

James Meza III
Senior Regulatory Counsel

BellSouth Telecommunications, Inc.
150 South Monroe Street
Room 400
Tallahassee, Florida 32301
(404) 335-0769

November 14, 2005

Mrs. Blanca S. Bayó
Director, Division of the Commission Clerk and
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 050419-TP
In Re: Petition of MCImetro Access Transmission Services, LLC
For Arbitration of Certain Terms and Conditions of Proposed
Agreement with BellSouth Telecommunications, Inc. Concerning
Interconnection and Resale Under the Telecommunications
Act of 1996

Dear Ms. Bayó:

Enclosed are an original and fifteen copies of BellSouth Telecommunications, Inc.'s Direct Testimony of Shelley L. Decker, which we ask that you file in the captioned docket. This testimony is to **replace** her Direct Testimony filed on October 21, 2005 because MCI claims the testimony contains MCI confidential business information.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served to the parties shown on the attached Certificate of Service.

Sincerely,



James Meza III

Enclosures

cc: All parties of record
Jerry D. Hendrix
Nancy B. White
R. Douglas Lackey

606846

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

**CERTIFICATE OF SERVICE
DOCKET NO. 050419-TP**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via
Federal Express and Electronic Mail Mail this 14th day of November, 2005 to the
following:

Jason Rojas
Kira Scott
Kitessa Kennedy
Staff Counsels
Florida Public Service
Commission
Division of Legal Services
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
Tel. No. (850) 413-6179
Tel. No. (850) 413-6216
irojas@psc.state.fl.us
kscott@psc.state.fl.us
kkennedy@psc.state.fl.us

Floyd Self
Messer, Caparello & Self, P.A.
215 South Monroe Street, Ste. 701
Tallahassee, FL 32302
Tel. No. (850) 222-0720
Fax. No. (850) 224-4359
fself@lawfla.com
Counsel for MCI

Donna Canzano McNulty
MCI, Inc.
1203 Governors Square Boulevard
Suite 201
Tallahassee, FL 32301
Tel. No. (850) 219-1008
donna.mcnulty@mci.com

Dulaney L. O'Roark III
Kennard B. Woods
MCI, Inc.
Six Concourse Parkway
Suite 600
Atlanta, Georgia 30328
Tel. No. (770) 284-5497
Fax. No. (770) 284-5488
De.OROark@mci.com


James Meza III

1 BELLSOUTH TELECOMMUNICATIONS, INC.
2 DIRECT TESTIMONY OF SHELLEY L. DECKER
3 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
4 DOCKET NO. 050419-TP
5 OCTOBER 21, 2005
6

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

10
11 A. My name is Shelley L. Decker. I am employed by BellSouth as Senior
12 Product Manager for Interconnection Services. My business address is
13 675 West Peachtree Street, Atlanta, Georgia 30375.

14
15 Q. PLEASE SUMMARIZE YOUR BACKGROUND AND EXPERIENCE.

16
17 A. I graduated from Auburn University in Auburn, Alabama, in 1999, with a
18 Bachelor of Science in Business Administration. I began employment
19 with BellSouth in 2000 in the Interconnection Services Organization as
20 a Contract Negotiator. I moved to a position in product management in
21 this same organization and now work as a Senior Product Manager for
22 Local Interconnection and Switched Access products. In this position, I
23 am responsible for development of intercarrier compensation strategy

1 and initiatives, as well as overseeing lifecycle management of certain
2 Local Interconnection and Switched Access products.

3

4 Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?

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6 A. The purpose of my testimony is to provide BellSouth's position on
7 Issues 15, 21, 22, 24, and 25 as described in the Petition for Arbitration,
8 filed June 20, 2005, with the Florida Public Service Commission
9 ("Commission") by MCImetro Access Transmission Services, LLC
10 ("MCI" or "MCImetro").

11

12 ***Issue 15: Should the parties pay each other for two-way interconnection***
13 ***facilities based on their proportionate share of originated traffic or on a***
14 ***50-50 basis?***

15

16 Q. WHAT ARE TWO-WAY INTERCONNECTION TRUNKS AND
17 FACILITIES?

18

19 A. Two-way interconnection trunks and facilities connect the BellSouth
20 switch to the MCI switch for the exchange of both parties' traffic, as
21 defined by the Interconnection Agreement. In contrast to a two-way
22 trunk, a one-way trunk would only carry MCI's traffic to BellSouth or
23 vice versa.

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Q. WHO MAKES THE DECISION OF WHETHER TO UTILIZE ONE-WAY OR TWO-WAY TRUNKS?

A. This Commission held in the MCI/BellSouth prior arbitration proceeding (Docket No.000649-TP) that “good engineering will determine the parties’ practices” in establishing the type of trunking configuration in interconnection. See Order No. PSC-01-08240FOF-TP, Docket No. 000649-TP, at 73.

Q. WHAT IS BELLSOUTH’S POSITION?

A. BellSouth’s position is that the costs of two-way trunks should be split in half, followed by a semi-annual true-up, upon request by either party, to reconcile any unequal traffic patterns associated with the trunks.

Q. WHAT IS MCI’S POSITION?

A. MCI’s position is that the parties should pay each other based on their proportionate share of traffic carried over the two-way trunks, on a monthly recurring basis.

1 Q. CAN YOU FURTHER EXPLAIN BELLSOUTH'S POSITION?

2

3 A. Yes. BellSouth is willing to perform proportional billing based on each
4 party's use of the two-way trunks but BellSouth's systems are unable to
5 perform proportional billing on a monthly, per trunk basis. Rather,
6 BellSouth can only bill 50 percent of the rate applicable to the trunks on
7 a monthly recurring basis. However, BellSouth is willing to perform a
8 manual true-up every six months, upon request, to reflect the actual
9 usage of the two-way trunks by the parties. To implement the billing
10 sought by MCI would require BellSouth to spend millions of dollars that
11 MCI, presumably, is not willing to pay.

12

13 Q. HAS MCI EVER PROVIDED DATA TO BELLSOUTH TO SUGGEST
14 THAT BELLSOUTH IS ORIGINATING MORE TRAFFIC THAN MCI ON
15 TWO-WAY TRUNKS?

16

17 A. No. MCI has never provided BellSouth with information to suggest that
18 BellSouth originates more traffic than MCI on the parties' two-way
19 trunks. And, a recent limited study performed by BellSouth on MCI's
20 two-way trunks establishes that MCI is originating more local traffic and
21 transited traffic than BellSouth. Thus, MCI actually benefits from
22 BellSouth's position, because MCI is originating more traffic than
23 BellSouth on the trunks but is only paying 50 percent of the two-way

1 trunk on an initial basis.

2

3 Q. HOW MANY TWO-WAY TRUNKS DO THE PARTIES HAVE IN
4 FLORIDA?

5

6 A. Currently, MCI has a total of [REDACTED] trunks in service, carrying local
7 traffic. Of these [REDACTED] trunks only [REDACTED] are two-way trunks.
8 Therefore, the percentage of two-way trunks in service is [REDACTED] of MCI's
9 total local trunks in Florida.

10

11 Q. WHAT IS THE AMOUNT OF THE BILLINGS AT ISSUE WITH THIS
12 DISPUTE IN FLORIDA?

13

14 A. At a high level, assuming that all traffic is local and the two-way trunks
15 are riding DS1s, then the [REDACTED] two-way trunks equate to [REDACTED] DS1's.
16 The monthly recurring charge for a DS1 trunk in the current
17 Interconnection Agreement is \$34.49; therefore, BellSouth would bill
18 MCI a monthly amount of \$[REDACTED] for the [REDACTED] DS1s, which reflects [REDACTED]
19 percent of the total monthly charge of \$[REDACTED].

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1 ***Issue 21: For intraLATA toll traffic originated by an ICO, carried over***
2 ***BellSouth's network and then terminated by MCI: A) what rate is MCI***
3 ***entitled to charge BellSouth, if at all and B) what records should be used***
4 ***to bill BellSouth?***

5

6 Q. CAN YOU PLEASE DESCRIBE THE SUBPART (A)?

7

8 A. Yes. The issue relates to whether MCI can bill BellSouth for intraLATA
9 toll traffic originated by an Independent Company's (ICO's) end user
10 that is then switched and transported by BellSouth to MCI for
11 termination.

12

13 Q. WHAT IS THE RELATIONSHIP BETWEEN BELLSOUTH AND THE
14 FLORIDA ICOS WITH RESPECT TO INTRALATA TOLL TRAFFIC?

15

16 A. BellSouth and the Florida ICOs exchange intraLATA toll traffic pursuant
17 to an Originating Responsibility Plan called Modified Access-Based
18 Compensation (MABC). Under that plan, when an ICO end user
19 originates an intraLATA toll call, the ICO that serves that end user bills
20 the end user a toll charge and delivers that call to the terminating
21 carrier. The ICO, having collected and retained toll revenue from the
22 end user, pays terminating access to the carrier that terminated the call.
23 Thus, in a situation where an ICO originates an intraLATA toll call that

1 is destined for a third party that has not directly interconnected with the
2 ICO, the ICO sends the call to BellSouth as a transit provider.
3 BellSouth generates and delivers to the terminating carrier a call detail
4 record that the terminating carrier can use to bill the ICO for that call.

5

6 Q. WHAT IS BELLSOUTH'S POSITION AS TO SUBPART A?

7

8 A. In Florida, since BellSouth is not the toll provider for any ICO end users,
9 MCI should not charge BellSouth anything for BellSouth transiting the
10 call from the ICO end user to MCI for termination. Rather, MCI must
11 seek any compensation for terminating the call directly from the ICO.
12 As stated above, as with any Meet Point Billed transit traffic, BellSouth
13 provides industry standard call detail records to MCI that identifies the
14 originating carrier. All Facility Based CLECs have Meet Point Billed
15 arrangements with BellSouth. As a result, BellSouth is at a loss as to
16 why this is an arbitration issue in Florida.

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1 Q. CAN YOU PLEASE ADDRESS SUBPART (B) OF THE ISSUE
2 REGARDING WHAT RECORDS MCI SHOULD USE TO BILL
3 BELLSOUTH FOR TRAFFIC ORIGINATED BY AN ICO AS
4 DESCRIBED ABOVE?

5

6 A. MCI should not use any records, whether generated by BellSouth, by
7 MCI or by any third party, to bill BellSouth for intraLATA toll traffic
8 originated by a Florida ICO and terminated to MCI. As described
9 above, in this situation, BellSouth is simply transiting the traffic from the
10 ICO's end user to MCI's end user, and call compensation is solely
11 between the ICO and MCI.

12

13 ***Issue 22: How should FX-like or VNXX services offered by MCI to its***
14 ***customers be treated for intercarrier compensation purposes? If this***
15 ***traffic is not local, how should it be identified and what rates apply to it?***

16

17 Q. DO YOU HAVE ANY INITIAL COMMENTS?

18

19 A. Yes. As an initial matter, this is the third issue (see Issue 17(a) and (b))
20 that addresses whether MCI can avoid paying BellSouth switched
21 access charges for interLATA "FX-like" or virtual NXX calls. For the
22 sake of brevity and to avoid unnecessary duplication of arguments,
23 BellSouth will address this claim only once and through my testimony.

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

A. BellSouth's position is that, regardless of the telephone number that MCI assigns to its end user, access charges, not reciprocal compensation, should apply to calls that originate and terminate in two different LATAs.

Q. WHAT PROPOSAL HAS BELLSOUTH MADE TO IDENTIFY THESE CALLS FOR COMPENSATION PURPOSES?

A. BellSouth proposed that MCI identify the minutes that are originating from or terminating to telephone numbers assigned by MCI to end users outside the associated LATA.

Q. WHY IS IDENTIFICATION OF SUCH CALLS AND MINUTES NEEDED?

A. The requested identification of the minutes is necessary so that BellSouth will not pay reciprocal compensation for non-local calls to MCI and will receive switched access charges from MCI that BellSouth is due for interLATA toll calls. Without MCI performing the requested

1 identification, BellSouth has no way to determine the actual originating
2 location of the call for intercarrier compensation purposes.

3

4 Q. HAS THIS COMMISSION ADDRESSED THIS ISSUE?

5

6 A. Yes. The Florida Public Service Commission ("FPSC") has already
7 addressed this issue and determined that the end points of the call
8 should determine jurisdiction and that reciprocal compensation should
9 not apply to interLATA virtual NXX traffic. Specifically, the FPSC stated,
10 in pertinent part:

11 In addition, we find that intercarrier compensation
12 for calls to these numbers shall be based upon the
13 end points of the particular calls. This approach will
14 ensure that intercarrier compensation will not hinge
15 on a carrier's provisioning and routing method, or
16 an end user's service selection. We find that calls
17 terminated to end users outside the local calling
18 area in which their NPA/NXXs are homed are not
19 local calls for purposes of intercarrier
20 compensation; therefore, we find that carriers shall
21 not be obligated to pay reciprocal compensation for
22 this traffic.¹

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¹ *Investigation into appropriate methods to compensate carriers for exchange of traffic subject to Section 251 of the Telecommunications Act of 1996, Docket No. 000075-TP, Order No. PSC-02-1248-FOF-TP (Sept. 10, 2001).*

1 Q. HAVE OTHER COMMISSIONS IN BELLSOUTH'S REGION
2 ADDRESSED THIS ISSUE AND, IF SO, WHAT WAS ORDERED?

3

4 A. Yes. The Georgia Public Service Commission ("GPSC") ruled that the
5 jurisdiction of virtual NXX or virtual FX traffic should be determined by
6 the physical end points of the call and not based on the NPA/NXX
7 assigned to the call. Additionally, the GPSC ruled that reciprocal
8 compensation should not apply to Virtual FX traffic because these calls
9 are terminated in different local calling areas.² Specifically, the GPSC
10 stated, in pertinent part:

11 Determining the nature of Virtual FX traffic based
12 on the physical location of the callers is consistent
13 with the end-to-end analysis endorsed by the FCC.
14 The FCC has stated that "both court and [FCC]
15 decisions have considered the end-to-end nature of
16 the communications more significant than the
17 facilities used to complete such communications."
18 [citations omitted]. Application of an end-to-end
19 analysis to Virtual FX calls focuses on this traffic
20 traveling between local calling areas, and leads to
21 a conclusion that reciprocal compensation is not
22 due for these calls.
23

24 In addition, the Tennessee Regulatory Authority³ and the South

² *Generic Proceeding on Point of Interconnection and Virtual FX Issues*, Final Order, page 11, Docket No.13542-U (August 15, 2001)

³ *Petition for Arbitration of the Interconnection Agreement Between BellSouth Telecommunications, Inc. and Intermedia Communications, Inc. Pursuant to Section 252(b) of the Telecommunications Act of 1996*, Docket No. 99-00948, Interim Order of Arbitration Award, page 44. (June 25, 2001).

1 Carolina Public Service Commission⁴ both found that access charges
2 should apply to Virtual NXX traffic.⁵

3

4 Similarly, in the prior BellSouth/MCI arbitration proceeding in North
5 Carolina, (Docket No. P-474, Sub 10), the North Carolina Utilities
6 Commission ("NCUC") determined that reciprocal compensation only
7 applies to virtual NXX calls that originate and terminate within the same
8 LATA. See *Order Ruling On Objections*, Docket No. P-474, Sub 10 at
9 28 (Aug. 2, 2001). In reaching this conclusion the Commission focused
10 on the admissions of MCI:

11 The Commission notes that its conclusion in the
12 RAO limiting its decision to calls within a LATA
13 originated by BellSouth customers to MCI's FX
14 customers was due primarily to MCI's own
15 witness' testimony during the hearing. As the RAO
16 noted, ***MCI's witness Price agreed during cross-***
17 ***examination at the hearing that a call from a***
18 ***BellSouth customer in Lenior, North Carolina to***
19 ***a MCI's FX customer in Denver, Colorado is not***
20 ***a local call by virtue of the fact that the call***
21 ***crosses LATA boundaries.*** Further, witness
22 Price stated that MCI would be ***willing to agree***

⁴ *Petition of Adelpia Business Solutions of South Carolina, Inc. for Arbitration of an Interconnection Agreement with BellSouth Telecommunications, Inc. Pursuant to Section 252(b) of the Communications Act of 1934, as Amended by the Telecommunications Act of 1996*, Docket No. 2000-516-C, Order No. 2001-045 (January 16, 2001).

⁵ BellSouth acknowledges that the Wireline Competition Bureau of the FCC in the *Virginia Arbitration Order* ruled that virtual NXX is subject to reciprocal compensation. *In the Matter of Petition of WorldCom, Inc. Pursuant to Section 252(E)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission*, CC Docket No. 00-218, 17 FCC Rcd. 27,039 (Jul. 17, 2002) ("*Virginia Arbitration Order*") at ¶ 301.

However, this decision is factually distinguishable from the instant matter, because the Bureau based its finding on the fact that the parties, in that arbitration, could not identify a means to bill this traffic based upon the end points of the call. As stated above, BellSouth does not have the same concerns.

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to never assign an NPA/NXX code to a customer physically located outside of the LATA if it would resolve the issue.

Id. (emphasis added).

Based on this admission, it is clear that BellSouth and MCI should agree that virtual NXX and FX-like calls should be subject to access charges for intercarrier compensation purposes. Nevertheless, MCI continues to arbitrate this issue.

Issue 24: How will SS7 charges be imposed on the parties?

Q. HAS BELLSOUTH PROPOSED LANGUAGE TO RESOLVE THIS ISSUE?

A. Yes. And the parties have recently resolved the issue. Thus, it is no longer part of the arbitration proceeding.

1 ***Issue 25: Should a transiting party have to pay the terminating party***
2 ***intercarrier compensation if the transiting party is unable to provide the***
3 ***terminating party the records necessary for the terminating party to bill***
4 ***the originating third party?***

5

6 Q. CAN YOU PLEASE DESCRIBE THE ISSUE?

7

8 A. Yes. The issue is quite simple: Where BellSouth is transiting traffic for
9 termination to MCI, can MCI hold BellSouth liable for the originating
10 carrier's failure to provide BellSouth with the necessary information for
11 MCI to bill and collect intercarrier compensation from MCI?

12

13 Q. WHAT TYPE OF INFORMATION IS GENERALLY PROVIDED TO
14 IDENTIFY THE ORIGINATING CARRIER IN A TRANSIT SCENARIO?

15

16 A. In a typical transit situation, BellSouth delivers traffic from the
17 originating carrier to the terminating carrier. As part of this service,
18 BellSouth's tandem switch captures data from the originating carrier
19 and generates an industry standard record to the terminating carrier so
20 that the terminating carrier can bill the originating carrier for completing
21 the call. For instance, if MCI's local end user receives a long distance
22 call, then the appropriate Interexchange Carrier (IXC) will deliver that
23 call to the BellSouth tandem switch where BellSouth will generate an

1 EMI record. This record contains data identifying the IXC. BellSouth
2 will pass the call to MCI for termination to MCI's end user, and will send
3 MCI an EMI record identifying the originating carrier and the IXC and
4 the minutes of use. MCI will then use this record to bill the IXC the
5 appropriate access charges.

6

7 Q. PLEASE EXPLAIN HOW THE ORIGINATING PARTY COULD FAIL TO
8 PROVIDE CALL INFORMATION TO THE TRANSITING OR
9 TERMINATING PARTY.

10

11 A. In certain instances, the originating party may intentionally or
12 unintentionally deliver traffic to the transiting party in a manner that
13 prevents the transiting party from being able to pass the identifying
14 information to the terminating party.

15

16 For instance, if an originating carrier intentionally or unintentionally
17 originates a call to a transiting carrier's switch where neither the
18 terminating Local Routing Number nor the terminating telephone
19 number reside, then upon receipt of the call, the transiting party will
20 initiate a query in order to determine the appropriate destination for the
21 call. After such a query is performed, the call is transported to the
22 appropriate switch to complete the call but the information identifying
23 the originating carrier cannot be provided by the transiting carrier. To

1 complete the call in this situation, BellSouth essentially has to "re-
2 originate" the call, and the switch cannot retain the originating carrier
3 information. Absent the misrouting of the call by the originating party,
4 the terminating party would receive all necessary information. As
5 mentioned above, the originating carrier may intentionally route the call
6 in this manner, to avoid paying the appropriate intercarrier
7 compensation to the terminating carrier, or unintentionally, as the
8 results of an honest mistake in the originating carrier's routing
9 configuration.

10

11 Q. WHAT IS BELL SOUTH'S POSITION ON THIS ISSUE?

12

13 A. BellSouth should not be penalized or held liable for an industry problem
14 or for instances where a third party causes BellSouth to be unable to
15 identify and pass records to the terminating carrier. As the transiting
16 party, BellSouth is providing a service to the originating and terminating
17 parties and does not create the originating information. In such a
18 scenario, BellSouth has no control over the information provided by the
19 originating party, as its only role is to pass the call and any data
20 provided by the originating party to the terminating party. If the
21 originating party provides no information to BellSouth, BellSouth cannot
22 provide anything to the terminating party. The industry is currently
23 addressing this "phantom traffic" issue with the FCC in hopes of crafting

1 an industry solution to a problem that impacts all carriers. To force one
2 carrier (BellSouth) to be liable to MCI for an industry wide problem that
3 is not of BellSouth's making is totally unreasonable and should be
4 rejected.

5

6 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

7

8 A. Yes.

9