ORIGINAL

BEFORE THE

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 000649-TP

PREFILED DIRECT TESTIMONY

OF MICHAEL S. MESSINA

ON BEHALF OF WORLDCOM, INC.

August 17, 2000

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Michael S. Messina. My work address is 8521 Leesburg Pike, Vienna, Virginia 22182.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by WorldCom, Inc. ("WorldCom"), formerly known as MCI WorldCom, Inc., as a Senior Staff Specialist in WorldCom's Network Interconnect Management organization.

Q. FOR HOW LONG HAS WORLDCOM EMPLOYED YOU?

A. I have been employed by WorldCom (including its predecessor, MCI Communications Corporation) since November 1995.

Q. WHAT ARE YOUR RESPONSIBILITIES WITH WORLDCOM?

A. Until July 2000, I was employed as a Senior Staff Specialist in WorldCom's Collocation Planning organization. My responsibilities included managing special collocation projects, such as interconnecting the collocations of WorldCom's legacy companies in ILEC central offices as well as planning the future space requirements for collocations. In July, 2000 I joined WorldCom's Network Interconnect Management organization. My current responsibilities include managing augments to WorldCom's interconnect networks with the ILECs and ALECs in the East region.

Q. PLEASE STATE YOUR EDUCATIONAL AND PROFESSIONAL BACKGROUND.

A. Prior to joining WorldCom, I was employed by NYNEX Corporation for twenty-nine years. I held various positions and assignments in its Network Services and

Engineering departments, including acting as a Liaison for the Engineering Department. My responsibilities with NYNEX included representing all engineering groups within the company interfacing with internal regulatory groups and marketing organizations, to ensure that the Engineering department could support regulatory and marketing initiatives. The introduction of physical collocation, including its initial design, was one of the several projects that I worked on in this capacity. In respect to physical collocation, I worked with power engineering, central office engineering, outside plant engineering, real estate operations, security and other issues. I have testified before the Pennsylvania Public Utilities Commission with regard to issues involving unbundled network elements.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to assist the Florida Public Service Commission ("Commission") in resolving disputed issues between MCI Metro Access Transmission Services, LLC ("MCIm") and MCI WorldCom Communications, Inc. ("MWC"), both subsidiaries of WorldCom (and which I shall refer to collectively as "WorldCom"), and BellSouth Telecommunications, Inc. ("BellSouth"), with regard to issues related to unbundled network elements ("UNEs") and collocation issues. These issues are numbered 5, 8, 11, 15, 19, 54, 56, 57, 59-61, and 63-66.

A. <u>Unbundled Network Element Issues</u>

ISSUE 5

Should BellSouth be required to provide OS/DA as a UNE? (Attachment 3, Section 2.8.)

Q. WHAT LANGUAGE HAVE THE PARTIES PROPOSED CONCERNING PROVISION OF OPERATOR SERVICES AND DIRECTORY ASSISTANCE AS UNES?

A. The parties have proposed the following language in Attachment 3 (with disputed language proposed by WorldCom in bold):

> 2.8 In addition to the unbundled Network Elements set forth above, BellSouth shall provide to MCIm the following Network Elements, in accordance with FCC Rules, that are described in Attachment 9 of this Agreement:
>
> **Operator Services (subject to FCC Rules)**
>
> . . .
>
> **Directory Assistance (subject to FCC Rules)**

Q. WHAT IS WORLDCOM'S POSITION ON THIS ISSUE?

A. WorldCom's position is that BellSouth must provide OS/DA as a UNE until it complies with the FCC's *Rule 319 Remand Order*. (*Third Report and Order*, FCC 99-238, *In the Matter of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, CC Docket 96-98, Released November 5, 1999.) Because BellSouth has not yet complied with the order, it must provide OS/DA as a UNE.

Q. WHAT IS BELLSOUTH'S POSITION ON THIS ISSUE?

A. BellSouth contends that because it offers selective routing, it is not required to provide OS/DA as a UNE.

Q. WHAT IS THE BASIS FOR WORDLCOM'S POSITION?

A. The FCC has concluded that "[i]n instances where the requesting carrier obtains the unbundled switching element from the incumbent, the lack of customized

routing effectively precludes requesting carriers from using alternative OS/DA providers and, consequently, would materially diminish the requesting carrier's ability to provide the services it seeks to offer." *Rule 319 Remand Order*, ¶ 463. ILECs must provide OS/DA as a UNE "to the extent they have not accommodated technologies used for customized routing."

Q. HAVE THE PARTIES MADE PROGRESS IN RESOLVING THIS ISSUE?

A. Yes. WorldCom has tested an OS/DA method proposed by BellSouth that involves routing OS/DA traffic to BellSouth's access tandem (in most cases) and then to WorldCom's OS/DA platform using a compatible signaling protocol. WorldCom still needs to conduct a trial with live customers, and still needs to reach an agreement with BellSouth on pricing, but the preliminary results appear to be promising.

Accordingly, WorldCom would be willing to agree to language providing that BellSouth is not required to provide OS/DA as a UNE so long as it is able to route OS/DA traffic successfully to WorldCom's OS/DA platform using a compatible signaling protocol and without requiring WorldCom to install additional trunking.

ISSUE 8

Should UNE specifications include non-industry standard, BellSouth proprietary specifications? (Attachment 3, Appendix 1; Attachment 3, Sections 4.3-4.14.)

Q. WHAT LANGUAGE HAS WORLDCOM PROPOSED CONCERNING UNE SPECIFICATIONS?

A. WorldCom has proposed, in Appendix 1 to Attachment 3, industry standard UNE specifications.

Q. WHAT IS WORLDCOM'S POSITION ON THIS ISSUE?

A. WorldCom's position is that BellSouth proprietary specifications should not be included.

Q. WHAT IS BELLSOUTH'S POSITION ON THIS ISSUE?

A. BellSouth takes the opposite view, contending that certain BellSouth proprietary specifications should be included.

Q. WHAT IS THE BASIS FOR WORLDCOM'S POSITION?

A. WorldCom has proposed industry standard UNE specifications for loops in Appendix 1 to Attachment 3. BellSouth seeks to add to those specifications BellSouth TR73600, which WorldCom opposes because it is a BellSouth proprietary specification. BellSouth's proposed "specification" in fact includes many provisions that are contractual in nature, stating the terms and conditions on which BellSouth will offer described services. The document thus goes much further than providing loop specifications. BellSouth evidently hopes to use its proposed document as a Trojan horse, subjecting WorldCom to terms and conditions that are not included in the body of the interconnection agreement. For example, in Attachment 3, Section 4.6.1, the parties have agreed to language describing SL1, non-designed loops. At page 7, the BellSouth proposed specifications state that a 2-wire, non-designed loop "is only available via a 2-wire, loop-start interface," a significant restriction not found in Section 4.6.1. As another example, Attachment 5, Section 2.1.4 provides WorldCom with access

(through a BellSouth certified vendor) to BellSouth's main distribution frame ("MDF") for loops that BellSouth normally terminates on an MDF. The BellSouth specifications state at page 5, however, that "[t]he interface at the MDF is not accessible by the CLEC."

The additional requirements BellSouth is seeking to include would impose burdensome restrictions on WorldCom and would inject inconsistencies that could well lead to contract disputes. Loop specifications should provide parameters that the parties can rely on when designing their networks. BellSouth's proposal has much more self-serving objectives and should be rejected.

ISSUE 11

Should MCIW access the feeder distribution interface directly or should BellSouth be permitted to introduce an intermediate demarcation device? (Attachment 3, Sections 4.5.1.1.1, 4.5.1.2.3.)

Q. WHAT LANGUAGE HAVE THE PARTIES PROPOSED CONCERNING ACCESS TO THE FEEDER DISTRIBUTION INTERFACE?

A. The parties have proposed the following language in Attachment 3 (with agreed upon language in normal case, BellSouth's proposed language in italics and WorldCom's proposed language in bold):

> 4.5.1.1.1 The Loop Feeder provides connectivity between (1) a Feeder Distribution Interface (FDI) associated with Loop Distribution and a termination point appropriate for the media in a Central Office, or (2) a Loop Concentrator/Multiplexer provided in a remote terminal and a termination point appropriate for the media in a Central Office. **BellSouth shall provide a demarcation point for the FDI that will provide MCIm access to the FDI and the ability to connect MCIm's loop distribution element to the FDI.** *BellSouth shall provide MCIm physical*

access to the FDI, and the right to connect, the Loop Feeder to the FDI.

4.5.1.2.3 BellSouth shall identify technically feasible Demarcation Point(s) to the FDI that will allow MCIm to select where it accesses the FDI, and to provide the ability to connect MCIm's or a third Party's equipment or facilities to the FDI. **BellSouth shall not introduce any intermediate devices for the purpose of MCIm's connection to the FDI, unless agreed to by MCIm.**

Q. WHAT IS WORLDCOM'S POSITION ON THIS ISSUE?

A. WorldCom's position is that WorldCom should have direct access to the FDI, without having to connect to unneeded intermediate devices.

Q. WHAT IS BELLSOUTH'S POSITION ON THIS ISSUE?

A. BellSouth refuses to provide direct access to the FDI. Instead, BellSouth would require WorldCom to obtain access through an intermediate demarcation point.

Q. WHY DOES WORLDCOM WANT DIRECT ACCESS TO THE FDI?

A. Obtaining access to the FDI directly is the most efficient and economical method of access, and is technically feasible. Obtaining access through an intermediate demarcation device involves the additional expense of the device itself, as well as the cost of a BellSouth dispatch to perform the cross connection. In addition, the intermediate demarcation device creates an additional failure point and may create unnecessary right of way, zoning, and power supply problems that would not occur (or would be minimized) with direct access. These problems associated with the intermediate demarcation device would arise only for ALECs, not for BellSouth.

Q. HAS THE FCC SPOKEN TO THE KIND OF ACCESS AN ILEC LIKE BELLSOUTH MUST PROVIDE TO UNES, INCLUDING SUBLOOP ELEMENTS?

A. Yes. The FCC's *Rule 319 Remand Order* requires subloop unbundling and specifically identified the FDI as a point of access. *Rule 319 Remand Order*, ¶ 206. FCC rules provide that the FDI is an "accessible terminal," meaning that it is a point "where technicians can access the wire or fiber within the cable without removing a splice case to reach the wire or fiber within." 47 C.F.R. § 51.319 (a)(2). Thus, the FDI can be accessed directly. The quality of the access BellSouth provides to WorldCom must be at least equal in quality to what BellSouth provides itself, and BellSouth must provide access using the method WorldCom requests (i.e., direct access without intermediate devices) unless the requested method is not technically feasible. 47 C.F.R. §§ 51.311(b), 51.321(a). BellSouth bears the burden of proving that providing at least equal quality access or using the requested method of access are not technically feasible. 47 C.F.R. §§ 51.311(b), 51.321(d).

Q. BELLSOUTH CLAIMS THAT INTERMEDIATE DEMARCATION DEVICES ARE NECESSARY FOR NETWORK SECURITY. IS THIS POINT VALID?

A. No. The FCC's definition of "technically feasible" makes clear that requested methods of access to a UNE at a point in the ILEC's network "shall be deemed technically feasible absent technical or operational concerns that prevent the fulfillment of the request." The definition goes on to state that an ILEC claiming

it cannot accommodate such a request based on adverse network reliability impacts "must prove to the state commission by clear and convincing evidence that such . . . methods would result in specific and significant adverse network reliability impacts." 47 C.F.R. § 51.5. BellSouth can provide direct access to the FDI without creating any significant network reliability concerns, so BellSouth cannot meet its burden on this issue.

ISSUE 15

When an MCIW customer served via the UNE-platform makes a directory assistance or operator call, must the ANI-II digits be transmitted to MCIW via Feature Group D signaling from the point of origination? (Attachment 3, Section 7.2.1.16.)

Q. WHAT IS THE LANGUAGE IN DISPUTE?

A. The parties are in agreement on the following language from Attachment 3, except for the bold language proposed by WorldCom:

> 7.2.1.16 Subject to section 7.1.2, above, BellSouth shall assign each MCIm subscriber line the class of services designated by MCIm using line class codes and shall route operator calls from MCIm subscribers as directed by MCIm at MCIm's option. For example, BellSouth may translate 0- and 0+ intraLATA traffic, and route the call through appropriate trunks to an MCIm Operator Services Position System (OSPS). **Calls from Local Switching must pass the ANI-II digits unchanged**.

Q. WHEN A WORLDCOM CUSTOMER SERVED VIA THE UNBUNDLED NETWORK ELEMENT-PLATFORM MAKES A DIRECTORY ASSISTANCE OR OPERATOR CALL, MUST THE ANI-II DIGITS BE TRANSMITTED TO WORLDCOM?

A. Yes, this information will alert WorldCom as to the number of the calling party and of any calling restrictions on the line. WorldCom has proposed that the

Agreement provide in this respect "Calls from Local Switching must pass the ANI-II digits unchanged."

Q. HAVE THE PARTIES MADE PROGRESS ON THIS ISSUE?

A. Yes. As I stated with respect to Issue 5, the preliminary results from our testing of BellSouth's proposed solution to this problem appears promising, although we still need to do testing with live customers and address pricing issues. If the method BellSouth has proposed is validated, BellSouth will be able to transmit the ANI-II digits as WorldCom has requested. In that case, WorldCom's proposed language should be acceptable to BellSouth.

ISSUE 19

How should BellSouth be required to route OS/DA traffic to MCIW's operator services and directory assistance platforms? (Attachment 3, Sections 7.3.2, 7.3.2.2, 7.3.2.3, 7.6.4, 14.2.1.5. and 14.2.8; Attachment 9, Sections 2.8.1, 2.8.1.1, 3.2.1.1, 3.5.2 and 3.5.2.1.)

Q. WHAT LANGUAGE HAS WORLDCOM PROPOSED CONCERNING ROUTING OF OS/DA TRAFFIC TO WORLDCOM'S OS/DA PLATFORMS?

A. A number of provisions address this issue, from Attachments 3 and 9. The provisions in Attachment 3 (with agreed upon language in normal case, BellSouth language in italics, and WorldCom language in bold) are as follows. (The language set forth below has changed somewhat from that contained in Exhibit C to the Petition in this docket as a result of further negotiations between the parties.)

7.3.2. In addition to the requirements referenced in Appendix 1 of this Attachment, BellSouth shall provide access to the following:

. . .

7.3.2.2 Interface to Operator Services through appropriate trunk interconnections using selective routing and a signaling format acceptable to MCIm for the system; and

7.3.2.3 Interface to MCIm directory assistance services through the MCIm switched network or to Directory Services through the appropriate trunk interconnections using selective routing and a signaling format acceptable to MCIm for the system; and 950 access or other MCIm required access to interexchange carriers as requested through appropriate trunk interfaces.

7.6.4 When MCIm's Operator Services Platform(s) traffic is routed to dedicated transport, BellSouth, as specified by MCIm, shall overflow this traffic to shared trunk groups.

14.2.1.5 Based on the line class codes established by MCIm in BellSouth's end office, Tandem Switching shall provide connectivity to Operator Systems as designated by MCIm[.]

14.2.8 Tandem Switching shall route calls to BellSouth or MCIm endpoints or platforms (e.g., operator services and PSAPs) on a per call basis as designated by MCIm. Detailed primary and overflow routing plans for all interfaces available within the BellSouth switching network shall be mutually agreed to by MCIm and BellSouth. Such plans shall meet MCIm requirements for routing calls through the local network. *Notwithstanding the provisions of Section 14.3.4, Tandem Switching shall not be used to route OS or DA calls, either directly or on an overflow basis.*

The relevant provisions proposed by WorldCom from Attachment 9 are as follows:

2.8.1 BellSouth shall route resale and UNE-P Operator Services traffic to MCIm's designated platform **using switched access facilities that provide ANI, or in any other manner agreed to by MCIm.** *MCIm shall order selective routing and separate trunk groups to the designated platform for each BellSouth end office identified by MCIm.*

2.8.1.1 At its option, MCIm may order, and BellSouth shall provision, separate trunk groups from the BellSouth access tandem or end office to MCIm's platform, as directed by MCIm.

3.2.1.1 At MCI's option, BellSouth shall route **all 411, 1411, 555-1212** *Directory Assistance* traffic to MCIm's Directory Assistance Services platform. *MCIm shall order selective routing and separate trunk groups to the designated platform for each BellSouth end office identified by MCIm.* **using FGD signaling either through direct end office trunking or via the access tandem.**

3.5.2 BellSouth shall route resale and UNE-P Directory Assistance traffic to MCIm's designated platform using switched access facilities that provide ANI, or in any other manner agreed to by MCIm.

3.5.2.1 At its option, MCIm may order, and BellSouth shall provision, separate trunk groups from the BellSouth access tandem or end office to MCIm's platform, as directed by MCIm.

Q. WHAT ISSUE GIVES RISE TO THE PARTIES' DIFFERENCES WITH RESPECT TO THIS LANGUAGE?

A. Broadly stated, the issue is what means BellSouth should be required to use in transporting OS/DA traffic to WorldCom's OS/DA platforms.

Q. WHAT IS WORLDCOM'S POSITION ON THIS ISSUE?

A. WorldCom's position is that WorldCom should have the option of having OS/DA traffic delivered to its OS/DA platforms in one of two ways. First, BellSouth must transport this traffic using shared transport, either for all OS/DA calls or on an overflow basis, using a compatible signaling protocol from the point of origination. Second, BellSouth must, at WorldCom's option, provide

dedicated transport for this traffic, using a compatible signaling protocol from the point of origination.

Q. WHAT IS BELLSOUTH'S POSITION ON THE OS/DA ROUTING ISSUE?

A. BellSouth claims that it provides selective routing in accordance with FCC rules, is not required to deliver OS/DA traffic using shared transport, and is not required to send OS/DA traffic over dedicated trunks with compatible signaling.

Q. WHAT IS THE BASIS FOR WORLDCOM'S POSITION WITH RESPECT TO SHARED TRANSPORT?

A. For WorldCom to provide its own operator services and directory assistance (OS/DA) service efficiently for its customers served by unbundled switching, WorldCom must be able to obtain OS/DA traffic over shared transport via a BellSouth tandem, and over dedicated trunks that can overflow to shared transport as needed. Without shared transport, WorldCom would be required to lease dedicated trunk groups from every BellSouth end office serving its customers, which would be prohibitively expensive and grossly inefficient. To deliver OS/DA traffic via shared transport, BellSouth must provide Feature Group D signaling from the point of origination (that is, at the BellSouth end office providing the unbundled switching).

FCC rules provide that ILECs must provide "all technically feasible transmission facilities, features, functions, and capabilities that the requesting telecommunications carrier could use to provide telecommunications services." 47 C.F.R. 51.319(d)(2)(B). It is technically feasible for BellSouth to convert its

OS/DA signaling protocol at its end offices so that OS/DA signaling can be sent over shared transport. Possible ways of doing so include modifying the equal access tables in BellSouth's switches and employing an Advanced Intelligent Network ("AIN") solution. BellSouth should be required to implement such a solution.

I also note that operator services must be routed over shared transport for an independent reason. Tandem switching is an unbundled network element that BellSouth must provide. BellSouth must provide all of the features, functions, and capabilities of tandem switching. One of the tandem switching capabilities that must be provided pursuant to the FCC's regulations is the routing of calls to operator services. 47 C.F.R. § 51.319(c)(2)(C). Accordingly, BellSouth must route operator services calls to its tandem over shared transport so they can be switched to WorldCom's operator services platform.

Q. WHAT IS THE BASIS FOR WORLDCOM'S POSITION WITH RESPECT TO DEDICATED TRANSPORT?

FCC regulations require BellSouth to provide any technically feasible customized routing functions. 47 C.F.R. § 51.319 (c)(1)(A)(iii)(2). Moreover, BellSouth must provide customized routing in a manner that actually enables WorldCom to route the directory assistance and operator services traffic to WorldCom's self-provisioned DA and OS platforms because "[l]ack of a customized routing solution that enables competitors to route traffic to alternative OS/DA providers would . . . effectively preclude competitive LECs from using such alternative providers." *Rule 319 Remand Order*, ¶ 462. The customized

routing solution should provide WorldCom with a non-discriminatory and efficient method for bringing the OS/DA traffic to WorldCom's OS/DA platform. To meet this requirement, BellSouth must, at WorldCom's option, provide selective routing to WorldCom dedicated trunks carrying its OS/DA traffic, using a compatible signaling protocol from the point of origination.

Q. IS BELLSOUTH CAPABLE OF ROUTING OS/DA TRAFFIC AS WORLDCOM IS REQUESTING?

A. As I have stated with regard to Issues 5 and 15, BellSouth's proposed routing method needs to be tested under commercial conditions, and pricing arrangements need to be agreed to, but based on the testing WorldCom has done to date it appears that BellSouth is capable of routing OS/DA traffic as WorldCom requests. WorldCom's proposed language therefore now should be acceptable to BellSouth.

B. <u>Collocation Issues</u>

Q. BEFORE YOU DISCUSS THE SPECIFIC COLLOCATION ISSUES, PLEASE EXPLAIN WHY IT IS IMPORTANT THAT THE COMMISSION RESOLVE THESE COLLOCATION ISSUES.

A. Collocation has long been a source of pitfalls and frustration for alternative local exchange carriers ("ALECs"). Yet collocation, given the growth of and demand for xDSL "broadband" services and the emphasis by the Federal Communications Commission ("FCC") on collocation in the *Third Report and Order and Fourth Further Notice of Proposed Rulemaking*, FCC 99-238, <u>In the</u>

Matter of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98, released November 5, 1999, is of key importance now in the development of competition in local exchange service. State commissions, in particular, have an important role in defining and resolving collocation issues, such as provisioning intervals, in the context of arbitration proceedings. *First Report and Order* ("*Advanced Services First Report and Order*"), FCC 99-48, In the Matter of Deployment of Wireline Services Offering Advanced Telecommunications Capability, released March 31, 1999, at paragraphs 54-55. In the *Advanced Services First Report and Order*, as well as the *Order on Reconsideration and Second Further Notice of Proposed Rulemaking in CC Docket No. 98-147 and Fifth Further Notice of Proposed Rulemaking in CC Docket No. 96-98* ("*Order on Reconsideration*"), FCC 00-297, In the Matters of Deployment of Wireline Services Offering Advanced Telecommunications Capability and Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, CC Dockets Nos. 98-147 and 96-98, released August 10, 2000, the FCC adopted collocation rules to serve as minimum standards. *Advanced Services First Report and Order*, at paragraph 8; *Order on Reconsideration*, at paragraph 5. States are permitted to adopt additional requirements, which can greatly assist in the development of competition.

Q. WHAT IS THE FUNDAMENTAL DIFFERENCE BETWEEN WORLDCOM AND BELLSOUTH WITH REGARD TO COLLOCATION ISSUES GENERALLY?

A. WorldCom wants predictable, specific provisions for ordering and provisioning collocation space. Thus we seek to reduce uncertainty and opportunities for delay and litigation, through language in our interconnection agreement that comprehensively deals with the terms, conditions, intervals and rates for collocation. This will allow us a "menu" of choices for ordering and provisioning collocation space, much like the tariff process that exists for other services today. BellSouth, however, wants an *ad hoc* individual case basis ("ICB") approach that would subject ALECs to negotiations and, hence, uncertainty, expense and delay. An ICB approach does not appear to be the direction in which the FCC is traveling or this Commission should go, if competition is to become a reality in local exchange service. This difference between the parties can be seen throughout the following discussion of the parties' disputes.

ISSUE 54

Should security charges be assessed for collocation in offices with existing card key systems, and how should security costs be allocated in central offices where new card key systems are being installed? (Attachment 5, Section 7.3; and Attachment 1, Appendix 1.)

Q. WHAT IS THE LANGUAGE IN DISPUTE CONCERNING THIS ISSUE?

A. WorldCom has proposed that the following language be added to Attachment 5, Section 7.3: "BellSouth shall recover the costs for security for the Premises pro rata on a per square foot basis across all usable space in the Premises." The rate itself would appear in Attachment 1, Appendix 1.

Q. WHAT IS BELLSOUTH'S POSITION?

A. BellSouth's proposal is to allocate the costs of a security card key system, existing or to be installed in the future, so that carriers would pay the same charge regardless of the amount of space occupied (i.e., on a per capita basis). BellSouth complains that under WorldCom's proposal, security access costs would constantly have to be recalculated and reassessed each time an additional party established a collocation arrangement in a particular office and each time an existing collocator changed the square footage of its collocation arrangement. BellSouth further states that allocating security access costs as WorldCom proposes does not consider that certain space within an office cannot be used for the placement of telecommunications equipment by any party, including BellSouth. BellSouth contends that the benefits of accessing BellSouth's central offices via a security card key system is not a function of how much space the carrier occupies in that central office, because such access provides "equal value" to all parties.

Q. WHAT IS WORLDCOM'S RESPONSE, AS WELL AS ITS PROPOSAL TO RESOLVE THIS ISSUE?

A. A periodic mathematical exercise to recalculate costs would not be burdensome. Moreover, when BellSouth installs a ***new*** card reader system, it does so because it has chosen to do so to protect its equipment, not to protect collocators' equipment. Of course, while it is BellSouth's choice that causes these costs to be incurred, collocators may benefit marginally from BellSouth's choice. To the extent, then, that both BellSouth and the collocators are the beneficiaries of reasonable security measures, a reasonable allocation of the costs should be

developed. A "reasonable allocation" must bear some relationship to the benefits derived by each party.

Based on the Telecommunications Act of 1996, FCC rules and other precedent, the best approach is to base cost recovery on the square footage that a ALEC occupies. BellSouth incurs no incremental (or out of pocket) expense for the installation of card reader systems in offices with ***existing*** systems. Assessment of security charges in these offices has no basis in cost and constitutes a windfall for BellSouth.

Q. WHY IS THE WORLDCOM PROPOSAL A BETTER SOLUTION?

A. A pro-rata allocation of security costs based upon the square footage occupied by BellSouth and each collocator in the central office is reasonable. A pro-rata allocation of security costs based on the square footage occupied by BellSouth and each collocator will assess each carrier (including BellSouth) a cost that is related to the benefit it derives from the security system. A carrier that occupies a good deal of space and protects a large amount of telecommunications equipment will be assessed a greater share of the security costs than a carrier that occupies a small space and is protecting only a small amount of equipment. That is the way it should be.

A per capita allocation of security costs, which is maintained by BellSouth, would assess all carriers the same charge, regardless of the amount of space occupied by a given carrier. This allocation is arbitrary, because it fails to recognize that BellSouth chooses to incur these costs. Moreover, a per capita

allocation bears no relationship to the different level of benefits derived by each carrier from a security system.

Q. HAS THE FLORIDA COMMISSION PREVIOUSLY ADDRESSED THIS ISSUE?

A. Yes. The Commission specifically addressed the recovery of the cost of security arrangements in Order No. PSC-00-0941-FOF-TP, issued May 11, 2000 in Docket Nos. 981834-TP and 990321-TP (the "Florida Collocation Order"). In Section XVII of that order, the Commission stated:

> First, we are persuaded and so find that the costs of security arrangements, site preparation, and other costs necessary to the provisioning of collocation space incurred by the ILEC that benefit only a single collocating party in a central office should be paid for by that collocating party. ...(R)ecovering costs only from the party that benefits will eliminate the burden on ILECs and other collocators of paying for costs of collocation they did not cause to be incurred.
>
> Second, we find it appropriate that the costs of security arrangements, site preparation, and other costs necessary to the provisioning of collocation space incurred by the ILEC that benefit both current and future collocating parties shall be recoverable by the ILEC from current and future collocating parties. In this case, these costs shall be allocated based on the amount of floor space occupied by a collocating party, relative to the total collocation space for which site preparation was performed.
>
> Third, we find that the costs of security arrangements, site preparation, and other costs necessary to the provisioning of collocation space incurred by the ILEC that benefit current or future collocating parties and the ILEC shall be recoverable by the ILEC from current and future collocating parties, and a portion shall be attributed to the ILEC itself. We note that the ALECs addressed their concerns over security issues that not only benefit collocating parties, but also benefit the ILEC. Acknowledging those concerns, we shall require that when

multiple collocators and the ILEC benefit from modifications or enhancements, the cost of such benefits or enhancements shall be allocated based on the amount of square feet used by the collocator or the ILEC, relative to the total useable square footage in the central office.

Q. WHICH OF THE THREE SITUATIONS DESCRIBED BY THE COMMISSION APPLIES TO THE SECURITY SYSTEMS AT ISSUE IN THE PROPOSED INTERCONNECTION AGREEMENT?

A. This situation falls into the third category described in the Commission's order, where there are benefits to both BellSouth and the ALECs. In this case, the order is very clear that the cost should be allocated to parties on a per square foot basis. Accordingly, WorldCom's proposed language should be approved for inclusion in the agreement.

ISSUE 56

Should BellSouth be required to provide DC power to adjacent collocation space? (Attachment 5, section 3.4.)

Q. WHAT IS THE LANGUAGE IN DISPUTE?

A. The parties have agreed to the following language in Attachment 5, with the exception of WorldCom's proposed language in bold:

> 3.4 WorldCom shall provide a concrete pad, the structure housing the arrangement, HVAC, lighting, and all facilities that connect the structure (i.e. racking, conduits, etc.) to the BellSouth demarcation point. At WorldCom's option, BellSouth shall provide **an AC or DC** power source and access to physical collocation services and facilities subject to the same nondiscriminatory requirements as applicable to any other physical collocation arrangement.

Q. WHAT ARE THE PARTIES' POSITIONS?

A. WorldCom's position is that BellSouth should be required to provide DC power to adjacent collocation space. BellSouth's position is that it should not be required to provide DC power to adjacent collocation space.

Q. IS BELLSOUTH GENERALLY OPPOSED TO PROVIDING DC POWER TO COLLOCATORS?

A. No. The issue has arisen with respect to adjacent collocation space, not with respect to collocating within the central office of BellSouth.

Q. WHAT IS ADJACENT COLLOCATION SPACE?

A. Adjacent collocation space is described in 47 C.F.R. 51.323 (k) (3). When space is legitimately exhausted in a particular ILEC premises, collocation in adjacent controlled environmental vaults or similar structures must be made available to the extent technically feasible. The FCC defined "premises" in 47 C.F.R. § 51.5 to refer "to an incumbent LEC's central offices and serving wire centers, as well as all buildings or similar structures owned or leased by an incumbent LEC that house incumbent LEC facilities on public rights-of-way, including but not limited to vaults containing loop concentrators or similar structures." In the *Order on Reconsideration*, that definition was amended

> to make clear that 'premises' includes all buildings and similar structures owned, leased, or otherwise controlled by the incumbent LEC that house its network facilities, all structures that house incumbent LEC facilities on public rights-of-way, and all land owned, leased, or otherwise controlled by an incumbent LEC that is adjacent to these structures. Id. at ¶ 44.

Q. WHY IS THIS ISSUE IMPORTANT?

A. ***Collocated equipment runs on DC power***, yet BellSouth's view is, after the ALEC has been relegated to adjacent collocation space (i.e., outside the central office), BellSouth is not obligated to provide DC power.

The opportunity for discrimination against ALECs is particularly acute in this situation. Adjacent collocation space does not have to be employed for collocation unless space in BellSouth's central office is legitimately exhausted. Space can be exhausted, according to BellSouth, if BellSouth occupies or reserves space, even for functions unrelated to the functioning of the central office or collocators. If BellSouth categorically refuses to provide DC power, WorldCom must incur significant costs to accommodate AC power, provided by BellSouth or from some other source, and to convert that power to DC. These costs will be incurred, moreover, as a result of being required to collocate equipment ***outside*** of a BellSouth central office.

Q. WHY DOES BELLSOUTH MAINTAIN SUCH A POSITION?

A. BellSouth categorically states that the cabling used to provide DC power is not "rated for outside use." BellSouth has not cited a specific provision of the national electric codes to support its position, but evidently purports to have some safety concerns about the use of DC power; yet the national electric codes mention no problem with its provision by BellSouth. Indeed, BellSouth's presumed option for ALECs – to use batteries in an enclosed space – rebuts BellSouth's alleged safety concerns, since that option itself would introduce safety concerns. ALECs would have to employ generators, batteries and other equipment in order to provide collocation from the adjacent location. Even if

BellSouth's contentions regarding safety were generally valid (which they are not), the principle of "technical feasibility," by which requests for physical collocation are considered, strongly suggests that DC power cannot be categorically denied.

Q. WHAT DO THE FCC'S REGULATIONS REQUIRE?

A. In the *Advanced Services First Report and Order*, the FCC held

> (W)hen collocation space is exhausted at a particular LEC location, we require incumbent LECs to permit collocation in adjacent controlled environmental vaults or similar structures to the extent technically feasible." Id. at paragraphs 6, 44.

Thus, the FCC's regulations require BellSouth, as an initial matter, to provide collocation in its central office, or in adjacent controlled environmental vaults or similar structures. The regulations also require BellSouth to provide power and physical collocation services to the adjacent collocation space "subject to the ***same*** nondiscrimination requirements as applicable to any other physical collocation arrangement." 47 C.F.R § 51. 323 (k) (3) (emphasis added). This is a matter of fairness: BellSouth must provide DC power to WorldCom's equipment in an adjacent collocation if it provides DC power to the equipment in the central office.

Hence the FCC also held that "(t)he incumbent must provide power and physical collocation services and facilities, subject to the same nondiscrimination requirements as traditional collocation arrangements." *Advanced Services First Report and Order*, at Paragraph 44.

Q. HAS THE FLORIDA COMMISSION PREVIOUSLY ADDRESSED THIS ISSUE?

A. Yes. In its Collocation Order, in Section IV, this Commission held that

> when space legitimately exhausts within an ILEC's premises, the ILEC shall be obligated to provide physical collocation services to an ALEC who collocates in a CEV or adjacent structure located on the ILEC's property to the extent technically feasible, based on the FCC's Advanced Services [First Report and] Order.

These services would include DC power, to the extent that its provision is technically feasible.

Q. HAS ANY OTHER STATE COMMISSION ADDRESSED THIS ISSUE?

A. Yes, the Texas PUC has ordered that DC power must be made available to adjacent collocation space. In Order No. 54, Investigation of Southwestern Bell Telephone Company's Entry into the Texas InterLATA Telecommunications Market, Public Utility Commission of Texas, Project No. 16251, the Texas PUC ordered the following to be incorporated in SWBT's tariff:

> Sec. 6.1.1 Types of Available Physical Collocation Arrangements
>
> 6.1.1(E) Adjacent Space Collocation-
>
> (originally 6.1.1(D)) The Commission finds that SWBT should provide power in multiples of the following DC power increments: 20, 40, 50, 100, 200, and 400 AMPS. SWBT should provide reference to the definition of the term "Legitimately Exhausted." The Commission notes that provision of DC power to adjacent on-site collocation facility may include increments of 600 and 800 Amps; however, the feasibility and rates for providing 600, and 800 Amps service will be finalized during the permanent cost proceeding. The Commission finds that SWBT and

the collocators shall mutually agree upon the location of the "adjacent structure". . .

The Commission therefore finds that 6.1.1(E) should be modified as follows:

6.1.1(E) Adjacent Space Collocation – Where Physical Collocation space within a SWBT Eligible Structure is Legitimately Exhausted, as that term is defined in Section 2 of this Tariff, SWBT will permit Collocators to physically collocate in adjacent controlled environmental vaults or similar structures that SWBT uses to house equipment, to the extent technically feasible. SWBT and CLEC will mutually agree on the location of the designated space on SWBT premises where the adjacent structure will be placed. SWBT will not withhold agreement as to the site desired by Collocator, subject only to reasonable safety and maintenance requirements. . . . At its option, the Collocator may choose to provide its own AC and DC power to the adjacent structure. SWBT will provide physical collocation services to such adjacent structures, subject to the same requirements as other collocation arrangements in this tariff.

There are other sections of the SWBT tariff that also concern the provision of DC power by the incumbent.

Q. WHAT IS WORLDCOM PROPOSING THAT BELLSOUTH PROVISION, WITH RESPECT TO DC POWER TO AN ADJACENT COLLOCATION SITE?

A. WorldCom will provide the cabling to BellSouth's power distribution board. BellSouth would provide the conduit to the adjacent collocation space. The pricing would be calculated pursuant to Attachment I of the interconnection agreement.

Q. PLEASE SUMMARIZE YOUR TESTIMONY IN THIS REGARD.

A. The law requires adjacent collocation to be provided in a non-discriminatory manner. There is no demonstrable or compelling reason why DC power should not be provided to ALECs.

ISSUE 57

Should the Interconnection Agreement include MCIW's proposed terms and conditions regarding virtual collocation? (Attachment 5, section 6.)

Q. WHAT TERMS AND CONDITIONS DOES WORLDCOM PROPOSE FOR VIRTUAL COLLOCATION?

A. The following language has been proposed in Attachment 5 (with bold language proposed by WorldCom and bold, underlined language proposed by BellSouth). Again there are some changes from the language contained in Exhibit C to the Petition as the result of subsequent negotiations that have narrowed the issues between the parties.

Section 6. Introduction

Virtual Collocation will be made available according to the rates, terms and conditions described in the FCC Tariff No. 1. BellSouth shall provide Virtual Collocation at the rates set forth in Attachment 1 of this Agreement. If there are any inconsistencies between the FCC Tariff No. 1 and this Agreement, this Agreement shall control. To the extent BellSouth is required to provide virtual collocation under the Act, the additional terms and conditions contained herein shall also apply.

6.1 Virtual collocation means WorldCom will provide and will lease to BellSouth transmission equipment dedicated to WorldCom's use. WorldCom **may, at its option, <u>will be responsible for</u>** monitor**<u>ing</u>** and control**<u>ling</u>** WorldCom circuits terminating at BellSouth's premises. **BellSouth shall install <u>WorldCom will contract directly with a BellSouth Certified Vendor for installation of</u>** all equipment and facilities in accordance with BellSouth's guidelines and specifications. BellSouth will maintain and repair such equipment under the same intervals and with the same or better failure rates for performance

of similar functions for comparable BellSouth equipment. Maintenance includes the change out of electronic cards provided by WorldCom.

6.2 WorldCom may purchase the equipment from third parties, and will not be required to purchase the equipment from BellSouth.

6.3 To the extent BellSouth is required to provide virtual collocation outside the central office, BellSouth will provide unbundled transport and sub-loops in accordance with the terms of this agreement.

6.4 BellSouth will make available digital, analog and fiber cross-connects for virtual collocation at the rates contained in Attachment 1.

Q. WHAT IS VIRTUAL COLLOCATION?

A. Virtual collocation allows an ILEC to retain physical control of collocating equipment, along with the responsibility for installing, maintaining and repairing it, under the same intervals and with the same or better rates for the performance of similar functions for comparable ILEC equipment. Under virtual collocation, interconnectors are allowed to designate central office transmission equipment dedicated to their use, as well as to monitor and control their circuits terminating in the ILEC central office. Interconnectors do not pay for the incumbent's floor space and have no right to enter the ILEC central office. The responsibility for installation and monitoring, however, lies squarely with the ILEC in whose central office the equipment is located.

Some history may be instructive: Virtual collocation, prior to the Telecommunications Act, was relied upon by ILECs in lieu of physical collocation. The explicit authority of the FCC to mandate physical collocation as a method of providing interconnection or access to unbundled elements had been

found lacking by the D.C. Circuit Court of Appeals in Bell Atlantic v. FCC, 24 F.3d 1441 (1994). Thus, under the FCC's *Expanded Interconnection* rules, which were amended subsequent to that decision, ALECs using physical collocation were required by many ILECs to convert to virtual collocation.

With the passage of the Telecommunications Act, LECs are required under Section 251 (c) (6)

> to provide, on rates, terms, and conditions that are just, reasonable, and nondiscriminatory, for physical collocation of equipment necessary for interconnection or access to unbundled network elements at the premises of the local exchange carrier, except that the carrier may provide for virtual collocation if the local exchange carrier demonstrates to the State commission that physical collocation is not practical for technical reasons or because of space limitations.

Q. WHY WOULD AN ALEC PREFER, IN SOME INSTANCES, VIRTUAL TO PHYSICAL COLLOCATION?

A. As noted by the FCC, competitive carriers may find that virtual collocation is less costly or more efficient than physical collocation in a given situation. *Local Competition Order,* ¶ 552.

Q. WHAT IS BELLSOUTH'S POSITION REGARDING THE DISPUTED TERMS AND CONDITIONS FOR VIRTUAL COLLOCATION?

A. BellSouth's initial position was that virtual collocation need not be negotiated or even included in the Interconnection Agreement. Later BellSouth explained that it was not refusing to negotiate; instead, it apparently does not want the legal responsibility of installing or monitoring equipment related to WorldCom's collocation. BellSouth proposed language that would rely to a large extent on its

virtual collocation tariff. WorldCom's proposal would essentially accept the incorporation by reference to BellSouth's tariff, but specify that in the event of a conflict between the tariff and the Agreement, the latter would control. WorldCom also proposed that the Agreement contain the rates for virtual collocation, to ensure that those rates will be in place for the entire term of the Agreement. WorldCom also would add language to clarify the relative rights and obligations of the parties. Thus this issue has been recast during the course of negotiations following the filing of our arbitration petition.

Q. WHAT IS THE APPLICABLE LAW?

A. While I am not a lawyer, I would like to provide the Commission my understanding of the requirements of the law. Section 251(c) (1) of the Telecommunications Act obligates incumbent LECs to negotiate the terms and conditions of agreements to fulfill their duties under the Act with respect to various matters, including collocation. Section 251(c) (2) requires incumbent LECs to provide interconnection with the LEC's network "for the facilities and equipment of any requesting telecommunications carrier." Section 251 (c) (3) provides, in relevant part:

> The duty to provide, to any requesting telecommunications carrier for the provision of a telecommunications service, nondiscriminatory access to network elements on an unbundled basis at any technically feasible point on rates, terms, and conditions that are just, reasonable, and nondiscriminatory in accordance with the terms and conditions of the agreement and the requirements of this section and section 252 of this title.

In the *First Report and Order* ("*Local Competition Order*"), FCC 96-325, In re Implementation of the Local Competition Provisions in the Telecommunications

Act of 1996, CC Docket No. 96-98, released in August 1996, the FCC noted the argument of incumbent LECs, who maintained that the statute does not give the FCC authority to require virtual collocation in addition to physical collocation, unless the latter is not practical. The incumbent LECs cited section 251 (c) (6) for supposed authority. Id. at paragraph 547. The FCC rejected the ILECs' arguments, stating that

> While section 251 (c) (6) limits an incumbent LEC's duty to provide physical collocation in certain circumstances, we find that it does not limit our authority to require, under sections 251 (c) (2) and (c) (3), the provision of virtual collocation. We note that under our Expanded Interconnection rules, that were amended subsequent to the Bell Atlantic decision, competitive entrants using physical collocation were required by many incumbent LECs to convert to virtual collocation. If the Commission concluded that subsection (c) (6) places a limitation on our authority to require virtual collocation, competitive providers would be required to undertake costly and burdensome actions to convert back to physical collocation even if they were satisfied with existing virtual collocation arrangements... In short, we conclude that, in enacting section 251 (c) (6), Congress intended to expand the interconnection choices available to requesting carriers, not to restrict them. Id. at paragraph 551.

Further, Section 252 of the Act envisions that parties initially will negotiate the terms and conditions governing the relationship between the parties and incorporate those terms and conditions in an Interconnection Agreement. The FCC specifically noted in this regard that it declined to adopt under Section 251 the *Expanded Interconnection* tariffing requirements adopted under section 201 for physical and virtual collocation. *Local Competition Order*, ¶ 567. The FCC went on to note that "a requesting carrier would have the choice of negotiating an interconnection agreement pursuant to sections 251and 252 or of taking tariffed

interstate service under our Expanded Interconnection rules" (Emphasis added). Id. ¶ 611.

Pursuant to 47 C.F.R. §51.323 (a) an ILEC shall provide virtual collocation. 47 C.F.R. §51.323 (e) resolves the disputed language here , by stating that

> When providing virtual collocation, ***an incumbent LEC shall***, at a minimum, ***install***, ***maintain***, and repair collocated equipment identified in paragraph (b) of this section within the same time periods and with failure rates that are no greater than those that apply to the performance of similar functions for comparable equipment of the incumbent LEC itself.

(Emphasis added.) Thus the Commission should resolve the disputed language in WorldCom's favor.

ISSUE 59

Should collocation space be considered complete before BellSouth has provided MCIW with cable facility assignments ("CFAs")? (Attachment 5, Section 7.15.2.)

Q. WHAT IS THE LANGUAGE IN DISPUTE?

A. The parties have agreed to the following language in Attachment 5, except for language in bold that WorldCom has proposed:

> 7.15.2 BellSouth will not be deemed to have completed work on a Collocation Space until it conforms to the original or jointly amended request **and BellSouth has provided the cable assignment information necessary to use the facility.**

Q. WHAT IS WORLDCOM'S POSITION IN THIS REGARD?

A. Space is unusable unless we have been provided with cable facility assignments ("CFAs"). CFAs – which pertain to the naming and inventorying of cable facilities within a central office - are necessary for WorldCom to order service.

WorldCom contends that BellSouth should provide CFAs before the space is considered completed.

Q. WHAT IS BELLSOUTH'S POSITION?

A. It maintains that collocation space is complete once all work done by BellSouth or BellSouth's certified vendors is "complete," at which point BellSouth will render a final bill to the ALEC and start charging WorldCom recurring charges for occupying the space. This, however, apparently does not include the assignment of cable facilities, in BellSouth's mind.

Q. WHY SHOULD THE COMMISSION RULE IN FAVOR OF WORLDCOM ON THIS POINT?

A. The common sense meaning of "complete" is that everything that is necessary for the ALEC to occupy the space and turn up power has been done. If BellSouth maintains that its work is "complete" but there remains an ambiguity whether service can be ordered, then WorldCom is uncertain whether it is able to provision service, at a definite time, for its customers. This is an instance where the Commission should remove some uncertainty. As stated by the FCC in both the *Advanced Services First Report and Order*, ¶ 23, and the *Local Competition Order*, ¶ 558, states have the flexibility to respond to specific issues by imposing requirements that are consistent with the national rules. Finally, as part of the collocation application, WorldCom gives BellSouth information that it needs to supply CFAs, and the information WorldCom needs from BellSouth, for the most part, may be supplied by BellSouth earlier in the process than upon construction of the space; for example, BellSouth will provide cable location termination

requirements as part of its initial response to a collocation application, or at the joint meeting.

ISSUE 60

Should BellSouth provide MCIW with specified collocation information at the joint planning meeting? (Attachment 5, sections 7.17.2, 7.17.4 and 7.17.10.)

Q. WHAT IS THE LANGUAGE IN DISPUTE?

A. WorldCom has proposed the following language in Attachment 5 regarding information which is to be provided at the joint planning meeting:

> 7.17.2 If available, the exact cable type and cable termination requirements for WorldCom provided POT bays (i.e., connector type, number and type of pairs, and naming convention) that will be used. If this information is not available at the joint planning meeting, BellSouth shall provide it within 30 days of the date of the joint planning meeting.
>
> 7.17.4 Power cabling connectivity information including the sizes and number of power feeders and power feeder fuse slot assignment on the BellSouth BDFB.
>
> 7.17.10 Identification of all technically feasible demarcation points associated with the equipment reflected in the Bona Fide Firm Order.

Q. WHAT ARE THE PARTIES' POSITIONS ON THIS ISSUE?

A. WorldCom's position is that the specified information should be provided at the joint planning meeting. BellSouth has stated it is willing to provide certain (but not all) information specified by WorldCom, but not necessarily at the joint planning meeting. BellSouth concedes it is willing to provide the exact cable location termination requirements at the joint planning meeting, or within thirty (30) days thereafter (see MCIm's proposed §7.17.2). BellSouth states that

"much of the information" we seek, however, is not available, or is "not required" to be provided. BellSouth, however, does not state which information is allegedly not available or that it is not required to provide. Despite the fact that the identification of demarcation points is key information for a collocator (as well as BellSouth) to know, to decide where and how it wishes to interconnect, BellSouth baldly asserts that this information has "nothing to do" with what is needed at the joint planning meeting. BellSouth maintains that it has the right to designate demarcation points, and, consequently, that it will not even *identify* technically feasible demarcation points.

Q. WHY IS THE JOINT PLANNING MEETING IMPORTANT?

A. Our position is based on common sense: WorldCom needs certain key information to begin its design plans for a collocation space. This information includes (i) power connectivity information, including size and number of power feeders; (ii) the exact cable type and termination requirements for the WorldCom provided point of termination ("POT") bays; and (iii) identification of technically feasible demarcation points. WorldCom needs to know the size and number of power feeds and the designation of cable. As a practical matter, the providing of this information commences the period for the ALEC to do its engineering work; i.e., if the parties do not understand the other's needs or limitations, then the likelihood of delays and disputes is increased. For example, knowing what BellSouth identifies as the cable requirements and a technically feasible demarcation point assists a ALEC in ascertaining what equipment it needs.

Q. WHAT SHOULD OCCUR AT THE JOINT PLANNING MEETING?

A. Both parties should walk away from the meeting knowing how to engineer their respective "ends" of the collocation process. Unless the ALEC has the requested information, then it will not know how to complete collocation.

Q. IS BELLSOUTH'S POSITION REASONABLE, IN VIEW OF THE NEED FOR THIS INFORMATION?

A. No. This information would obviously assist both BellSouth and WorldCom, and its withholding appears to be for the purpose of delay. BellSouth does not want to identify technically feasible demarcation points because it denies that ALECs have the right to designate these points. The *Local Competition Order* and *Advanced Services First Report and Order*, as well as 47 C.F.R. 51.323, contemplate that the ALEC choose the point of interconnection.

BellSouth should be required to provide the information as requested. *Advanced Services First Report and Order*, ¶ 23; *Local Competition Order*, ¶ 558.

ISSUE 61

Should the per ampere rate for the provision of DC power to MCIW's collocation space apply to amps used or to fused capacity? (Attachment 5, section 7.18.6.)

Q. WHAT IS THE LANGUAGE IN DISPUTE?

A. The parties have proposed the following language in Attachment 5 (with WorldCom's proposed language in bold, and BellSouth's proposed language in bold and underlined):

> 7.18.6 Charges for -48V DC power **are as set forth in Attachment 1 <u>will be assessed per ampere per month based upon the certified vendor engineered and installed power feed fused ampere capacity.</u>** Rates include redundant feeder fuse

positions (A&B) and cable rack to WorldCom's equipment or space enclosure. When obtaining power from a BellSouth Battery Distribution Fuse Bay, fuses and power cables (A&B) must be engineered (sized), and installed by WorldCom's certified vendor.

Q. WHAT ARE THE PARTIES' POSITIONS?

A. WorldCom's position is that the rate proposed by WorldCom in Attachment 1 should apply on a per used ampere basis, taking into account the rated capacity of the equipment actually installed in the collocation space. BellSouth has proposed rates on a per fused ampere capacity basis; i.e., based on the size of the fuse it installs to handle equipment currently installed, equipment that may be installed in the future, plus a margin above that level.

Q. WHAT IS THE DIFFERENCE BETWEEN THE PARTIES' POSITIONS?

A. WorldCom's proposal, simply stated, is based on the fact that the parties' original interconnection agreement, which was approved by the Commission, prices power simply on a per ampere basis. The Commission ordered a permanent rate, which has been proposed for use here by WorldCom, also on this basis. It is clear from the previous agreement that BellSouth would measure how much power each ALEC was using and would bill the ALEC accordingly. Consequently, the Commission should order that the rate proposed by WorldCom in Attachment 1, which is the permanent rate ordered by the Commission, be applicable as between the parties. There is no reason to relitigate this issue.

Moreover, WorldCom's proposal permits BellSouth to recover from WorldCom over the life of the power supply equipment, WorldCom's pro-rata share of the cost of power supply. A recurring rate equal to the forward-looking cost of power supply per amp times the amps consumed by WorldCom fully

compensates BellSouth. BellSouth should bill WorldCom a recurring rate per amp equal to the forward-looking cost of power supply times the number of amps consumed by the WorldCom equipment actually installed.

In contrast, BellSouth's proposal would allow BellSouth to recover from WorldCom more than WorldCom's share of the costs. BellSouth proposes to charge a large up-front non-recurring charge for construction of power supply plus a recurring rate that also will reflect the cost of the power supply. This method represents a "double" recovery of the costs by BellSouth.

ISSUE 63

Is MCIW entitled to use any technically feasible entrance cable, including copper facilities? (Attachment 5, section 7.21.1.)

Q. WHAT IS THE LANGUAGE IN DISPUTE CONCERNING THIS ISSUE?

A. The parties have agreed upon the following language in Attachment 5, with the exception of the language in bold that is proposed by WorldCom:

> 7.21.1 WorldCom may elect to place WorldCom-owned or WorldCom-leased fiber entrance facilities into the Collocation Space. BellSouth will designate the point of entrance in close proximity to the Central Office building housing the Collocation Space, such as an entrance manhole or a cable vault which are physically accessible by both parties. WorldCom will provide and place fiber cable at the point of entrance of sufficient length to be pulled through conduit and into WorldCom's Collocation Space. If WorldCom uses an entrance facility with a metallic member, BellSouth shall open the cable sheath in the vault and bond the metallic member to ground. In the event WorldCom utilizes a non-metallic entrance facility, grounding of the cable will not be required. WorldCom must contact BellSouth for instructions associated with duct assignments and scheduling and other information as required prior to placing the entrance facility cable in the manhole. WorldCom is responsible for maintenance of the entrance facilities, except that BellSouth is responsible for the maintenance of any bonding required. At WorldCom's option

BellSouth will accommodate where technically feasible a microwave entrance facility pursuant to separately negotiated terms and conditions. **Notwithstanding any other provision of this Agreement, MCI may use fiber, copper, coaxial, or any other technically feasible type of entrance cable.**

Q. WHAT ARE THE PARTIES' POSITIONS ON THIS ISSUE?

A. WorldCom's position is that it is entitled to use any technically feasible entrance cable, including copper facilities. BellSouth's position is that WorldCom should be restricted to the use of fiber entrance facilities only, except with respect to adjacent space collocation arrangements.

Q. WHAT IS THE REGULATORY BACKGROUND OF THIS ISSUE?

A. The FCC's regulations specifically permit collocators to use copper cable: "When an incumbent LEC provides physical collocation, virtual collocation, or both, the incumbent LEC shall: ... (3) permit interconnection of copper or coaxial cable if such interconnection is first approved by the state commission." 47 C.F.R. § 51.323(d)(3).

Q. DOES A SIGNIFICANT AMOUNT OF COPPER CABLE OWNED BY BELLSOUTH PRESENTLY ENTER BELLSOUTH CENTRAL OFFICES?

A. Yes. ***BellSouth even admits that this is the case***. Therefore, as a matter of parity and nondiscriminatory treatment, WorldCom is clearly entitled to bring copper cable into the central office as well.

Q. HAS THE FLORIDA COMMISSION PREVIOULSY ADDRESSED A SIMILAR ISSUE?

A. Yes, the Florida Commission has ruled, in Section IV of its Collocation Order:

As for the provision of DSL over fiber, the evidence supports that this is technically feasible, and that there is equipment available which accommodates DSL over fiber. An ALEC would, however, be required to obtain additional equipment to utilize this technology. Requiring an ALEC to purchase such equipment could significantly increase the ALEC's collocation costs. Therefore, we believe that requiring fiber optic entrance facilities could be a competitive obstacle for certain ALECs requesting collocation facilities and are persuaded that ALECs shall be allowed to use copper entrance cabling.

We have considered the fact that entrance facilities have a certain capacity per central office and that allowing copper cabling could accelerate the entrance facility exhaust interval. Therefore, ILECs shall be allowed to require an ALEC to use fiber entrance cabling after providing the ALEC with an opportunity to review evidence that demonstrates entrance capacity is near exhaustion at a particular central office. The evidence of record is insufficient to determine what percentage of entrance facility should be in use before requiring fiber optic cabling; however, factors for consideration should include, but not be limited to, subscriber growth, "off-site collocation" growth and cabling request, and cabling requirements of the ILEC.

Q. DOES THIS RULING APPLY TO THE SITUATION ADDRESSED IN THE PROPOSED INTERCONNECTION AGREEMENT LANGUAGE?

A. Not directly. My understanding is that in the Collocation Order the Commission was addressing only the type of connection permitted between "adjacent collocation" and the ILEC central office. The issue in this arbitration is somewhat broader. Nevertheless, the same basic principle should apply, and copper entrance facilities should be permitted unless BellSouth proves that entrance facilities are at or near exhaustion in a particular central office.

Q. WHAT IS WORLDCOM ASKING THE COMMISSION TO DO?

A. We are asking the Commission to require BellSouth to provide parity, and allow WorldCom to use copper entrance facilities in situations where BellSouth uses such facilities itself. Copper entrance ducts merely present another factor in considering what space and facilities are available for collocation. Although ILECs should be allowed to reserve some space (central office or entrance ducts) for future needs, any such reservation should be supported on a competitively neutral basis, with forecasts and growth projections, and the ALEC should have the right to review what space exists and what future requirements an ILEC has when the latter contends there is a "near exhaust" situation. The burden should remain on the ILEC to demonstrate impairment of service; otherwise, ALECs would face a nearly impossible task to prove that the facility is not near exhaustion.

ISSUE 64

Is MCIW entitled to verify BellSouth's assertion, when made, that dual entrance facilities are not available? Should BellSouth maintain a waiting list for entrance space and notify MCIW when space becomes available? (Attachment 5, section 7.21.2.)

Q. WHAT IS THE LANGUAGE IN DISPUTE CONCERNING THIS ISSUE?

A. The parties have agreed upon the following language in Attachment 5, except for the bold language proposed by WorldCom:

> 7.21.2 Dual Entrance. BellSouth will provide at least two interconnection points at each central office premises where there are at least two such interconnection points available and where capacity exists. Upon receipt of a request for physical collocation under this Attachment, BellSouth shall provide WorldCom with information regarding BellSouth's capacity to accommodate dual entrance facilities. If conduit in the serving manhole(s) is available and is not reserved for another purpose for utilization

within 12 months of the receipt of an application for collocation, BellSouth will make the requested conduit space available for installing a second entrance facility to WorldCom's arrangement. The location of the serving manhole(s) will be determined at the sole discretion of BellSouth. Where dual entrance is not available due to lack of capacity, BellSouth will so state in the Application Response. **If BellSouth states in the Application Response that dual entrance is not available due to lack of capacity, BellSouth will allow WorldCom, upon request, to inspect the entrance locations within ten (10) business days of such notification. In order to schedule said inspection within ten (10) business days, the request for an inspection must be received by BellSouth within five (5) business days of the notification of lack of capacity. Any request received by BellSouth later than five (5) business days after WorldCom's receipt of BellSouth's Application Response will be fulfilled within five (5) business days of the request. In addition, BellSouth shall notify WorldCom when capacity is available for a dual entrance, and such capacity shall be made available on a first come, first served basis.**

Q. WHAT ARE "DUAL ENTRANCE" FACILITIES?

A. They are physically diverse entrances into a wire center; i.e., having dual entrances provides an opportunity to design redundancy and "survivability," thereby preventing network failures (e.g., if there is a cable cut at one entrance facility, the overall service is not affected).

Q. WHAT ARE THE PARTIES' POSITIONS ON THIS ISSUE?

A. WorldCom's position is that it should be permitted to verify BellSouth's assertion that dual entrance facilities are not available. BellSouth should maintain a waiting list for entrance space and notify WorldCom when space becomes available. BellSouth's position is that WorldCom does not have the right to verify BellSouth's assertion that dual entrance facilities are not available.

Q. PLEASE ELABORATE ON THE PARTIES' RESPECTIVE POSITIONS.

A. WorldCom should be permitted to verify, through physical inspection, any assertion that dual entrances are not available. This is a reasonable requirement, particularly in light of the FCC's similar, but even more expansive rule, of allowing new entrants to tour an incumbent's premises in order to verify an assertion that physical collocation space is not available. 47 C.F.R. § 51.321(f); *Advanced Services First Report and Order*, ¶ 57. WorldCom should similarly be allowed to verify a claim that dual entrances are not available.

BellSouth admits it must provide at least two interconnection points at a premises "at which there are at least two entry points for the incumbent LEC's cable facilities, and at which space is available for new facilities in at least two of those entry points," citing 47 C.F.R. § 51.323(d)(2). The right to inspect a premises, in BellSouth's opinion, only applies when an incumbent LEC "contends space for physical collocation is not available" in a given central office. BellSouth claims it is not denying physical collocation when BellSouth does not have dual entrance facilities available, and states it provides information as to whether there is more than one entrance point for BellSouth's cable facilities. In the event there is only one entrance point, according to BellSouth, WorldCom can visually verify that another entrance point does not exist, which does not require a formal tour. In the event that dual entrance points exist but space is not available, BellSouth states it will provide documentation, upon request and at WorldCom's expense, so that WorldCom can verify that no space is available for new facilities.

Q. WHAT IS THE FCC'S POSITION ON THIS MATTER?

A. The FCC's regulations require BellSouth to provide dual entrances for the facilities of collocators. See 47 C.F.R. § 51.323(d)(2). Other specific regulations have been cited above. Since the FCC has declared that a denial of space triggers a requirement that an inspection be permitted, it is a reasonable conclusion that a denial of dual entrances, which permit the necessary diversity that an ALEC needs, trigger the requirement of permitting verification of that claim.

Q. SHOULD BELLSOUTH MAINTAIN A WAITING LIST OF NEW ENTRANTS WHO HAVE BEEN DENIED ENTRANCE SPACE?

A. Yes. BellSouth should also offer space to the new entrants when it becomes available, based upon their position on the waiting list. BellSouth maintains that, should the fact that there is no entrance space available be the reason for denying a request for collocation, BellSouth will include that office on its space exhaust list, as required. However, BellSouth states it should not be required to incur the time and expense of maintaining a waiting list simply because dual entrance facilities may not be available.

Q. IS THAT A REASONABLE POSITION?

A. No. Just as BellSouth must indicate those of its premises that are full, 47 C.F.R. 51.321 (h), and should maintain a waiting list with respect to collocation space generally at a central office (see 2.2.3 of Attachment 5), it is reasonable to expect BellSouth to maintain a waiting list for dual entrance facilities.

A visual inspection may be acceptable in many situations, and in those situations WorldCom would not request a physical inspection inside the central office. However, it is quite possible, as BellSouth would admit, that what would

need to be inspected is underground and thus undetectable from the street. In those instances the ALEC would need to arrange for an inspection of entrance locations, and the parties' Agreement should provide predictability and a clear expression of BellSouth's and WorldCom's respective rights, or risk delay and litigation. Moreover, since the lack of dual entrances, as a practical matter, will determine whether collocation is advisable at a given location, a waiting list is a reasonable and not overly burdensome requirement for the ILEC to maintain under the circumstances. This Commission has the authority to require ILECs to engage in practices that are in addition to the minimal standards that the federal rules require, and what WorldCom proposes is certainly consistent with those rules.

ISSUE 65

What information must BellSouth provide to MCIW regarding vendor certification? (Attachment 5, Section 7.22.1.)

Q. WHAT IS THE LANGUAGE IN DISPUTE CONCERNING THIS ISSUE?

A. WorldCom has proposed the following language, which BellSouth has not accepted:

> 7.22.1 BellSouth shall provide WorldCom with a list of BellSouth certified vendors for performance of work required or permitted under this Agreement. BellSouth shall indicate on the list what types of work each vendor is certified to perform. BellSouth shall provide WorldCom with the specifications and training requirements necessary for a vendor to become BellSouth certified, and such specifications and training requirements shall be the same that BellSouth uses to certify its own vendors. If WorldCom submits documentation to BellSouth that a proposed vendor, including WorldCom, meets the specifications and training requirements, BellSouth shall add such vendor to the list of BellSouth certified vendors. BellSouth shall provide

WorldCom updates to the list of BellSouth certified vendors as vendors are added or removed from the list. WorldCom's BellSouth Certified Vendor shall bill WorldCom directly for all work performed for WorldCom pursuant to this Attachment and BellSouth shall have no liability for nor responsibility to pay such charges imposed by the Certified Vendor.

Q. WHAT ARE THE PARTIES' POSITIONS ON THIS ISSUE?

A. WorldCom's position is that BellSouth must provide WorldCom with sufficient information on the specifications and training requirements for a vendor to become BellSouth certified so that WorldCom can train its proposed vendors. WorldCom has no problem with adhering to reasonable safety requirements, which should be the focus of certification requirements. Additional requirements – for example, that WorldCom or its vendors must perform installation work on behalf of BellSouth, or for a separate "contract" that BellSouth has proposed WorldCom's vendors to enter into with it, which I understand BellSouth has brought up in negotiations - are unreasonable and should not be sanctioned by the Commission.

BellSouth maintains that it provides WorldCom with the same information it provides its vendors concerning the vendor certification process.

Q. PLEASE EXPLAIN THE CONTEXT OF THIS ISSUE.

A. BellSouth must allow WorldCom to use its own vendors to provision and maintain its collocation space. BellSouth may approve the criteria by which these vendors are certified to perform such work, under 47 C.F.R.. § 51.323(j), but per that section it may not "unreasonably withhold approval of contractors." BellSouth is permitted to approve vendors hired by WorldCom to construct its

collocation space, provided that such approval is based on the same criteria that BellSouth uses in approving vendors for its own purposes.

Q. WHAT HAS BELLSOUTH PROVIDED WORLDCOM?

A. BellSouth has provided WorldCom with brochures that generally describe what BellSouth's vendors are required to observe, for purposes of certification.

Q: WHAT IS THE PROBLEM WITH THIS RESPONSE?

A: It is reasonable and necessary that the Commission act, consistently with the national rules, to require BellSouth to provide the information needed for certification. Although the brochures may be "precisely the same information that BellSouth provides its vendors", as BellSouth insists, that information is not what BellSouth itself may require as part of its approval process. It is not sufficient or reasonable, as a matter of contract between two competitors, to expect that WorldCom content itself in having been invited informally to "contact the BellSouth vendor certification group for further information." There must be contractual assurances that the same information that BellSouth uses to certify its vendors will, in fact, be provided to WorldCom. Otherwise, there is introduced into the interconnection agreement the opportunity for delay and further litigation. It is reasonable and necessary that BellSouth be required as a matter of contract to provide the information needed for certification.

ISSUE 66

What industry guidelines or practices should govern collocation? (Attachment 5, Section 9.)

Q. WITH WHAT STANDARDS DOES WORLDCOM WANT BELLSOUTH TO COMPLY?

A. WorldCom wants BellSouth to comply with the following standards it has proposed in Attachment 5. (Since the Petition was filed, WorldCom has updated the references in Section 9.4 and 9.10 to incorporate more current standards).

> 9.1 Institute of Electrical and Electronics Engineers (IEEE) Standard 383, IEEE Standard for Type Test of Class 1 E Electric Cables, Field Splices, and Connections for Nuclear Power Generating Stations.
>
> 9.2 National Electrical Code (NEC) latest issue.
>
> 9.3 GR-1089-CORE Electromagnetic Compatibility and Electrical Safety – General Criteria for Network Telecommunications Equipment .
>
> 9.4 GR-63-CORE Network Equipment Building System (NEBS) Requirements: Physical Protection.
>
> 9.5 TR-EOP-000151,Generic Requirements for -24, -48, -130, and -140 Volt Central Office Power Plant Rectifiers, Issue 1 (Bellcore, May 1985).
>
> 9.6 TR-EOP-000232, Generic Requirements for Lead-Acid Storage Batteries, Issue 1 (Bellcore, June 1985).
>
> 9.7 TR-NWT-000154, Generic Requirements for -24,- 48, -130, and -140 Volt Central Office Power Plant Control and Distribution Equipment, Issue 2 (Bellcore, January 1992).
>
> 9.8 TR-NWT-000295, Isolated Ground Planes: Definition and Application to Telephone Central Offices, Issue 2 (Bellcore, July 1992).
>
> 9.9 TR-NWT-000840, Supplier Support Generic Requirements (SSGR), (A Module of LSSGR, FR-NWT-000064), Issue 1 (Bellcore, December 1991).
>
> 9.10 GR-1275, issue 01, March 1998.
>
> 9.11 Underwriters' Laboratories Standard, UL 94.

Q. WHY DOES WORLDCOM WANT BELLSOUTH TO RECOGNIZE THESE STANDARDS IN THE PARTIES' INTERCONNECTION AGREEMENT EXPLICITLY?

A. These standards, if incorporated into the agreement, would reduce uncertainty and give the parties' clear guidance with respect to the issues embodied by the standards.

Q. WHAT ARE THOSE STANDARDS?

A. These are recognized industry standards with respect to the matters described: equipment, power and the like. Collocation is of critical importance in the development of competition in local exchange service. There is no reason why collocation, in the wake of the Telecommunications Act and the FCC's orders respecting it, cannot or should not be made predictable, specific and "user friendly." See 47 C.F.R. 51.323 (b); *Advances Services Order*, ¶ 23. BellSouth has agreed to the inclusion of industry guidelines elsewhere in the Agreement, and it is reasonable that these guidelines apply to collocation.

Q. DOES BELLSOUTH DISAGREE THAT ANY OF THESE STANDARDS REFLECT GENERALLY ACCEPTED INDUSTRY PRACTICES?

A. BellSouth has cited only two standards with which it takes issue. As noted above, WorldCom has updated the list of standards to replace these two items with more current references. Telcordia's NEBS Standard TR-EOP-000063 AND TR-NWT-001275 have been replaced by GR-63, Issue 01, Oct 1995 and GR-1275, Issue 01, REV01, Mar 1998.

GR-63 identifies the minimum spatial and environmental criteria for equipment used in a telecommunication network. The environmental criteria covers temperature and humidity, fire resistance, earthquake and vibration, airborne contaminants, acoustic noise, and illumination. The spatial section includes criteria for equipment and associated cable distribution systems. GR-1275 provides the Telcordia view of requirements associated with the support that installation suppliers are expected to provide with their services. These services might be associated with the installation of new or expanded equipment as well as the removal of existing equipment.

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. At this time, yes.