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Ms. Blanca S. Bayó  
Director, Records & Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Re: Docket No. 960786-TL

Dear Ms. Bayó:

On behalf of MCI Telecommunications Corporation (MCI) enclosed for filing in the above docket are the original and 15 copies of the prefiled direct testimony of James S. Gulino and Ronald Martinez. *01205-97*

Also enclosed for filing jointly on behalf of MCI and AT&T Communications of the Southern States, Inc. are the original and 15 copies of the testimony of Don J. Wood. *01207-97*

By copy of this letter these documents have been provided to the parties on the attached service list.

Very truly yours,

*Richard D. Melson*

Richard D. Melson

RDM/cc  
Enclosures  
cc: Parties of Record

DOCUMENT NO. DATE

*07205-97* *07/17/97*  
FPSC - COMMISSION CLERK

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing was furnished overnight by UPS delivery or by hand delivery (\*), to the following parties this 17th day of July, 1997.

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Attorney

1                   **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**  
2                   **DIRECT TESTIMONY OF JAMES S. GULINO**  
3                   **ON BEHALF OF MCI TELECOMMUNICATIONS CORPORATION**  
4                   **DOCKET NO. 960786-TL**  
5                   **JULY 17, 1997**

6  
7   **Q.    PLEASE STATE YOUR NAME, BUSINESS AFFILIATION AND**  
8           **ADDRESS.**

9    A.   James S. Gulino. I am a Director, South Territory Operations for MCI  
10        Telecommunications Corporation, 4890 West Kennedy Blvd., Tampa, Florida.

11  
12   **Q.    PLEASE PROVIDE A SUMMARY OF YOUR EDUCATIONAL**  
13        **BACKGROUND AND EXPERIENCE IN THE**  
14        **TELECOMMUNICATIONS INDUSTRY.**

15    A.   I have 28 years experience in the telecommunications industry. The following is  
16        an outline of my telecommunications experience beginning with my employment  
17        with Western Electric:

18  
19        - 1969-74 Installer for Western Electric in the New York Telephone Company  
20        Central Office located at West 50<sup>th</sup> St., New York, New York.  
21        Responsibilities included installing and testing #5 XBAR systems.

- 1 - 1975-77 MCI Communications, Central Office installer covering the Tri-State  
2 Area, New York, New Jersey, and Connecticut.
- 3 - 1977-79 MCI, worked as a technician for Private Line and Switch Network  
4 Services, located at 55 Water Street, New York, New York.
- 5 - 1979-80 MCI, Promoted to Supervisor of Installation in MCI's newest  
6 facility at 39 Broadway, New York, New York.
- 7 - 1980-81 MCI, Promoted to Manager of 39 Broadway facility. Responsible  
8 for all technical operations.
- 9 - 1982-83 MCI, Promoted to Senior Manager of Northwest Operations,  
10 located in San Francisco. Responsible for all operations in San Francisco, San  
11 Jose, Oakland, Sacramento, and Fresno.
- 12 - 1983-90 MCI, Senior Manager of New York City and State for Coordination  
13 and Operations.
- 14 - 1991 to Present MCI, Director of South Territory Operations.

15

16 Throughout my career in the telecommunications industry, I have taken selected  
17 management courses.

18

19 **Q. WHAT ARE YOUR CURRENT RESPONSIBILITIES?**

20 **A.** As Director of South Territory Operations I am responsible for all installation  
21 and maintenance of access/network facilities supporting local and long distance  
22 customers/services for Florida, Alabama, Mississippi, Louisiana, Kentucky, and

1 Tennessee. I am also responsible for all local and long distance switch and  
2 terminal facilities within the territory and the local and long distance  
3 transmission networks.

4  
5 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**  
6 **PROCEEDING?**

7 A. The purpose of my testimony is to discuss network issues in this docket. My  
8 testimony explains why BellSouth Telecommunications, Inc. ("BellSouth") has  
9 fallen short of full compliance with the competitive checklist in Section  
10 271(c)(2)(B) of the Telecommunications Act of 1996 ("Act").

11

12 **Q. PLEASE PROVIDE A SUMMARY OF YOUR TESTIMONY.**

13 A. As I will more fully explain below, BellSouth is not able today to provide all of  
14 the Section 271 checklist items in a manner that is fully consistent with the  
15 requirements of the Act.

16

17 Specifically, my testimony focuses on the following:

18

19 ■ The several respects in which BellSouth's proposals are facially  
20 insufficient.

21

1           ■     Evidence of BellSouth's reluctance to provide access to important  
2                     components of its network on a reasonable and non-discriminatory  
3                     basis.

4

5           ■     Evidence in the form of examples that even where BellSouth is not  
6                     reluctant to provide access, they are unable to do so at this time in an  
7                     adequate manner.

8

9     **Q.     PLEASE PROVIDE YOUR OPINION OF BELL SOUTH'S**  
10           **PERFORMANCE FROM AN ENGINEERING PERSPECTIVE.**

11           **(Commission Issues No. 2 to 15)**

12     A.     From an engineering perspective, the fundamental problem with BellSouth's  
13           performance is that it leaves too many important questions unanswered.

14           Although I understand that on paper BellSouth has offered many (but not all) of  
15           the items required by the checklist, it is far less forthcoming about how these  
16           many requirements are actually to be implemented, and how quickly they can be  
17           implemented. The obvious test for determining whether BellSouth can  
18           implement what it claims to offer is to actually provide those items. BellSouth  
19           fails this test.

20

21     **Q.     HOW DOES THIS UNCERTAINTY FROM AN ENGINEERING**  
22           **PERSPECTIVE RELATE TO A BUSINESS PERSPECTIVE?**

1           **(Commission Issues No. 2 to 15)**

2    A.    From both an engineering and a business perspective, I am very skeptical about  
3           any claim that a contractual undertaking in and of itself can mean that the  
4           competitive checklist requirements are fully implemented or can easily be  
5           implemented so as to make the purchase of elements and interconnection  
6           feasible. Having an interconnection agreement is just the “first step.” The  
7           concept of unbundled network elements is new. There are no time-tested  
8           processes in place through which a customer can order, bill, and maintain the  
9           critical elements needed to actually participate in the local market. The lack of  
10          reliable processes is particularly important in the telecommunications industry  
11          where customers are extremely sensitive to quality of service problems.

12

13   **Q.    HOW CAN THE COMMISSION DETERMINE WHETHER ANY**  
14           **OF BELL SOUTH’S PROMISES WILL BE IMPLEMENTED IN**  
15           **A WAY THAT COMPLIES WITH THE CHECKLIST?**

16           **(Commission Issues No. 2 to 15)**

17    A.    For many of the checklist items, determination of the extent of implementation  
18           is the difficult task for this Commission. Of course for others, BellSouth’s  
19           promises simply do not satisfy the checklist even if those promises could be or  
20           were fully and fairly implemented. In evaluating whether BellSouth’s promises  
21           can fairly be translated into actual performance, the Commission must look to  
22           the implementation plan, the benchmarks provided by BellSouth (where some



1 are provided), and the operation of the bona fide request ("BFR") process when  
2 BellSouth does not make concrete assurances about precisely what is promised  
3 and on what terms. The Commission should also consider the success, or lack  
4 thereof, of implementation in the limited experiences where provisioning has  
5 been attempted.

6  
7 **Q. WHY ARE THESE PROCEDURAL PROVISIONS RELATING TO**  
8 **IMPLEMENTATION SO CRITICAL? (Commission Issues No. 2 to 15)**

9 A. Procedural provisions are critical because local competition as a concept is new,  
10 involving terms that by their nature cannot be supplemented by the past practice  
11 of the parties or historical practice in general, because there is no such past  
12 practice.

13  
14 **Q. ARE YOU SAYING THAT THE COMMISSION'S CONSIDERATION**  
15 **OF THE DETAILS OF INTERCONNECTION DURING THE**  
16 **ARBITRATIONS BETWEEN MCI AND BELLSOUTH AND AT&T**  
17 **AND BELLSOUTH WAS NOT ADEQUATE? (Commission Issues No. 2**  
18 **to 15)**

19 A. No. I applaud the Commission for its efforts. The Florida Commission has  
20 signaled that it intends to continue to tackle these complex issues. It is my  
21 understanding that the Commission has a pending docket in which it will set  
22 permanent rates for those unbundled network elements which still only have

1 interim rates. It is also my understanding that the Commission has instructed  
2 MCI and AT&T to negotiate with BellSouth for recurring and nonrecurring  
3 rates for combinations of unbundled elements - which, from a practical business  
4 perspective, will be the most important UNE rates for new entrants.

5

6 The fact that the Commission and the parties spent so much time over the past  
7 several months considering the terms of local interconnection is evidence of the  
8 complexity and importance of the details when it comes to effective  
9 interconnection. Put simply, when it comes to adequate interconnection in  
10 order to provide for local competition - "the devil is in the details." And the  
11 details are in the implementation process.

12

13 **Q. HOW CAN THE FACT THAT THE DETAILS MAY NOT BE**  
14 **FULLY UNDERSTOOD STYMIE LOCAL COMPETITION?**

15 **(Commission Issues No. 2 to 15)**

16 **A.** Many of the terms and conditions have no commonly understood meaning  
17 either in the industry in general or specifically as between BellSouth and would-  
18 be competitors. Nor are there general understandings or past practice to fall  
19 back on should there be a dispute about how quickly a particular term can be  
20 implemented, or how a particular requested item is expected to work. For these  
21 reasons, detailed and specific implementation provisions, benchmarks,  
22 performance standards, and definitions are critical to moving from a contractual

1 framework to actual implementation.

2

3 It is my understanding that in other 271 proceedings before the commissions of  
4 other states, BellSouth's witnesses have recognized the uncertainty with regard  
5 to many of the implementation issues and described the process of

6 implementing key operational interfaces as "evolutionary." (See In Re:

7 Consideration of BellSouth Telecommunications, Inc.'s Entry into InterLATA

8 Services Pursuant to Section 271 of the Telecommunications Act of 1996,

9 Before the Georgia Public Service Commission, T. 390). I agree with this

10 characterization. Even BellSouth cannot know at this point when systems

11 which are critical to implementation, such as operational interfaces, will be

12 available. Indeed, it would be irresponsible for BellSouth to promise more

13 than it can deliver. And, given the state of the information systems that are

14 needed to support pre-ordering, ordering, provisioning, and billing of checklist

15 items, it is hardly surprising that on matter after matter BellSouth simply refers

16 to other documents, such as its handbooks, which will change over time, or

17 defers until a later date the difficult questions of implementation. A good

18 example is in the area of collocation which is discussed later in my testimony.

19

20 Simply put, the necessary systems are for the most part not yet present to

21 support effective checklist compliance.

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**Q. PLEASE DESCRIBE THE ORGANIZATION OF THE REMAINDER OF YOUR TESTIMONY.**

A. I will provide a discussion of interconnection (checklist item 1), access to unbundled network elements (checklist item 2), unbundled loops (checklist item 4), unbundled transport (checklist item 5), unbundled switching (checklist item 6) and access to call-related databases and signaling links (checklist item 10). I then discuss problems that MCI has encountered (checklist items 1, 2, 7, 11 and 12). MCI witness Martinez will appear in this proceeding to discuss operational support systems (OSS).

**INTERCONNECTION**

**(Checklist Item 1; Commission Issue No. 2)**

**Q. WHAT DOES THE FEDERAL ACT SAY WITH REGARD TO INTERCONNECTION FOR PURPOSES OF MEETING THE CHECKLIST?**

A. The Act states that the checklist requirement for interconnection is met when access and interconnection is provided consistent with Sections 251(c)(2) and 252(d)(1) of the Act.

1 **Q. PLEASE BRIEFLY DESCRIBE THE REQUIREMENTS OF**  
2 **SECTIONS 251(c)(2) and 252 (d)(1) OF THE FEDERAL ACT.**

3 A. Section 251(c)(2) of the Act requires that BellSouth provide, for the facilities  
4 and equipment of any requesting carrier, interconnection (A) for the  
5 transmission and routing of telephone exchange service and exchange access,  
6 (B) at any technically feasible point within the carrier's network, (C) that is at  
7 least equal in quality to that provided to BellSouth by itself or to any subsidiary  
8 or affiliate of BellSouth, and (D) on rates, terms and conditions that are just and  
9 reasonable, nondiscriminatory and in accordance with Section 252 of the Act.

10

11 Section 252(d)(1) of the Act sets forth the pricing standards pursuant to which  
12 BellSouth must provide network interconnection and provision network  
13 elements. With regard to network elements, BellSouth must provide elements  
14 pursuant to rates which are (1) based on cost and (2) nondiscriminatory. With  
15 regard to interconnection, BellSouth must provide interconnection in a manner  
16 which provides for mutual and reciprocal recovery by each carrier of costs  
17 associated with transport and termination on the network facilities of each  
18 carrier. Additionally, that section includes the pricing standard for wholesale  
19 purchase of services by would-be competitors.

20

21 **Q. DOES BELL SOUTH MEET THE REQUIREMENTS OF THE**  
22 **TEST OF CHECKLIST ITEM 1?**

1 A. No. BellSouth has not yet fully implemented interconnection in part because it  
2 has not yet fully implemented collocation. The duty to interconnect that the  
3 Act imposes on BellSouth includes the duty to permit collocation, because  
4 collocation (both physical and virtual) is a primary method of interconnection.  
5 The FCC recognized this requirement in its Rules which implement the Act.  
6 (First Report and Order of FCC ¶¶ 543, 550-53). It is clear that the checklist  
7 requirement of interconnection pursuant to § 271(c)(2) incorporates the  
8 various obligations of BellSouth with respect to collocation. BellSouth has not  
9 fully met those obligations.

10

11 To date, BellSouth has received 7 requests for physical collocation in Florida  
12 and has not completed installation of any of them. The jury is still out with  
13 regard to whether BellSouth will meet its obligations on these requests. Of  
14 course, even if this limited number is completed, that is a long way from the  
15 demonstration of the ability to deliver collocation in a reliable and dependable  
16 way or ongoing basis. It is certainly premature to conclude that BellSouth has  
17 met any of its obligations with regard to collocation.

18

19 **Q. WHY IS FAIR AND REASONABLE COLLOCATION SO**  
20 **IMPORTANT?**

21 A. Collocation represents the only way from an engineering perspective that any  
22 carrier can truly provide competition to BellSouth. I understand that BellSouth

1 does not dispute that it is currently not providing unbundled physical collocation  
2 to MCI. Indeed, we have not seen any evidence that BellSouth is providing  
3 unbundled physical collocation to any new entrant in Florida. Given that  
4 implementation is still being worked out, it is no surprise that BellSouth is not  
5 currently furnishing unbundled physical collocation to any would-be competitor  
6 and that the proposed terms are so uncertain.

7

8 **Q. ARE FIXED INTERVALS FOR COLLOCATION IMPORTANT?**

9 A. Yes. Would-be competitors must have a reliable and set time period for  
10 collocation in order to plan and market in a way which will sustain competition.  
11 Indeed, the Commission needs fixed intervals in order to determine whether  
12 BellSouth is implementing the collocation requirements adequately and in good  
13 faith. Even BellSouth witness Scheye has agreed in other 271 proceedings that  
14 it is critical for a would-be competitor to know how long it will take to obtain  
15 collocation. (See In Re: Consideration of BellSouth Telecommunications,  
16 Inc.'s Entry into InterLATA Services Pursuant to Section 271 of the  
17 Telecommunications Act of 1996, Before the Georgia Public Service  
18 Commission, T. 769). Despite the undisputed need for fixed intervals for  
19 physical collocation so as to measure performance, BellSouth has proposed  
20 that the intervals for providing collocation should be determined pursuant to  
21 BellSouth's Negotiations Handbook for collocation. It is my understanding  
22 that, BellSouth proposes to control this "handbook" and reserves the right to

1 change it substantively at any time.

2

3 Even if BellSouth's ever-changing "handbook" contains set and reasonable  
4 intervals, whether BellSouth will be successful in meeting these intervals  
5 remains to be seen, since no physical collocations have yet been completed.

6 Most importantly, the fact that the intervals are contained in a handbook that  
7 BellSouth can easily modify at its pleasure, is cause for great concern and  
8 should not be endorsed.

9

10 **Q. ONCE BELLSOUTH ADEQUATELY DEFINES THE INTERVALS**  
11 **FOR THE PROVISION OF COLLOCATION, WILL THE CHECKLIST**  
12 **REQUIREMENT FOR COLLOCATION BE MET?**

13 A. No. In addition to the still-developing procedures for obtaining physical  
14 collocation, there are other implementation issues relating to collocation.

15

16 With respect to the power requirements for collocated equipment, for example,  
17 MCI's plan has been to order from BellSouth (and to pay for) sufficient power  
18 to accommodate its immediate needs plus reasonable equipment growth, to  
19 install its own power distribution frame in its collocation cage, and to distribute  
20 the power itself to its collocated equipment. Thus, when MCI metro needs to  
21 augment its capacity, it has sufficient power available and can do so rapidly.

22 However, it is my understanding that BellSouth has informed MCI that it will



1 not permit MCI to implement this strategy. Instead, it appears that BellSouth  
2 will require a new power lead for each collocation bay, thus allowing BellSouth  
3 to retain control of the speed with which MCI can augment its capacity. By  
4 controlling power augmentation at a CLEC's collocation site, BellSouth  
5 controls, for example, that CLEC's ability to capture additional unbundled  
6 loops. BellSouth's policy thus creates an unnecessary and unreasonable  
7 limitation on CLECs' potential competitive expansion.

8

9 **Q. PLEASE EXPLAIN THE DIFFERENCE BETWEEN VIRTUAL AND**  
10 **PHYSICAL COLLOCATION?**

11 A. As the different terms suggest, in the case of physical collocation, would-be  
12 competitors are actually allocated designated space in a BellSouth central office  
13 for location of their equipment, while virtual collocation refers to an  
14 arrangement where CLEC equipment is controlled by the ILEC and is located  
15 among other ILEC equipment, not in a segregated space.

16

17 **Q. UNDER BELLSOUTH'S PROPOSAL, HOW ARE ARRANGEMENTS**  
18 **MADE FOR COLLOCATION?**

19 A. BellSouth asserts that the process for making the arrangements for physical and  
20 virtual collocation are covered by the "handbook."

21

1 Q. WHO DECIDES WHETHER A WOULD-BE COMPETITOR WILL BE  
2 ALLOWED PHYSICAL OR VIRTUAL COLLOCATION?

3 A. BellSouth witness Scheye has stated in other 271 proceedings that the  
4 “BellSouth collocation people” will make that determination. (See In Re:  
5 Consideration of BellSouth Telecommunications, Inc.’s Entry into InterLATA  
6 Services Pursuant to Section 271 of the Telecommunications Act of 1996,  
7 Before the Georgia Public Service Commission, T. 772). This means that  
8 BellSouth will control the response to a request for collocation. According to  
9 Scheye, BellSouth’s response will include case-by-case negotiations with regard  
10 to the arrangements necessary for physical collocation.

11  
12 Q. SHOULD THE COMMISSION BE CONCERNED THAT BELLSOUTH  
13 WILL BE THE SOLE DETERMINER OF THE TERMS AND  
14 CONDITIONS UPON WHICH THEY WILL ALLOW PHYSICAL  
15 COLLOCATION.

16 A. Yes. It is axiomatic that physical collocation will be more time consuming than  
17 virtual collocation. Because the process for obtaining collocation will be  
18 controlled by BellSouth *in every way* under their proposal, there will be great  
19 opportunity and incentive for them to use that process for a competitive  
20 advantage. Put simply, by virtue of their bottleneck monopoly position, absent  
21 any controls, they will be able to easily delay the deployment of MCI facilities.

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**Q. WHAT OTHER POLICIES OF BELL SOUTH WILL PUT MCI AND OTHER CLECS AT A DISADVANTAGE?**

A. Additional delays are also made possible as a result of BellSouth's policy of requiring that CLEC technicians be escorted by BellSouth personnel at all times while performing maintenance and repairs upon collocated equipment. This policy necessitates coordination with BellSouth whenever a CLEC needs access to its collocation cages, as well as additional and unnecessary expense. Again, this is another place where BellSouth retains a measure of control over CLECs' success in local competition -- a CLEC can only perform as well as BellSouth permits. The issue here is time (and money since BellSouth will not be providing these escort services for free). MCI should not be at the mercy of the BellSouth escort schedule. BellSouth's collocation policies seem to be a moving target. This includes its policies - or lack thereof - relating to security escorts. MCI could be required to provide BellSouth with adequate notice that it needs access to perform maintenance and repairs to collocated equipment. BellSouth would then have to provide an escort or simply allow MCI unescorted access at that noticed time. MCI should not be forced to wait for BellSouth to decide when it would be convenient to allow repairs and maintenance of MCI facilities by MCI employees. The Commission should strongly endorse policies which favor MCI's freedom of entry to maintain MCI facilities. As a practical matter, the Commission should require BellSouth to

1 fully explain its rationale for this security requirement. Are they trying to  
2 protect BellSouth equipment from MCI personnel or MCI equipment from  
3 BellSouth personnel?  
4

5 **Q. ARE THERE ANY OTHER REASONS WHY BELLSOUTH DOES NOT**  
6 **MEET THE REQUIRMENTS OF THE TEST OF CHECKLIST ITEM**  
7 **1?**

8 A. Yes. To date, BellSouth still will not provide interconnection at local tandems.  
9 While BellSouth has apparently agreed in principle to eventually provide such  
10 interconnection, BellSouth does not currently allow such interconnection and  
11 has not committed to a date when it will actually make such interconnection  
12 available. Hence traffic won by the ALEC is removed from the BellSouth local  
13 network and local access tandem and placed on the IXC toll network. This has  
14 the net effect of enhancing the BellSouth local service at the cost or degradation  
15 of the IXC toll network.  
16

17 **UNBUNDLED NETWORK ELEMENTS**  
18 **(Checklist Item II; Commission Issue No. 3)**  
19

20 **Q. FOR CHECKLIST PURPOSES, WHAT DOES THE FEDERAL**  
21 **ACT SAY WITH REGARD TO THE REQUIREMENT FOR**  
22 **UNBUNDLED NETWORK ELEMENTS?**

1 A. Item 2 of the checklist requires that BellSouth provide nondiscriminatory access  
2 to network elements in accordance with the requirements of sections 251(c)(3)  
3 and 252(d)(1) of the Act.

4  
5 The Act requires BellSouth to provide nondiscriminatory access to unbundled  
6 network elements at any technically feasible point. 47 U.S.C. § 251(c)(3). The  
7 FCC has found that these elements must be provided, moreover, in any  
8 technically feasible combination. 47 C.F.R. § 51.315. BellSouth has failed to  
9 satisfy these requirements, particularly with respect to combinations of network  
10 elements, subloop elements, and directory assistance databases.

11  
12 Section 252(d)(1) has been described above. That section requires that network  
13 elements be priced by BellSouth "based on cost." BellSouth has failed to meet  
14 the part of the requirements of item 2 of the checklist which require cost based  
15 rates. The Commission is currently conducting a further proceedings in the  
16 AT&T and MCI Arbitration Dockets, Docket Nos 960833-TP and 960846-TP,  
17 for purposes of determining the economic forward looking cost of the  
18 following network elements: a) 4-wire analog port -- recurring and NRC; b)  
19 DS-1 level dedicated transport -- NRC only; c) directory transport/switched  
20 local channel and directory transport/switched dedicated DS-1 -- recurring and  
21 NRC; d) physical collocation -- recurring and NRC; e) virtual collocation -  
22 recurring and NRC; f) NID access -- NRC only; g) unbundled 2-wire and 4-wire

1 sub-loop distribution -- recurring and NRC; and, h) unbundled NID -- recurring  
2 only. These elements currently only have interim rates.

3

4 More importantly, it is my understanding that the Commission has not finalized  
5 rates for combinations of unbundled network elements. In the AT&T and MCI  
6 arbitrations with BellSouth, the Commission stated that the rates it had set for  
7 UNEs were only for individual UNEs. For both recurring and non-recurring  
8 rates, the Commission recognized that when combinations of UNEs were  
9 ordered, the appropriate rate might be less than the sum of the rates for the  
10 individual UNEs. The Commission therefore ordered that BellSouth not  
11 include duplicate charges or charges for functions or activities that MCI does  
12 not need when two or more network elements are combined in a single order.  
13 Final Order on Motions for Reconsideration and Amending Order No. PSC-96-  
14 1579-FOF-TP, Order No. PSC-97-0298-FOF-TP, pp. 27 and 31. It is my  
15 understanding that while MCI has requested negotiations with BellSouth to set  
16 the NRCs for combinations, BellSouth has not yet responded to MCI's request  
17 and no combination rates have to date been agreed to by the parties or set by  
18 the Commission.

19

20 **Q. PLEASE TELL THE COMMISSION WHY BELLSOUTH DOES**  
21 **NOT MEET THE SECTION 251(c)(3) REQUIREMENT OF**  
22 **ITEM 2 OF THE COMPETITIVE CHECKLIST?**

1 A. I will begin with the issue of combinations of unbundled network elements.  
2 Appropriate operational interfaces in the context of resale are vital to a new  
3 entrant's ability to compete. The need to be able to efficiently and accurately  
4 interface with BellSouth in the ordering of unbundled network elements is  
5 equally important. BellSouth has not yet implemented the necessary processes  
6 that would facilitate provisioning of combinations of elements. Industry  
7 standards such as BellCore OBF (Ordering and Billing Forum) have not yet  
8 been developed, and BellSouth has not yet fully implemented a mechanized  
9 process for ordering and provisioning of combinations of unbundled elements.  
10 Before these things can happen, the information necessary for provisioning must  
11 be identified and manual ordering forms must be created. Once the manual  
12 forms exist, systems and interfaces must be developed to permit mechanization.  
13 These processes simply have not yet been completed.  
14  
15 Furthermore, satisfaction of the checklist requires provision of any technically  
16 feasible combination of elements, not just those identified by BellSouth. It is  
17 not at all clear how easy it will be to order additional technically feasible  
18 combinations, and reliance on the BFR process proposed by BellSouth is a  
19 certain recipe for delay.

20  
21 **Q. WHAT CAN THE FLORIDA COMMISSION REQUIRE IN**  
22 **ORDER TO FACILITATE COMPETITION BEFORE THE**

1           **FULL DEVELOPMENT OF INDUSTRY STANDARDS?**

2    A.    BellSouth likely will proclaim that network elements may be combined in any  
3           manner. However, absent any standard industry practice, there needs to be  
4           detailed definitions of the combinations. To date, BellSouth has not provided  
5           such definitions.

6

7    **Q.    WHY IS THIS ISSUE SO IMPORTANT?**

8    A.    These issues are important because CLECs, including MCI, are likely to order  
9           combinations of unbundled elements from BellSouth as soon as they are truly  
10          available. As one example of the value of combinations of elements,  
11          combinations of unbundled local transport, multiplexing/concentration, and  
12          unbundled loops would eliminate the need to collocate at a given facility, saving  
13          a CLEC significant expense. Although an interexchange carrier could order  
14          precisely that series of facilities to reach an access customer, CLECs cannot  
15          order the same combination as unbundled elements. The requisite systems  
16          simply are not yet in place. That is the reason that BellSouth is not yet  
17          providing combinations of elements.

18

19          Additionally, based on a complaint filed by AT&T, it appears that, without any  
20          authorization from this Commission, BellSouth has taken it upon itself to be the  
21          decision maker relative to pricing for combinations of unbundled elements. See  
22          Motion to Compel Compliance, Docket No. 960833-TP. If this unilateral



1 action by BellSouth is any indication of how it will treat other contentious  
2 issues which arise as new entrants attempt to enter the local market, then it  
3 appears that all of my apprehensions in considering BellSouth's proposals are  
4 well founded.

5

6

## UNBUNDLED LOOPS

7

(Checklist Item IV; Commission Issue No. 5)

8

9 **Q. PLEASE PROVIDE A DESCRIPTION OF THE REQUIREMENTS OF**  
10 **THE CHECKLIST WITH REGARD TO UNBUNDLED LOOPS**

11 A. The checklist expressly requires that BellSouth provide unbundled access to  
12 local loops. 47 C.F.R. § 271(c)(2)(B)(iv). In addition, loops are network  
13 elements, which BellSouth is required to provide on a non-discriminatory basis.  
14 47 U.S.C. § 251(c)(3), 271(c)(2)(B)(ii). This requirement dictates that  
15 BellSouth provide unbundled network elements to MCI in a manner that is  
16 equivalent to the manner in which they provide such elements to themselves,  
17 their affiliates, or other carriers.

18

19 **Q. PLEASE EXPLAIN.**

20 A. Although we know BellSouth provisions loops to itself in 48 hours or less, it  
21 has not demonstrated that it can provision unbundled loops to its competitors at  
22 parity. MCI received its first unbundled loop from BellSouth last month on a

1 test basis. Although BellSouth has agreed on paper to provide unbundled  
2 network elements to MCI within 48 hours 98% of the time, see BellSouth/MCI  
3 Interconnection Agreement, Attachment 8, p. 27, it took BellSouth almost two  
4 weeks to complete this one order. If BellSouth's systems cannot provide parity  
5 with only a trickle of orders coming in, it is certainly folly to imagine that they  
6 can provide parity when orders come in on a commercial scale.

7

8 **Q. WHAT IS THE PRACTICAL IMPACT OF DISPARATE**  
9 **TREATMENT WITH REGARD TO PROVIDING UNBUNDLED**  
10 **LOOPS?**

11 A. The effect of the long interval is clear: customers -- particularly customers  
12 initiating new service -- are less likely to sign up with a CLEC if it will take  
13 several days to begin service when it is provided by the would-be competitor.  
14 There is no reason that furnishing loops to CLECs should be technically more  
15 demanding for BellSouth than furnishing loops to itself. Indeed, the only  
16 "technical" problem is the lack of fully implemented ordering systems. The  
17 incentives are clear: BellSouth does not want an ordering system that will put  
18 would-be competitors on a level playing field.

19

20

## **UNBUNDLED TRANSPORT**

21

**(Checklist Item V; Commission Issue No. 6)**

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**Q: PLEASE DESCRIBE THE CHECKLIST REQUIREMENT WITH REGARD TO THE PROVISION OF UNBUNDLED TRANSPORT.**

A: The Act requires that BellSouth provide local transport from the trunk side of a wireline local exchange carrier switch unbundled from switching or other services. The FCC has stated that this requires shared transport facilities between its end offices and its switches, as well as all technically feasible transmission facilities, features, functions, and capabilities that ALECs could use to provide telecommunications service. 47 C.F.R. Sec. 51.319(d)(1), (d)(2)(i), and (d)(2)(ii).

**Q. PLEASE EXPLAIN THE PRACTICAL PROBLEMS WITH REGARD TO BELLSOUTH'S PROPOSED RESTRICTIONS ON UNBUNDLED TRANSPORT.**

A. The "shared transport" offered by BellSouth raises many practical questions that remain to be answered, such as sharing of information, costs, and maintenance. In short, although BellSouth promises to provide local transport, it will not furnish the common transport that would result in the most efficient development of competition in its local markets. Thus far, BellSouth's promise fails to embody the Act's requirement of unbundled transport in that it does not provide for transmission over "multi-jurisdictional" trunks once such trunks

1           become technically feasible. Although interLATA traffic cannot currently be  
2           segregated from intraLATA and local traffic on the same trunk, such  
3           segregation will soon be possible, allowing BellSouth to collect the appropriate  
4           access charges as to each type of traffic. When it is technically feasible, MCI  
5           should be permitted to put all traffic types on multi-jurisdictional trunks. It is  
6           important, for purposes of efficient network engineering, to have the flexibility  
7           to carry traffic of any type over the same trunks -- such flexibility prevents  
8           inefficient duplication of trunks, which would unnecessarily raise CLECs' costs.  
9           MCI's agreement, however, does not contemplate multi-jurisdictional trunks or  
10          provide for their use at any time during the term of the agreement. Thus,  
11          BellSouth asks the Commission to impose an arbitrary limitation on  
12          transmission that will continue despite the imminent technical feasibility of  
13          multi-jurisdictional trunks.

14  
15       **Q.    WHAT IS BELLSOUTH'S PROPOSAL WITH REGARD TO**  
16       **ORDERING AND PROVISIONING LOCAL TRANSPORT?**

17       **A.**    This is unclear. BellSouth has at times referred to a BellSouth document  
18           entitled "OLEC-to-BellSouth Ordering Guideline (Facilities-based)." This  
19           appears to be a document which is similar to the collocation "handbook"  
20           referred to earlier in my testimony. As such, BellSouth will be in complete  
21           control of the terms and conditions contained in this document. Of course, the  
22           fact that ordering and provisioning policies remain entirely in BellSouth's

1 control should give the Commission great concern. Such control provides  
2 BellSouth with the opportunity to abuse its monopoly bottleneck position.  
3 Such opportunity combined with the strong incentive to BellSouth to protect its  
4 local monopoly is a recipe for disaster.

5  
6 **UNBUNDLED SWITCHING**

7 **(Checklist Item VI; Commission Issue No. 7)**

8  
9 **Q. PLEASE PROVIDE A DESCRIPTION OF THE REQUIREMENT**  
10 **THAT BELLSOUTH PROVIDE UNBUNDLED SWITCHING.**

11 A. The checklist requires that BellSouth provide local switching unbundled from  
12 transport, local loop transmission, or other services.

13  
14 **Q. HAS BELLSOUTH MET THIS REQUIREMENT OF THE**  
15 **CHECKLIST?**

16 A. No. I understand BellSouth concedes that it is not yet furnishing any substantial  
17 *CLEC with any switching functions or capabilities. BellSouth seems to assume*  
18 *that CLECs are not purchasing unbundled switching because of different entry*  
19 *strategies; but, in fact, unbundled switching simply has not been and is not now*  
20 *available. BellSouth has provided little information on how MCI can actually*  
21 *order switching elements, on the time frames for ordering, or on billing and*  
22 *auditing. I understand that BellSouth witness Scheye finally conceded in a*

1 proceeding in Louisiana that BellSouth is simply not providing unbundled  
2 switching, in spite of its promises to do so. In this area, BellSouth at one time  
3 referred to a document entitled "OLEC-to-BellSouth Ordering Guidelines  
4 (Facilities-based)" for information regarding ordering and delivery of unbundled  
5 switching. I'm not sure if this is still BellSouth's position. If so, BellSouth  
6 intends to control any changes and the implementation of these guidelines. Of  
7 course, leaving the provisioning in the hands of BellSouth creates great  
8 opportunity for it to provide favorable treatment to itself and thus  
9 disadvantageous treatment to MCI.

10  
11 In addition to the terms being completely in control of BellSouth, the Guidelines  
12 are short on valuable details. Again, this is not surprising. This is a new area,  
13 and there are not even fully developed industry standards. Until standards are  
14 set, absent a body of actual experience with unbundled switching, contractual or  
15 other commitments to a regulatory body will mean little. Moreover, that actual  
16 experience is not likely to come until competition has developed to the point  
17 where CLECs unbundled switching requirements are defined by their customers'  
18 needs. It is just too early, in terms of both operational systems support and  
19 competitive development, for BellSouth to claim it has fully implemented  
20 unbundled switching.

21

1           **ACCESS TO CALL-RELATED DATABASES AND SIGNALING LINKS**

2                           **(Checklist Item X; Commission Issue No. 11)**

3

4   **Q.    PLEASE DESCRIBE THE CHECKLIST REQUIREMENT FOR**  
5           **ACCESS TO CALL-RELATED DATABASES AND SIGNALING**  
6           **LINKS.**

7   **A.**    The Act requires that BellSouth provide nondiscriminatory access to databases  
8           and associated signaling necessary for call routing and completion. Put simply,  
9           as the FCC has found, access to BellSouth's Advanced Intelligent Network  
10          (AIN) database and Service Creation Environment (SCE)/Service Management  
11          System (SMS) is required by the checklist. 47 U.S.C. § 271(c)(2)(B)(x).

12

13   **Q.    HAS BELLSOUTH ADEQUATELY ADDRESSED THIS ISSUE?**

14   **A.**    No. Again, this is not surprising. Many carriers have barely implemented these  
15          features within their own networks, much less interconnected to others' AIN  
16          networks. It is highly unlikely that a CLEC could get access to BellSouth's AIN  
17          databases today, or create programs via their SCE/SMS.

18

19                           **IMPLEMENTATION PROBLEMS**

20                           **(Commission Issues 1, 2, 3, 8, 12, 13)**

21

1 **Q. DOES MCI HAVE ANY PRACTICAL EXPERIENCES WITH**  
2 **BELLSOUTH WHICH DEMONSTRATE THE FACT THAT**  
3 **THE LOCAL MARKETS IN FLORIDA ARE NOT OPEN TO**  
4 **COMPETITION?**

5 A. Yes. Below, I briefly describe a few experiences which bring to light the  
6 practical difficulties currently existing in BellSouth's markets. The Commission  
7 must consider these experience in light of the sensitivity of customers in a new  
8 market. If MCI local customers in Florida experience difficulties immediately  
9 after switching from BellSouth, they likely will switch back to BellSouth and be  
10 lost from the competitive markets for a long time. This will be true regardless  
11 of the cause of the difficulties. Again, the incentive for BellSouth to  
12 aggressively protect its now monopoly market is a strong one. That incentive,  
13 combined with the many opportunities for abuse created by the terms and  
14 conditions of BellSouth's promises and the proposed guidebooks which would  
15 govern ordering and provisioning of local services, are a recipe for disaster.

16

17 **Dialing Problems (Commission Issue 13)**

18 **Q. PLEASE DESCRIBE THE DIALING PROBLEMS ENCOUNTERED**  
19 **WHEN MCI ATTEMPTED TO LAUNCH LOCAL SERVICE IN**  
20 **ORLANDO.**

21 A. In Orlando, MCI attempted a launch of local service. The NXX's of MCI's  
22 customers were not opened to the BellSouth network. Thus, MCI local



1 customers were unable to get through to BellSouth local customers. On  
2 October 30, 1996, MCI informed BellSouth of the problems associated with the  
3 MCI NXX's. The problem had left MCI's customers isolated - without the  
4 ability to reach BellSouth customers. This isolation lasted until November 5,  
5 1996.

6

7 **Q. DID BELLSOUTH OR MCI CAUSE THE ORLANDO SITUATION?**

8 A. BellSouth caused the problem by failing to activate MCI's NXX codes. The  
9 problem likely was caused by human error. It is not clear why the problem was  
10 not corrected before six days passed.

11

12 What is more important is that the Commission recognize that regardless of  
13 who is at fault, in many areas, MCI and BellSouth are ploughing new ground.  
14 In Orlando, BellSouth's Cliff Bowers apologized to MCI and stated that:

15

16 The activation of codes ... is a new experience for  
17 BellSouth. As is unfortunately too often the case with  
18 the implementation of new procedures and processes,  
19 especially in the complex area of code activations,  
20 unanticipated problems may occur.

21

1           The Orlando experience serves to illustrate the unreliability of the new systems  
2           and processes required to make local competition work. Of course, my concern  
3           is that as we work out the kinks, great damage may be done to the marketplace.  
4           Particularly if problems occur with MCI customers as a result of the deliberate  
5           or inadvertent failures to implement interconnection terms by BellSouth, MCI  
6           will pay the price.

7  
8   **Q.   PLEASE EXPLAIN.**

9   A.   While I am not an expert in retail customer service, it is common sense that for  
10       MCI to compete with BellSouth, the transition of a customer from BellSouth to  
11       MCI must not include six days without local service. The Orlando situation is  
12       an experience that we hope BellSouth will address, but it serves as a valuable  
13       illustration of the difference between “paper” or theoretical terms for  
14       interconnection and the actual ability to provide competitive experience.

15  
16   **Q.   HAS THERE BEEN ANY OTHER EXPERIENCES SIMILAR TO**  
17       **ORLANDO?**

18   A.   Yes. MCI customers in Atlanta, Georgia, were unable to call BellSouth  
19       customers for approximately two days. BellSouth incorrectly routed MCI  
20       customers to wrong numbers. Again, this likely was caused by simple human  
21       error. For example, MCI customers calling 404-377-XXXX were routed to  
22       404-373-XXXX numbers. The problem was reported to BellSouth on

1 November 13, 1996 and was not corrected until November 15, 1996.  
2 Apparently, BellSouth was routing MCI customer calls over a separate trunk  
3 group designated for ALEC's rather than over the common trunks used to carry  
4 BellSouth local traffic. This is a continuing and ongoing problem.

5  
6 As was the case in Orlando, BellSouth apologized for its mistake. Significantly,  
7 BellSouth stated that "[b]ecause the methods and procedures for dealing with  
8 ALEC problems and issues are so new, and in many cases untested, there was  
9 some confusion... [as to which BellSouth division should analyze the problem]."

10  
11 Ultimately, BellSouth concluded that several of the trunk groups were  
12 built incorrectly.

13  
14 I inform the Commission of the Atlanta and Orlando experiences not to point  
15 fingers at BellSouth or accuse them of ill-will. Rather, these experiences serve  
16 as examples of the difference between the theoretical terms for competition and  
17 provision of actual competition.

18  
19 **Q. Are you aware of any other dialing parity problems? (Commission Issues**  
20 **No. 8 and 13)**

21 **A.** Yes, with regard to access to directory service listings for independent  
22 telephone companies and other ALECs, BellSouth refuses to provide the

1 necessary data. Thus, an MCI local customer would need to be transferred by  
2 MCI to BellSouth's directory assistance or to dial a special code to bypass MCI  
3 and reach the BellSouth's directory assistance group to obtain the telephone  
4 numbers of end users served by other ALECs or independent telephone  
5 companies. This is hardly dialing parity and creates a situation where MCI's  
6 local service is less attractive than BellSouth's.

7

8 **Interconnection Problems (Commission Issue 2)**

9 **Q. PLEASE DESCRIBE THE INTERCONNECTION DIFFICULTY**  
10 **WHICH CAME TO LIGHT AS A RESULT OF THE MEMPHIS**  
11 **EXPERIENCE.**

12 A. Customers in the city of Memphis are served by two ILECs. West Memphis,  
13 Arkansas is served by SBC and Memphis, Tennessee is served by BellSouth.  
14 However, the entire city of Memphis is part of a single local calling area. In this  
15 regard, Memphis is identical to a number of local calling areas in Florida.

16

17 **Q. WHY DOES A DIVIDED LOCAL CALLING AREA CAUSE**  
18 **PROBLEMS FOR LOCAL COMPETITION?**

19 A. In order to provide competitive local service, MCI will need to be able to  
20 terminate traffic throughout a local calling area. Otherwise, MCI will be  
21 offering a service of a much lesser quality than that offered by BellSouth.

1

2 **Q. HOW HAS BELLSOUTH USED THIS PROBLEM TO THWART**  
3 **LOCAL COMPETITION?**

4 A. In Memphis, MCI attempted to launch local service. However, MCI calls  
5 between BellSouth's Memphis service area and Southwestern Bell Telephone  
6 Company's ("SBC's") Memphis service area were blocked by BellSouth. This  
7 occurred despite the assurance on at least two occasions that BellSouth was  
8 ready to terminate MCI traffic in Memphis. BellSouth informed MCI that it  
9 would not pass MCI traffic to SBC until MCI and SBC had an interconnection  
10 agreement. BellSouth claimed this was at SBC's request, although there is no  
11 evidence that SBC has made such a request. Attached hereto as Exhibit \_\_\_\_  
12 (JSG-1), is a copy of a letter from BellSouth which explains BellSouth's  
13 position and the difficulty created by this situation.

14

15 **Q. WHY IS THIS REQUIREMENT ILLOGICAL?**

16 A. Where MCI obtains a customer for local service in BellSouth's territory by  
17 utilizing the BellSouth network and that customer requires termination on  
18 SBC's network, MCI interconnection with SBC's network is not needed.  
19 Rather, it is BellSouth's network that must be interconnected with the network  
20 of SBC. MCI believes BellSouth and SBC have an interconnection agreement.  
21 MCI traffic carried on the BellSouth network can be terminated pursuant to the  
22 agreement between BellSouth and SBC.

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**Q. HAS BELLSOUTH TAKEN THE SAME POSITION WITH REGARD TO FLORIDA LOCAL CALLING AREAS WHICH ARE SPLIT BETWEEN BELLSOUTH AND AN INDEPENDENT LEC?**

A. I do not know. I assume that BellSouth's positions are consistent throughout its service area.

**Q. PLEASE STATE THE CRITICAL ISSUE BROUGHT TO LIGHT BY THE MEMPHIS SITUATION.**

A. The issue this Commission must consider is: does BellSouth meet the checklist when MCI cannot terminate local traffic for its customers throughout all Florida local calling areas which are served at least in part by BellSouth. The clear answer to this question is "no". To allow BellSouth to offer customers service throughout a local calling area while MCI cannot provide a similar calling scope makes it impossible for MCI to compete for customers. Where local calling areas are split between BellSouth and another LEC, MCI's customers will be isolated - in some cases literally unable to call home from the office, not to mention unable to call local hospitals, schools and other important community locations.

1           Regardless of whether BellSouth or MCI is right about the Memphis situation,  
2           it is a clear example where the implementation of the terms of interconnection  
3           are more important than any representations on paper. Even if the terms of  
4           interconnection in Memphis on paper complied with the provisions of the Act,  
5           as a practical matter, there can be no effective competition in the local markets  
6           in Memphis until this issue is resolved. As a result MCI's launch in Memphis  
7           was delayed, postponing the day when effective competition can exist in  
8           Memphis. MCI believes Florida will suffer from this same delay if BellSouth  
9           continues its policy with regard to local calling areas which are split between  
10          BellSouth and other LECs. This is but one example of the difficulties of  
11          implementation of local competition.

12

13           **Installation Delays (Commission Issues 2 and 3)**

14    **Q.    PLEASE PROVIDE ADDITIONAL EXAMPLES WHERE**  
15           **IMPLEMENTATION PROBLEMS DEMONSTRATE THAT**  
16           **SUBSTANTIAL TECHNICAL BARRIERS TO LOCAL COMPETITION**  
17           **REMAIN IN PLACE?**

18    **A.    One type of problem occurs where BellSouth commits to provide a service by a**  
19           **certain date fails to meet that date. For example, MCI submits a request for**  
20           **access facilities to BellSouth by way of an Access Service Request or "ASR."**  
21           **MCI will send an ASR to BellSouth requesting delivery on a specific date.**  
22           **BellSouth responds to ASRs with a Firm Order Confirmation or "FOC" after**

1 engineering facilities have been verified to be available to support MCI's  
2 request.

3  
4 Many times BellSouth commits by way of a FOC, but later claims that it  
5 discovered there are no physical cable facilities available to support the MCI  
6 customer's location. As one would expect, MCI's customers strongly desire a  
7 commitment from MCI to install service on a date certain. Based on  
8 BellSouth's FOC, MCI commits to delivery of service.

9  
10 *When BellSouth fails to deliver the access facilities on the committed date,*  
11 *MCI fails to meet its customer commitments and forever damages MCI's*  
12 *ability to compete.* Recent examples include MCI commitments to two  
13 Georgia customers. In both cases, BellSouth committed through a FOC to  
14 delivery in late May, 1997 - one on May 21, 1997, and the other on May 22,  
15 1997. In both cases, it took approximately two weeks after the FOC date  
16 before BellSouth delivered. Keep in mind, the FOC date is not the date service  
17 is ordered. It is the date BellSouth provided to MCI as its Firm Order  
18 Commitment. This is a continuing and ongoing problem.

19

20 **Local Number Portability Delays (Commission Issue 12)**

21 **Q. ARE THERE RECENT EXAMPLES OF DIFFERENT TYPES OF**  
22 **PROBLEMS MCI HAS ENCOUNTERED?**



1 A. Yes. MCI has experienced numerous problems with the scheduling of Interim  
2 Local Number Portability ("ILNP") cutovers. MCI must have the ability to  
3 schedule and postpone ILNP conversions. However, BellSouth often will  
4 ignore an MCI request for postponement and will make the ILNP conversion.  
5 By doing so, BellSouth forwards the customer's working BellSouth number to  
6 an MCI number that is not operational.

7  
8 The result is an MCI customer's service being out of order. This results despite  
9 MCI's warning to BellSouth that the MCI line was not yet connected and that  
10 the ILNP cutover should not be made. This is a continuing and ongoing  
11 problem. In one recent case in Georgia, the customer was out of service for  
12 five hours before BellSouth restored service.

13  
14 **Q. DO YOU HAVE EVEN MORE DIFFERENT TYPES OF PROBLEMS**  
15 **THAT YOU WOULD LIKE TO BRING TO THE COMMISSION?**

16 A. Yes. It is my understanding that BellSouth has a two-hour window in which to  
17 complete a Remote Call Forwarding ("RCF") cutover. I do not intend to  
18 debate the merits of this time allowance which is quite generous and may  
19 represent a worst case scenario interval. However, it is noteworthy that a  
20 cutover involves actual work of approximately 2 minutes per telephone number.  
21 It has become routine for BellSouth to take every minute of the 2 hour window  
22 to complete the cutover process.

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The significance of this time period cannot be understated. *When MCI requests the RCF cutover, BellSouth “busy’s out” the customer’s number and places a “number has been disconnected” message on the line. They then take the full two hours to complete a two minute task.* Recently, MCI requested an RCF cutover for Coloplast of Marietta, Georgia. As has become routine, the cutover was made right at or slightly over the 2 hour period. The customer was greatly inconvenienced by the long duration of time the “number has been disconnected” message was on the line and blamed MCI. As usual BellSouth simply responded by telling MCI that the work was finished within the 2 hour period. Using the maximum periods allowable to gain a competitive advantage seems to be a BellSouth strategy. Of course, doing so at a time when the law would seem to create an incentive for BellSouth to take extraordinary efforts to facilitate local competition does not bode well for BellSouth’s performance if that legal and regulatory incentive is removed.

**Q. WHAT SHOULD THE COMMISSION DO TO PREVENT THESE PROBLEMS IN THE FUTURE?**

A. MCI’s concerns with implementation which are outlined in my testimony call for the Commission to proceed deliberately and not rush to claim the local markets in Florida are open. The problems described will be much less likely to occur once solid standardized ordering and provisioning systems are in place. It

1 is true that such systems will take time to develop, regardless of whether  
2 BellSouth has a strong incentive to facilitate their development. It is clear that  
3 development of reliable systems will be greatly facilitated if BellSouth's  
4 strongest incentive - potential interLATA authority - remains in place. Without  
5 the "carrot" of potential interLATA authority, the outlook is not good for the  
6 speedy development of reliable systems to implement the components necessary  
7 to open BellSouth's Florida markets.

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

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

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BellSouth Telecommunications, Inc.  
Room 22A1  
333 Commerce Street  
Nashville, Tennessee 37201-3300

Regulatory

January 29, 1997

Mr. Marvin Thomason  
Southwestern Bell Telephone Company  
One Bell Center  
Room 41L1  
St. Louis, MO 63101

Dear Mr. Thomason:

BellSouth and Southwestern Bell Telephone Company (SWBT) currently have an agreement which covers local traffic between SWBT's West Memphis, Arkansas exchange and BellSouth's Memphis, Tennessee exchange. Competitive local service providers are also offering service in the Memphis area. In November, 1996, NEXTLINK contacted BellSouth about blocked traffic from their subscribers to the West Memphis, Arkansas exchange, and MCI Metro encountered this situation last week.

In response to the NEXTLINK contact last November, we investigated the situation and subsequently contacted Mr. Bill McBride with SWBT. Based on our investigation and discussions with Mr. McBride, our position is summarized as follows:

1. We understand that SWBT requires an interconnect agreement with other local exchange companies who wish to terminate traffic to SWBT's West Memphis, Arkansas exchange.
2. BellSouth's Memphis network cannot currently support calls between other local exchange companies and the West Memphis, Arkansas exchange. This limitation is inherent in the existing network. Therefore, BellSouth has never terminated NEXTLINK calls to West Memphis, nor has BellSouth taken any specific action to block calls from competing local service providers to West Memphis.
3. Local traffic between SWBT and other local exchange companies can be easily routed through our Memphis network. Once agreements are reached between SWBT and the other parties, BellSouth is ready to implement an appropriate network arrangement to accommodate this traffic.

MCI-1  
3/6/97

We informed NEXTLINK on November 20, 1996, and MCI Metro on January 27, 1997, of our position as stated above, and we remain available to work with all parties in resolving this situation.

Any questions regarding this matter may be directed to Paul Stinson at 615-214-3839.

*Paul Stinson*

cc: Dana Shaffer, NEXTLINK  
Wally Schmidt, MCI  
Bill McBride, SWBT  
Charles Howorth, BellSouth