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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In re: Consideration of : DOCKET NO. 960786-TL
BellSouth Telecommunications, :
Inc.'s entry into interLATA :
services pursuant to Section 271 :
of the Federal Telecommunications :
Act of 1996. :
:

FIFTH DAY - AFTERNOON SESSION

VOLUME 22

PAGE 2337 through 2442

PROCEEDINGS: HEARING
BEFORE: CHAIRMAN JULIA L. JOHNSON
COMMISSIONER J. TERRY DEASON
COMMISSIONER SUSAN F. CLARK
COMMISSIONER DIANE K. KIESLING
COMMISSIONER JOE GARCIA
DATE: Monday, September 8, 1997
TIME: Commenced at 12:15 p.m.
PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida
REPORTED BY: NANCY S. METZKE, RPR, CCR

APPEARANCES:

(As heretofore noted.)

BUREAU OF REPORTING
RECEIVED 9-9-97

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FPSC-RECORDS/REPORTING

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I N D E X

WITNESSES

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EXHIBITS - VOLUME 22

1	2	NUMBER		ID.	ADMTD.
3	76	JS-1 through JS-10	2341	
4	77	JS-11 and JS-12	2349	
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1
2 P R O C E E D I N G S

3 (Transcript continues in sequence from Volume 21)

4 CHAIRMAN JOHNSON: I think we are ready for the
5 next witness.

6 MR. WIGGINS: Call Julia Strow.

7 CHAIRMAN JOHNSON: Has she been sworn?

8 MR. WIGGINS: No, ma'am.

9 CHAIRMAN JOHNSON: Okay.

10 (Whereupon, Witness Strow was duly sworn by
11 Chairman Johnson)

12
13 Whereupon,

14 JULIA A. STROW

15 was called as a witness on behalf of Intermedia and, after
16 being duly sworn, testified as follows:

17 DIRECT EXAMINATION

18 BY MR. WIGGINS:

19 Q Would you state your name and business address,
20 please?

21 A Yes. My name is Julia Strow, S-t-r-o-w. My
22 business address is 3625 Queen Palm Drive, Tampa, Florida,
23 33619.

24 Q And you are appearing on behalf of Intermedia
25 today?

1 A That is correct, yes.

2 Q What is your position with Intermedia?

3 A I am the director of strategic planning and
4 industry policy.

5 Q Did you cause to be filed in this docket direct
6 testimony consisting of 53 pages?

7 A Yes, I did.

8 Q Did that include Exhibits JS-1 through JS-10?

9 A Yes, it did.

10 MR. WIGGINS: Madam Chairman, I would like to
11 have Exhibits JS-1 through JS-10 be marked as a composite
12 exhibit, please. I believe we are at --

13 CHAIRMAN JOHNSON: We are on 76. They will be
14 marked as Composite Exhibit 76.

15 MR. WIGGINS: Do you have any changes or
16 corrections to make to your prefiled direct testimony?

17 A Yes, I do.

18 Q What are they?

19 A On page 16, this is more of a clarification than
20 anything, lines 18 through 24, I'm talking about certain
21 things that we've requested. I'd like to just make a
22 statement that the unbundled ISDN loops have been provided
23 or are being offered by BellSouth, so they are no longer an
24 issue as far as we are concerned.

25 Page 24, line 8, after the word "could" insert

1 the word "be," b-e, so that the sentence that begins on
2 line 7 would read, "It could be possible also that
3 BellSouth may intentionally be attempting to slow the
4 implementation process so as to delay competition."

5 COMMISSIONER CLARK: What page was that again?

6 WITNESS STROW: I'm sorry.

7 MR. WIGGINS: 24, Line 8.

8 A Thank you. Page 27, line 18, after the comma at
9 the end of that sentence, in between 4-wire digital loops
10 and unbundled frame relay network elements, we have also
11 asked for subloop unbundling which needs to be inserted
12 there.

13 Q How would that read?

14 A 4-wire digital loops, comma, subloop unbundling,
15 comma, unbundled frame relay network elements.

16 On line 20 of that same page, 27, currently reads
17 "2-wire analog loops," with a "P" at the end; it should be
18 a "G" and read "two-wire analog loops."

19 Page 29, line 3, middle of that line, the word
20 "intention" appears. It should be "contention,
21 c-o-n-t-e-n-t-i-o-n, and read, "Although it is not
22 Intermedia's contention, comma, it could be."

23 Page 30, beginning on line 21, after the word
24 "services," before the parenthetical, add "under scenarios
25 other than switch 'as is'."

1 On line 22, after the word "resale" delete the
2 comma, however, comma.

3 COMMISSIONER KIESLING: I'm sorry, you have to
4 slow down. I couldn't write all the other stuff.

5 WITNESS STROW: I'm sorry, line 21.

6 COMMISSIONER KIESLING: Under scenarios other
7 than switch --

8 WITNESS STROW: Switch "as is."

9 COMMISSIONER KIESLING: Okay.

10 WITNESS STROW: And then line 22, after the word
11 "resale" delete the comma, however, comma. Put a period at
12 the end of that line after the word "limitations." And on
13 line 23, delete, "expressed by BellSouth during
14 negotiations."

15 Q How would that now read?

16 A So that the sentence that begins on line 20 would
17 read, "Intermedia has yet to request more complex services
18 under scenarios other than switch 'as is,' example,
19 megalink and multi-serve for resale, due to provisioning
20 limitations."

21 Page 45, line 26, after the word "intended,"
22 delete the word "that." So that it would read, "Congress
23 intended access to be made."

24 My next change is a little bit lengthy, so if you
25 want me to, I'll read it through, and then I'll read it

1 back more slowly if you would like, or we can let the
2 record reflect it, whichever. It's on page 50. It's the
3 answer that starts at line 1. I would like to amend the
4 answer by adding the following, and the answer remains as
5 is, line 1 through 4 and then should pick up here, "The
6 reciprocal compensation provisions of the interconnection
7 agreement does not, however, place any limitation on the
8 type of local traffic terminated by either party. To that
9 end, BellSouth has recently notified Intermedia that it
10 intends to breach its contract with Intermedia by placing a
11 limitation on reciprocal compensation for Internet traffic
12 terminated by either party, thus making such traffic not
13 subject to reciprocal compensation. It is Intermedia's
14 belief that this is not only a breach of the reciprocal
15 compensation and dispute resolution provisions of the
16 contract but is in fact an act of bad faith on BellSouth's
17 part. This action has been taken without any change in
18 either the Florida or FCC rules and without regard for the
19 Florida PSC's jurisdiction over changes to Section 251
20 interconnection contracts. This action, if implemented by
21 BellSouth, would result in inadequate and unfair reciprocal
22 compensation arrangements."

23 COMMISSIONER GARCIA: I didn't get all of that,
24 but -- No, just kidding.

25 WITNESS STROW: Would you all like me to read it

1 back more slowly?

2 CHAIRMAN JOHNSON: No. BellSouth.

3 MR. RANKIN: Yeah, that was a rather lengthy
4 addition to her prefiled direct testimony, and at a minimum
5 I think BellSouth and the rest of the parties would be
6 entitled to a typewritten page which would set forth that
7 addition so that we have a chance to look at it and develop
8 some questions on it if we have questions about it; but
9 just trying to scribble it down here, there is no way I
10 obviously could have done that much less try and analyze
11 what she was trying to say.

12 CHAIRMAN JOHNSON: We couldn't hear you on the
13 last end, but I think I got the gist of your comments.

14 Mr. Wiggins, could you respond to that? But more
15 specifically, it sounds like supplemental testimony to me,
16 and why should we allow that at this point?

17 MR. WIGGINS: First, we can certainly, within a
18 short period of time, provide that text to anyone who would
19 like to see it. Secondly, it goes to -- Why should you
20 allow it? Because it is in response to a more recent, a
21 most recent --

22 COMMISSIONER GARCIA: Mr. Wiggins, just in case,
23 so we don't get caught, I don't think Southern Bell
24 objected to it as much as they would like it written, and
25 once they read it, if they have an objection, to bring the

1 witness back; so I don't think we need to get into a debate
2 if I'm not mistaken.

3 MR. RANKIN: Well, we may very well object to its
4 entire insertion into the record. At a minimum, I think we
5 would have to have a chance to look at it before I would
6 have a chance to object to it.

7 COMMISSIONER KIESLING: And it seems to me that
8 the chairman is who asked him why --

9 COMMISSIONER GARCIA: Oh, I thought she was
10 reiterating that she hadn't heard the whole thing, so I was
11 just trying to --

12 COMMISSIONER KIESLING: I believe that was the
13 Chairman's question to him of why isn't this supplement?

14 COMMISSIONER GARCIA: Oh, okay, I'm sorry. I
15 misunderstood you, Madam Chairman.

16 CHAIRMAN JOHNSON: That's fine.

17 MR. WIGGINS: And Chairman Johnson, I think the
18 short answer to that is this is a fluid environment. The
19 issue of reciprocal compensation for terminating Internet
20 traffic has been raised during this hearing. Now we could
21 not put that in there and surprise the parties if that were
22 asked on cross, but rather than do that, we tried to be up
23 front by having that information put out now. If it would
24 make it easier, we will in fact provide that testimony in
25 writing to BellSouth and anyone else who wants it as soon

1 as possible assuming there is someone behind me listening.

2 CHAIRMAN JOHNSON: Okay. With that clarification
3 then, if you could reduce that to writing. The parties are
4 now aware of at least why you're offering that information,
5 and they'll have an opportunity to review it and see if
6 they have any objections.

7 WITNESS STROW: I also have another change at the
8 end of that page, on line 26 at line -- after the word
9 "address," insert the words "complex voice and," and then
10 delete "many of the advanced data services," so that it
11 should now read: "And do not address complex voice and data
12 services." And that is all the corrections for my direct
13 testimony.

14 COMMISSIONER CLARK: Madam Chair, can I ask a
15 question at this point? You have footnotes in your
16 testimony, and I take it some of them are like, they're --
17 you cite to parts of your attachments. Some of them are,
18 appear to be further testimony. Do you wish that we treat
19 them as testimony?

20 WITNESS STROW: Yes, I do.

21 COMMISSIONER CLARK: Okay.

22 CHAIRMAN JOHNSON: Mr. Wiggins, did you have
23 something you wanted to add?

24 MR. WIGGINS: I'm trying to figure out how to
25 frame the next question about inserting into the record as

1 though read given the fact there may have been outstanding
2 objection to the additional text, so let me do it this
3 way.

4 BY MR. WIGGINS:

5 Q Ms. Strow, if I were to ask you -- with those
6 corrections and additions, if I were to ask you today the
7 questions contained in your prefiled direct testimony,
8 would your answers be the same?

9 A Yes, they would, with the exception of the
10 Internet question that is under review I guess right now.

11 MR. WIGGINS: Then what I would like to do, Madam
12 Chairman is move --

13 Q Go ahead.

14 A Reciprocal compensation question, I apologize.

15 MR. WIGGINS: I move that the testimony as
16 corrected except for the language relating to the
17 reciprocal compensation be inserted in the record as though
18 read.

19 CHAIRMAN JOHNSON: Let me ask you a question, and
20 then after they review the language that we then come back
21 and insert it?

22 MR. WIGGINS: At a later point I would, in fact,
23 attempt to put that in; but I think the key here is we wish
24 to give the Commission the most up-to-date information on
25 whether or not we think the reciprocal compensation

1 agreements are reasonable. I really do not --

2 CHAIRMAN JOHNSON: I can go ahead and put it all
3 in and hold it subject to a motion to strike, and that way
4 we can keep the record very clean and orderly.

5 MR. WIGGINS: Thank you. In that case I would
6 ask that the testimony with the additions and changes made
7 by Ms. Strow be inserted in the record as though read.

8 CHAIRMAN JOHNSON: I will do that, but I will,
9 again, for the parties after you've had -- you understand
10 why it was offered. After you've had an opportunity to
11 review it, I will entertain a motion to strike that
12 particular language.

13 BY MR. WIGGINS:

14 Q Ms. Strow, did you also cause to be filed in this
15 docket, 36 pages of rebuttal testimony?

16 A Yes, I did.

17 Q And did that include two exhibits, JS-11 and
18 JS-12?

19 A Yes, it did.

20 MR. WIGGINS: Madam Chairman, I would ask that
21 Exhibits JS-11 and JS-12 be identified as a composite
22 exhibit.

23 CHAIRMAN JOHNSON: We will identify that as
24 composite 77.

25 BY MR. WIGGINS:

1 Q Ms. Strow, do you have any changes or corrections
2 to make to your rebuttal testimony?

3 A Yes, I only have one, and it's on page 29, and
4 this amendment is changing part of the answer that begins
5 on line 15, "In light of the recent FCC Ameritech order,"
6 the sentence that now reads on line 15 of page 29, "Some of
7 the proposed rates are interim and subject to true-up which
8 by their very nature are not permanent and are inconsistent
9 with the requirements of Section 252(d)," should be struck
10 and replaced with the following sentence: "In light of
11 the Ameritech order, at least some interim rates may be
12 consistent with the Act if they are cost based. It is not
13 clear, however, whether the proposed BellSouth rates would
14 be allowed."

15 MR. WIGGINS: Does that need to be read again?

16 (NO RESPONSE)

17 COMMISSIONER KIESLING: I'm up here nodding my
18 head.

19 MR. WIGGINS: Oh, I'm sorry, Commissioner
20 Kiesling, I didn't see you.

21 COMMISSIONER KIESLING: I was trying to avoid
22 having to push my button. I thought you could hear my head
23 nod.

24 MR. WIGGINS: I apologize.

25 Q Would you mind reading that again, please?

1 COMMISSIONER KIESLING: And the page -- I mean
2 where exactly you want it. I know it's page 29.

3 MR. WIGGINS: Line 15.

4 WITNESS STROW: And it's to replace the current
5 sentence that is there, that begins "Some."

6 COMMISSIONER KIESLING: Okay.

7 WITNESS STROW: Strike that whole sentence that
8 goes down to line 18 and replace it with, "In light of the
9 Ameritech order, at least some interim rates may be
10 consistent with the Act if they are cost based. It is not
11 clear, however, whether the proposed BellSouth rates would
12 be allowed."

13 BY MR. WIGGINS:

14 Q With that change, would your testimony be the
15 same today if I asked you the questions contained in your
16 rebuttal testimony?

17 A Yes, it would.

18 MR. WIGGINS: I move that the testimony be
19 inserted in the record as though read.

20 CHAIRMAN JOHNSON: It will be so inserted.

21 MR. WIGGINS: And Madam Chairman, in an attempt
22 to meet the requests of this additional testimony from the
23 direct be typed up and provided to some folks, could we
24 take a two-minute break so I could get that into somebody's
25 hands?

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CHAIRMAN JOHNSON: Sure.

MR. WIGGINS: Thank you.

CHAIRMAN JOHNSON: We'll take a 10-minute break.

(Transcript continues in sequence in Volume 23)

1 Q: PLEASE STATE YOUR NAME, EMPLOYER, POSITION, AND
2 BUSINESS ADDRESS.

3 A: My name is Julia Strow. I am employed by Intermedia
4 Communications Inc. ("Intermedia") as Director,
5 Strategic Planning and Regulatory Policy. My business
6 address is 3625 Queen Palm Drive, Tampa, Florida
7 33619.

8 Q: WHAT ARE YOUR RESPONSIBILITIES IN THAT POSITION?

9 A: I am the primary interface between Intermedia and the
10 incumbent local exchange carriers ("ILECs"). In that
11 capacity, I am involved in interconnection
12 negotiations and arbitrations between Intermedia and
13 the ILECs. I am also primarily responsible for
14 strategic planning and the setting of Intermedia's
15 regulatory policy.

16 Q: PLEASE BRIEFLY DESCRIBE YOUR EDUCATIONAL BACKGROUND
17 AND PROFESSIONAL EXPERIENCE.

18 A: I graduated from University of Texas in 1981 with a
19 B.S. in Communications. I joined AT&T in 1983 as a
20 Sales Account Executive responsible for major market
21 accounts. I subsequently held several positions with
22 BellSouth's Marketing Department, with
23 responsibilities for Billing and Collection and Toll
24 Fraud Services. In 1987, I was promoted to Product
25 Manager for Billing Analysis Services, with
26 responsibility for the development and management of

1 BellSouth's toll fraud detection and deterrence
2 products. In 1988, I was promoted into the BellSouth
3 Federal Regulatory organization. During my tenure
4 there, I had responsibility for regulatory policy
5 development for various issues associated with Billing
6 and Collection Services, Access Services, and
7 Interconnection. In 1991, due to a restructuring of
8 the Federal Regulatory organization, my role was
9 expanded to include the development of state and
10 federal policy for the issues I mentioned above.
11 During my last two years in that organization, I
12 supported regulatory policy development for local
13 competition, interconnection, unbundling, and resale
14 issues for BellSouth. I joined Intermedia in April
15 1996 as Director of Strategic Planning and Regulatory
16 Policy.

17 **Q: WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

18 **A:** The purpose of my testimony is to provide the Florida
19 Public Service Commission (the "Commission") with
20 information that could assist it in determining
21 BellSouth Telecommunications, Inc.'s ("BellSouth")
22 compliance with the relevant provisions of the
23 Telecommunications Act of 1996 (the "1996 Act") and
24 the regulations promulgated by the Federal
25 Communications Commission ("FCC") thereunder,
26 specifically those requirements which BellSouth must

1 satisfy to obtain in-region interLATA authorization.
2 In particular, I will demonstrate that BellSouth has
3 not met the requirements of either section
4 271(c)(1)(A) (hereinafter, "Track A") or section
5 271(c)(1)(B) (hereinafter, "Track B") of the 1996 Act.
6 Moreover, I will show that, regardless of the "track"
7 which BellSouth elects to pursue, BellSouth has not
8 met the 14-point "competitive checklist" consistent
9 with the requirements of section 271(c)(2)(B) and the
10 FCC regulations promulgated thereunder.

11 **Q: PLEASE SUMMARIZE YOUR TESTIMONY.**

12 **A:** Section 271 of the 1996 Act conditions Bell Operating
13 Company ("BOC") entry into in-region interLATA service
14 upon a demonstration that the BOC's local market is
15 open to competition. In particular, the 1996 Act
16 requires that before a BOC may be authorized to
17 provide in-region interLATA services, the FCC must
18 first find that a BOC (1) has fully implemented
19 approved access and interconnection agreements with
20 one or more facilities-based competing carriers
21 providing service to both business and residential
22 subscribers, or, in very limited circumstances, has an
23 approved or effective statement of generally available
24 terms and conditions ("SGAT"); (2) provides or
25 generally offers the 14 items on the "competitive
26 checklist"; (3) satisfies the requirements of section

1 272, including the establishment of a separate long
2 distance subsidiary and the satisfaction of
3 nondiscrimination conditions; and (4) has demonstrated
4 that in-region interLATA entry would be in the public
5 interest. Because this Commission's primary statutory
6 responsibility in this proceeding is to advise the FCC
7 on the issues associated with BellSouth's compliance
8 with the requirements of section 271(c), my testimony
9 focuses on the first two items.

10 As will become evident in this proceeding,
11 BellSouth has not satisfied the preconditions of
12 section 271(c)(1)(A) or section 271(c)(1)(B) of the
13 1996 Act. More particularly, BellSouth can *qualify*
14 only for Track A consideration, not Track B because
15 BellSouth has received, at the very least, several
16 requests for access and interconnection within the
17 meaning of section 271(c)(1)(B). Although BellSouth
18 may seek in-region interLATA authorization under Track
19 A, the facts in this case will demonstrate that
20 BellSouth does not meet the requirements of Track A
21 because no operational facilities-based competing
22 provider or providers of telephone exchange now serve,
23 individually or collectively, residential and business
24 customers in Florida. Moreover, BellSouth has not
25 shown that it has satisfied the competitive checklist
26 requirements in a manner that will enable its

1 competitors to fully compete, at parity, with
2 BellSouth.

3 DEMONSTRATION OF COMPLIANCE WITH EITHER "TRACK A"

4 OR "TRACK B"

5 Q: HAS BELLSOUTH MET THE REQUIREMENTS OF SECTION
6 271(c)(1)(B) OF THE 1996 ACT?

7 A: No, BellSouth has not met the requirements of section
8 271(c)(1)(B) of the 1996 Act. Therefore, BellSouth
9 may not obtain in-region interLATA authorization under
10 Track B.

11 Q: PLEASE EXPLAIN.

12 A: Section 271(c)(1)(B) of the 1996 Act permits a BOC to
13 seek entry under Track B if "no such provider" has
14 requested the access and interconnection described in
15 "section 271(c)(1)(A)" three months prior to the date
16 on which a BOC may apply to the FCC for in-region
17 interLATA authority, and the BOC's SGAT has been
18 approved or permitted to take effect by the relevant
19 state regulatory commission. See 47 U.S.C. §
20 271(c)(1)(B). Thus, Track B requires a two-prong
21 demonstration. The phrase "no such provider," as used
22 in section 271(c)(1)(B) refers to a potential
23 competing provider of the telephone exchange service
24 described in section 271(c)(1)(A). Because several
25 potential competing providers of telephone exchange
26 service to residential and business customers have, at

1 least three months prior to the date on which
2 BellSouth may seek in-region interLATA authorization,
3 requested the access and interconnection described in
4 section 271(c)(1)(A), BellSouth is precluded from
5 pursuing in-region interLATA authority under Track B.
6 BellSouth itself has stated in its response to the
7 Staff's interrogatories that there are 62 competing
8 providers who have entered into interconnection
9 agreements with BellSouth. Indeed, Intermedia has a
10 fully executed interconnection agreement with
11 BellSouth, which, as explained below has not been
12 fully implemented. Because the first prong of the
13 test has not been met, the Commission need not reach
14 a conclusion with respect to the second prong of Track
15 B.

16 **Q: PLEASE EXPLAIN THE BASIS OF YOUR ASSERTION THAT**
17 **BELLSOUTH DOES NOT QUALIFY FOR TRACK B.**

18 **A:** Our assertion that BellSouth does not qualify for
19 Track B at this time is based on the plain language of
20 section 271(c)(1)(B), the legislative history of the
21 1996 Act, the recommendations of the Department of
22 Justice ("DOJ"), and the FCC's recent decision
23 rejecting SBC Communications' application for
24 intraLATA authority.

1 In its *Memorandum Opinion and Order*,¹ the FCC
2 rejected SBC Communications, Inc.'s ("SBC") request
3 for interLATA authorization under Track B. The FCC
4 concluded, among other things, that SBC may not obtain
5 authorization to provide in-region interLATA services
6 in Oklahoma pursuant to section 271(c)(1)(B) of the
7 1996 Act at this time because "SBC has received, at
8 the very least, several requests for access and
9 interconnection within the meaning of section
10 271(c)(1)(B)." *Memorandum Opinion and Order*, at 2 ¶
11 1.

12 In arriving at this conclusion, the FCC found
13 that, in order to decide whether SBC's application may
14 proceed under Track B, the FCC must determine whether
15 SBC has received a "qualifying request" for access and
16 interconnection. The FCC concluded that a "qualifying
17 request" under section 271(c)(1)(B) is "a request for
18 negotiation to obtain access and interconnection that,
19 if implemented, would satisfy the requirements of
20 section 271(c)(1)(A)." *Memorandum Opinion and Order*,
21 at 17 ¶ 27. In analyzing the standard for evaluating

22 ¹ *Application by SBC Communications, Inc. Pursuant to*
23 *Section 271 of the Communications Act of 1934, as*
24 *Amended, to Provide In-Region, InterLATA Services in*
25 *Oklahoma, Memorandum Opinion and Order, CC Docket No.*
26 *97-121 (rel. June 26, 1997) ("Memorandum Opinion and*
27 *Order"). A copy of the FCC Order is appended as*
28 **Attachment JS-2.**

1 "qualifying requests," the FCC found that the
2 threshold question centered on an interpretation of
3 section 271(c)(1): 1) whether a BOC was obligated to
4 seek intraLATA relief under Track A only if an
5 existing facilities-based carrier that is already
6 competing in the local exchange market has requested
7 interconnection -- as SBC argued in that proceeding
8 and BellSouth contends here -- or 2) whether Congress
9 intended to preclude a Bell Operating Company ("BOC")
10 from proceeding under Track B once the BOC had
11 received a request for access and interconnection from
12 a potential facilities-based provider of competitive
13 telephone exchange service that would use
14 interconnection as a means of entering the market.
15 The Commission held that the latter interpretation is
16 the most natural reading of the statute, and the only
17 interpretation consistent with the statutory goal of
18 facilitating competition in the local exchange market.
19 The FCC concluded that Congress intended to preclude
20 a BOC from proceeding under Track B when the BOC
21 receives a request for access and interconnection from
22 a potential competing provider of telephone exchange
23 service, subject to the exceptions in section
24 271(c)(1)(B).

25 The record evidence in this proceeding
26 demonstrates that several unaffiliated competing

1 providers of telephone exchange service have requested
2 access and interconnection with BellSouth before
3 BellSouth may file its in-region interLATA application
4 under Track B. To Intermedia's knowledge, these
5 requests for access and interconnection would, if
6 fully implemented, satisfy the requirements of section
7 271(c)(1)(A). Indeed, Intermedia executed its own
8 interconnection agreement with BellSouth on July 1,
9 1996, and certain aspects of the interconnection
10 agreement still remain unimplemented. Because there
11 are "qualifying requests" for access and
12 interconnection, as that phrase is interpreted by the
13 FCC, BellSouth is precluded from obtaining in-region
14 interLATA authorization under Track B. There is no
15 basis for BellSouth's assertion that these
16 interconnection agreements will not result in the
17 provision of telephone exchange service to residential
18 and business subscribers described in section
19 271(c)(1)(A). Similarly, BellSouth has not alleged,
20 nor has the Commission certified, that any of the
21 competing providers of telephone exchange service has
22 negotiated in bad faith or has failed to abide by its
23 implementation schedule, to the extent one is
24 contained in its interconnection agreement.² As long

25 ² A BOC will be considered not to have received a
26 qualifying request if the State commission certifies
27 (continued...)

1 as the qualifying requests remain unsatisfied, the
 2 requirements of section 271(c)(1)(A) remain
 3 unsatisfied, and Track B remains foreclosed to
 4 BellSouth.

5 Our interpretation is also consistent with the
 6 DOJ's evaluations in the Ameritech-Michigan and
 7 Southwestern Bell-Oklahoma section 271 proceedings.³
 8 In those evaluations the DOJ recommends denial of
 9 Southwestern Bell's and Ameritech's 271 Applications.
 10 Just as I have done above, in examining whether a BOC
 11 should be permitted to enter in-region interLATA
 12 market, the DOJ evaluations apply the following

13 ²(...continued)

14 that the competitive carrier or carriers making such
 15 a qualifying request failed to negotiate in good
 16 faith or violated the terms of an agreement approved
 17 under section 252 by the competitive carrier's
 18 failure to comply, within a reasonable period of
 19 time, with the implementation schedule set forth in
 20 the interconnection agreement. Thus, a BOC may
 21 still be able to satisfy the requirements of section
 22 271(c)(1)(B) if there was bad faith on the part of
 23 the requesting carrier or the carrier has breached
 24 the terms of the interconnection agreement, as
 25 certified by the relevant State commission.

26 ³ See *Application of SBC Communications Inc. et al.*
 27 *Pursuant to Section 271 of the Telecommunications*
 28 *Act of 1996 to Provide In-Region, InterLATA Services*
 29 *in the State of Oklahoma*, CC Docket No. 97-121,
 30 Evaluation of the United States Department of
 31 Justice, filed May 16, 1997 (**Attachment JS-3**); and
 32 *Application of Ameritech Michigan Pursuant to*
 33 *Section 271 of the Telecommunications Act of 1996 to*
 34 *Provide In-Region, InterLATA Services in the State*
 35 *of Michigan*, CC Docket No. 97-137, Evaluation of the
 36 United States Department of Justice, filed June 25,
 37 1997 (**Attachment JS-4**).

1 standard: BOC in-region interLATA entry should be
2 permitted only when the local exchange and exchange
3 access markets in a state have been fully and
4 irreversibly opened to competition (See Attachment JS-
5 3 at 36-51 and Attachment JS-4 at 29-31).

6 **Q: HAS INTERMEDIA REQUESTED ACCESS AND INTERCONNECTION AS**
7 **DESCRIBED IN SECTION 271(c) (1) (A)?**

8 **A:** Yes. Intermedia and BellSouth executed an
9 interconnection agreement on June 21, 1996
10 (hereinafter, "Interconnection Agreement"), a copy of
11 which is appended to this testimony as **Attachment JS-**
12 **5.** The Interconnection Agreement specifically
13 addressed access and interconnection as envisioned in
14 section 271(c) (1) (A) of the 1996 Act, and permits
15 Intermedia to provide local exchange services through
16 access and interconnection to residential and business
17 subscribers operating in BellSouth's Florida
18 territory. The Order approving the amended
19 Interconnection Agreement between BellSouth and
20 Intermedia was issued by the Commission on July 1,
21 1997 (Order No. PCS-97-0771-FOF-TP Docket No.
22 970314-TP)

23 Intermedia's Interconnection Agreement with
24 BellSouth the Interconnection Agreement generally
25 provides for interconnection for purposes of the
26 exchange of local traffic at a tandem, end office, or

1 any other mutually agreed upon point. Additionally,
2 the agreement contains provisions for resale,
3 unbundling, and collocation. Particular provisions
4 include, but are not limited to:

5 • **Interconnection.** BellSouth and Intermedia agreed
6 to three methods of interconnecting facilities: (a)
7 physical collocation, (b) virtual collocation where
8 physical collocation is not practical for technical
9 reasons or space limitations, and (c) interconnection
10 via the purchase of facilities from either party by
11 the other party. BellSouth and Intermedia agreed that
12 reciprocal connectivity would be established at
13 BellSouth access tandems or end offices. The rates,
14 terms, and conditions for interconnection were
15 negotiated by BellSouth and Intermedia. The pricing
16 methodology used for interconnection is set forth in
17 Section IV of the Interconnection Agreement, and the
18 referenced attachments.

19 • **911/E911, Operator Services, Etc.** The parties
20 have agreed that Intermedia will route the traffic to
21 BellSouth at the appropriate tandem or end office.
22 Intermedia will install dedicated trunks from
23 Intermedia's serving wire center to the appropriate
24 911/E911 tandem. For E911 services, Intermedia will
25 deliver Automatic Number Identification along with the
26 call. The costs will be billed to the appropriate

1 municipality. See Section IX of the Interconnection
2 Agreement, "Access to 911/E911 Emergency Network," and
3 the attachments referenced therein, for the specific
4 terms and conditions governing access to 911 and E911
5 services.

6 BellSouth has also agreed to provide Intermedia
7 Operator Call Processing Access Service, which
8 includes processing and verification of alternate
9 billing information for collect calls, calling card
10 calls, and billing to a third number; customized call
11 branding; dialing instructions, and other types of
12 operator assistance requested by the customer. The
13 rates for Operator Call Processing Access Services
14 have been mutually agreed to by the parties.
15 BellSouth has also agreed to offer to Intermedia
16 Directory Assistance Access Services (Number Services)
17 at rates mutually agreed to by the parties. See
18 Section X of the Interconnection Agreement, "Provision
19 of Operator Services," and the attachments referenced
20 therein, for the specific rates, terms, and conditions
21 governing Operator Call Processing Access Service and
22 Directory Assistance Access Services.

23 • **Access to Telephone Numbers.** BellSouth has
24 agreed that during any period under the
25 Interconnection Agreement in which it serves as a
26 North American Numbering Plan Administrator for its

1 territory, it will ensure that Intermedia has
2 nondiscriminatory access to telephone numbers for
3 assignment to Intermedia's telephone exchange service
4 customers. The parties have agreed that BellSouth
5 will provide numbering resources pursuant to the
6 Bellcore Guidelines Regarding Number Assignment, and
7 that compliance with those guidelines will constitute
8 nondiscriminatory access to numbers. If BellSouth is
9 no longer the North American Numbering Plan
10 Administrator, the parties have agreed that they will
11 comply with the guidelines, plan, or rules adopted
12 pursuant to 47 U.S.C. § 251(e). See Section XII of
13 the Interconnection Agreement, "Access to Telephone
14 Numbers," and the attachments referenced therein for
15 the specific rates, terms, and conditions governing
16 the assignment of telephone numbers to Intermedia's
17 customers.

18 • **Access to Database and Associated Signaling, Etc.**
19 Intermedia and BellSouth have agreed that they will
20 offer to each other use of the signaling network and
21 signaling databases on an unbundled basis at published
22 tariffed rates. Signaling functionality will be
23 available with both A-link and B-link connectivity.
24 BellSouth will enter Intermedia line information into
25 its Line Information Database ("LIDB"). Entry of line
26 information into LIDB will enable Intermedia's end-

1 users to participate or not participate in alternate
2 billing arrangements, such as collect or third number
3 billed calls. BellSouth will store in its database
4 the relevant billing information and will provide
5 responses to on-line, call-by-call queries to this
6 information for purposes of Billed Number Screening,
7 Calling Card Validation, and Fraud Control. See
8 Section XIII of the Agreement, "Access to Signaling
9 and Signaling Databases," and the attachments
10 referenced therein, for the specific rates, terms, and
11 conditions governing access to databases and
12 associated signaling necessary for call routing and
13 completion.

14 • **Number Portability.** The Interconnection
15 Agreement provides that Service Provider Number
16 Portability ("SPNP") is an interim service arrangement
17 provided by each party to the other whereby an end-
18 user who switches subscription of its local exchange
19 service from BellSouth to Intermedia, or vice versa,
20 is permitted to retain use of its existing assigned
21 telephone number, provided that the end-user remains
22 at the same location for its local exchange service or
23 changes locations and services provider but stays
24 within the same serving wire center of its existing
25 number. The Interconnection Agreement specifies that

1 SPNP may be provided via remote call forwarding or
2 direct forward dialing.

3 • **Conclusion.** For a detailed description of the
4 terms, conditions, and other provisions of the
5 interconnection agreement between BellSouth and
6 Intermedia, Intermedia refers the Commission to the
7 Interconnection Agreement. See Attachment JS-5.
8 Intermedia notes that, although the provisions of the
9 Interconnection Agreement are clear and unambiguous,
10 certain provisions of the Interconnection Agreement
11 remain largely unimplemented.

12 Subsequent to the execution of the
13 Interconnection Agreement, Intermedia specifically
14 requested of BellSouth access and interconnection
15 under the terms of the Interconnection Agreement.
16 Intermedia requested, among other things, the
17 following unbundled network elements ("UNEs"): four-
18 wire digital loops, DS1 loops, two-wire analog loops,
19 sub-loops, and integrated services digital network
20 ("ISDN") loops. See **Attachment JS-6**. To date,
21 however, BellSouth has provided very limited
22 interconnection to Intermedia and, moreover, has not
23 provided the requested UNEs in conformity with the
24 requirements of section 271.

25 **Q: HAS BELLSOUTH MET THE REQUIREMENTS OF SECTION**
26 **271(c)(1)(A) OF THE 1996 ACT?**

1 A: No, BellSouth has not met the requirements of section
2 271(c)(1)(A), although this is the only avenue through
3 which BellSouth may seek in-region interLATA
4 authorization.

5 Q: **PLEASE EXPLAIN.**

6 A: In order to satisfy section 271(c)(1)(A), a BOC must
7 demonstrate that it "is providing access and
8 interconnection to its network facilities for the
9 network facilities of one or more unaffiliated
10 competing providers of telephone exchange service . .
11 . to residential and business subscribers," and the
12 telephone exchange service is being offered by the
13 competing providers "either exclusively over their own
14 . . . facilities or predominantly over their own . .
15 . facilities in combination with the resale" of
16 another carrier's telecommunications services. See 47
17 USC § 271(c)(1)(A). The legislative history of the
18 1996 Act clarifies that Congress set "meaningful"
19 facilities-based competition for business and
20 residential services as a precondition to a grant of
21 in-region interLATA authority. The 1996 Act,
22 therefore, requires meaningful facilities-based
23 competition for business and residential customers --
24 whether provided by a single competitive provider or
25 a combination of providers -- as a condition-precedent
26 to a BOC entry into the in-region interLATA market.

1 To Intermedia's knowledge, none of BellSouth's
2 telephone exchange competitors is providing service to
3 both residential and business customers either
4 exclusively over their own facilities or predominantly
5 over their own facilities in combination with resale.

6 Q: IS INTERMEDIA PROVIDING TELEPHONE EXCHANGE SERVICE TO
7 RESIDENTIAL SUBSCRIBERS?

8 A: Intermedia is providing telephone exchange service to
9 residential customers on a very limited scale, only
10 through resale and only where residential lines are
11 billed through the customer's business account.

12 Q: IN ORDER FOR BELLSOUTH TO SATISFY THE REQUIREMENTS OF
13 TRACK A, IS IT NECESSARY FOR COMPETING PROVIDERS OF
14 TELEPHONE EXCHANGE SERVICE TO BE PROVIDING SERVICE TO
15 MORE THAN ONE RESIDENTIAL SUBSCRIBER AND ONE BUSINESS
16 SUBSCRIBER?

17 A: Yes, it is necessary for the competing provider or
18 providers to be providing telephone exchange service
19 to more than one residential subscriber and one
20 business subscriber. Section 271(c)(2)(A) provides
21 that the agreements must be with "one or more
22 unaffiliated competing providers of telephone exchange
23 service . . . to residential and business
24 subscribers." 47 USC § 271(c)(1)(A). Long-standing
25 principles of statutory construction suggests that, if
26 only one subscriber in each category was required,

1 Congress would have said "to at least one residential
2 and one business subscriber." By using the plural
3 form of "subscribers," Congress clearly contemplated
4 that more than one customer in each category be
5 actually receiving telephone exchange service from the
6 competing carrier.

7 **Q: IN THE EVENT BELLSOUTH IS ABLE TO SATISFY THE**
8 **REQUIREMENTS OF TRACK A OR TRACK B, CAN BELLSOUTH THEN**
9 **OBTAIN IN-REGION INTERLATA AUTHORIZATION?**

10 **A:** While providing access and interconnection pursuant to
11 interconnection agreements under Track A is a
12 necessary condition to a grant of interLATA authority,
13 it is not the sole criterion. The BOC must also
14 demonstrate that it satisfies the 14-point competitive
15 check list mandated by section 271(c) of the 1996 Act.

16 **Q: PLEASE EXPLAIN.**

17 **A:** Section 271(c)(2) requires that, in order to obtain
18 in-region interLATA authorization under Track A, a BOC
19 must satisfy the 14-point checklist of section
20 271(c)(2)(B). Thus, even if BellSouth had satisfied
21 the requirements of Track A, BellSouth would still be
22 required to demonstrate compliance with each of the 14
23 items of the competitive checklist, including access
24 to physical collocation, cost-based unbundled loops,
25 and reliable operations support systems ("OSS")
26 functions before it may gain entry under either track.

1 COMPLIANCE WITH THE 14-POINT COMPETITIVE CHECKLIST

2 Q: HAS BELLSOUTH PROVIDED INTERMEDIA WITH ACCESS AND
3 INTERCONNECTION IN ACCORDANCE WITH THE REQUIREMENTS OF
4 SECTION 251(c)(2) and 252(d)(1) OF THE 1996 ACT?

5 A: BellSouth is providing some level of access and
6 interconnection to its network facilities to
7 Intermedia for the provision of communications
8 services to business subscribers, through resale of
9 BellSouth's retail services. Although Intermedia and
10 BellSouth have a fully executed and Commission-
11 approved Interconnection Agreement under which
12 BellSouth will provide Intermedia with access and
13 interconnection to BellSouth's network facilities, to
14 date some aspects of the Interconnection Agreement
15 remain unimplemented. In particular, BellSouth has
16 not yet established the infrastructure necessary to
17 support implementation of the Interconnection
18 Agreement. As a result, Intermedia's ability to
19 initiate widespread facilities-based service has been
20 significantly impaired to date, although its plan was
21 to initiate facilities-based services during the first
22 quarter of 1997.

23 Interconnection through the provision of
24 unbundled local loops, unbundled network elements and
25 access to the operation and support systems ("OSS")
26 access is still in the earliest trial stages, and

1 these trials are only for the most elementary (i.e.,
2 1F and 1FB)) services, not the more complex elements
3 Intermedia will utilize in the provision of local
4 exchange services.

5 Moreover, BellSouth has refused certain
6 interconnection requests by Intermedia and has failed
7 to implement certain tracking and data exchange
8 processes in a timely manner. While BellSouth has
9 entered into an agreement with Intermedia specifying
10 the terms and conditions under which BellSouth will
11 provide Intermedia with access and interconnection to
12 its network facilities, it has failed to devote the
13 resources necessary to implement the provisions of the
14 Interconnection Agreement, including provisions
15 relating specifically to interconnection. In fact,
16 BellSouth has not met deadlines agreed to and set
17 forth in the Implementation Plan (a copy of which is
18 appended as **Attachment JS-7**) to which Intermedia and
19 BellSouth agreed.⁴ For example, the Implementation
20 Plan calls for the tracking of local exchange and
21 extended area service traffic for compensation
22 purposes, and for the exchange of traffic data between
23 companies. The timeframe for implementation for these

24 ⁴ The four-page Implementation Plan specifically sets
25 forth the various elements of interconnection, the
26 timeframe within which each element is to be
27 implemented, and the responsible contacts within
28 Intermedia and BellSouth.

1 items was October 1, 1996. To date, BellSouth has not
2 even put in place a process for implementation.

3 Section 251(c)(2) requires interconnection at any
4 technically feasible point in the incumbent local
5 exchange carrier's network. Despite this explicit
6 statutory language, to date BellSouth has failed to
7 address Intermedia's request for subloop unbundling.
8 As a consequence of the this, BellSouth is neither
9 providing interconnection to Intermedia according to
10 the terms agreed to by the parties, nor is it
11 providing interconnection to Intermedia in accordance
12 with the requirements of section 251(c)(2) and
13 252(d)(1) of the 1996 Act, pursuant to section
14 271(c)(2)(B)(i) and applicable rules promulgated by
15 the FCC.

16 **Q: WHAT DO YOU THINK IS THE REASON FOR BELLSOUTH'S**
17 **FAILURE TO PROVIDE INTERMEDIA WITH ACCESS AND**
18 **INTERCONNECTION?**

19 **A:** Intermedia believes that the problems Intermedia is
20 experiencing with BellSouth with respect to access and
21 interconnection have to do with BellSouth's failure to
22 implement the Interconnection Agreement in a
23 reasonable and timely manner. Because certain
24 competitive carriers, such as Intermedia, require more
25 complex elements for the provision of local service to
26 meet the needs of their customers, BellSouth must

1 devote the resources necessary to fully implement the
2 interconnection agreements -- and clearly, with
3 respect to Intermedia, BellSouth has not done so. For
4 example, Intermedia has requested unbundled loops and
5 network elements to support the provision of local
6 frame relay service. Although some progress has been
7 made (i.e., network elements have been identified and
8 pricing has been developed), the loops and network
9 elements are still not being provisioned on an
10 unbundled basis. More importantly, the operation and
11 support systems required to support these services are
12 not yet operational and are still being tested to
13 "work out the kinks." There is no guarantee that
14 these systems will work as planned. Because of this,
15 the access needed by competitive local exchange
16 carriers and the seamless access envisioned and
17 required by the 1996 Act, are not being provided by
18 BellSouth consistent with its obligations under the
19 1996 Act. Intermedia and BellSouth, as well as the
20 industry, are working cooperatively to resolve these
21 issues and, therefore, Commission intervention at this
22 time does not appear to be necessary. It is
23 Intermedia's position, however, that on the basis of
24 the OSS implementation alone, it would be premature to
25 grant BellSouth section 271 authorization.

1 In addition to the reasons cited above, there are
2 several other possible reasons for BellSouth's failure
3 to provide Intermedia with access and interconnection.
4 It is possible that new applications raise technical
5 and administrative issues that take time to resolve.
6 It is conceivable also that there may be communication
7 problems and bureaucratic delays within BellSouth. It
8 could^{be} possible also that BellSouth may intentionally
9 be attempting to slow the implementation process so as
10 to delay competition, particularly for facilities-
11 based competition. Regardless of the reason behind
12 BellSouth's failure to implement the Interconnection
13 Agreement, the end-result nevertheless is the same:
14 BellSouth has impaired Intermedia's ability to provide
15 widespread facilities-based local exchange service
16 through unbundled network elements in Florida.

17 **Q: HAS BELL SOUTH COMPLIED WITH THE PROVISIONING PERIOD(S)**
18 **SPECIFIED IN YOUR INTERCONNECTION AGREEMENT?**

19 **A:** No, BellSouth generally has not complied with the
20 provisioning periods specified in the Interconnection
21 Agreement. As discussed previously, there are still
22 many "kinks" that must be worked out before access to
23 OSS by competing providers of telephone exchange
24 service is fully operational although, to date, the
25 relevant parties (BellSouth and competing carriers,
26 including Intermedia) are working through the

1 technical and operational issues associated with full
2 implementation of existing interconnection agreements.
3 As a result, competitive carriers, including
4 Intermedia, have experienced significant provisioning
5 delays.

6 **Q: PLEASE DESCRIBE SPECIFIC INSTANCES OF BELLSOUTH'S**
7 **NONCOMPLIANCE WITH THE PROVISIONING PERIODS SET FORTH**
8 **IN THE INTERCONNECTION AGREEMENT.**

9 **A:** Specific instances of this noncompliance are detailed
10 below.

11 During the interconnection negotiation process,
12 Intermedia stated clearly to BellSouth its need for
13 unbundled frame relay network components such as loops
14 and sub-loop elements. The provisions of the
15 Interconnection Agreement clearly contemplated in
16 Section VII.E that such network elements would be
17 provided to Intermedia even though at contract
18 execution the unbundled frame relay components were
19 not yet developed. Although Intermedia repeatedly
20 confirmed the need for the unbundled network
21 components (loops and sub-loop) through various
22 correspondence to BellSouth (see **Attachment JS-8**), to
23 date the requested frame relay network components have
24 not been made available to Intermedia.

25 BellSouth's response to Intermedia's requests for
26 sub-loop unbundling have consistently been evasive,

1 confused, or contradictory. For example, on September
2 10, 1996, BellSouth informed Intermedia that subloop
3 unbundling could not be provisioned because the LFACS
4 and TIRKS line and trunk assignment databases could
5 not handle such data. In a section 271 proceeding
6 before the Georgia Public Service Commission ("Georgia
7 Proceeding"), however, BellSouth witness Scheye
8 confirmed that it was technically feasible to provide
9 sub-loop unbundling.

10 Similarly, Intermedia consistently has requested
11 that BellSouth provide unbundled loops adequate to
12 handle its Frame Relay traffic. BellSouth has
13 maintained that one of the reasons for this delay is
14 related to billing -- specifically, BellSouth informed
15 Intermedia that its CABS billing system was
16 inappropriate for unbundled loop billing, and that it
17 had to modify its CRIS system to generate billing
18 data. This position was memorialized in Intermedia's
19 letter to BellSouth dated January 28, 1997. (See
20 **Attachment JS-9**). Yet, BellSouth witness Scheye
21 stated under oath in the Georgia Proceeding that CABS
22 is fully capable of providing billing data for
23 unbundled loops, and that BellSouth has every
24 intention of using it. Because BellSouth has
25 continued to vacillate on which billing system will
26 ultimately be used for the unbundled elements, the

1 digital loops sought by Intermedia have been delayed
2 for months. One fact does remain to this date:
3 Intermedia does not currently have unbundled frame
4 relay network components (sub-loop, loop, and
5 multiplexing elements) in place. Due to BellSouth's
6 failure to provide unbundled network elements,
7 Intermedia has not been able to provide facilities-
8 based local service.

9 Intermedia hopes to resolve these and other
10 issues cooperatively with BellSouth, and without the
11 need for Commission intervention. However, Intermedia
12 may seek Commission intervention in the event the
13 issues are not resolved satisfactorily.

14 **Q: HAVE YOU REQUESTED FROM BELLSOUTH ACCESS TO UNBUNDLED**
15 **NETWORK ELEMENTS?**

16 **A:** Yes, Intermedia has requested from BellSouth access to
17 unbundled network elements. Intermedia has requested
18 the following UNEs: four-wire digital loops,
19 unbundled frame relay network elements, DS1 loops,
20 two-wire analog^g loops and ISDN loops. See Memorandum
21 from Intermedia to BellSouth dated July 11, 1996 for
22 original request (appended to this testimony as
23 Attachment JS-6).

24 **Q: IS BELLSOUTH CURRENTLY PROVIDING INTERMEDIA WITH**
25 **ACCESS TO UNES AT ANY TECHNICALLY FEASIBLE POINT IN**

1 **ACCORDANCE WITH THE REQUIREMENTS OF SECTIONS 251(c) (3)**
2 **AND 271(c) (2) (B) (ii)?**

3 **A:** No, BellSouth is not currently providing Intermedia
4 with access to UNEs at any technically feasible point
5 consistent with the requirements of the 1996 Act.
6 BellSouth has not articulated any reason as to why
7 BellSouth is unable to provide the UNEs as requested.
8 Rather, BellSouth is providing Intermedia with
9 tariffed services that are priced at the negotiated
10 UNE rates in the Interconnection Agreement. As of the
11 date of this testimony, Intermedia has to purchase
12 services out of the BellSouth retail tariff. In turn,
13 BellSouth credits Intermedia to reflect that the
14 tariffed item is being priced as an unbundled element.
15 Intermedia does not have any control or management
16 capabilities associated with unbundled elements, as
17 envisioned by the 1996 Act or the FCC.

18 **Q:** **ARE THERE ANY OTHER REASONS BELL SOUTH HAS FAILED TO**
19 **PROVIDE INTERMEDIA WITH ACCESS AND INTERCONNECTION?**

20 There are several other possible reasons for
21 BellSouth's failure to provide Intermedia with access
22 and interconnection. It is possible that new
23 applications raise technical and administrative issues
24 that take time to resolve. It is conceivable also
25 that there may be communication problems and
26 bureaucratic delays within BellSouth. A likely

1 possibility is that BellSouth may be failing to
2 allocate the resources necessary for implementation.
3 Although it is not Intermedia's ^{Contention} ~~intention~~, it could be
4 possible also that BellSouth may intentionally be
5 attempting to slow the implementation process so as to
6 delay competition, particularly for facilities-based
7 competition. Regardless of the reason behind
8 BellSouth's failure to implement the Interconnection
9 Agreement, the end-result nevertheless is the same:
10 BellSouth has impaired Intermedia's ability to provide
11 widespread facilities-based local exchange service
12 through UNEs in Florida.

13 **Q: HAS INTERMEDIA COMPLAINED TO BELLSOUTH REGARDING**
14 **BELLSOUTH'S FAILURE TO PROVIDE THE UNEs REQUESTED BY**
15 **INTERMEDIA?**

16 **A:** Intermedia has made numerous attempts to notify
17 BellSouth of BellSouth's failure to provision UNEs,
18 both verbally and in writing. For example, by letter
19 dated January 8, 1997, Intermedia sought to resolve
20 several issues having to do with, among other things,
21 subloop unbundling, the mechanism for billing
22 unbundled rate elements and resold services, etc. See
23 Letter from Jonathan E. Canis to Whit Jordan (Jan. 8,
24 1997) (appended hereto and incorporated herein by
25 reference as **Attachment JS-8**. Similarly, by letter
26 dated January 28, 1997, Intermedia discussed

1 BellSouth's inability to, among other things, deliver
2 frame relay-capable loops to Intermedia in conformity
3 with the parties' interconnection agreement and prior
4 representations. See Letter from Jonathan E. Canis to
5 Whit Jordan (Jan. 28, 1997) (**Attachment JS-9**). To
6 date, BellSouth has not been able to provide a more
7 substantive response to the issues and, thus, the
8 issues remain largely unresolved. BellSouth's written
9 responses to Intermedia's communications are appended
10 hereto and incorporated herein by reference
11 collectively as **Attachment JS-10**.

12 **Q: HAS INTERMEDIA REQUESTED FROM BELLSOUTH ANY**
13 **TELECOMMUNICATIONS SERVICES FOR RESALE CONSISTENT WITH**
14 **THE REQUIREMENTS OF SECTIONS 251(c)(4) and 252(d)(3)**
15 **OF THE 1996 ACT, AND IS BELLSOUTH PROVIDING SUCH**
16 **RESOLD SERVICES CONSISTENT WITH SECTION**
17 **271(c)(2)(B)(xiv) OF THE 1996 ACT?**

18 **A:** Yes, Intermedia has requested simple business services
19 offered by BellSouth (e.g., call waiting and call
20 forwarding) for resale. Intermedia has yet to request
21 more complex services (e.g., MegaLink and MultiServe)
22 for resale, ~~however,~~ due to provisioning limitations,
23 ~~expressed by BellSouth during negotiations.~~ The
24 BellSouth support systems currently in place do not
25 allow Intermedia to fully support the implementation
26 of the resale of the more complex services. The

1 current systems are manual for the most part, and do
2 not facilitate the support of moves, adds, and changes
3 for the complex (i.e., engineered) services. Because
4 the ordering process is not automated (i.e., orders
5 are sent by facsimile to BellSouth for manual
6 processing), many orders are backlogged each month
7 within BellSouth. Intermedia has requested on
8 numerous occasions automated interfaces for order
9 processing and service request information but, to
10 date, BellSouth has not addressed Intermedia's
11 reasonable request.

12 Similarly, although BellSouth is providing
13 certain resold services to Intermedia, several issues
14 remain unresolved. In particular, Intermedia has
15 sought clarification from BellSouth that, when
16 Intermedia resells BellSouth service, the applicable
17 wholesale discounts apply to all of the service
18 elements that are listed in the retail tariff,
19 including nonrecurring charges. Similarly, Intermedia
20 has sought to confirm that, when a customer that
21 currently takes service from BellSouth pursuant to a
22 long-term contract switches to BellSouth service
23 resold by Intermedia, Intermedia assumes the
24 customer's obligations for the remainder of the
25 contract term, and no termination liability charges

1 would apply as a result. These and other resale
2 issues remain unresolved at this time.

3 **Q: HAS INTERMEDIA REQUESTED FROM BELLSOUTH LOCAL LOOPS**
4 **BETWEEN THE CENTRAL OFFICE AND THE END-USER'S PREMISES**
5 **THAT IS UNBUNDLED FROM LOCAL SWITCHING OR OTHER**
6 **SERVICES, PURSUANT TO SECTION 271(c)(2)(B)(iv) OF THE**
7 **1996 ACT?**

8 **A:** Yes, Intermedia has requested 4-wire digitally-
9 conditioned loops from BellSouth pursuant to section
10 271(c)(2)(B)(iv) of the 1996 Act. However, BellSouth
11 has not provided Intermedia with the requested loops.
12 BellSouth's failure to do so has had the effect of
13 significantly impairing Intermedia's ability to
14 provide widespread facilities-based local exchange
15 service in Florida.

16 **Q: IN YOUR OPINION, WHY IS BELLSOUTH NOT PROVIDING LOCAL**
17 **LOOP TRANSMISSION AS REQUESTED BY INTERMEDIA?**

18 **A:** BellSouth has not articulated any reason for failing
19 to implement the Interconnection Agreement and, in
20 particular, for not providing the requested UNEs.
21 There are several possible reasons for BellSouth's
22 failure to provide the interconnection requested by
23 Intermedia. It is possible that the requested UNEs
24 raise technical and administrative issues that take
25 time to resolve. It is conceivable also that there
26 may be communication problems and bureaucratic delays

1 within BellSouth. A likely possibility is that
2 BellSouth may be failing to allocate the resources
3 necessary for implementation. It could be possible
4 that BellSouth may intentionally be attempting to slow
5 the implementation process so as to delay competition,
6 particularly for facilities-based competition.
7 Regardless of the reason behind BellSouth's failure to
8 implement the Interconnection Agreement, the end-
9 result nevertheless is the same: BellSouth has
10 impaired Intermedia's ability to provide widespread
11 facilities-based local exchange service through UNES
12 in Florida.

13 **Q: HAS INTERMEDIA REQUESTED FROM BELLSOUTH ACCESS TO 911**
14 **AND E911 SERVICES CONSISTENT WITH SECTION**
15 **271(c) (2) (B) (vii) OF THE 1996 ACT?**

16 **A:** Yes. Intermedia requested access to 911 and E911
17 during the negotiation of the Interconnection
18 Agreement. In particular, Section IX of the
19 Interconnection Agreement sets out the obligations of
20 BellSouth and Intermedia with respect to the provision
21 of 911/E911 services.

22 **Q: IS BELLSOUTH CURRENTLY PROVIDING INTERMEDIA WITH**
23 **ACCESS TO 911 AND E911 SERVICES?**

24 **A:** Yes, but only to the extent limited local exchange
25 service is being provided by Intermedia over
26 Intermedia's own local exchange facilities; and no to

1 the extent that Intermedia has requested 911 and E911
2 access in association with UNEs. As explained above,
3 BellSouth has not yet complied with Intermedia's
4 request for UNEs.

5 **Q: PLEASE EXPLAIN.**

6 **A:** Intermedia requires interconnection to 911 and E911
7 services in conjunction with other requested UNEs to
8 provide telecommunications services. Because
9 BellSouth has not yet provided Intermedia with the
10 requested UNEs, BellSouth also has not provided
11 Intermedia with nondiscriminatory access to 911 and
12 E911 services pursuant to section 271(c)(2)(B)(vii) of
13 the 1996 Act. While BellSouth has entered into an
14 Interconnection Agreement with Intermedia specifying
15 the terms and conditions under which BellSouth will
16 provide Intermedia with access and interconnection to
17 its network facilities, including access to 911 and
18 E911 services, BellSouth has not implemented, nor
19 demonstrated the commitment necessary to implement,
20 the Interconnection Agreement. BellSouth's conduct
21 has had the effect of impairing Intermedia's ability
22 to provide widespread facilities-based local exchange
23 service in Florida.

24 **Q: HAS INTERMEDIA REQUESTED FROM BELLSOUTH ACCESS TO**
25 **DIRECTORY ASSISTANCE SERVICES CONSISTENT WITH SECTION**
26 **271(c)(2)(B)(vii) OF THE 1996 ACT?**

1 A: Yes. Intermedia requested access to directory
2 assistance services during the negotiation of the
3 Interconnection Agreement. In particular, Section X.B
4 of the Interconnection Agreement sets out the
5 obligations of BellSouth and Intermedia with respect
6 to the provision of directory assistance services.

7 Q: IS BELLSOUTH CURRENTLY PROVIDING INTERMEDIA WITH
8 ACCESS TO DIRECTORY ASSISTANCE SERVICES?

9 A: Yes, but only to the extent limited local exchange
10 service is being provided by Intermedia over
11 Intermedia's local exchange facilities; and no to the
12 extent that Intermedia has requested such access in
13 association with UNEs and BellSouth has not complied
14 with the request.

15 Q: PLEASE EXPLAIN.

16 A: Intermedia requires interconnection to directory
17 assistance services in conjunction with other
18 requested UNEs required to provide local
19 telecommunications services. Because BellSouth has
20 not yet provided Intermedia with the requested UNEs,
21 BellSouth also has not provided Intermedia with
22 nondiscriminatory access to directory assistance
23 services pursuant to section 271(c)(2)(B)(vii) of the
24 1996 Act. While BellSouth has entered into an
25 Interconnection Agreement with Intermedia specifying
26 the terms and conditions under which BellSouth will

1 provide Intermedia with access and interconnection to
2 its network facilities, including access to directory
3 assistance services, BellSouth has not implemented,
4 nor demonstrated the commitment necessary to
5 implement, the Interconnection Agreement. BellSouth's
6 conduct has had the effect of impairing Intermedia's
7 ability to provide widespread facilities-based local
8 exchange service in Florida.

9 **Q: HAS INTERMEDIA REQUESTED FROM BELLSOUTH ACCESS TO**
10 **OPERATOR CALL COMPLETION SERVICES?**

11 **A:** Yes. Intermedia requested access to operator call
12 completion services during the negotiation of the
13 Interconnection Agreement. In particular, Section X
14 of the Interconnection Agreement sets out the
15 obligations of BellSouth and Intermedia with respect
16 to the provision of operator call completion services.

17 **Q: IS BELLSOUTH CURRENTLY PROVIDING INTERMEDIA WITH**
18 **ACCESS TO OPERATOR CALL COMPLETION SERVICES?**

19 **A:** Yes, but only to the extent limited local exchange
20 service is being provided by Intermedia over
21 Intermedia's local exchange facilities; and no to the
22 extent that Intermedia has requested such access in
23 association with UNEs and BellSouth has not complied
24 with the request.

25 **Q: PLEASE EXPLAIN.**

1 **A:** Intermedia requires interconnection to operator call
2 completion services in conjunction with other
3 requested UNEs to provide local telecommunications
4 services. Because BellSouth has not provided
5 Intermedia with the requested UNEs, BellSouth also has
6 not provided Intermedia with nondiscriminatory access
7 to operator call completion services pursuant to
8 section 271(c)(2)(B)(vii) of the 1996 Act. While
9 BellSouth has entered into an Interconnection
10 Agreement with Intermedia specifying the terms and
11 conditions under which BellSouth will provide
12 Intermedia with access and interconnection to its
13 network facilities, including access to operator call
14 completion services, BellSouth has not implemented,
15 nor demonstrated the commitment necessary to
16 implement, the Interconnection Agreement. BellSouth's
17 conduct has had the effect of impairing Intermedia's
18 ability to provide widespread facilities-based local
19 exchange service in Florida.

20 **Q:** **HAS INTERMEDIA EXECUTED AN AGREEMENT WITH BELLSOUTH OR**
21 **ANY OF ITS AFFILIATES FOR THE PROVISION OF WHITE PAGE**
22 **DIRECTORY LISTINGS TO INTERMEDIA'S CUSTOMERS?**

23 **A:** Yes. Intermedia has executed a separate agreement
24 with Bell Advertising & Publishing Corporation
25 ("BAPCO"), an affiliate of BellSouth, in conformance

1 with the Section XI.A of the Interconnection
2 Agreement.

3 Q: HAVE YOU SUBMITTED WHITE PAGE DIRECTORY LISTINGS TO
4 BELLSOUTH FOR INCLUSION IN BELLSOUTH'S WHITE PAGE
5 DIRECTORIES?

6 A: Yes, Intermedia has submitted white page directory
7 listings to BellSouth, but only on a very limited
8 basis. Because BellSouth has not provided the
9 requested UNES to Intermedia, Intermedia has not had
10 an opportunity to update BellSouth's directory
11 listings database. To date, BellSouth has not
12 demonstrated the essential capabilities to comply with
13 the necessary update procedures.

14 Q: HAVE INTERMEDIA'S WHITE PAGE DIRECTORY LISTINGS BEEN
15 PUBLISHED BY BAPCO IN ANY OF BELLSOUTH'S DIRECTORIES?

16 A: Yes, a very limited number of Intermedia's white page
17 directory listings covering certain portions of Miami
18 and Orlando have been published by BAPCO.

19 Q: HAS INTERMEDIA REQUESTED FROM BELLSOUTH ACCESS TO
20 TELEPHONE NUMBERS FOR ASSIGNMENT TO INTERMEDIA'S
21 TELEPHONE EXCHANGE CUSTOMERS?

22 A: Intermedia has requested from BellSouth access to
23 telephone numbers on an ongoing basis. To the extent
24 it has done so, these requests have been fulfilled.

25 Q: HOW DOES INTERMEDIA DEFINE "NONDISCRIMINATORY ACCESS
26 TO DATABASES NECESSARY FOR CALL ROUTING AND

1 COMPLETION" AS SET OUT IN SECTION 271(c)(2)(B)(x) OF
2 THE 1996 ACT?

3 A: The term "nondiscriminatory access" as used in
4 subparagraph (c)(2)(B)(x) should have the same meaning
5 ascribed to that term in sections 251 (including
6 251(c)(2)(C) and 251(c)(2)(D)), 252, and other
7 provisions of the 1996 Act. Thus, nondiscriminatory
8 access under subparagraph (c)(2)(B)(x) means that the
9 quality of access to databases necessary for call
10 routing and completion, must be equal between all
11 carriers requesting access to this service. Moreover,
12 nondiscriminatory access necessarily means that access
13 to the database provided by an ILEC must be at least
14 equal in quality to that which the ILEC provides to
15 itself. Thus, access to databases for call routing
16 and completion functionality (including OSS mechanisms
17 utilized in their support) must be equal in quality to
18 that provided by BellSouth to itself and must be made
19 available to all interconnectors on terms and
20 conditions that are just and reasonable.

21 With respect to defining which "databases"
22 require nondiscriminatory access, the Commission
23 should adopt a broad definition that will follow the
24 evolution of the network rather than requiring access
25 only to specific databases. By BellSouth's own
26 admission in published material, such as its annual

1 report, BellSouth is devoting significant resources to
2 the development of AIN database services and
3 anticipates these services being a significant source
4 of future revenue growth. It is essential that the
5 Commission not allow BellSouth proprietary access to
6 such databases as a method of squelching competition.
7 To ensure nondiscrimination on an ongoing basis, the
8 Commission should adopt a broad definition of
9 databases similar to that adopted by the FCC. In the
10 FCC's *Interconnection Order*, the FCC adopted the
11 following definition of databases:

12 "Call-related databases are those SS7 databases
13 used for billing and collection or used in the
14 transmission, routing or other provision of a
15 telecommunications service."⁵

16 I note that the FCC has determined that a
17 competitor's ability to provide service would be
18 significantly impaired if it did not have unbundled
19 access to the ILEC's call-related databases, including
20 the LIDB, Toll-Free Calling, and AIN databases for
21 purposes of switch query and database response through
22 the SS7 network.

23 ⁵ Implementation of the Local Competition Provisions
24 the Telecommunications Act of 1996, CC Docket No. 96-98,
25 *First Report and Order*, FCC 96-325, rel. Aug. 8, 1996, at note
26 26.

1 Q: HAS INTERMEDIA MADE ANY REQUESTS OF BELLSOUTH FOR
2 ACCESS TO DATABASES NECESSARY FOR CALL ROUTING AND
3 COMPLETION?

4 A: Yes. Intermedia requested access to databases
5 necessary for call routing and completion during the
6 negotiation of the Interconnection Agreement. Section
7 XIII of the Interconnection Agreement sets out the
8 obligations of BellSouth and Intermedia with respect
9 to access to signaling and signaling databases. In
10 particular, Section XIII.A states that "[e]ach party
11 will offer to the other party use of its signaling
12 network and signaling databases on an unbundled basis
13 at published tariff rates." Sections XIII.C and
14 XIII.D address access to LIDB and 800 service
15 databases. However, BellSouth has not provided
16 Intermedia with a nondiscriminatory access to
17 databases and associated signaling necessary for call
18 routing and completion in conjunction with UNEs,
19 pursuant to section 271(c)(2)(B)(x) and sections
20 51.307, 51.313, 51.319, and 51.321 of the FCC's rules.
21 While BellSouth has entered into an Interconnection
22 Agreement with Intermedia specifying the terms and
23 conditions under which BellSouth will provide
24 Intermedia with access and interconnection to its
25 network facilities, including access to databases
26 necessary for call routing and completion, BellSouth

1 has not implemented, nor demonstrated the commitment
2 necessary to implement, the Interconnection Agreement.
3 BellSouth's conduct has had the effect of impairing
4 Intermedia's ability to provide widespread facilities-
5 based local exchange service in Florida.

6 **Q: TO WHICH BELLSOUTH DATABASES HAS INTERMEDIA BEEN**
7 **DENIED ACCESS?**

8 **A:** As discussed above, BellSouth has provided Intermedia
9 with access to its LIDB and 800 service databases, but
10 only in cases where Intermedia provides service over
11 its own local exchange facilities. To date, BellSouth
12 has not provided Intermedia with access to such
13 databases as part of interconnection arrangements that
14 include UNES. In addition, BellSouth has not provided
15 access to broader AIN and IN capabilities as required
16 under the Interconnection Agreement.

17 **Q: HAS BELLSOUTH PROVIDED INTERMEDIA WITH ACCESS TO**
18 **BELLSOUTH'S SERVICE CONTROL POINTS?**

19 **A:** No. BellSouth has not provided Intermedia with either
20 access or the necessary technical disclosures to
21 support access to BellSouth's service control points
22 for the provision of call-related, database-supported
23 services to Intermedia's customers.

24 **Q: HOW DOES INTERMEDIA DEFINE "NONDISCRIMINATORY ACCESS**
25 **TO ASSOCIATED SIGNALING NECESSARY FOR CALL ROUTING AND**

1 COMPLETION" AS SET OUT IN SECTION 271(c)(2)(B)(X) OF
2 THE 1996 ACT?

3 **A:** The term "nondiscriminatory access" as used in
4 subparagraph (c)(2)(B)(x) should have the same meaning
5 ascribed to that term in sections 251 (including
6 251(c)(2)(C) and 251(c)(2)(D)), 252, and other and
7 other provisions of the 1996 Act. Thus,
8 nondiscriminatory access under subparagraph
9 (c)(2)(B)(x) means that the quality of access to
10 signaling capabilities (including OSS mechanisms
11 utilized for their support) necessary for call routing
12 and completion, must be equal between all carriers
13 requesting access to this service. Moreover,
14 nondiscriminatory access necessarily means that access
15 to the signaling provided by an ILEC must be at least
16 equal in quality to that which the ILEC provides to
17 itself. Further, with respect to those technologies
18 which are in constant development, such as signaling
19 systems and associated architecture, the Commission
20 must go further to ensure that in the event BellSouth
21 develops signaling technology and platform
22 capabilities to support new database capabilities
23 according to its own service specifications, it must
24 also be willing to support the service specifications
25 of competing carriers. This will prevent BellSouth
26 from discriminating against its competitors by

1 developing only those database interfaces where it
2 believes it has a competitive advantage.

3 **Q: HAS INTERMEDIA REQUESTED OF BELLSOUTH ACCESS TO**
4 **SIGNALING NETWORKS NECESSARY FOR CALL ROUTING AND**
5 **COMPLETION?**

6 **A:** Yes, Intermedia requested access to signaling networks
7 necessary for call routing and completion during the
8 negotiation of the Interconnection Agreement. In
9 particular, Section XIII of the Interconnection
10 Agreement sets out the obligations of BellSouth and
11 Intermedia with respect to access to signaling
12 networks necessary for call routing and completion.
13 Specifically, Section XIII.A states that "[e]ach party
14 will offer to the other party use of its signaling
15 network and signaling databases on an unbundled basis
16 at published tariffed rates." Section XIII.A further
17 requires that signaling functionality be available
18 with both A-link and B-link connectivity. Discussions
19 between BellSouth and Intermedia concerning signaling
20 have centered on the utilization of SS7 networks and
21 protocols.

22 **Q: SHOULD "SERVICE MANAGEMENT SYSTEMS" AS SET OUT IN**
23 **SECTION 51.3199(e)(3) OF THE FCC'S RULES BE INCLUDED**
24 **UNDER SECTION 271(c)(2)(B)(x) OF THE 1996 ACT?**

25 **A:** Yes. Section 51.319(e)(3) of the FCC's rules defines
26 "Service Management System" ("SMS") as a computer

1 database or system not part of the public switched
2 network that, among other things: (a) interconnects to
3 the service control point and sends to that service
4 control point the information and call processing
5 instructions needed for a network switch to process
6 and complete a telephone call; and (b) provides
7 telecommunications carriers with the capability of
8 entering and storing data regarding the processing and
9 completing of a telephone call. Section
10 271(c)(2)(B)(x) of the 1996 Act explicitly sets out as
11 part of the 14-point checklist the BOC's obligation to
12 provide nondiscriminatory access to databases and
13 associated signaling necessary for call routing and
14 completion. Because SMS is necessary for call
15 processing and completion, SMS appropriately should be
16 included within the requirements of section
17 271(c)(2)(B)(x).

18 Moreover, a broad interpretation of section
19 271(c)(2)(B)(x) is consistent with the legislative
20 intent. Congress intended competition to expand
21 beyond the services offered today to include services
22 offered via new technology in the future. As the
23 ability to provide new services via advanced
24 technologies (such as AIN) being deployed today by
25 ILECs depends upon service provider access to the
26 ILECs' SMS, Congress intended ~~that~~ access to be made

1 generally available to competing carriers. A contrary
2 interpretation would allow BellSouth to develop AIN
3 services as monopoly services.

4 Q: HAS INTERMEDIA REQUESTED BELLSOUTH TO PROVIDE
5 INTERMEDIA WITH INFORMATION NECESSARY TO ENTER
6 CORRECTLY, OR FORMAT FOR ENTRY, THE INFORMATION
7 RELEVANT FOR INPUT INTO BELLSOUTH'S SMS?

8 A: Intermedia has not made a specific request for
9 detailed information concerning entry of data into
10 BellSouth's SMS. Until such time as BellSouth
11 supports widespread interconnection of Intermedia's
12 customers through the provision of UNEs, Intermedia
13 has deferred pursuing access to optional services
14 which might be associated with those UNEs. Such
15 access is necessary if BellSouth is to meet the 14-
16 point checklist mandated in section 271(c)(2) of the
17 1996 Act. Intermedia intends to pursue such
18 interfaces as soon as BellSouth provides Intermedia
19 with the UNEs necessary for their utilization.

20 Q: HAS INTERMEDIA REQUESTED BELLSOUTH TO PROVIDE
21 INTERMEDIA WITH ACCESS TO ITS SERVICE CREATION
22 ENVIRONMENT IN ORDER TO DESIGN, CREATE, TEST, AND
23 DEPLOY ADVANCED INTELLIGENT NETWORK-BASED SERVICE AT
24 THE SMS?

25 A: No, Intermedia has not specifically requested access
26 to BellSouth's service creation capabilities. Until

1 such time as BellSouth supports interconnection of
2 Intermedia's customers through the provision of UNEs,
3 Intermedia has deferred pursuing access to optional
4 services which might be associated with those UNEs.
5 Such access is necessary if BellSouth is to meet the
6 14-point checklist mandated by section 271(c)(2) of
7 the 1996 Act. Intermedia will utilize BellSouth's
8 service creation and implementation capabilities in
9 the provision of optional services generally
10 associated with 1FRs, 1FBs, and PBX trunks.
11 Intermedia intends to pursue use of BellSouth's
12 service creation and implementation capabilities as
13 soon as BellSouth provides the necessary UNEs. I
14 should note that despite BellSouth's public statements
15 that it would make AIN service development
16 capabilities generally available to its competitors,
17 BellSouth continues to internally develop, implement,
18 and deploy retail AIN services without making its
19 service creation tool kit available to competing
20 providers. This has allowed BellSouth to retain a
21 significant competitive advantage in developing new
22 services through this technology.

23 **Q: HAS INTERMEDIA REQUESTED NUMBER PORTABILITY SERVICE**
24 **FROM BELLSOUTH PURSUANT TO SECTION 271(c)(2)B)(xi) OF**
25 **THE 1996 ACT?**

1 **A:** Yes. BellSouth has provided interim number
2 portability capabilities on an ongoing basis to
3 Intermedia. These interim number portability
4 capabilities are principally provided through Remote
5 Call Forwarding and Direct Inward Dialing. Such
6 interim measures do not meet the number portability
7 requirements of the 14-point checklist of the 1996
8 Act, however. It remains to be seen whether BellSouth
9 will meet the Commission's long-term permanent number
10 portability requirements.

11 **Q:** **HOW DOES INTERMEDIA DEFINE "NONDISCRIMINATORY ACCESS"**
12 **AS USED IN SECTION 271(c)(2)(B)(xii) OF THE 1996 ACT?**

13 **A:** The term "nondiscriminatory access" as used in
14 subparagraph (c)(2)(B)(xii) should have the same
15 meaning ascribed to that term in sections 251
16 (including 251(c)(2)(C) and 251(c)(2)(D)) and 252, and
17 other provisions of the 1996 Act. Thus,
18 nondiscriminatory access under subparagraph
19 (c)(2)(B)(xii) means that the quality of access to
20 services or information necessary to allow the
21 requesting carrier to implement local dialing parity
22 in accordance with the requirements of section
23 251(b)(3), must be equal between all carriers
24 requesting access to that service. Moreover,
25 nondiscriminatory access necessarily means that access
26 to services or information necessary to implement

1 local dialing parity provided by an ILEC must be at
2 least equal in quality to that which the ILEC provides
3 to itself.

4 Q: IS BELLSOUTH PROVIDING DIALING PARITY TO INTERMEDIA
5 PURSUANT TO SECTION 271(c) (2) (B) (xii) AND 251(b) (3) OF
6 THE 1996 ACT?

7 A: Within the limited scope of local exchange services
8 that Intermedia can provide today principally through
9 its own facilities (because of BellSouth's inability
10 to provide UNE-based interconnection), BellSouth is
11 providing dialing parity on a very limited scale.

12 Q: HAS INTERMEDIA REQUESTED TRANSPORT AND TERMINATION
13 ARRANGEMENTS FROM BELLSOUTH?

14 A: Yes. The rates for local interconnection are set out
15 in Attachment B-1 (Local Service Interconnection) to
16 the Interconnection Agreement. Terms and conditions
17 are further outlined in Section IV (Local
18 Interconnection) of the Interconnection Agreement.
19 Paragraphs C and D of Section IV were modified in an
20 addendum dated February 24, 1997.

21 Q: DO YOU BELIEVE THAT THE TERMS AND CONDITIONS FOR
22 RECIPROCAL COMPENSATION IN THE INTERCONNECTION
23 AGREEMENT ADEQUATELY PROVIDE FOR RECOVERY OF
24 ADDITIONAL COSTS ASSOCIATED WITH THE TRANSPORT AND
25 TERMINATION OF BELLSOUTH'S CALLS ON INTERMEDIA'S
26 NETWORK?

1 A: To the extent the Interconnection Agreement calls for
 2 reciprocal rates and recovery of additional costs in
 3 the event there is traffic imbalance, the compensation
 4 arrangement is adequate and reasonable. ↑ *qs per pg 2403*

5 Q. HOW CAN THE INDUSTRY AND THE COMMISSION DETERMINE
 6 WHETHER BELLSOUTH IS PROVIDING ACCESS AND
 7 INTERCONNECTION IN COMPLIANCE WITH THE PARITY AND
 8 NONDISCRIMINATION PROVISIONS OF THE 1996 ACT?

9 A. As discussed throughout my testimony, the 1996 Act
 10 obligates BOCs to provide access to services,
 11 unbundled network elements, and databases and other
 12 network functionalities in a manner that does not
 13 discriminate against interconnected carriers, and that
 14 is in parity with the quality of service that
 15 BellSouth provides to itself, its subsidiaries and its
 16 own customers. In order to ensure that BellSouth
 17 meets these obligations, it is necessary to establish
 18 service quality standards, and to establish reporting
 19 requirements to ensure that BellSouth lives up to
 20 them. To this end, Intermedia supports the standards
 21 proposed by the Local Competition User Group ("LCUG"),
 22 at least to establish a set of initial standards. A
 23 copy of the performance standards proposed by LCUG is
 24 appended as Attachment JS-1. Intermedia notes that
 25 the LCUG standards focus on traditional voice services
 26 and do not address ~~many of the advanced~~ data services

complex voice and

p.50 lines 1-4, amend answer by adding "The reciprocal compensation provisions of the interconnection agreement does not however place any limitation on the type of local traffic terminated by either party. To that end, BellSouth has recently notified Intermedia that it intends to breach its contract with Intermedia by placing a limitation on reciprocal compensation for internet traffic terminated by either party, thus making such traffic not subject to reciprocal compensation. It is Intermedia's belief that this is not only a breach of the reciprocal compensation and dispute resolution provisions of the contract but is in fact an act of "bad faith" on BellSouth's part. This action has been taken without any change in either the Florida or FCC rules and without regard for the Florida PSC's jurisdiction over changes to Section 251 interconnection contracts. This action if implemented by BellSouth, would result in inadequate and unfair reciprocal compensation arrangements.

1 that are of critical importance to Intermedia.
2 Intermedia will propose standards for the provision of
3 data services later in this proceeding. Of course,
4 the parity requirements imposed by the 1996 Act
5 require that BellSouth's own internal performance
6 standards determine the quality of service that it
7 provides to competitive carriers. These internal
8 standards can only be determined by reports that
9 detail how quickly and efficiently BellSouth processes
10 orders for new services or service changes for its own
11 customers or subsidiaries, and provide other measures
12 of service quality. Because these reporting
13 requirements do not exist yet, it will take time --
14 perhaps six-to-twelve months -- to initiate the
15 reporting process and to ensure a large enough
16 collection of service data to establish quality
17 standards with confidence. Ultimately, these reports
18 will establish the quality of service that will define
19 "parity" for competitive carriers. Until that time,
20 the performance standards proposed by the LCUG should
21 be used as a baseline to establish reasonable service
22 quality standards.

23 **Q: PLEASE SUMMARIZE INTERMEDIA'S POSITION.**

24 **A:** Section 271 of the 1996 Act conditions BellSouth's
25 entry into in-region interLATA service upon a
26 demonstration that BellSouth's local market is open to

1 competition. In particular, the 1996 Act requires
2 that before BellSouth may be authorized to provide in-
3 region interLATA services, the FCC must first find
4 that, among other things, BellSouth has fully
5 implemented approved access and interconnection
6 agreements with one or more facilities-based competing
7 carriers providing service to both business and
8 residential subscribers, or, in extremely limited
9 circumstances, has an approved or effective SGAT; and
10 provides or generally offers the 14 items on the
11 "competitive checklist." BellSouth has not satisfied
12 the threshold showings required under Track A.
13 Moreover, because qualifying requests have been
14 submitted to BellSouth and have not yet been fully
15 implemented, BellSouth is precluded from seeking
16 interLATA authority under Track B. Moreover,
17 BellSouth has not met the 14-point "competitive
18 checklist" under section 271(c)(2)(B). In particular,
19 BellSouth's failure to implement the necessary
20 processes to make network elements, operational
21 support systems, and billing and other systems
22 actually available to competing providers of telephone
23 exchange service is fatal to BellSouth's attempt to
24 seek in-region interLATA authorization. The burden of
25 proof is appropriately on BellSouth to demonstrate
26 otherwise. So long as qualifying requests for access

1 and interconnection remain unsatisfied, as is the case
2 here, the requirements of section 271(c)(1)(A) would
3 remain unsatisfied, and Track B would remain
4 foreclosed to BellSouth.

5 Although Intermedia believes that a grant of in-
6 region interLATA authority to BellSouth under either
7 Track A or Track B is improper and/or premature at
8 this time, Intermedia is confident that BellSouth will
9 be able, at some point, to comply with its obligations
10 under the 1996 Act. In that instance, Intermedia
11 would wholeheartedly support BellSouth's entry into
12 the in-region interLATA market under Track A. In the
13 meantime, until such time as BellSouth is able to
14 comply with its statutory obligations, BellSouth's
15 attempts to enter the in-region interLATA market
16 should be rejected.

17 Q: DO YOU HAVE ANYTHING FURTHER?

18 A: No.

19 Q: DOES THIS CONCLUDE YOUR TESTIMONY?

20 A: Yes. I reserve the right, however, to amend, modify,
21 or supplement my testimony, as appropriate.

22

23

END OF TESTIMONY

24

25

26

1 Q: PLEASE STATE YOUR NAME, EMPLOYER, POSITION, AND
2 BUSINESS ADDRESS.

3 A: My name is Julia Strow. I am employed by Intermedia
4 Communications Inc. ("Intermedia") as Director,
5 Strategic Planning and Regulatory Policy. My business
6 address is 3625 Queen Palm Drive, Tampa, Florida
7 33619.

8 Q: WHAT ARE YOUR RESPONSIBILITIES IN THAT POSITION?

9 A: I am the primary interface between Intermedia and the
10 incumbent local exchange carriers ("ILECs"). In that
11 capacity, I am involved in interconnection
12 negotiations and arbitrations between Intermedia and
13 the ILECs. I am also primarily responsible for
14 strategic planning and the setting of Intermedia's
15 regulatory policy.

16 Q: DID YOU FILE DIRECT TESTIMONY IN THIS PROCEEDING?

17 A: Yes. I filed direct testimony on behalf of Intermedia
18 on July 17, 1997.

19 Q: WHAT IS THE PURPOSE OF YOUR TESTIMONY?

20 A: The purpose of my testimony is to respond to the
21 issues and factual assertions set out in the testimony
22 filed by BellSouth Telecommunications, Inc.
23 ("BellSouth") in this proceeding. In particular, I
24 will show that, contrary to the representations made
25 by BellSouth before the Florida Public Service
26 Commission (the "Commission"), BellSouth has not met

1 its burden of proof in demonstrating that it has met
2 its obligations under the federal Telecommunications
3 Act of 1996 (the "1996 Act"), the Federal
4 Communications Commission's ("FCC") regulations
5 promulgated thereunder, and other relevant Commission
6 rules and regulations. Specifically, BellSouth has
7 not satisfied the requirements necessary to obtain in-
8 region interLATA authorization. I will rebut
9 BellSouth's claims that it has met the requirements of
10 either section 271(c)(1)(A) (hereinafter, "Track A")
11 or section 271(c)(1)(B) (hereinafter, "Track B") of
12 the 1996 Act. I will demonstrate that, regardless of
13 the "track" which BellSouth elects to pursue,
14 BellSouth has not met the 14-point "competitive
15 checklist" consistent with the requirements of Section
16 271(c)(2)(B) and the FCC regulations promulgated
17 thereunder.

18 **Q: PLEASE SUMMARIZE YOUR TESTIMONY.**

19 **A:** The record in this proceeding overwhelmingly
20 demonstrates that BellSouth has not met the
21 requirements of the 1996 Act. First, BellSouth has
22 failed to meet the threshold requirement of satisfying
23 the requirements of either Track A or Track B.
24 Second, BellSouth has not met the fourteen-point
25 competitive checklist through either its
26 interconnection agreements with competing carriers or

1 its Statement of Generally Available Terms and
2 Conditions ("SGAT"). Thus, regardless of which Track
3 BellSouth elects to pursue to obtain in-region
4 interLATA authorization, BellSouth has failed to meet
5 its statutory obligations. Because BellSouth has not
6 carried its burden of demonstrating compliance with
7 the applicable provisions of the 1996 Act and the FCC
8 regulations, the Commission should reject BellSouth's
9 SGAT at this time. The record clearly shows
10 BellSouth's SGAT does not comply with the fourteen-
11 point checklist; nor has BellSouth demonstrated that
12 it has fully implemented interconnection agreements
13 that satisfy the fourteen-point checklist. Therefore,
14 the Commission should find that, at this time,
15 BellSouth's petition for entry into the in-region
16 interLATA market under Section 271 is premature.

17 **OVERVIEW AND STATUTORY COMPLIANCE**

18 **Q: WHAT MUST BELLSOUTH DEMONSTRATE IN ORDER TO PROVE THAT**
19 **IT COMPLIES WITH ITS OBLIGATIONS UNDER THE 1996 ACT**
20 **FOR IN-REGION INTERLATA AUTHORITY?**

21 **A:** Separate and apart from satisfying the threshold
22 requirements of Section 271(c)(1)(A) or Section
23 271(c)(1)(B), BellSouth must satisfy each and every
24 requirement of Section 271(c)(2)(B) of the 1996 Act
25 and the relevant FCC and Commission regulations. It
26 would not be enough if BellSouth were able to satisfy

1 some or most of the checklist items and the relevant
2 FCC and Commission regulations. Rather, BellSouth
3 must demonstrate that it is in full compliance with
4 all the requirements of Section 271(c)(2)(B).
5 Moreover, "paper compliance" would not be sufficient
6 to comply with the requirements. Rather, it is
7 critical that BellSouth is actually providing the
8 checklist items which would allow competitive
9 providers of telephone exchange a meaningful
10 opportunity to compete at parity with BellSouth.
11 Thus, the Commission should view with skepticism
12 BellSouth's assertions of compliance where, as here,
13 there is overwhelming evidence that the competitive
14 situation is other than what BellSouth paints it to
15 be. Of course, in order to obtain in-region interLATA
16 authority, pursuant to Section 271(d)(3) of the 1996
17 Act BellSouth also must satisfy the requirements of
18 Section 272 of the 1996 Act and, further, must
19 demonstrate that its entry into the in-region
20 interLATA market would be in the public interest. It
21 is, however, the FCC's role (in consultation with the
22 Department of Justice ("DOJ"))--not the Commission's--
23 to make these latter determinations.

24 **Q: HAVE YOU REVIEWED THE DIRECT TESTIMONY FILED BY**
25 **BELLSOUTH IN THIS PROCEEDING?**

26 **A: Yes. I have read the prefiled direct testimony of**

1 Alphonso J. Varner, Gloria Calhoun, William Stacy, W.
2 Keith Milner, and Robert C. Scheye.

3 **Q: HAVE YOU REVIEWED THE DOCUMENTS SUBMITTED BY BELLSOUTH**
4 **IN SUPPORT OF ITS SGAT?**

5 **A:** I have reviewed some of the supporting documentation
6 submitted by BellSouth. As the Commission is aware,
7 BellSouth submitted 86 volumes of supporting
8 documentation in this proceeding (see Milner
9 Testimony, at 3).

10 **Q: DO YOU AGREE WITH BELLSOUTH'S INTERPRETATION OF**
11 **SECTION 271(c)(1)(B)?**

12 **A:** I do not. Mr. Varner claims that "the 'no such
13 provider' phrase in Subparagraph (B) plainly states
14 that Track B remains open until a facilities-based
15 competitor meeting the definition in Subparagraph
16 271(c)(1)(A) requests access and interconnection."
17 See Varner Testimony, at 12. Thus, Mr. Varner ties
18 the availability of Track B to a request for access
19 and interconnection from a carrier that is already
20 competing in the local exchange market. This
21 interpretation is manifestly at odds with the plain
22 language and legislative history of the statute, the
23 Department of Justice's evaluations in the SBC-
24 Oklahoma¹ and Ameritech-Michigan² Section 271

25 ¹ *Application of SBC Communications Inc. et al. Pursuant to*
26 *Section 271 of the Telecommunications Act of 1996 to*
27 *Provide In-Region, InterLATA Services in the Sate of*

1 proceedings, and the FCC's recent decision rejecting
 2 SBC Communications, Inc.'s Section 271 application.³
 3 As the FCC has concluded:

4 Congress intended to preclude a
 5 BOC [Bell Operating Company]
 6 from proceeding under Track B
 7 when the BOC receives a request
 8 for access and interconnection
 9 from a prospective competing
 10 provider of telephone exchange
 11 service, subject to the
 12 exceptions in section
 13 271(c)(1)(B) Thus, we
 14 interpret the words "such
 15 provider" as used in section
 16 271(c)(1)(B) to refer to a

17 *Oklahoma*, CC Docket no. 97-121, Evaluation of the United
 18 States Department of Justice (filed May 16, 1997) ("SBC-
 19 Oklahoma Evaluation") (appended as Attachment JS-3 to
 20 Julia Strow's direct testimony).

21 ² *Application of Ameritech Michigan Pursuant to Section 271*
 22 *of the Telecommunications Act of 1996 to Provide In-*
 23 *Region, InterLATA Services in the State of Michigan*, CC
 24 Docket No. 97-137, Evaluation of the United States
 25 Department of Justice (filed June 25, 1997) (appended as
 26 Attachment JS-4 to Julia Strow's direct testimony).

27 ³ *Application by SBC Communications, Inc. Pursuant to*
 28 *Section 271 of the Communications Act of 1934, as*
 29 *Amended, to Provide In-Region, InterLATA Services in*
 30 *Oklahoma*, Memorandum Opinion and Order, CC Docket No. 97-
 31 121 (rel. June 26, 1997) ("SBC Order") (appended as
 32 Attachment JS-2 to Julia Strow's direct testimony).

1 potential competing provider of
2 the telephone exchange service
3 described in section
4 271(c)(1)(A). We find it
5 reasonable and consistent with
6 the overall scheme of section
7 271 to interpret Congress' use
8 of the words "such provider" in
9 section 271(c)(1)(B) to include
10 a potential competing provider.
11 This interpretation is the more
12 natural reading of the statute
13 because . . . it retains the
14 meaning of the term "request."
15 . . . To give full effect to the
16 term "request," we therefore
17 interpret the words "such
18 provider" to mean any such
19 potential provider that has
20 requested access and
21 interconnection.⁴

22 **Q:** HAS BELLSOUTH MET THE REQUIREMENTS OF TRACK B?

23 **A:** No, contrary to BellSouth's apparent suggestions,
24 BellSouth has not met the requirements of Track B.
25 The record evidence in this proceeding clearly

26 ⁴ SBC Order, at 20, ¶ 34.

1 demonstrates that several "qualifying requests" for
2 access and interconnection have been submitted to
3 BellSouth by competing providers of telephone exchange
4 service. As BellSouth readily acknowledges, BellSouth
5 has entered into interconnection agreements with over
6 55 competitors in the State of Florida (see Varner
7 Testimony, at 17). It is my understanding that many
8 of these interconnection agreements, if fully
9 implemented, would result in the provision of
10 telephone exchange service to residential and business
11 subscribers in the manner described in Section
12 271(c)(1)(A). As long as these qualifying requests
13 remain unsatisfied, the requirements of Section
14 271(c)(1)(A) would remain unsatisfied, and BellSouth
15 would remain foreclosed from obtaining in-region
16 interLATA authority under Track B.

17 **Q: DOES BELLSOUTH MEET THE REQUIREMENTS OF TRACK A AT**
18 **THIS TIME?**

19 **A:** No. Contrary to Mr. Varner's assertion (see Varner
20 Testimony, at 16), BellSouth does not meet the
21 requirements of Track A at this time. Section
22 271(c)(1)(A) of the 1996 Act requires that in order to
23 satisfy the requirements of Track A, a BOC must
24 demonstrate that it "is providing access and
25 interconnection to its network facilities for the
26 network facilities of one or more unaffiliated

1 competing providers of telephone exchange service . .
2 . to residential and business subscribers," and the
3 telephone exchange service is being offered by the
4 competing providers "either exclusively over their own
5 . . . facilities or predominantly over their own . .
6 . facilities in combination with the resale" of
7 another carrier's telecommunications services. 47 USC
8 § 271(c)(1)(A). While BellSouth has entered into one
9 or more binding agreements approved under Section 252
10 of the 1996 Act with unaffiliated competing providers
11 of telephone exchange service, BellSouth is not
12 providing access and interconnection to its network
13 facilities as contemplated by Section 271(c)(1)(A), as
14 the record in this proceeding demonstrates. The 1996
15 Act requires meaningful facilities-based competition
16 for business and residential customers--whether
17 provided by a single competitive provider or a
18 combination of providers--as a condition-precedent to
19 a BOC entry into the in-region interLATA market. The
20 record in this proceeding does not show that
21 BellSouth's competitors are providing telephone
22 exchange service to both residential and business
23 customers either exclusively over their own facilities
24 or predominantly over their own facilities in
25 combination with resale. It is BellSouth's burden to
26 prove otherwise, and it has not done so in this case.

1 Q: IS INTERMEDIA PROVIDING SERVICE TO RESIDENTIAL
2 CUSTOMERS EITHER OVER ITS OWN TELEPHONE EXCHANGE
3 FACILITIES OR PREDOMINANTLY OVER ITS OWN TELEPHONE
4 EXCHANGE FACILITIES?

5 A: No. As stated in my direct testimony, Intermedia is
6 providing telephone exchange service to residential
7 customers on a very limited scale, only through
8 resale, and only where residential lines are billed
9 through the customer's business account. This does
10 not constitute provision of competitive residential
11 services adequate to meet the requirements of Section
12 271(c)(1)(A) of the 1996 Act.

13 Q: ARE YOU AWARE OF A COMPETITIVE PROVIDER OF TELEPHONE
14 EXCHANGE SERVICE PROVIDING FACILITIES-BASED SERVICE TO
15 RESIDENTIAL CUSTOMERS IN FLORIDA?

16 A: I am not aware of any such provider in Florida. Mr.
17 Varner claims that there are unaffiliated competing
18 providers providing telephone exchange service to
19 residential and business customers predominantly over
20 their own facilities or in combination with resale in
21 Florida (see Varner Testimony, at 22, 23). However,
22 Mr. Varner fails to name these alleged providers. I
23 note that, while the 1996 Act does not require a
24 qualifying facilities-based provider to serve both
25 residential and business customers, if BellSouth is
26 relying on a single provider to justify its petition

1 for interLATA relief, that provider would have to be
2 competing with BellSouth and serving both business and
3 residential customers. This is consistent with the
4 DOJ's evaluation in the SBC-Oklahoma Section 271
5 proceeding. See *SBC-Oklahoma Evaluation*, at 10.
6 Similarly, the service or services being provided by
7 the competing provider must be, among other things,
8 significant and geographically dispersed in order for
9 BellSouth to qualify under Track A.

10 **Q: DO YOU AGREE WITH BELLSOUTH'S ASSERTION THAT IF IT**
11 **DOES NOT QUALIFY UNDER TRACK A, THEN TRACK B BECOMES**
12 **OPEN TO BELLSOUTH?**

13 **A:** No. BellSouth's position is based on the argument
14 that Congress intended after 10 months that one of the
15 two tracks be available to BellSouth upon compliance
16 with the competitive checklist (see Varner Testimony,
17 at 24). Thus, BellSouth's interpretation of Section
18 271 would ensure that, after ten months, a BOC either
19 satisfies the requirements of Section 271(c)(1)(A) or
20 is eligible to proceed under Track B. This
21 interpretation of the 1996 Act is clearly erroneous.
22 In fact, both the DOJ and the FCC rejected this
23 interpretation by SBC Communications. As the FCC
24 stated:

25 [I]f we were to find that only a
26 request from an operational

1 competing facilities-based
2 provider of residential and
3 business service forecloses
4 Track B, this would guarantee
5 that, after ten months, the BOC
6 either satisfies the
7 requirements of section
8 271(c)(1)(A) or is eligible for
9 Track B. As the Department of
10 Justice asserts, "[s]uch an
11 interpretation of [s]ection 271
12 would radically alter Congress'
13 scheme, [by] expanding Track B
14 far beyond its purpose and, for
15 all practical purposes, reading
16 the carefully crafted
17 requirement of Track A out of
18 the statute." . . . SBC
19 advocates an interpretation of
20 the statute where the
21 circumstances under which a
22 competing provider may make a
23 "qualifying request" would be so
24 rare that, after December 8,
25 1996, Track B would be available
26 in any state that lacks a

1 competing provider of the type
2 of telephone exchange service to
3 residential and business
4 subscribers described in section
5 271(c)(1)(A).⁵

6 Congress intended Track A to be the primary vehicle
7 for BOC entry in Section 271. In contrast, Track B
8 was adopted by Congress to deal with the possibility
9 that a BOC, through no fault of its own, could find
10 that is unable to satisfy Track A. As the FCC has
11 found, Track B appropriately safeguards the BOC's
12 interests where there is no prospect of local exchange
13 competition that will satisfy the requirements of
14 Section 271(C)(1)(A) or in the event that competitors
15 purposefully delay entry in the local market in an
16 attempt to prevent a BOC from gaining in-region
17 interLATA entry. As the DOJ observes, however, "Track
18 B does not represent congressional abandonment of the
19 fundamental principle, carefully set forth in Track A,
20 that a BOC may not begin providing in-region interLATA
21 services before there are [sic] facilities-based
22 competition in the local exchange market," provided
23 these competing carriers are moving toward that goal
24 in a timely fashion. See *SBC-Oklahoma Evaluation*, at
25 17-18. BellSouth's interpretation would give it and

26 ⁵ *SBC Order*, at 28.

1 other BOCs a major incentive to delay facilities-based
2 competition, and thus would yield anticompetitive
3 results.

4 SATISFACTION OF COMPETITIVE CHECKLIST REQUIREMENTS

5 Q: WHAT MUST BELLSOUTH DO TO DEMONSTRATE THAT IT HAS
6 SATISFIED THE COMPETITIVE CHECKLIST REQUIREMENTS?

7 A: Intermedia believes that BellSouth must provide each
8 of the checklist items in a manner that will enable
9 its competitors to operate effectively. Intermedia
10 agrees with the Department of Justice that, for
11 purposes of checklist compliance, a BOC is providing
12 an item if the item is available both as a legal and
13 practical matter. Similarly, Intermedia concurs with
14 the DOJ's analysis in the SBC-Oklahoma Section 271
15 proceeding that

16 [i]f a BOC has approved
17 agreements that set forth
18 complete prices and other terms
19 and conditions for a checklist
20 item, and if it demonstrates
21 that it is willing and able
22 promptly to satisfy requests for
23 such quantities of the item as
24 may reasonably be demanded by
25 providers, at acceptable levels
26 of quality, it still can satisfy

1 the requirements with respect to
2 an item for which there is no
3 present demand.⁶

4 In sum, as the DOJ suggests, BellSouth is "providing"
5 a checklist item only if it has a concrete and
6 specific legal obligation to provide it, is presently
7 ready to furnish it, and makes it available as a
8 practical matter, as well as a formal matter. Thus,
9 unless the checklist items are practically available,
10 BellSouth has not satisfied the competitive checklist.

11 **Q: HAS BELLSOUTH CARRIED ITS BURDEN OF DEMONSTRATING THAT**
12 **COMPETING PROVIDERS OF TELEPHONE EXCHANGE SERVICE IN**
13 **FLORIDA CAN EFFECTIVELY OBTAIN AND MAINTAIN RESALE**
14 **SERVICES AND UNBUNDLED ELEMENTS?**

15 **A:** No. Section 271(c)(2)(B) of the 1996 Act requires a
16 BOC proceeding under Track A to "provide" resale
17 services and access to unbundled network elements,
18 among other items. As the DOJ has previously
19 observed,

20 because each BOC has millions of
21 access lines, meaningful
22 compliance with the requirements
23 that the BOC make available
24 resale services and access to
25 unbundled elements demands that

26 ⁶ *SBC-Oklahoma Evaluation*, at 23.

1 the BOC put in place efficient
2 processes, both electronic and
3 human, by which a CLEC
4 [competitive local exchange
5 carrier] can obtain and maintain
6 these items in competitively
7 significant numbers.⁷

8 A critical component of the wholesale support
9 processes necessary for the provision of adequate
10 resale service and unbundled elements is the
11 electronic access to the operations support systems
12 ("OSS") functions that BOCs must provide under the
13 FCC's rules. In its *Local Competition Order*,⁸ the FCC
14 required BOCs to provide access to their OSS as an
15 independent network element under Section 251(c)(3)
16 that the BOCs must provide under item (ii) of the
17 checklist. See *Local Competition Order*, at ¶ 517.
18 Because the FCC interpreted access to OSS as a term or
19 condition of providing resale services and access to
20 other elements in general, this requirement is also
21 embodied in, among other items, checklist items (iv),
22 (v), (vi), and (xiv).

23 ⁷ *SBC-Oklahoma Evaluation*, at 26

24 ⁸ *Implementation of the Local Competition Provisions in the*
25 *Telecommunications Act of 1996, First Report and Order,*
26 *CC Docket Nos. 96-98 and 95-185, FCC 96-325 (rel. Aug. 8,*
27 *1996) ("Local Competition Order").*

1 Section 251(c)(3), referenced in checklist item
2 (ii), and implicated in many other items, obligates an
3 incumbent LEC to provide access to unbundled network
4 elements (i.e., OSS functions and other elements),
5 upon request, that is "nondiscriminatory," and on
6 rates, terms, and conditions that are "just,
7 reasonable, and nondiscriminatory." Finding that
8 "just [and] reasonable . . . terms and conditions" are
9 those that "should serve to promote fair and efficient
10 competition," the FCC has required BOCs to provide
11 unbundled elements and resale services under "terms
12 and conditions that would provide an efficient
13 competitor with a meaningful opportunity to compete."
14 *Local Competition Order*, at ¶ 315. With regard to the
15 term "nondiscriminatory" in Section 251, and in
16 particular with regard to "nondiscriminatory access"
17 to unbundled elements, the FCC has interpreted the
18 term "nondiscriminatory" as requiring a comparison
19 between a BOC's access to elements and the access
20 provided CLECs (in addition to a comparison between
21 the access afforded different CLECs). This FCC
22 interpretation establishes a parity requirement where
23 a meaningful comparison can be made between a BOC's
24 and a CLEC's access to the BOC's network elements.

25 As the evidence in this proceeding suggests,
26 because nondiscriminatory access to BellSouth's OSS is

1 not completely available to CLECs, BellSouth has not
2 met its obligation to provide nondiscriminatory resale
3 and UNEs.

4 **Q: WHAT IS THE DEPARTMENT OF JUSTICE'S ROLE IN EVALUATING**
5 **BELLSOUTH'S COMPLIANCE WITH THE 1996 ACT?**

6 **A:** The 1996 Act requires the FCC to consult with the DOJ
7 with respect to any application for in-region
8 interLATA authority. The FCC is required to give
9 "substantial weight" to the DOJ's evaluation.

10 **Q: HAS THE DEPARTMENT OF JUSTICE EXPRESSED ANY OPINION**
11 **WITH RESPECT TO THE BOC'S PROVISION OF OSS?**

12 **A:** Yes. In evaluating checklist compliance with regard
13 to a BOC's OSS systems, the DOJ has indicated that it
14 will evaluate (1) the functions BOCs make available,
15 and (2) the likelihood that such systems will fail
16 under significant commercial usage. Similarly, the
17 DOJ has stated:

18 Overall, the Department will
19 consider whether a BOC has made
20 resale services and unbundled
21 elements, as well as other
22 checklist items, practicably
23 available by providing them via
24 wholesale support processes that
25 (1) provide needed
26 functionality; and (2) operate

1 in a reliable, nondiscriminatory
2 manner that provides entrants a
3 meaningful opportunity to
4 compete.⁹

5 **Q: DOES BELLSOUTH'S OSS INTERFACES ADDRESS THE DOJ'S**
6 **REQUIREMENTS?**

7 **A:** No. As explained below, BellSouth's OSS interfaces
8 are deficient in many respects and provide limited
9 capabilities to competing providers of telephone
10 exchange services.

11 **Q: DOES CHECKLIST COMPLIANCE REQUIRE AUTOMATED SUPPORT**
12 **SYSTEMS?**

13 **A:** Yes. Section 271 requires BellSouth to demonstrate
14 that it can practicably provide checklist items by
15 means of efficient wholesale support processes,
16 including access to OSS functions. These processes
17 must allow CLECs to perform preordering, ordering,
18 maintenance and repair, billing, and related
19 functions, at parity with BellSouth's retail
20 operations. Moreover, BellSouth's wholesale support
21 processes must offer a level of functionality
22 sufficient to provide CLECs with a meaningful
23 opportunity to compete using resale services and
24 unbundled network elements. Intermedia agrees with
25 the DOJ's determination that, in general, to satisfy

26 ⁹ *SBC-Oklahoma Evaluation*, at 27.

1 the checklist, wholesale support processes must be
2 automated "if the volume of transactions would, in the
3 absence of such automation, cause considerable
4 efficiencies and significantly impede competitive
5 entry." *SBC-Oklahoma Evaluation*, at 28. As
6 BellSouth's witness Gloria Calhoun has acknowledged in
7 her testimony, BellSouth is obligated to provide
8 "access to the information and functions in
9 BellSouth's OSS in substantially the same time and
10 manner as BellSouth has access when serving its retail
11 customers." *Calhoun Testimony*, at 4-5.

12 **Q: IS IT NECESSARY FOR BELL SOUTH TO DEMONSTRATE THAT ITS**
13 **WHOLESALE SUPPORT PROCESSES WORK EFFECTIVELY?**

14 **A:** Yes. BellSouth not only must provide the necessary
15 wholesale support processes on paper but, more
16 importantly, must demonstrate that the process works
17 in practice. As the DOJ has found:

18 [A] BOC must demonstrate that
19 its electronic interfaces and
20 processes, when combined with
21 any necessary manual processing,
22 allow competitors to serve
23 customers throughout a state and
24 in reasonably foreseeable
25 quantities, or that its
26 wholesale support processes are

1 scalable to such quantities as
2 demand increases.¹⁰

3 **Q:** **THROUGHOUT YOUR TESTIMONY, YOU REFERENCE THE DOJ'S**
4 **EVALUATIONS OF OSS IN THE SBC-OKLAHOMA AND AMERITECH-**
5 **MICHIGAN SECTION 271 PROCEEDING. IS IT YOUR POSITION**
6 **THAT THE DOJ'S ROLE INCLUDES EVALUATING OSS?**

7 **A:** Yes. Contrary to BellSouth's assertions that "the DOJ
8 has no particular expertise in systems issues" and
9 that "the DOJ's opinions concerning operational
10 support systems are neither binding nor persuasive"
11 (Calhoun Testimony, at 5), the DOJ's evaluation of
12 BellSouth's OSS should be given sufficient deference.
13 I have dealt with the DOJ on various matters, and my
14 experience indicates that the DOJ is knowledgeable in
15 all areas of local competition, including systems and
16 technologies. Indeed, the DOJ is working with
17 independent consultants that provide advice on
18 technical issues, such as OSS. For instance, the DOJ
19 had engaged Michael J. Fridus, an independent
20 consultant working with CA Hempfling & Associates, to
21 evaluate the appropriateness and comprehensiveness of
22 the performance measures of certain BOCs with respect
23 to the BOCs' wholesale functions. See, e.g.,
24 Affidavit of Michael J. Fridus on Behalf of the
25 Antitrust Division of the Department of Justice

26 ¹⁰ *SBC-Oklahoma Evaluation*, at 30.

1 (submitted in the SBC-Oklahoma Section 271
2 proceeding). Thus, the DOJ is entirely capable of
3 evaluating the BOCs' OSS capabilities. Moreover, the
4 1996 Act does not limit the subject matters on which
5 the DOJ appropriately can comment with regard to a
6 BOC's application for in-region interLATA authority.
7 Congress expressly provided that the FCC give
8 substantial weight to the DOJ's evaluation. See 47
9 U.S.C. § 271(d)(2).

10 **Q: HAS BELLSOUTH DEMONSTRATED IN THIS PROCEEDING THAT ITS**
11 **AUTOMATED SUPPORT SYSTEMS ACTUALLY WORK?**

12 **A:** No. BellSouth has not demonstrated that its wholesale
13 support processes are sufficient to make resale
14 services and unbundled network elements practicably
15 and meaningfully available when requested by a
16 competitor, as required by the competitive checklist.
17 BellSouth claims that the following interfaces provide
18 CLECs with access to information and functionality in
19 substantially the same time and manner as BellSouth's
20 access when serving its retail customers: Local
21 Exchange Navigation System ("LENS") (used for pre-
22 ordering), Electronic Data Interchange ("EDI") (used
23 for resale orders and simple unbundled network
24 elements, such as unbundled loops), Exchange Access
25 Control and Tracking system ("EXACT") (for access
26 orders, interconnection trunking, and other complex

1 unbundled network elements), and Trouble Analysis
2 Facilitation Interface ("TAFI") (for trouble repair
3 and reporting). The overwhelming evidence in this
4 proceeding, however, completely contradicts
5 BellSouth's assertions. In particular, many of these
6 interfaces have severe problems and limitations. For
7 example, as AT&T's witness Jay Bradbury pointed out in
8 his testimony, because LENS does not allow BellSouth's
9 and competing carriers' OSS to interact
10 electronically, the competing carriers' service
11 representatives must manually input data into
12 BellSouth's OSS, and then manually input that data
13 again into the competing carriers' OSS. See Bradbury
14 Testimony, at 32. In addition, as Intermedia's
15 witness Lans Chase indicated in his direct testimony,
16 LENS does not automatically send the Firm Order
17 Confirmation ("FOC") and due date. The CLEC user must
18 periodically check for FOCs, which in turn overburdens
19 the CLEC's administrative resources. See Chase
20 Testimony, at 22. Moreover, it is my understanding
21 that LENS does not automatically provide customer
22 service records ("CSRs"). Intermedia's witness Lans
23 Chase addresses this and other issues at length in his
24 rebuttal testimony.

25 **Q: ARE THERE OTHER PROBLEMS ASSOCIATED WITH THE**
26 **INTERFACES AND ASSOCIATED PROCESSES?**

1 **A:** Yes, there are other problems associated with the
2 interfaces and associated processes. For example, Ms.
3 Calhoun acknowledges that "complex" resold services
4 are not mechanized and involve substantial manual
5 handling. See Calhoun Testimony, at 14. In many
6 instances, as Intermedia has found, the BellSouth
7 employees who handle these complex orders lack the
8 necessary knowledge or training to handle them. As a
9 result, significant delays are introduced into the
10 process, which have the effect of impairing the CLECs'
11 ability to meaningfully compete with BellSouth. For
12 instance, Intermedia's recent experience with T1
13 circuits is a case in point. Intermedia placed an
14 order for unbundled T1 circuits in May of 1997,
15 following the ordering process suggested by BellSouth.
16 (See Exhibit ____ (JS-11)) Despite totally adhering to
17 the suggested ordering process, Intermedia's orders
18 were referred to, and transferred from, one BellSouth
19 organization to another, with the ultimate effect of
20 severely delaying the process. What normally should
21 have taken 7-10 days to provision took at least 6
22 weeks to complete. I question what would happen if
23 other, more complex unbundled elements or services
24 were ordered by competing carriers. Attached hereto
25 and incorporated herein by reference as Exhibit ____
26 (JS-12) is a chronology of events detailing

1 Intermedia's recent experience with T1 circuits.

2 Separate and apart from these problems is
3 BellSouth's inability to inform CLECs of changes in
4 the interfaces. New entrants need adequate
5 information concerning changes in the interfaces
6 sufficiently in advance of implementation so that they
7 can implement these changes efficiently and
8 effectively. Moreover, adequate and up-to-date
9 documentation must be available to the CLECs in order
10 to train their own employees. When competing
11 providers are kept in the dark, deliberately or
12 otherwise, with respect to changes in these critical
13 interfaces, substantial confusion and inefficiencies
14 result, which ultimately affect the entire operations
15 and profitability of competing carriers. It is
16 critical that all competing carriers - not only a
17 select few - be notified of any and all changes in the
18 interfaces.

19 Perhaps more telling of the inadequacy of
20 BellSouth's interfaces is the fact that BellSouth
21 itself does not use these interfaces, even though
22 BellSouth proclaims that some of the interfaces it
23 provides to competing carriers are "superior" to those
24 that BellSouth uses internally (see, e.g., Calhoun
25 Testimony, at 48). If, indeed, these interfaces are
26 superior to those BellSouth utilizes, why has not

1 BellSouth switched to these systems?

2 Q: IN LIGHT OF YOUR EXPERIENCE WITH BELLSOUTH'S OSS
3 INTERFACES, IS IT YOUR OPINION THAT BELLSOUTH IS
4 PROVIDING YOU WITH ACCESS TO THE INFORMATION AND
5 FUNCTIONS IN BELLSOUTH'S OSS "IN SUBSTANTIALLY THE
6 SAME TIME AND MANNER" AS BELLSOUTH HAS ACCESS WHEN
7 SERVING ITS RETAIL CUSTOMERS?

8 A: No. It is clear to me that the OSS interfaces and
9 associated processes provided by BellSouth are
10 deficient in many respects. As Ms. Calhoun correctly
11 points out, "[t]he appropriate question with regard to
12 nondiscriminatory access is whether both ALECs and
13 BellSouth have access to the information and
14 functionality in BellSouth's operational support
15 systems in substantially the same time and manner."
16 See Calhoun Testimony, at 16. The record evidence in
17 this proceeding demonstrates that the OSS interfaces
18 and associated processes provided by BellSouth are
19 cumbersome, tedious, inefficient, and otherwise
20 inadequate to handle the needs of competing carriers.
21 In contrast, the interfaces used by BellSouth are
22 generally more efficient and comprehensive.

23 Q: DOES THE RECENT 8TH CIRCUIT COURT'S DECISION CHANGE
24 BELLSOUTH'S OBLIGATIONS WITH RESPECT TO OSS?

1 **A:** No, it does not. The 8th Circuit's decision¹¹ left
2 intact the FCC's regulations relating to the provision
3 of OSS. The FCC establishes OSS as network elements
4 that must be unbundled upon request from a
5 telecommunications carrier, and interprets that such
6 systems are subject to the nondiscriminatory access
7 obligation imposed by sections 251(c)(3) (unbundled
8 access) and 252(c)(4) (resale) of the 1996 Act. See
9 *Local Competition Order*, at ¶ 516. In rejecting the
10 BOCs' assertion that the FCC's decision to require the
11 ILECs to provide competitors with unbundled access to
12 OSS unduly expands the ILECs' unbundling obligations
13 beyond the statutory requirements, the 8th Circuit
14 concluded that OSS and other vertical switching
15 features qualify as network elements that are subject
16 to the unbundling requirements of the 1996 Act. The
17 8th Circuit found that

18 the Act's definition of network
19 elements is not limited to only the
20 physical components of a network that
21 are directly used to transmit a phone
22 call from point A to point B. The Act
23 specifically provides that '[t]he term
24 'network element' means a facility or

25 ¹¹ *Iowa Utilities Board v. Federal Communications*
26 *Commission*, Nos. 96-3321, 96-3406, et al. (8th Cir.
27 1997).

1 equipment used in the provision of a
2 telecommunications service." 47
3 U.S.C.A. § 153(29). Significantly,
4 the Act defines "telecommunications
5 service" as meaning "the offering of
6 telecommunications for a fee directly
7 to the public." Id. § 153(46). Given
8 this definition, the offering of
9 telecommunications services
10 encompasses more than just the
11 physical components directly involved
12 in the transmission of a phone call
13 and includes the technology and
14 information used to facilitate
15 ordering, billing, and maintenance of
16 phone service--the functions of
17 operational support systems. Such
18 functions are necessary to provide
19 telecommunications "for a fee directly
20 to the public." Id. We believe that
21 the FCC's determination that the term
22 "network element" includes all the
23 facilities and equipment that are used
24 in the overall commercial offering of
25 telecommunications is a reasonable

1 conclusion and entitled to
2 deference.¹²

3 Thus, unbundled access to OSS was, and remains, a
4 network element which BellSouth must provide to comply
5 with the competitive checklist.

6 **Q: ARE THE RATES FOR INTERCONNECTION AND UNBUNDLED**
7 **NETWORK ELEMENTS PROPOSED BY BELL SOUTH IN ITS SGAT**
8 **CONSISTENT WITH THE REQUIREMENTS OF THE 1996 ACT?**

9 **A:** No. BellSouth used several sources as the bases for
10 the rates included in its SGAT. Where a rate was
11 arbitrated, BellSouth incorporated Commission-ordered
12 rates into the SGAT. Where a rate was not arbitrated,
13 BellSouth relied upon a number of sources, for
14 example, BellSouth's proposed price list in the
15 arbitration proceedings. *In light of the Ameritech*
16 *Order, at least some interim rates may be*
17 *are interim and subject to true-up which, by their*
18 *consistent with the Act if they are cost-based. It's not clear,*
19 *very nature, are not permanent and are inconsistent,*
20 *however, whether the proposed BellSouth rates would be allowed.*
21 *with the requirements of Section 252(d).* As to these
22 rates, they have not been demonstrated by BellSouth to
23 comply with the incremental cost standards
24 contemplated by the 1996 Act. As AT&T witness Don
25 Wood explains, the following rates are interim and
subject to true-up: the Network Interface Device
("NID") (recurring only); access to the NID
(nonrecurring only); loop distribution for both 2-wire

26 ¹² *Id.* (emphasis added).

1 and 4-wire circuits (recurring and nonrecurring); 4-
2 wire analog ports (recurring and nonrecurring); DA
3 transport switched local channel, dedicated DS-1
4 transport per mile and per termination (recurring and
5 nonrecurring); dedicated transport per termination
6 (nonrecurring only); virtual collocation (recurring
7 and nonrecurring); and physical collocation (recurring
8 and nonrecurring). See Wood Testimony, at 22-23. It
9 would be premature to approve BellSouth's SGAT where,
10 as here, no affirmative determination has yet been
11 made by the Commission as to whether the interim rates
12 are indeed cost-based and nondiscriminatory.
13 Similarly, these rates have not been demonstrated by
14 BellSouth to comply with the incremental cost
15 standards contemplated by the 1996 Act. In fact, the
16 Georgia Public Service Commission previously rejected
17 BellSouth's interim rates on these grounds:

18 The Statement's pricing for
19 interconnection, unbundled
20 network elements, interim number
21 portability, and reciprocal
22 compensation represent interim
23 rates subject to true-up. The
24 cost-based prices for most or
25 all of these items will be
26 established by the Commission in

1 Docket No. 7061-U. Such interim
2 rates subject to true-up are not
3 cost-based under Section 252(d),
4 and as a matter of policy, if
5 not law, should not be
6 sanctioned in a Statement which
7 results in retroactive
8 rulemaking.¹³

9 **Q: DOES BELLSOUTH PROVIDE NONDISCRIMINATORY ACCESS TO**
10 **DATABASES AND ASSOCIATED SIGNALING?**

11 **A:** Not entirely. BellSouth has an obligation to provide,
12 among other things, signaling elements necessary for
13 call routing and completion, including Service Control
14 Points ("SCPs"), which are databases containing
15 customer and/or carrier-specific routing, billing, or
16 service instructions. SCPs/databases are the network
17 elements that provide the functionality for storage
18 of, access to, and manipulation of information
19 required to offer a particular service and/or
20 capability. The databases include, among other
21 things, Advanced Intelligent Network ("AIN").
22 BellSouth claims that it has tested its AIN Toolkit
23 1.0, which provides a CLEC with the ability to create

24 ¹³ BellSouth Telecommunications, Inc.'s Statement of
25 Generally Available Terms and Conditions Under Section
26 252(f) of the Telecommunications Act of 1996, Order
27 Regarding Statement, Docket No. 7253-U (Mar. 20, 1997).

1 and offer AIN-service applications to their end-users,
2 as well as its AIN SMS Access 1.0, which provides a
3 CLEC with access to the BellSouth-provided service
4 creation environment. See Milner Testimony, at 32.
5 It is my understanding, however, that the AIN service
6 creation tools which BellSouth uses are different from
7 those available to CLECs. In particular, I understand
8 that CLECs cannot replicate certain of BellSouth's
9 AIN-based services, such as ZipConnect and DataReach,
10 using BellSouth's Toolkit 1.0 because those services
11 are based on different AIN service creation tools.
12 Because the AIN service creation tools that are
13 available to CLECs are different from those available
14 to BellSouth, BellSouth is not now providing
15 nondiscriminatory access to databases and associated
16 signaling as required by the 1996 Act.

17 **Q: IN YOUR DIRECT TESTIMONY, YOU INDICATED THAT BELLSOUTH**
18 **HAS REFUSED CERTAIN INTERCONNECTION REQUESTS BY**
19 **INTERMEDIA AND HAS FAILED TO IMPLEMENT CERTAIN**
20 **TRACKING AND DATA EXCHANGE PROCESSES IN A TIMELY**
21 **MANNER. HAS THE SITUATION CHANGED?**

22 **A:** No, Intermedia continues to experience the same
23 problems. In particular, BellSouth has not, to this
24 day, provided unbundled frame relay network components
25 (loops and subloops) to Intermedia. With respect to
26 billing, Intermedia continues to receive conflicting

1 information as to whether billing would be through
2 CRIS or CABS. More recently, Intermedia has been
3 having problems ordering T1 circuits. These problems,
4 which have impaired Intermedia's ability to compete as
5 a facilities-based provider, are not unique to
6 Intermedia, as evidenced by the record. For example,
7 MCI claims that it has been experiencing problems with
8 respect to BellSouth's delivery of access facilities,
9 which damage MCI's ability to compete. See Gulino
10 Testimony, at 37. Similarly, ACSI describes severe
11 problems regarding BellSouth's provisioning of
12 unbundled loops, which impact ACSI's marketing of its
13 services. See Murphy Testimony, at 10-14.

14 **Q: WHAT DOES THIS MEAN IN TERMS OF BELLSOUTH'S COMPLIANCE**
15 **WITH THE COMPETITIVE CHECKLIST?**

16 **A:** Intermedia's persistent and continuing problems with
17 respect to BellSouth's provision of unbundled loops,
18 billing, and access to OSS for resale and unbundled
19 network elements, among other things, undeniably show
20 that BellSouth has not fully complied with the
21 competitive checklist.

22 **Q: SHOULD THE COMMISSION ADOPT A MECHANISM FOR MONITORING**
23 **PARITY OF PERFORMANCE?**

24 **A:** Yes. In my direct testimony, I suggested that the
25 Commission adopt a mechanism through which it can
26 determine BellSouth's compliance with its

1 nondiscrimination and parity obligations. I
2 recommended that the Commission adopt, as a starting
3 point, the standards proposed by the Local Competition
4 User Group ("LCUG") (a copy of the LCUG standards was
5 appended as Attachment JS-1 to my direct testimony).
6 See Strow Testimony, at 50. Several parties in this
7 proceeding have recommended the same performance
8 standards as a starting point for monitoring parity of
9 performance. AT&T, for example, supports the use of
10 the LCUG metrics as representative of the "critical
11 few measures" upon which an effective measurement plan
12 can be developed. See Pfau Testimony, at 6.
13 Similarly, WorldComm and the Florida Competitive
14 Carriers Association support the performance standards
15 devised by LCUG to ensure that BellSouth provides
16 nondiscriminatory OSS access at parity. See Kinkoph
17 Testimony, at 7-9; McCausland Testimony, at 24.

18 While the LCUG standards are a good starting
19 point, these standards focus on traditional voice
20 services and do not address many of the advanced data
21 services provided by BellSouth. Such provisioning
22 standards are not included in the LCUG proposal, yet
23 for CLECs with substantial data service offerings--
24 e.g., Intermedia--such standards are essential. Over
25 time, measures of BellSouth's actual performance with
26 its own customers and with competitors will define

1 standards for "parity" in the provisioning of data and
2 high-capacity services. Until reporting requirements
3 are implemented and these standards are determined,
4 Intermedia proposes that the Commission require
5 BellSouth to provision high-capacity and data circuits
6 to CLECs using provisioning intervals consistent with
7 Commission regulations and/or approved BellSouth
8 tariffs. For example, BellSouth should commit to
9 provisioning DS1, DS3, and other digitally-conditioned
10 loops (e.g., ISDN) consistent with Commission
11 regulations and/or BellSouth tariffs.

12 Regardless of the performance standards the
13 Commission ultimately adopts, it is critically
14 important to competing carriers that performance
15 measurements and reporting requirements exist against
16 which BellSouth's nondiscrimination and parity
17 obligations can be measured. Only by having
18 quantifiable and easily ascertainable performance
19 measures and reporting requirements can the Commission
20 appropriately gauge whether the requirements of the
21 1996 Act are being met.

22 **Q: PLEASE SUMMARIZE INTERMEDIA'S POSITION.**

23 **A:** BellSouth's entry into the in-region interLATA market
24 is premature based on both Intermedia's experience
25 with BellSouth and the record evidence in this
26 proceeding. BellSouth has not met the requirements of

1 Track A or Track B. Similarly, BellSouth has not met
2 its burden of demonstrating that it satisfies the
3 checklist requirements through either its
4 interconnection agreements with competing carriers or
5 its proposed SGAT. Testimony from various parties
6 persuasively demonstrates the breadth and severity of
7 problems with BellSouth's provision of interconnection
8 and access to unbundled network elements. Concerns
9 about the inability of competing carriers to compete
10 at parity and meaningfully with BellSouth because of
11 deficient OSS interfaces are simply too many to
12 ignore. In light of the overwhelming evidence which
13 points to BellSouth's failure to comply with its
14 statutory obligations, the Commission should find that
15 BellSouth cannot, at this time, obtain in-region
16 interLATA authority.

17 **Q: DOES THIS CONCLUDE YOUR TESTIMONY?**

18 **A:** Yes. I reserve the right, however, to change, modify,
19 or otherwise supplement my testimony, as appropriate.

20 **END OF TESTIMONY**

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