1   **REVISED DIRECT TESTIMONY OF MR. JAMES W. STEGEMAN**

2   **ON BEHALF OF BELLSOUTH TELECOMMUNICATIONS, INC.**

3   **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

4   **DOCKET NO. 990649-TP**

5   **(PHASE II)**

6   **August 18, 2000**

7

8   **INTRODUCTION**

9

10   **Q.**   **PLEASE STATE YOUR NAME AND BUSINESS AFFILIATION.**

11

12   A.   My name is James W. Stegeman. I am the President of CostQuest Associates, Inc. I am

13   testifying on behalf of BellSouth Telecommunications ("BellSouth", "BST" or the

14   "Company").

15

16   **Q.**   **ARE YOU THE SAME JAMES STEGEMAN WHO FILED DIRECT**

17   **TESTIMONY IN THIS PROCEEDING ON MAY 1, 2000?**

18

19   A.   Yes.

20

21   **Q.**   **WHAT IS THE PURPOSE OF YOUR REVISED DIRECT REBUTTAL**

22   **TESTIMONY?**

23

1   A.   I will cover the changes to the BellSouth Telecommunications Loop Model or the

2   BSTLM as filed on August 16th, 2000.

3

4   Q.   **BELLSOUTH RECENTLY MADE AN UPDATED FILING IN THIS**

5   **PROCEEDING ON AUGUST 16, 2000. WHAT WAS THE PURPOSE FOR**

6   **UPDAING BSTLM?**

7

8   A.   The reasons for updating BSTLM were twofold. The first was to correct flaws in the

9   model discovered after the first filing. The second reason was to introduce additional

10   functions and features to enhance the model, many at the suggestion of AT&T. While we

11   do not anticipate any additional filings in this proceeding, BellSouth is continually

12   reviewing the model to ensure its correctness and to introduce new concepts, features,

13   and functions. Please realize that cost modeling is not a stagnant process.

14

15   Q.   **CAN YOU OVERVIEW THE ERRORS THAT WERE CORRECTED FROM**

16   **THE PRIOR VERSION OF THE BSTLM (VERSION 1.2)?**

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18   A.   Yes, the following is an overview of the errors addressed in the latest release of BSTLM.

19   GIS Pre-processing

20   • Revised road preparation process to exclude specific road types that customers

21   do not live on and routing does not follow, for example Highways and highway

22   access ramps.

23   Investment Logic

- Revised material calculations for structure capacity costs. Version1.2 was incorrectly developing capacity costs.

- Updated Excel shutdown routine. In a Windows 98/Excel97 environment, Version1.2 may shutdown after a number of wire centers are run through the Process Wizard.

- Fixed 812C issue. In Version1.2, this fiber Field Reporting Code (FRC) appeared on a number of copper-only reports.

- Fixed Building Cable Sheet in investment logic. In Version1.2,
  - If Feeder Distribution Interface (FDI) Max size was exceeded, no FDIs were put in; and,
  - If EquipQty field was greater than 1, only 1 DTBT was placed in a building but sized as if multiple units were put in. Corrected to always place multiple DTBTs in a building.

Reporting Process

- Fixed Rservice reporting NULL error. Version1.2 would produce an error if a report was chosen that had no supporting report data in the scenario.

- Modified report.mdb. Length FieldSize property modified to be double from long integer. Prevents Null value in Copper-Only scenario when field overflows. This was not causing an error in Florida but it was causing an error in other states.

User Interface

- Fixed function to send single user input table to Excel. In Version 1.2, this function was not working.

1   Configuration Process

2   • Modified DTBT EquipQty calculation - added DTBTFill to the lines

3   requirement calculation. Version1.2 was not including any fill in determining

4   proper equipment size.

5   System Tables

6   • In SytemDB, Modified tblInputObjects; Table 4 was missing. Did not output

7   DTBT input values to Excel Logic. Version1.2 was ignoring user inputs for

8   DTBT material prices. Instead, the model was developing the DTBT material

9   prices from the Indoor FDI primitives.

10   • In SystemDB, Modified tblFields; Needed to add Excel Sort order for Table 4

11   so that system would output to Excel Logic. This was also associated with the

12   problem of DTBT inputs not being used in Version1.2

13

14   Q.   CAN YOU OVERVIEW THE ENHANCEMENTS TO THE BSTLM MADE

15   SINCE THE PRIOR VERSION (VERSION 1.2)?

16

17   A.   Yes, the following is an overview of the enhancements added in the latest release of

18   BSTLM.

19   User Interface

20   • Added feature to track user-initiated input changes. For each scenario with

21   processed wire centers, BSTLM tracks any input changes. When a change is

22   made and the edit inputs session is terminated, BSTLM prompts the user with

23   an informational message. The user has two choices. If the user selects the

-4-

RESET button, the changes are accepted AND all wire centers in the scenario are reset in status back to the appropriate process. If the user selects the CANCEL button, ALL changes are removed and the scenario remains in the same state as prior to editing.

- o For example, if a user changes the price for 12 pair 24-gauge cable and exits the edit inputs form, they are prompted with two options. They can either RESET all inputs and begin processing at the INVESTMENT process or they cancel the input changes. If they elect to RESET, all wire centers will show as requiring a re-process from the investment process forward. If they CANCEL, all input changes are removed. If a user selects RESET, the changes cannot be undone.

- Process logging has been enhanced to show tables changed, system component versions and reporting errors. Report errors are shown when, for example, a user runs an Rservice report in a region without a specific service or element. These instances are reported as warnings within the Process Wizard form as well as written to the BSTLM.log.

- System Statistics that list out their versions of the components in the system are now available from the system menu.

- The Process Wizard was modified. The Process Wizard now allows a user to specify and run both Rservice reports and Cost Calculator Feed. The Cost Calculator feed will create Cost Calculator reports for all Rservices so designated. Format is specified within the Wizard. Rservice definition and columns to be reported are specified within the new wizard.

1   • Added ability to accommodate decimal value pair and DS0 equivalence values

2   in Service Description Table. Pairs per house rule also now accommodates

3   decimal values.

4   • Added ability to create new Scenarios from any other scenario. The user is

5   prompted to provide the source scenario. The user also has the option to copy a

6   scenarios processed IDB files.

7   • Added ability to create multiple wire center Audit files. User is now prompted

8   to select which wire centers and which Audit files top create in one single step.

9   • Moved AllLocalChannelsToFO rule from options screen to Network Rules.

10   The default value is Yes.

11   • All structure tables and associated groups are now visible and available for user

12   input.   Structure inputs were not visible in Version1.2.

13   GIS Process

14   • Added capability to route drop from lot corner in addition to standard rectilinear

15   method. This upgrade requires two new GIS rules. UseRectilinearDrop,

16   Yes/No. Yes maintains rectilinear drop, no forces corner drop routing. Non-

17   rectilinear drop routing uses the lot width value specified in second new rule

18   MaxLotWidth. This requires an integer intended to model the maximum width

19   for a lot.

20   • Removed the distance 5% design extension for both CSA and AA placement.

21   Hard and design limits are not modified from inputs shown. Hard limit and soft

22   limit can now be set equal.

23   Documentation

1 • Updated BSTLM Model Methodology to include more detail on MSRT

2 algorithm, CSA/AA design and network element placement. Included

3 discussion of structure and methods used to generate structure cost

4 • Updated User Guide to correspond to newly filed release. Added a description

5 for removing password from protected files.

6 • Updated Online Help to correspond to latest release.

7 Summary Process

8 • Enhanced Summary process to reduce memory requirements. Processing and

9 reporting time significantly reduced. The need to split Florida into two separate

10 runs was eliminated.

11 Key Statistics Reporting

12 • Implemented Key Statistics reporting capability. User can now report out

13 statistics on route mileage, equipment quantities, and customer counts.

14 Reporting

15 • Added a TELRIC/TSLRIC switch to the cost calculator process.

16 • Exclude Node Service Count field in reports created by a Public user.

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

19

20 A. Yes it does.

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