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**BELLSOUTH TELECOMMUNICATIONS, INC.  
REBUTTAL TESTIMONY OF BETH SHIROISHI  
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET 991267-TP  
DECEMBER 20, 1999**

**Q. PLEASE STATE YOUR NAME AND COMPANY NAME AND ADDRESS.**

A. My name is Elizabeth R. A. Shiroishi. I am employed by BellSouth Telecommunications, Inc., ("BellSouth") as Manager - Interconnection Services Pricing. My business address is 675 West Peachtree Street, Atlanta, Georgia 30375.

**Q. ARE YOU THE SAME ELIZABETH R. A. SHIROISHI WHO FILED DIRECT TESTIMONY IN THIS CASE?**

A. Yes.

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

A. The purpose of my testimony is to rebut testimony filed in this docket by William J. Rooney, Esq., and Lee L. Selwyn, witnesses for Global NAPs, Inc. ("GNAPs").

1 **Rebuttal of William J. Rooney's Testimony**

2

3 **Q. PLEASE ADDRESS MR. ROONEY'S STATEMENT THAT HE**  
4 **ADVISED GNAPs TO ADOPT THE BELLSOUTH/ITC^DELTACOM**  
5 **("DELTACOM") INTERCONNECTION AGREEMENT BECAUSE OF**  
6 **DELTACOM'S VIEW ON THE DEFINITION OF LOCAL TRAFFIC.**

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8 A. First, I would like to state that during the negotiation and adoption  
9 process, no person acting on behalf of GNAPS, including Mr. Rooney,  
10 ever expressed to BellSouth the position proposed on page 2 of his  
11 testimony. Second, from Mr. Rooney's testimony, it is clear that  
12 GNAPs must have understood that BellSouth never intended the  
13 reciprocal compensation provision in the DeltaCom Agreement to  
14 include interstate, ISP-bound traffic in the definition of local traffic. Mr.  
15 Rooney states that he used the testimony of Mr. James Wilkerson  
16 (DeltaCom's witness in Docket No. 26619 before the Alabama Public  
17 Service Commission) to determine DeltaCom's interpretation of local  
18 traffic, thus influencing his decision to advise GNAPs to adopt the  
19 BellSouth/DeltaCom Interconnection Agreement. Mr. Rooney,  
20 however, should have known BellSouth's intent since testimony was  
21 also filed on behalf of BellSouth in that docket, with contents similar to  
22 the direct testimony that I have filed in this case. That Alabama  
23 testimony unequivocally stated that BellSouth agreed with the Federal  
24 Communications Commission's ("FCC") repeated position that ISP-  
25 bound traffic is interstate in nature, and clearly states that BellSouth

1 does not agree that the reciprocal compensation provisions in the  
2 DeltaCom Agreement applies to interstate, ISP-bound traffic. Just as  
3 GNAPs extracted DeltaCom's definition of local traffic from Mr.  
4 Wilkerson's testimony in that case, GNAPs would also know what  
5 BellSouth's position was from reading the testimony filed on behalf of  
6 BellSouth. From looking at either party's testimony, Mr. Rooney would  
7 realize that there was no discussion between BellSouth and DeltaCom  
8 during the negotiation of the Interconnection Agreement as to the  
9 nature of ISP-bound traffic; thus there was no meeting of the minds  
10 between the BellSouth and DeltaCom as to the definition of local traffic.  
11 Therefore, intent to treat ISP-bound traffic as local in nature cannot be  
12 extrapolated from the BellSouth/DeltaCom Interconnection Agreement.

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14 **Q. WAS GNAPs A PARTY TO THE NEGOTIATION OF THE**  
15 **INTERCONNECTION AGREEMENT BETWEEN BELLSouth AND**  
16 **DELTACOM ("DELTACOM AGREEMENT")?**

17

18 **A. No.** GNAPs was not a party to the DeltaCom and BellSouth  
19 interconnection agreement negotiation process. Any intent between  
20 DeltaCom and BellSouth in the DeltaCom Agreement is irrelevant.  
21 The only relevant intent in this proceeding is that between BellSouth  
22 and GNAPs. It seems fairly obvious that Mr. Rooney wanted to avoid  
23 the issue of reciprocal compensation in negotiations and possible  
24 arbitration, because he was well aware of BellSouth's position that  
25 reciprocal compensation is not due for ISP-bound traffic. It appears

1 that in order to avoid BellSouth's direct expression of its intent that  
2 reciprocal compensation is not due for ISP-bound traffic, Mr. Rooney  
3 advised his client to adopt the terms of an existing agreement. From  
4 his own testimony, he admits that he researched this issue. Thus, Mr.  
5 Rooney would have known that BellSouth repeatedly refused to  
6 expand the definition of local traffic to include interstate, ISP-bound  
7 traffic.

8  
9 **Q. WAS THERE ANY INTENT ON THE PART OF BELL SOUTH TO**  
10 **TREAT ISP-BOUND TRAFFIC AS LOCAL TRAFFIC FOR THE**  
11 **PURPOSE OF THIS AGREEMENT?**

12  
13 **A.** *Definitely not. As I stated in my direct testimony, since there was no*  
14 *negotiation between BellSouth and GNAPs, the parties could not have*  
15 *formed any mutual intent that the reciprocal compensation provisions*  
16 *would apply to non-local ISP-bound traffic. At the time GNAPs adopted*  
17 *the DeltaCom Agreement, no indication was given to BellSouth that*  
18 *GNAPs considered ISP-bound traffic to be anything other than*  
19 *jurisdictionally interstate, as the law held and still holds today.*  
20 **Moreover, by the time that GNAPs elected to adopt the terms and**  
21 **conditions of the BellSouth and DeltaCom Interconnection Agreement**  
22 **(rather than negotiate), BellSouth had stated publicly and repeatedly,**  
23 **including in the Alabama PSC Docket No. 26619 that Mr. Rooney**  
24 **refers to in his testimony and in Docket No. 971478-TP before the**  
25 **Florida PSC, that BellSouth did not intend to pay reciprocal**

1 compensation for non-local ISP-bound traffic. At no time during the  
2 course of GNAPs adoption of the terms of DeltaCom's Agreement was  
3 there a common or mutual agreement between BellSouth and GNAPs  
4 to consider interstate, ISP-bound traffic as local traffic for the purpose  
5 of this Agreement.

6

7 **Rebuttal of Lee L. Selwyn's Testimony**

8

9 **Q. PLEASE COMMENT ON DR. SELWYN'S DISCUSSION, ON PAGE**  
10 **18, OF THE APPLICABILITY OF RECIPROCAL COMPENSATION**  
11 **AS OUTLINED IN SECTION 251 (B)(5) OF THE**  
12 **TELECOMMUNICATIONS ACT OF 1996 ("THE ACT").**

13

14 **A.** The FCC in its August 1996 Local Interconnection Order (CC Docket  
15 No. 96-98), Paragraph 1034, made it perfectly clear that reciprocal  
16 compensation rules did not apply to interstate or interLATA traffic such  
17 as interexchange traffic:

18 We conclude that Section 251(b)(5), reciprocal compensation  
19 obligation, should apply only to traffic that originates and  
20 terminates within a local area assigned in the following  
21 paragraph... We find that reciprocal compensation provisions of  
22 Section 251(b)(5) for transport and termination of traffic do not  
23 apply to the transport and termination of interstate or intrastate  
24 interexchange traffic.

25

1 Q. DO THE RECIPROCAL COMPENSATION PROVISIONS IN THE  
2 AGREEMENT MIRROR THE OBLIGATION IMPOSED IN § 251  
3 (B)(5)?  
4

5 A. Yes. The reciprocal compensation requirements in the GNAPs  
6 Agreement mirror the obligation created by the Act to compensate for  
7 the transport and termination of local traffic. Section 49 of Attachment  
8 B of the Agreement provides:

9 "Local Traffic" means telephone calls that originate in one  
10 exchange or LATA and terminates in either the same exchange  
11 or LATA, or a corresponding Extended Area Service ("EAS")  
12 exchange. The terms Exchange, and EAS exchanges are  
13 defined and specified in Section A.3 of BellSouth's General  
14 Subscriber Service Tariff.  
15

16 In parallel to Section 251(b)(5) of the Act, the definition of local traffic in  
17 the BellSouth/GNAPs Interconnection Agreement requires the  
18 origination and termination of telephone calls to be in the same  
19 exchange and EAS exchanges as defined and specified in Section A.3  
20 of BellSouth's General Subscriber Service Tariff (GSST). As Section  
21 251(b)(5) of the Act has been interpreted not to include local traffic, so  
22 should the reciprocal compensation provisions in the BellSouth/GNAPs  
23 Interconnection Agreement. BellSouth's position regarding the  
24 definition of local traffic is in strict accordance with the requirements of  
25 the Act (no more, no less). ISP traffic is outside the scope of this

1 obligation, and the scope of this obligation cannot be artificially  
2 stretched to include anything other than what Federal law required.

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

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6 **A. Yes.**

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