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RECORDS AND
REPORTING

June 9, 2000

Mrs. Blanca S. Bayó
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 991946-TP (ITC^DeltaCom Complaint)

Dear Ms. Bayó:

Enclosed is an original and fifteen copies of Direct Testimonies of David P. Scollard and Jerry D. Hendrix, which we ask that you file in the captioned docket.

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

Sincerely,

Bennett L. Ross
Bennett L. Ross (BR)

cc: All Parties of Record
Marshall M. Criser III
R. Douglas Lackey
Nancy B. White

- APP _____
- CAF _____
- CMP Marsh
- COM Strep
- CTR _____
- ECR _____
- LEG I
- OPC _____
- PAI _____
- RGO _____
- SEC I
- SER _____
- OTH _____

Scollard
DOCUMENT NUMBER-DATE
07096 JUN-98
FPSC-RECORDS/REPORTING

Hendrix
DOCUMENT NUMBER-DATE
07097 JUN-98
FPSC-RECORDS/REPORTING

**CERTIFICATE OF SERVICE
DOCKET NO. 991946-TP**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via
U.S. Mail 9th day of June, 2000 to the following:

Diana Caldwell
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Bennett L. Ross (fw)

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BELLSOUTH TELECOMMUNICATIONS, INC.
DIRECT TESTIMONY OF DAVID P. SCOLLARD
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 991946-TP
JUNE 9, 2000

Q. PLEASE STATE YOUR NAME, ADDRESS, AND POSITION WITH
BELLSOUTH TELECOMMUNICATIONS, INC.

A. I am David P. Scollard, Room 26D3, 600 N. 19th St., Birmingham, AL 35203.
My current position is Manager, Wholesale Billing at BellSouth Billing, Inc., a
wholly owned subsidiary of BellSouth Telecommunications, Inc. In that role, I
am responsible for overseeing the implementation of various changes to
BellSouth's Customer Records Information System ("CRIS") and Carrier
Access Billing System ("CABS").

Q. PLEASE SUMMARIZE YOUR BACKGROUND AND EXPERIENCE.

A. I graduated from Auburn University with a Bachelor of Science Degree in
Mathematics in 1983. I began my career at BellSouth as a Systems Analyst
within the Information Technology Department with responsibility for
developing applications supporting the Finance organization. I have served in a
number of billing system design and billing operations roles within the billing
organization. Since I assumed my present responsibilities, I have overseen the
progress of a number of billing system revision projects such as the billing of

1 unbundled network elements (“UNEs”), and the development of billing
2 solutions in support of new products offered to end user customers. I am
3 familiar with the billing services provided by BellSouth Telecommunications
4 to local competitors, interexchange carriers and retail end user customers.

5

6 Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY IN THIS
7 PROCEEDING?

8

9 The purpose of my testimony is to provide the Commission with an
10 understanding of the work that has been done within BellSouth’s Carrier
11 Access Billing System (“CABS”) to process usage records for calls originating
12 from an Alternative Local Exchange Carrier (“ALEC”) (such as DeltaCom)
13 bound for Internet Service Providers (ISPs) served by BellSouth.

14

15 Q. WHAT IS CABS?

16

17 A. CABS is a system that BellSouth uses primarily for billing interexchange
18 carriers for services ordered from the FCC and state Access Tariffs. BellSouth
19 also uses CABS to bill ALECs for a number of services such as local
20 interconnection trunking and usage charges, unbundled designed loops and
21 unbundled dedicated interoffice transport. CABS is designed to accept service
22 orders which are initiated from IXCs, ALECs and other customers as they
23 order access, local interconnection and UNE types of services. In addition,
24 CABS processes the massive numbers of call records that are produced in the
25 BellSouth central offices associated with access, local and other types of

1 facilities. For example, when an ALEC sends a call across one of its
2 interconnection trunks, the BellSouth switch to which that trunk interconnects
3 generates a usage record. CABS processes that record and bills the applicable
4 rate elements to the ALEC or other interconnecting carrier based on whether
5 the call is local, intra-LATA toll or inter-LATA.

6
7 Q. DID BELLSOUTH MAKE ANY CHANGES TO CABS TO SEPERATELY
8 METER OR OTHERWISE SPECIFICALLY HANDLE USAGE RECORDS
9 FOR CALLS BOUND FOR ISPs SERVED BY BELLSOUTH?

10
11 A. Yes. As early as January 1997, BellSouth began a project to identify methods
12 to separate ISP traffic from local traffic by identifying specific 10-digit
13 telephone numbers of ISP providers served by BellSouth. Through this
14 process, BellSouth could then identify and separate out ISP traffic that
15 originated on ALEC networks to ensure that such traffic would not be
16 considered when calculating reciprocal compensation bills that BellSouth
17 submitted to ALECs. In June 1997, BellSouth instituted a work request to
18 implement this enhancement in CABS. Although originally targeted for
19 completion by August, 1997, the enhancement was not implemented in CABS
20 until September 1997. In September 1998, CABS was revised again to
21 specifically detail the ISP traffic on the ALEC's bill pages to illustrate that
22 these calls were being zero-rated and to aid the ALECs in bill verification
23 efforts.

24
25

1 Q. WERE ON-GOING PROCESSES DEVELOPED TO MAINTAIN THIS
2 CABS CAPABILITY?

3
4 A. Yes. A process was put in place to maintain the database of telephone numbers
5 identified as being used by an ISP. This process allowed for new numbers to be
6 added and for numbers to be removed as the ISP's use of them ended. These
7 updates were made on a periodic basis as new information became available.

8
9 Q. HAS BELLSOUTH BILLED ALECS RECIPROCAL COMPENSATION
10 FOR ISP TRAFFIC?

11
12 A. No. BellSouth has never intentionally billed reciprocal compensation for ISP
13 traffic to any ALEC. In October 1995, when the billing requirements for ALEC
14 traffic were first being addressed, BellSouth's systems were not equipped to
15 bill ALECs for reciprocal compensation. Thus, BellSouth implemented a
16 process in CABS to create an error record for any call originating from NPA-
17 NXXs being used by ALECs. While these calls were not actually "errors", an
18 error record provided an easy way to hold the usage records associated with the
19 traffic while BellSouth revised CABS to implement the various billing
20 provisions of the ALEC contracts. BellSouth designed the error record process
21 to ensure that ALECs were not billed for any reciprocal compensation
22 whatsoever, including for ISP traffic, while the local contract billing
23 requirements were implemented in the systems. So that BellSouth could
24 ensure it billed ALECs appropriately when BellSouth completed the
25 implementation of the enhancements to CABS to appropriately bill for

on

1 reciprocal compensation, BellSouth wrote off the usage held beginning in
2 October 1995 rather than billing the ALECs for that reciprocal compensation.

3
4 Q. WAS THE TRANSITION FROM THE PROCESS IMPLEMENTED IN
5 CABS IN 1995 TO THE ISP PROCESS IMPLEMENTED IN SEPTEMBER
6 1997 A SEAMLESS ONE?

7
8 A. Not entirely. In some isolated instances reciprocal compensation usage was
9 billed from CABS prior to the time that the ISP process was ready for
10 operation. I want to emphasize that to the extent this limited reciprocal
11 compensation billing included any ISP traffic, it was included in error. In the
12 fall of 1997, BellSouth attempted to negotiate a settlement of this issue, as well
13 as a number of other reciprocal compensation issues, with one ALEC with
14 little success owing to the very different positions of the parties on the billing
15 of ISP traffic. Based on this experience, and given the small amounts of billing
16 involved, no further attempts were made to settle this issue at that time.

17
18 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

19
20 A. Yes.

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