

ORIGINAL

ATTACHMENT B

BellSouth Telecommunications, Inc.
FPSC Docket No. 991267-TP
Request for Confidential Classification
Page 1 of 1
2/11/00

REQUEST FOR CONFIDENTIAL CLASSIFICATION OF THE DEPOSITION OF
DAVID P. SCOLLARD TAKEN JANUARY 20, 2000, IN FLORIDA DOCKET
NO. 991267-TP

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FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Docket No. 991267-tp
Filed: January 12, 2000

In re: Complaint of Global NAPs, Inc.,)
Against BellSouth Telecommunications,)
Inc., for Enforcement of Section VI(B))
of its Interconnection Agreement with)
BellSouth Telecommunications, Inc., and)
Request for Relief.)
_____)

DEPOSITION OF: DAVID SCOLLARD

TAKEN AT THE
INSTANCE OF: Global NAPs, Inc.

DATE: January 20, 2000

TIME: Commenced at 11:18 a.m.
Concluded at 12:11 p.m.

LOCATION: Kirkland & Associates
Court Reporters
1206 North Duval Street
Tallahassee, Florida

REPORTED BY: Linda Boles, RPR
Notary Public, State of Florida

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DATE 1-20-00

TIME 3:35 pm

A P E A R A N C E S

1
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WITNESS:

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DEPOSITION

Whereupon,

DAVID SCOLLARD

was called as a witness, having first been duly sworn by Rita R. Barnwell, Notary Public, State of Alabama at Large, Probate Filing Number 96145616, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. MOYLE:

Q This is John Moyle, Jr., representing Global NAPs, Mr. Scollard. I'm going to be asking you some questions and I appreciate you postponing your deposition by a day or so here so we could proceed with the other depositions in Tallahassee.

Before we get started, let's just go ahead and identify everyone who is participating in this deposition, if we could. Why don't we start with Mr. Savage?

MR. SAVAGE: This is Chris Savage, S-A-V-A-G-E. I'm one of Global NAPs' counsel and I'm appearing by phone from Washington, DC.

MR. GOGGIN: My name is Michael Goggin, G-O-G-G-I-N. I represent BellSouth Telecommunications in Miami, Florida.

MS. STERN: This is Marlene Stern. I am with

1 the Public Service Commission.

2 MR. ROONEY: This is Bill Rooney. I'm
3 general counsel for Global NAPs and I'm attending by
4 telephone from Boston.

5 MR. MOYLE: Do we have anyone else?

6 BY MR. MOYLE:

7 Q Okay. Seeing that no one has answered, let's
8 go ahead and start the deposition. For the record please
9 give us your name and address.

10 A David Scollard. Business address is 600
11 North 19th Street, Birmingham, Alabama.

12 Q And what is your current position with
13 BellSouth?

14 A Manager in the wholesale billing organization
15 in BellSouth's Billing, Incorporated.

16 Q How long have you held that position?

17 A Since 1992.

18 Q Okay. And what, what's the purpose of your
19 testimony in this case, Mr. Scollard?

20 A The purpose of my testimony is to summarize
21 the actions taken by BellSouth to avoid billing reciprocal
22 compensation for traffic bound for ISPs that are served by
23 BellSouth.

24 Q Okay. Before I get into your testimony, I
25 just want to ask you a few general questions, if I could.

1 I noticed in your testimony that you had some
2 reference to ten-digit numbers and seven-digit numbers.
3 Could you explain for me the difference between the
4 seven-digit number and a ten-digit number and how that, if,
5 if it is significant with respect to BellSouth's billing?

6 A I, I find at least one reference to a
7 ten-digit number. I -- could you point me to the
8 seven-digit number reference?

9 Q It may not have been in there.

10 Do you, do you have -- tell me, tell me is
11 there a seven-digit call that BellSouth is familiar with?

12 A The testimony doesn't really address anything
13 to do with dialing patterns. It was really just an
14 indication of how many, really an indication we used in the
15 NPANXX and the line number to actually load our database.
16 It really had nothing to do with how those numbers are
17 actually dialed.

18 Q All right. Well, then where, where do you
19 see the ten-digit? Is that on page three, line 14?

20 A Yes.

21 Q And you say in there that BellSouth began to
22 identify a method to separate ISP traffic from local traffic
23 by identifying specific ten-digit telephone numbers; is that
24 correct?

25 A Yes.

1 Q Do you have any way to identify dialing
2 patterns which have seven, seven-digit numbers?

3 A No. That was not part of any of the work we
4 did.

5 Q Okay. And as you, as you testify today
6 there's still no way to separately identify seven-digit
7 telephone numbers of ISP providers served by BellSouth?

8 A Well, I don't agree with the premise of the
9 question. What we consider -- a telephone number always has
10 ten-digits. So we would not even have, you know, it doesn't
11 really come into play to identify them by seven digit or ten
12 digit. Every telephone number has ten digits.

13 Q If I'm sitting in Tallahassee, Florida, do I
14 have to access the Internet by dialing ten digits?

15 A I'm not, I'm not specifically aware of
16 Tallahassee. But generally the dialing pattern doesn't have
17 to be ten digits, no.

18 Q It can be seven digits?

19 A Yes. But even when you dial a seven-digit
20 number, there are ten digits associated with that line.

21 Q You just don't dial the first three if it's a
22 local call?

23 A That's my understanding.

24 Q Okay. And with respect to ability to inter,
25 interconnect, let's use that term, with the, with the

1 Internet, you are familiar with ways to do it through a
2 seven-digit call; correct?

3 A I'm aware you can dial seven digits and reach
4 an ISP number, yes. But, again, my testimony doesn't have
5 anything to do with dialing patterns. It was just a
6 description of, to, to the telephone number itself.

7 Q The, the testimony that you're providing, it
8 relates to changes made to CABS to separately meter records
9 for calls bound for ISPs served by BellSouth; isn't that
10 correct?

11 A Yes.

12 Q It doesn't in any way have anything to do
13 with separately metering calls bound for ISPs served by
14 ALECs; is that correct?

15 A That's true.

16 Q On page four of your testimony on line four
17 you said that a process was put in place to maintain the
18 data base of telephone numbers identified as being used by
19 an ISP. Could you please explain that answer?

20 A The process put in place -- I'm sorry. You
21 want me to explain the process or?

22 Q That's right. When -- the process that was
23 put in place to maintain the data base of telephone numbers
24 identified as being used by an ISP.

25 A Okay. Periodically there's a group of, of

1 employees in BellSouth that surf the web or whatever you
2 want to call it, look through telephone directories, or
3 study records that we have of long duration calls to
4 identify candidates for numbers that we consider to be used
5 by ISPs. And those telephone numbers are actually dialed to
6 see what kind of tones are, are sent back to ensure that the
7 protocol is one that is used by an ISP, and then those
8 numbers are loaded to the database themselves.

9 Q And then what do you do after you load the
10 numbers?

11 A Those numbers are accessed then by the
12 billing system to identify the, the calls that are bound for
13 ISPs served by BellSouth.

14 Q Okay. And this, this is only for ISPs served
15 by BellSouth, correct, not ISPs served by other ALECs or by
16 ALECs?

17 A The only use of the data base by the CABS
18 process are the ones served by BellSouth. However, this
19 process will identify numbers that are served by ALECs as
20 well.

21 Q What do you do with numbers that you discover
22 that are served by ALECs?

23 A In the CABS billing system which is, you
24 know, my testimony, we don't do anything with them.

25 Q Are you aware if BellSouth outside of the

1 CABS systems does anything with them?

2 A I'm not aware of what's used, what those are
3 used for, no.

4 Q You testified on page four, line 12 that, I
5 believe, BellSouth never intentionally billed reciprocal
6 compensation for ISP traffic to any ALEC; is that correct?

7 A Yes.

8 Q Okay. But, but you did bill reciprocal
9 compensation for ISP traffic to an ALEC; correct?

10 A We're not sure. And the reason I say that is
11 that we know that we billed some reciprocal compensation
12 prior to having this ISP process in place. However, we
13 don't know at this point since we didn't have a process in
14 place to identify it whether there was ISP traffic in there
15 or not. To the extent that there could have been, it was an
16 error.

17 Q Help me understand that. I'm a little
18 confused. If you could walk me through what, what you did
19 when you first brought your system up and how you attempted
20 to try to segregate or did you try to attempt to segregate
21 these ISP calls out?

22 A Yes.

23 Q And how did you try to do that?

24 A Again, you look at the number that was called
25 on the call record and you match, match that up against the

1 data base of ISP telephone numbers to see if it's present on
2 that data base. And then if it is, it's identified as ISP
3 traffic and dropped from further handling in the billing
4 system. And that process was implemented in September of
5 1997.

6 Prior to September 1997, however, there were
7 isolated incidences where reciprocal compensation was billed
8 for a very few CLECs, ALECs, I'm sorry, and that process was
9 not in place yet. So to the extent that there was ISP
10 traffic in that small amount of billing, then it was prior
11 to our having the ability to screen it out.

12 Q And what was that date?

13 A What date exactly? I'm sorry.

14 Q The date before you had the ability to screen
15 it out.

16 A The ability to begin screening was
17 implemented in September of 1997.

18 Q So would it be a correct statement to say
19 that prior to September 1997 that conceivably there was some
20 bills that were sent to ALECs for ISP traffic?

21 A I would say there's a possibility that
22 between April of 1997 and August of 1997 there's a
23 possibility that there could have been ISP traffic in a very
24 few number of bills that we sent out.

25 Q But it's your testimony that you don't know

1 that for sure?

2 A No. That's true. And, again, to the extent
3 that there was some in there, it was unintentional.

4 Q You testified that the process was not
5 seamless; is that correct?

6 A Yes.

7 Q Is this process that's the subject of your
8 testimony fully implemented today?

9 A Yes, it is.

10 Q So that there's no chance that, that
11 BellSouth as we sit here today is billing calls bound for
12 ISPs served by BellSouth in the way that they were local
13 calls; is that correct?

14 A Could you repeat that? I'm sorry.

15 Q Sure. As we sit here today, your testimony
16 is that the system you put in place is fully operational; is
17 that correct?

18 A Yes.

19 Q All right. And it was put in place in an
20 attempt to segregate out certain ISP bound calls; correct?

21 A Yes.

22 Q So that as we sit here today there's no
23 possibility that the system you put in place is letting
24 these ISP bound calls slip through and be billed as local
25 calls; correct?

1 A There is no possibility that the calls that
2 we've identified as ISPs are slipping through and billed to
3 an ALEC. The process to identify what numbers are used by
4 ISPs is our best effort. Lacking any kind of direct
5 information from the ISPs themselves, I, I cannot testify
6 that there's absolutely no possibility. However, those,
7 those calls that we have identified using the process that
8 we set up, I can testify there's no possibility that those
9 are getting billed to the CLECs.

10 Q And that process is what again, to look
11 through the phone book?

12 A To surf the web, to look through directories,
13 and also to study the calls that are being recorded in our
14 network to, to isolate those of long duration to identify
15 candidates for, for further analysis.

16 Q How many people do this?

17 A I believe there's a group of three
18 individuals.

19 Q And how many states does that cover?

20 A That covers all nine states that we serve.

21 Q Which states are those?

22 A Florida, Georgia, South Carolina, North
23 Carolina, Kentucky, Tennessee, Alabama, Mississippi,
24 Louisiana. I think I got them all.

25 Q In your testimony on page five you talk about

1 a settlement. Let me just read it and direct the witness to
2 this section of his testimony which appears on page five.

3 It says, in the fall of 1997 BellSouth
4 attempted to negotiate a settlement to this as well as a
5 number of other reciprocal compensation issues with one ALEC
6 with little success owing to the very different positions of
7 the parties on the billing of ISP traffic.

8 Now which ALEC was that that you attempted to
9 negotiate with?

10 MR. GOGGIN: Objection. This calls for
11 customer proprietary information. This is Mr.
12 Goggin.

13 BY MR. MOYLE:

14 Q You can go ahead and answer the question over
15 the objection.

16 A The ALEC in question was

17 MR. GOGGIN: I would like to state for the
18 record that pursuant to the oral agreement of Global
19 NAPs to be bound by the protected agreement that
20 BellSouth proposed, that the question and answer
21 that just preceded are covered by that agreement.

22 MR. SAVAGE: That's fine from my
23 perspective. This is Chris Savage.

24 MR. MOYLE: Yeah. I'm okay with that. Let
25 me ask some more questions about that.

1 MR. GOGGIN: I'm sorry. Can I interrupt for
2 a second? Just as a procedural matter I just wanted
3 to make sure that, that any copies of the transcript
4 of this deposition that are made public or are filed
5 with the Commission be redacted to have this
6 question taken out and the answer taken out, and
7 that a, a proprietary version of the transcript with
8 the complete answers, if, if it needs to be filed at
9 all with the Commission, be filed under seal.

10 MS. STERN: Okay. Yes.

11 MR. GOGGIN: Thank you.

12 BY MR. MOYLE:

13 Q Do you know who attempted to negotiate this
14 settlement?

15 A There was a member of the account team for
16 that was the lead in communicating with the ALEC.

17 Q Who, who on behalf of BellSouth attempted to
18 negotiate this settlement?

19 A I believe, my understanding is it was an
20 individual by the name of Ilene Barnett.

21 Q Did you have any personal involvement in
22 attempting to negotiate this settlement?

23 A No, I did not.

24 Q Are you aware of what was discussed in
25 attempting to try to negotiate the settlement with respect

1 to the reciprocal compensation issue for ISP bound traffic?

2 A I'm aware of two issues. One is the, the
3 possible billing that we may have billed , which
4 could have included ISP traffic was one issue. The other
5 issue was to come to some settlement on how much would be
6 disputed on bills sent to BellSouth for this same issue,
7 ISP traffic.

8 Q And were you able to resolve any of these
9 issues?

10 A Not to my knowledge, no.

11 Q Do you, do you know if, if BellSouth has ever
12 negotiated a settlement with an ALEC on this recip, on the
13 reciprocal compensation issue, which is the bulk of the
14 subject of your testimony?

15 A No, I'm not aware of any.

16 Q All right. I think that's about it. Give me
17 a second to check my notes, if I could.

18 MR. GOGGIN: If I could go back on the record
19 at this point. This is Mr. Goggin. I would just
20 like to for the record enter the same objection to
21 the entire line of questions that followed my last
22 objection and request that all of this information
23 remain under seal. And for the, for the benefit of
24 the Commission attorney, Ms. Stern, and any other --
25 are there any other representatives of the

1 Commission on the phone at this time?

2 MS. MARSH: Yes. Ann Marsh is here.

3 MR. GOGGIN: Okay. Are there any persons
4 other than those identified at the beginning of the
5 deposition, namely Mr. Scollard, Mr. Moyle, Mr.
6 Savage, Mr. Rooney, myself and the court reporter
7 and Marlene Stern and Ann Marsh, are there other
8 individuals on this call at this time?

9 MR. GREER: Shane Greer with BellSouth.

10 MR. GOGGIN: To the extent that the
11 Commission has already received this information,
12 I'd like to now note for the record that BellSouth
13 has already filed a notice of intent to request
14 confidential treatment for certain information that
15 they've identified as proprietary and/or customer
16 proprietary. We believe that the information
17 contained in the preceding questions and answers
18 qualifies under both categories and, and note at
19 this time that we have, extend our notice of intent
20 that was filed with the discovery that we produced
21 to cover the information provided in this deposition
22 that we have identified. And, and note again that
23 should this deposition be filed in any public forum,
24 that all of these questions and answers we believe
25 should be redacted from the public version and that

1 the entire deposition transcript should be filed
2 under seal.

3 MR. SAVAGE: And for Global NAPs, this is
4 Chris Savage, let me just say that without in any
5 way waiving our right to challenge BellSouth's
6 assertion that this material is or should be treated
7 as confidential, we have no objection to treating it
8 as though it's confidential to avoid any problems
9 about it until we, we, until and if we decide to
10 make such a challenge, and I can't imagine that we
11 would. But that's, just so the record is clear,
12 we're not opposed to that.

13 MS. STERN: Could I ask, this is Marlene
14 Stern. Could I ask a question briefly? This is, we
15 could probably go off the record for this. It's
16 just about the mechanics of how this is handled. We
17 get the transcript from the court reporter.

18 MR. MOYLE: Marlene?

19 MS. STERN: Yes.

20 MR. MOYLE: Why don't, why don't we go ahead
21 and end, do this off the record so the court
22 reporter is clear on that.

23 MS. STERN: Okay.

24 MR. MOYLE: Does anybody have an objection to
25 that?

1 MR. GOGGIN: Going off the record right now?

2 MR. MOYLE: Correct.

3 MR. GOGGIN: No problem.

4 MR. MOYLE: All right. We'll come back on in
5 a minute.

6 (Off-the-record discussion held.)

7 MR. MOYLE: This is John Moyle on behalf of
8 Global NAPs. I have reviewed my notes, have no
9 further questions of the witness.

10 By agreement off the record, Mr. Savage,
11 because we are on telephone and won't have an
12 opportunity to confer without everybody hearing,
13 BellSouth has agreed to allow him to ask questions
14 as well.

15 FURTHER DIRECT EXAMINATION

16 BY MR. SAVAGE:

17 Q This is -- I guess it's still good morning.
18 Good morning. Is the witness still there?

19 A Yes, I'm here.

20 Q Great. Okay. Broadly speaking, you
21 testified as to the steps that BellSouth is taking to
22 identify calls to ISPs served by BellSouth in order to,
23 again broadly speaking, avoid charging ALECs terminating
24 compensation for calls to those numbers; is that right?

25 A Yes.

1 Q Now do you have any role in actually
2 negotiating interconnection agreements between BellSouth and
3 ALECs?

4 A I have participated in some of the billing
5 specific items such as bill media. I have never addressed
6 anything close to the ISP issue.

7 Q And when you say bill media, just so the
8 record is clear, you're talking about exchanging billing
9 information on tape versus online versus some other method?

10 A Yes.

11 Q Okay. To your knowledge -- well, let me ask
12 this. Have you ever had occasion to look at the
13 interconnection agreement that governs the relationship
14 between BellSouth and Global NAPs in this case?

15 A No, I haven't.

16 Q Okay. So as far as you're aware, nothing in
17 that agreement in any respect attempts to single out ISP
18 bound traffic going one way or the other; is that correct?

19 A No. I haven't reviewed the contract at all,
20 so I just don't know.

21 MR. SAVAGE: Okay. That's all I have.

22 MS. STERN: Are we still off the record?

23 MR. MOYLE: No. We're on the record.

24 MS. STERN: Okay. I just came back in the
25 room.

CROSS-EXAMINATION

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BY MS. STERN:

Q Okay. Mr. Scollard, we're going to ask a few questions about your direct testimony that was on page five, line six through 11, that was read earlier. Do you want to take a minute and look at that again?

A Okay. I have.

Q Okay. Did BellSouth attempt to negotiate a settlement on the reciprocal compensation issue with any other ALECs besides the one referenced in line six through 11?

A I, I have no personal knowledge of any other negotiations.

Q Just a second, please.

(Pause.)

Hi, Mr. Scollard. I'm going to ask you now to look at the staff's first set of interrogatories that they, that we mailed out, item number five.

MR. GOGGIN: Mr. Goggin. David, do you have a copy of those?

THE WITNESS: Yes, I do. I have the proprietary version and the other. The answer is, yes, I do have those.

BY MS. STERN:

Q Okay. In, in that, in your response you said

1 that BellSouth did not attempt to negotiate a settlement
2 with any ALEC.

3 A Yes.

4 Q Okay. So is that, is that your final
5 answer? So is it then that you do have knowledge?

6 A Well, maybe I can clarify the issue that's
7 actually being addressed in this answer.

8 Q Okay.

9 A My testimony is only really put together just
10 to handle one issue, and that is did BellSouth mistakenly
11 bill any CLEC for ISP traffic. And to my knowledge the
12 was the only ALEC where we tried to discuss billing
13 from BellSouth to that ALEC. To the extent that there was
14 negotiations ongoing for the other direction, that is ISP
15 billing from an ALEC to BellSouth, that really did not form
16 the basis of my testimony. I really don't have any
17 knowledge of those negotiations.

18 Q Okay. Thanks. Thank you for that
19 clarification.

20 MR. GOGGIN: I'd like to lodge, this is Mr.
21 Goggin, lodge the same objection and response.
22 Excuse me. The preceding answer contained some
23 information that would be considered business
24 proprietary and customer proprietary, so I would
25 like to have it treated in the same manner as we've

1 discussed earlier regarding the other questions and
2 answers.

3 MS. STERN: That's, yes, that's fine.

4 MR. MOYLE: And for Global NAPs, you know,
5 we've got an agreement that we've signed that we
6 sent to you that based on the modifications we
7 discussed earlier, I think that's going to govern
8 the relationship.

9 MS. STERN: We don't have any other
10 questions.

11 MR. MOYLE: Okay. All right. Does, does
12 anybody have anything else?

13 MR. GOGGIN: I have just a couple on
14 redirect. This is Mr. Goggin.

15 CROSS-EXAMINATION

16 BY MR. GOGGIN:

17 Q Mr. Scollard, on page four of your testimony,
18 if you'd turn to that. Beginning in October 1995 a process
19 was implemented to create an error record for any call
20 originating from NPANXXs being used by ALECs. Could you
21 describe for us what that process was?

22 A Yes. There was a, a table billed with every
23 NPANXX that was assigned to an ALEC at that point in time
24 and carried forward as new NPANXXs were assigned, and that
25 table was used to identify those calls that were originated

1 from those ALECs to identify them, to hold them and not bill
2 them.

3 Q Between October 1995 and September 1997 when
4 the process you described earlier in response to Mr. Moyle's
5 question was implemented, did, what, what did BellSouth do
6 with this usage?

7 A The usage identified in using the process
8 begun in October 1995 was written off and not billed.

9 Q Okay. And that included all usage?

10 A All usage that was connected with calls
11 originating from, from ALECs, yes.

12 Q For that period of time then BellSouth did
13 not bill any reciprocal compensation to ALECs?

14 A As I tried to express in other testimony,
15 beginning in April of 1997 there were a handful of CLECs
16 that we did start billing for traffic by adjusting that
17 table that was set up in 1995.

18 Q Okay.

19 A But even for those CLECs, the usage that was
20 identified up until that point, April of '97, was also
21 written off and not billed.

22 MR. GOGGIN: I have no further questions.

23 MR. MOYLE: This is John Moyle. Just a
24 couple in response to the questions of, of your
25 counsel.

REDIRECT EXAMINATION

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BY MR. MOYLE:

Q With respect to calls that were written off, you testified that, that these calls were not billed, that no, no calls were, were billed to ALECs that were separately identified; is that correct?

A Yes. The calls that were identified using that early process, none of those were billed, no.

Q Okay. Were, were, were any calls -- I tell you what, let me ask it this way.

Tell me exactly what calls were not billed and were written off, which type of calls.

A The, the process was to identify the originating telephone numbers of, of the calls that were coming into BellSouth's network and determine if those telephone numbers, the NPANXXs for them were listed on that table that we had set up. And if, if that were the case, then those calls were rerouted to a hold file via a process we identified as an error process. And those calls were subsequently written off and not billed.

Q So the only calls that were written off and not billed were the ones that you sorted through in the process you described earlier in your testimony where you would have people go out and, and surf the Net or look in phone books; is that correct?

1 A No. For the early process it would have been
2 any call that originated from those NPANXXs that we
3 identified as ALEC.

4 Q And when you say any call, what do you mean
5 there?

6 A Any, any call that would have originated with
7 an end user of an ALEC coming into BellSouth's network for,
8 for routing further.

9 Q So this would have been a voice call as well;
10 correct?

11 A Yes.

12 Q So the voice call was treated the same way as
13 an ISP call during this early process?

14 A Yes. Because we had no way at that point in
15 time to, to separate those two.

16 Q Do you have any way to separate those two
17 now?

18 A Yes. As the process that I identified that
19 began in September of 1997.

20 Q Okay. Just, just one other, I think, final
21 question. And this is, the PSC asked this, but with respect
22 to your testimony on line five.

23 A On which page?

24 Q I'm sorry. Page five.

25 A Okay.

1 Q Line nine. You say, based on this experience
2 and given the small amounts of billing involved, no further
3 attempts were made to settle this issue at that time.

4 When you say -- what, what exactly do you
5 mean when you say, given the small amounts of billing
6 involved?

7 A There was a, a study performed in, in the
8 fall of '97 which took what we saw in Georgia for ISP
9 traffic that we identified with the brand new process, the
10 September 1997 process, and that usage that we identified in
11 that study was looked at. And based on the amount of usage
12 that was identified in the early, you know, use of that
13 process, it was determined that given that this, the
14 customer with by far the most traffic that could have been
15 billed and the relatively small amounts on, on other ALECs
16 that could have been billed, we decided not to pursue any
17 further attempts and wait on the final disposition of the
18 whole issue.

19 Q Final disposition of the whole issue being
20 what?

21 A How to handle ISP traffic.

22 Q But what, what is, what will be the final
23 disposition that you're referencing?

24 A When whatever commission or jurisdiction
25 comes up with the final rules on how each company will bill

1 the other for ISP traffic.

2 Q Is the CABS process, are you still looking at
3 ways to modify the CABS process as we sit here today?

4 A I know of no efforts to change the process we
5 have today.

6 Now that may, that may begin once we have a
7 feel for what it is, how we're supposed to treat this
8 traffic. Right now we're identifying it and not billing it
9 to anyone. If the rules change on how we're to, to do that,
10 then, of course, we'll change CABS to match that.

11 Q Okay. Thank you.

12 MR. GOGGIN: John, this is Michael Goggin.
13 Would you mind if I ask a couple of clarifying
14 questions?

15 MR. MOYLE: I'm okay on that.

16 RE CROSS EXAMINATION

17 BY MR. GOGGIN:

18 Q Mr. Scollard, Mr. Moyle asked you about the
19 process that was put in place in October 1995 to segregate
20 traffic coming onto BellSouth's network from ALECs.

21 A Yes.

22 Q Was this done to avoid billing ALECs
23 reciprocal compensation for ISP traffic?

24 A Specifically in October 1995 it was done to
25 avoid billing all traffic, which would have included

1 anything that was bound for ISPs.

2 Q After BellSouth developed the procedures in
3 1997 to segregate to, according to its best efforts, ISP
4 traffic, did BellSouth begin to bill ALECs reciprocal
5 compensation for the local traffic?

6 A Yes, we did.

7 Q When you mentioned the usage since 1997, the,
8 the ISP bound usage was being kept, is that usage being kept
9 in order to later bill CLECs for that usage in the event
10 that the Florida Commission or the FCC determines that
11 reciprocal compensation is, in fact, payable for that
12 traffic?

13 MR. MOYLE: Object to the form.

14 BY MR. GOGGIN:

15 Q Could you understand it?

16 A Could you repeat it, please?

17 Q You mentioned to Mr. Moyle that you're
18 keeping track of ISP bound usage that has been segregated;
19 is that correct?

20 A That's true.

21 Q What is the purpose of keeping track of that
22 usage?

23 A The only purpose I know of is that since this
24 issue is still open, as far as I'm aware, that there could
25 be a chance that we would go back and bill an ALEC for that

1 traffic, if it's determined that we're authorized to do
2 that. And in such case the only way we knew of to be able
3 to go back and determine what amounts would be billed to
4 each ALEC is to hold them in the holding file. That's the
5 only reason I know of to, to hold that at this point.

6 MR. GOGGIN: I have no further questions.

7 MR. MOYLE: Okay. I think, I think that does
8 it, Mr. Scollard. Thank you for, again for
9 rearranging your schedule to do this Thursday as
10 compared to Tuesday.

11 If nobody has anything else, we will
12 conclude the deposition and go off the record for
13 any conversations that may need to be had.

14 MS. STERN: We don't, we don't have anything
15 else. But we do have, need to have a conversation
16 once, once we're off the record.

17 MR. MOYLE: Okay. Anybody have anything else
18 to be discussed on the record?

19 Okay. Thank you everyone. And the court
20 reporter, I guess, will send copies I know to us and
21 Mr. Savage and Mr. Rooney and we'll go from there.
22 Thank you and then we'll have an off the record
23 discussion.

24 (Proceeding concluded at approximately 12:11
25 p.m., and the witness reserved the right to read and sign.)

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CERTIFICATE OF REPORTER

I, LINDA BOLES, Notary Public, State of Florida at Large, Commission No. CC492361, do hereby certify that the witness personally appeared before me and was, by me, first duly sworn to testify to the truth; that I reported the foregoing proceedings at the time and place and in the cause indicated in the caption; that I later had the same reduced to written form; and that the foregoing pages are the proceedings had before me as I was directed to transcribe.

I FURTHER CERTIFY that I am neither related to nor employed by any party to this litigation, or their counsel, and that I am not financially or otherwise interested in the outcome of this cause.

Dated the 20th day of January,
1999.

Linda Boles
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ERRATA PAGE

I, DAVID SCOLLARD, the deponent, wish to make the following alterations to my deposition taken on January 20, 2000:

<u>Page</u>	<u>Line</u>	<u>Correction/Reason</u>
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Under penalties of perjury, I declare that I have read my deposition and that it is true and correct subject to any changes in form or substance entered here.

Date

DAVID SCOLLARD