on two categories of switches used (and owned) by AT&T. The first category consists of "Class 5" switches.

The second category consists of switches used (and owned) by AT&T to provide AT&T Digital Link Service ("ADL") to enterprise using "Class 4" and "Class 5 edge" long-distance

switches. ADL is not a stand-alone local product but rather one that allows large enterprise AT&T long distance customers to add local voice traffic to their dedicated facilities that handle voice and data transmission. This permits customers to maximize efficiency by using the same trunks for local, intraLATA, long distance and international calls. Customers that subscribe to ADL service use a DS1 or higher level facility and must also employ sophisticated customer premises equipment on their premises. The switches are not capable of providing service to mass market customers because they do not have the necessary connectivity (i.e., line-side analog ports), functionality (e.g., vertical features like call waiting and call forwarding), and network interconnection, including connection to Public Safety Answering Points. AT&T does not use unbundled network elements to provide ADL service.

Provided by: Jay Bradbury

Supplemental  
Response

The ADL capable (enterprise) switches identified in Attachment 1b are identified by their toll switch CLLI codes, which end in a "T". In the LERG these same switches appear using a psuedo CLLI code ending in "DS\_" because the LERG will not accept the "T" code for a switch identified as having "end office functions" and having a "LRN".

The "Class 5 edge" long distance switches are either Lucent 5ESS or Nortel DMS switches. Both of these switch types are common in ILEC local networks. However, the switches used in the ILEC network to provide local services and the edge long distance switches in AT&T's network perform totally different functions.

Converting the edge switches to provide local services, would require extensive hardware modifications, software modifications, and E911 Connectivity, as well as supporting OSS modifications and connectivity. As a practical matter, the modifications required precludes conversion of these switches.

For Example: The 5ESS and DMS would need to be completely rebuilt/retrofitted to support local services. Only the basic 5ESS and DMS platform (equipment racks, containers/cabinets, and some switch modules) could be reused. Modifications

would include, but not limited to the following:

- OSS modifications (including loading of databases) and Connectivity to support Fault, Configuration, Account, Performance, and Security (FCAPS) Management, and other Operations, Administration, Maintenance, and Provisioning (OAM&P) processes (e.g., LIDB and ISCP).
- Software and Switch Memory Upgrades (and additional RTU Licenses) to support the Vertical Features required to provide local service.
- Line Side Peripheral Hardware Upgrades to support local services.
- E911 Connectivity and Support.
- AIN support (software and connectivity) to support IN Triggers.
- Announcement System (Hardware, Software, and Transport Facilities).
- 105 Test Line Responder Units (Hardware & Software)
- Test Buss Control Unit (TBCU) to support MLT type loop testing functions (Hardware)
- Additional Facilities and Interfaces (Hardware) required for DCS and SONET Connectivity to the Network.
- Building of ODD (Office Dependent Data) which is unique to each switch and relates to translations (lines) and parameters (equipment) which consists of information related to switch owner (line, trunk, routing, charging, equal access, BRCS) and/or the office equipment (quantity, configuration, equipage). This makes up the office database.



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47

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION  
DIRECT TESTIMONY OF  
DAVID L. TALBOTT  
ON BEHALF OF  
AT&T COMMUNICATIONS OF THE SOUTHERN STATES, INC.  
AND TCG SOUTH FLORIDA, INC.

DOCKET NO. 000731-TP

NOVEMBER 16, 2000

1 II. TANDEM SWITCH RATE

2 ISSUE 12

3

4 Q. WHAT DO THE FCC REGULATIONS PROVIDE ABOUT ALEC  
5 SWITCHES AND TANDEM RATES?

6 A. The FCC recognizes that there is parity between a competitive carrier's end  
7 office switch and an ILEC tandem switch. The FCC regulations, 47 C.F.R. §  
8 51.711 (a)(3), provide:

9 Where the switch of a carrier other than an incumbent LEC  
10 serves a geographic area comparable to the area served by  
11 the incumbent LEC's tandem switch, the appropriate rate  
12 for the carrier other than an incumbent LEC is the  
13 incumbent LEC's tandem interconnection rate.

14

15 Q. HAS THE FCC PROVIDED ANY ADDITIONAL GUIDANCE  
16 REGARDING THE ESTABLISHMENT OF TRANSPORT AND  
17 TERMINATION RATES?

18 A. Yes, it has. In the Local Competition Order, the FCC stated:

19 We find that the "additional costs" incurred by a LEC when  
20 transporting and terminating a call that originated on a  
21 competing carrier's network are likely to vary depending on  
22 whether tandem switching is involved. We, therefore,  
23 conclude that states may establish transport and termination

1 rates in the arbitration process that vary according to  
2 whether the traffic is routed through a tandem switch or  
3 directly to the end-office switch. In such event, states shall  
4 also consider whether new technologies (e.g., fiber ring or  
5 wireless networks) perform functions similar to those  
6 performed by an incumbent LEC's tandem switch and thus,  
7 whether some or all calls terminating on the new entrant's  
8 network should be priced the same as the sum of transport  
9 and termination via the incumbent LEC's tandem switch.  
10 Where the interconnecting carrier's switch serves a  
11 geographic area comparable to that served by the  
12 incumbent LEC's tandem switch, the appropriate proxy for  
13 the interconnecting carrier's additional costs is the LEC  
14 tandem interconnection rate.<sup>10</sup>

15  
16 Q. DO AT&T'S SWITCHES IN FLORIDA COVER A GEOGRAPHIC  
17 AREA COMPARABLE TO THE AREA COVERED BY BELL SOUTH  
18 SWITCHES?

19 A Yes. AT&T offers local exchange service in Florida via 4ESS switches,  
20 which function primarily as long distance switches, and 5ESS switches,  
21 which act as adjuncts to the 4ESS switches. AT&T has the ability to connect

---

<sup>10</sup> FCC Local Competition Order at ¶ 1090 (emphasis added)

1 virtually any qualifying local exchange customer in Florida to one of these  
2 switches through AT&T's dedicated access services.  
3 TCG provides local exchange services using Class 5 switches. TCG is able  
4 to connect virtually any customer in a LATA to the TCG switch serving that  
5 LATA either through (1) TCG's own facilities built to the customer premises,  
6 (2) UNE loops provisioned through collocation in BellSouth end offices, or  
7 (3) using dedicated high-capacity facilities (in special access services or  
8 combinations of UNEs purchased from BellSouth).<sup>11</sup>  
9 AT&T requests that the Commission order BellSouth to pay AT&T  
10 BellSouth's tandem interconnection rate for the termination of local traffic at  
11 any AT&T Communications switch and any TCG switch. AT&T is justified  
12 in its request because the geographic area covered by each switch is  
13 comparable to the area covered by BellSouth's tandem switches.

14

15 Q. HAVE YOU PREPARED ANY MATERIALS THAT WILL ASSIST  
16 THE COMMISSION IN DETERMINING THE GEOGRAPHIC  
17 COVERAGE OF AT&T'S AND TCG'S SWITCHES?

18 A. To assist the Commission in understanding this issue, I have prepared a series  
19 of maps that are marked as Exhibit DLT-6. Exhibit DLT-6 contains both

20

---

<sup>11</sup> AT&T and TCG are separate legal entities, are separately certified in Florida, and should be treated as separate entities under the completed agreements. Moreover, their local service networks provide entirely distinct services and products to distinct classes of customers and are not integrated in any way. Accordingly, each entity should be examined separately for purposes of determining whether that entity meets the requirements under 47 C.F.R. § 51.711 (A)(3).

**BEFORE  
THE NEW JERSEY BOARD OF PUBLIC UTILITIES**

In re: Applications of	*	
	*	
AT&T COMMUNICATIONS OF NJ, L.P.	*	
	*	Docket No. TO00110893
TCG DELAWARE VALLEY, INC.	*	
	*	
TELEPORT COMMUNICATIONS NEW YORK	*	
	*	
	*	
Petition for Arbitration of Interconnection	*	
Rates, Terms and Conditions and Related	*	
Arrangements with Verizon New Jersey Inc.	*	
Pursuant to Section 252(b) of the	*	
Telecommunications Act of 1996	*	
	*	

**PANEL DIRECT TESTIMONY  
OF AT&T COMMUNICATIONS OF NEW JERSEY, L.P. ET AL**

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DATE:                      FEBRUARY 25, 2003

1           One thing is clear about Verizon's proposed interpretation, however. It has the  
2 effect of penalizing CLECs entering the market, because they would not yet have had  
3 sufficient time to build their customer bases to be "comparable" to the size and scope of  
4 Verizon. Accordingly, AT&T is entitled to be compensated at the Verizon tandem rate  
5 for termination of Verizon's traffic delivered to all of AT&T's switches that are capable  
6 of serving a geographical area comparable to Verizon's tandem switches.

7       **Q.    ARE AT&T'S SWITCHES IN NEW JERSEY CAPABLE OF SERVING A**  
8       **GEOGRAPHICAL AREA COMPARABLE TO VERIZON'S TANDEM**  
9       **SWITCHES?**

10      A.    Yes, they are. Because AT&T's switches are capable of serving geographical  
11 areas comparable to Verizon's tandem switches in New Jersey, the Board should order  
12 Verizon to pay the applicable tandem interconnection rate for the termination of local  
13 traffic at each AT&T switch.

14           AT&T offers local exchange service in New Jersey utilizing two separate  
15 networks. One network is operated on behalf of AT&T Communications of New Jersey  
16 LLC. ("AT&T Communications"). The second network is operated on behalf of  
17 TCG Delaware Valley, Inc. and Teleport Communications New York (together, "TCG").  
18 Their local service networks provide entirely distinct services and products to distinct  
19 classes of customers and are not integrated.

20           AT&T Communications has deployed 4ESS switches, which function primarily  
21 as long distance switches, and 5ESS switches, which act as adjuncts to the 4ESS  
22 switches. AT&T Communications has the ability to connect virtually any qualifying  
23 local exchange customer in New Jersey to one of these switches through access services  
24 offered by AT&T or another access provider (as, for example, in the case of a business

1 customer with calling volumes sufficient to justify the cost of dedicated access  
2 arrangements).

3 TCG provides local exchange services using Class 5 switches. TCG is able to  
4 connect virtually any qualifying customer in a LATA to the TCG switch serving that  
5 LATA either through (1) TCG's own facilities built to the customer premises, (2) UNE  
6 loops provisioned through collocation in Verizon end offices, or (3) using dedicated high-  
7 capacity facilities (in special access services or combinations of UNEs purchased from  
8 Verizon).

9 Because the AT&T Communications and the TCG networks are separate and not  
10 integrated, it is appropriate for the Board to make a separate judgment whether the AT&T  
11 Communications and TCG networks each meet the requirement of the tandem rate rule.

12 **Q. HAVE YOU PREPARED ANY DOCUMENTATION THAT**  
13 **DEMONSTRATES THAT AT&T'S SWITCHES COVER A**  
14 **GEOGRAPHIC AREA COMPARABLE TO THE AREAS COVERED BY**  
15 **VERIZON'S TANDEM SWITCHES?**

16 A. Yes. To assist the Board in resolving this issue, we have prepared a series of  
17 maps that are marked as Exhibit TS-1 through TS-4.<sup>77</sup> The first map, Exhibit TS-1,  
18 provides the number of switches Verizon currently operates and the areas these switches  
19 serve in New Jersey on a LATA-by-LATA basis. The second map, Exhibit TS-2, shows  
20 the number of switches AT&T Communications currently operates and the areas these  
21 switches serve in New Jersey on a LATA-by-LATA basis. Thus, while AT&T

---

<sup>77</sup> Statewide and LATA-specific maps were created by using data contained in the Local Exchange Routing Guide ("LERG"). The LERG, produced by Telcordia Technologies, contains routing data that supports the current local exchange network configuration within the North American Numbering Plan (NANP) as well as identifying reported planned changes in the network. The LERG data in conjunction with MapInfo V-4.1.1.2, a commercial mapping software package, was used to prepare the attached state-wide and LATA-specific maps.

**BEFORE  
THE NEW JERSEY BOARD OF PUBLIC UTILITIES**

In re: Applications of

AT&T COMMUNICATIONS OF NJ, L.P.

TCG DELAWARE VALLEY, INC.

TELEPORT COMMUNICATIONS NEW YORK

Petition for Arbitration of Interconnection  
Rates, Terms and Conditions and Related  
Arrangements with Verizon New Jersey Inc.  
Pursuant to Section 252(b) of the  
Telecommunications Act of 1996

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Docket No. TO00110893

**PANEL REBUTTAL TESTIMONY  
OF AT&T COMMUNICATIONS OF NJ, L.P. ET AL**

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DATE:                    MARCH 18, 2003



1

2 **Q. IS VERIZON CONTENDING THAT AT&T MUST “ACTUALLY SERVE”**  
3 **CUSTOMERS IN EACH VERIZON RATE CENTER SERVED BY AN**  
4 **AT&T SWITCH?**

5

6 A. Verizon does not make such an assertion explicitly. Accordingly, Verizon  
7 appears to recognize the proposition that facilities-based CLECs design their  
8 networks to satisfy the economics of serving market shares that are smaller than  
9 the monopoly for which Verizon designed and built its own network. Efficiency  
10 demands that CLECs deploy switches to serve broad geographic areas, and not  
11 within each specific rate center for which Verizon has built out its network. The  
12 FCC has never articulated a requirement that a facilities-based CLEC must serve  
13 individual customers in *each* ILEC rate center served by a CLEC switch. Such a  
14 requirement would be fundamentally arbitrary since it would presume that  
15 competitors must replicate the network design that Verizon followed to fulfill its  
16 monopoly obligations. This is contrary to the reasoning the FCC gave for  
17 promulgating 47 C.F.R. § 51.711(a)(3).<sup>42</sup>

18 **Q. WHAT IS THE CORRECT READING OF FCC RULE 51.711(A)(3)?**

19 A. FCC Rule 51.711(a)(3) imposes none of the exacting standards that Verizon  
20 would use to avoid having to pay AT&T at the tandem reciprocal compensation  
21 rate. The rule provides a proxy for the additional costs a CLEC incurs to  
22 terminate Verizon’s traffic to *any* customer on a CLEC network. These costs  
23 consist of both switch and distribution facilities costs for a CLEC network that is

---

<sup>42</sup> *Local Competition Order*, ¶ 1090.

1 designed to serve an area comparable to that served by an ILEC tandem switch.  
2 Verizon's specific network is characterized by numerous switches and relatively  
3 shorter distribution facilities. AT&T competes with Verizon for local-service  
4 customers using fewer switches and comparatively longer distribution facilities.  
5 Currently, AT&T has a menu of options that it can use to economically connect  
6 end users located relatively far from a switch. These options include: (1) high-  
7 capacity fiber optic rings to commercial buildings and multiple dwelling units;  
8 (2) fixed-wireless technology, such as 38 GHz systems; (3) UNE loop resale  
9 through AT&T collocation in Verizon end offices; and (4) dedicated high-  
10 capacity facilities (in some cases using special access services purchased from  
11 Verizon but more appropriately through combinations of UNEs). Due to the very  
12 high initial cost of switching platforms as compared to the lower incremental cost  
13 of high-capacity facility systems, AT&T has chosen to deploy fewer switches and  
14 more transport on the end-user side of the switch. It is not the capability of the  
15 switch alone that makes a switch capable of serving a certain geographic area, but  
16 rather a network configuration that consists of switching, available loop facilities,  
17 and interconnection facilities. AT&T has deployed a facilities-based network that  
18 provides the same functionalities as Verizon's facilities-based network for  
19 providing local service. The evidence that AT&T provided in its Direct  
20 Testimony specifies all of the areas where AT&T has deployed such capabilities.

21