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September 7, 2000

BY HAND DELIVERY

Blanca Bayó
Director, Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Re: Docket No. 000649-TP

Dear Ms. Bayó:

Enclosed for filing on behalf of MCImetro Access
Transmission Services, LLC and MCI WORLDCOM Communications, Inc.
(collectively "WorldCom") are the original and fifteen copies of
their Rebuttal Testimony of:

- 1) Don Price ~~11/10/00~~
- 2) Michael Messina ~~11/14/00~~
- 3) Sherry Lichtenberg ~~11/15/00~~
- 4) Lee Olson ~~11/16/00~~

By copies of this letter, this testimony has been furnished
to the parties on the attached service list.

Very truly yours,

Richard D. Melson

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**ORIGINAL
BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

DOCKET NO. 000649-TP

**PREFILED REBUTTAL TESTIMONY
OF DON PRICE
ON BEHALF OF WORLDCOM, INC.**

September 7, 2000

REDACTED

DOCUMENT NUMBER-DATE

1110 SEP-78

FPSC-RECORDS/REPORTING

1 Q. PLEASE STATE YOUR NAME.

2 A. My name is Don Price.

3 Q. DID YOU FILE DIRECT TESTIMONY IN THIS PROCEEDING ON
4 BEHALF OF WORLDCOM?

5 A. Yes. I will continue to use "WorldCom" to refer collectively to MCImetro
6 Access Transmission Services, LLC and MCI WORLDCOM Communications,
7 Inc.

8 Q. HAVE ANY ISSUES BEEN RESOLVED SINCE YOU FILED YOUR
9 DIRECT TESTIMONY?

10 A. Yes, the parties have resolved Issues 43 and 103, which I covered in my direct
11 testimony.

12 Q. WHAT IS THE PURPOSE OF YOUR PRESENT TESTIMONY?

13 A. The purpose of my testimony is to respond to the testimony of BellSouth's
14 witnesses with respect to Issues 1-3, 6, 7A, 9, 18, 22, 23, 28, 29, 39, 40, 42, 45-
15 47, 51,53, 67, 68, 75, 92-97, 99-102 and 107-111.

16 **ISSUE 1**

17 *Should the electronically ordered NRC apply in the event an order is submitted*
18 *manually when electronic interfaces are not available or not functioning within*
19 *specified standards or parameters? (Attachment 1, section 2.9.)*
20

21 Q. WHAT IS BELL SOUTH'S POSITION WITH REGARD TO THIS
22 ISSUE?

23 A. BellSouth's position is that manual ordering charges should apply whenever
24 WorldCom places an order manually, either for its own business reasons or
25 because BellSouth may not have an electronic interface that will allow
26 WorldCom to place orders electronically.

1 Q. WHAT IS YOUR RESPONSE?

2 A. BellSouth should not be allowed to charge a manual ordering charge when it
3 provides an electronic interface for itself and a manual interface to ALECs. For
4 example, just this week BellSouth is purporting to require WorldCom to submit
5 orders for DS1 loop-transport combinations ("DS1 combos") using a manual
6 LSR process rather than the electronic ASR process WorldCom had been using.
7 BellSouth has an electronic interface that its sales representatives use when
8 ordering MegaLink service, which also has loop and transport elements.
9 Assuming WorldCom is not successful in opposing BellSouth's requirement that
10 a manual LSR process be used for DS1 combos, BellSouth should not be
11 permitted to assess a manual ordering charge for such orders.

12 **ISSUE 2**

13 *What prices should be included in the Interconnection Agreements?*
14 *(Attachment 1, section 1.4.1.)*

15
16 Q. **WHAT IS BELLSOUTH'S PROPOSAL REGARDING THE PRICES TO
17 BE INCLUDED IN THE INTERCONNECTION AGREEMENTS?**

18 A. BellSouth proposes to include interim rates for most recurring and nonrecurring
19 elements that are equal the rates that BellSouth has recently proposed in the
20 Commission's UNE cost docket (Docket No. 990649-TP) based on its updated
21 August 16, 2000 cost study filing. For some elements, primarily related to
22 collocation, BellSouth proposes to take permanent rates either from its Florida
23 Access Services Tariff or from the Commission's April 1998 order in the earlier
24 MCI/BellSouth arbitration. BellSouth says that the interim rates should be
25 subject to true-up and should be replaced by the permanent rates that will be

1 established by the Commission in the UNE cost docket. BellSouth is not clear
2 about the effective date at which the substitution and true-up will take place.
3 Will it be when a final order is issued in the UNE cost docket, when
4 reconsideration is complete, when any appeals are concluded, or some period of
5 time after one of these events?

6 **Q. PLEASE COMMENT ON THIS PROPOSAL.**

7 A. WorldCom does not object to having the rates established in this arbitration be
8 interim rates, subject to true-up based on the outcome of the UNE cost docket,
9 so long as it is clear when the permanent rates will be substituted and the true-up
10 will take place.

11 **ISSUE 3**

12 *Should the resale discount apply to all telecommunications services BellSouth*
13 *offers to end users, regardless of the tariff in which the service is contained?*
14 *(Attachment 2, Section 1.1.1.)*

15

16 **Q. MS. COX CONTENDS THAT THE FCC'S FIRST REPORT AND**
17 **ORDER JUSTIFIES BELL SOUTH'S POSITION THAT ONLY**
18 **SERVICES OFFERED IN ITS GSST AND PRIVATE LINE TARIFFS**
19 **SHOULD BE AVAILABLE FOR DISCOUNT. HOW DO YOU**
20 **RESPOND?**

21 A. In the first place, the rule adopted by the Federal Communications Commission
22 ("FCC") is clear. BellSouth is required to "offer to any requesting
23 telecommunications carrier any telecommunications service that [BellSouth]
24 offers on a retail basis to subscribers that are not telecommunications carriers for
25 resale at wholesale rates." 47 C.F.R. § 51.605(a). The key question under the

1 rule thus is whether BellSouth offers the telecommunications service in question
2 on a retail basis to subscribers that are not telecommunications carriers. The
3 rule makes no distinction based on the tariff in which the service is contained.

4 BellSouth's argument is based on the FCC's statement in *In re*
5 *Implementation of the Local Competition Provisions in the Telecommunications*
6 *Act of 1996*, CC Docket No. 96-98, First Report and Order ¶ 873 (released Aug.
7 8, 1996) ("*First Report and Order*" or "*Local Competition Order*") that
8 exchange access services are not subject to the resale requirements of the
9 Telecommunications Act of 1996 ("Act"). Based on this statement, BellSouth
10 seeks to exclude all provisions of its Federal and State Access tariffs from the
11 Act's resale provisions. This approach is flawed because BellSouth includes in
12 its Federal and State Access Tariff services that plainly are not access services.

13 For example, BellSouth's SmartRing service is included in BellSouth's
14 Federal and State Access Tariffs *and* in its Private Line Tariff. SmartRing is the
15 same service regardless of the tariff in which it appears; it cannot be an access
16 service when it appears in an access tariff and a non-access service when it
17 appears in the private line tariff. The exception discussed in *the Local*
18 *Competition Order* for exchange access services therefore does not apply in the
19 case of SmartRing and other non-access services.

20 **Q. AS A PRACTICAL MATTER, WHY IS IT IMPORTANT THAT**
21 **BELLSOUTH OFFER THE RESALE DISCOUNT ON A SERVICE SUCH**
22 **AS SMARTRING?**

1 A. As just noted, BellSouth offers its SmartRing service to its end users under its
2 Private Line Tariff, its Federal Access Tariff and its State Access Tariff. The
3 service offered under each of the three tariffs is virtually identical, but the
4 pricing in each case is different. The pricing of SmartRing in the Federal
5 Access Tariff generally is lower than the pricing in the other two tariffs. As a
6 result, the price BellSouth can offer its end users for SmartRing under the
7 Federal Access Tariff is lower than the price ALECs like WorldCom can offer
8 their end users using the wholesale discount off the Private Line tariff rate. And
9 because BellSouth charges its retail customers the same price for SmartRing
10 under the Federal Access Tariff that it charges WorldCom, at best WorldCom
11 only can break even when offering the service to its customers.

12 As a practical matter, WorldCom would lose money if it sought to resell
13 SmartRing and match BellSouth's price, because WorldCom would incur
14 expenses over and above what it would pay BellSouth to resell the service.
15 Unless BellSouth is required to offer the resale discount off the Federal and
16 State Access Tariffs for services such as SmartRing, BellSouth effectively can
17 foreclose competition for such services.

18 **Q. MS. COX CONTENDS THAT THE BELL ATLANTIC 271 DECISION**
19 **SUPPORTS HER POSITION. IS SHE CORRECT?**

20 A. No. The FCC concluded that Bell Atlantic did not have to make the ADSL
21 service in question available for the resale discount because it was a wholesale
22 service. Presumably, therefore, Bell Atlantic did not make that service available
23 to its end user customers. In contrast, the ADSL service that Bell Atlantic made

1 available to its retail customers was offered to ALECs at the resale discount. *In*
2 *re: Application by Bell Atlantic New York for Authorization Under Section 271*
3 *of the Communication Act to Provide In-Region, InterLATA Service in New*
4 *York, CC Docket No. 99-295, Memorandum Opinion and Order ¶ 392 (released*
5 *Dec. 22, 1999).* The same principle should apply here. When BellSouth makes
6 a service offering available to its end user customers, the offering should be
7 classified as a retail service and offered to ALECs at the resale discount.

8 **Q. PLEASE COMMENT ON BELLSOUTH'S POSITION REGARDING**
9 **WHOLESALE DISCOUNTS FOR RESELL OF SERVICES.**

10 A. BellSouth would have the Commission promote form over substance.
11 BellSouth's position is that only private line and GSST tariffed services should
12 be available for the wholesale discount. This position is untenable. It cannot be
13 supported as a matter of policy. There is simply no good reason that BellSouth
14 should avoid the dictates of the Act simply by offering a service outside of its
15 GSST or private line category of services. If it is a service available at retail, it
16 must be made available at the wholesale discount.

17 **ISSUE 6**

18 *Should BellSouth be directed to perform, upon request, the functions necessary*
19 *to combine network elements that are ordinarily combined in its network?*
20 *(Attachment 3, section 2.11.)*

21

22 **Q. PLEASE STATE YOUR UNDERSTANDING OF BELLSOUTH'S**
23 **POSITION REGARDING COMBINATIONS OF UNES.**

24 A. Ms. Cox states in her direct testimony that BellSouth has no obligation to
25 combine elements for an ALEC unless the elements have already been

1 combined to serve a particular BellSouth customer. Ms. Cox says that
2 BellSouth is willing to negotiate a "voluntary commercial agreement" with
3 WorldCom to combine certain UNEs, implying that this is not a proper subject
4 for arbitration.

5 **Q. WHAT IS YOUR RESPONSE TO BELLSOUTH'S POSITION?**

6 A. I disagree with Ms. Cox' interpretation of the Eighth Circuit's decision and the
7 meaning of Rule 51.315(b). The Eighth Circuit decision left in place Rule
8 51.315(b), which requires BellSouth to provide combinations of elements where
9 it "currently combines" such elements in its own provision of services. As I
10 discussed at length in my Direct Testimony, the only reasonable interpretation of
11 the "currently combines" requirement is that BellSouth is obligated to provide
12 the types of combinations that ordinarily exist in its network (e.g. loop and local
13 switching combinations, or loop and transport combinations) regardless of
14 whether those elements are combined today to serve the particular customer that
15 WorldCom wishes to serve.

16 **ISSUE 7A**

17 *Should BellSouth charge MCIW only for UNEs that it orders and uses, and*
18 *should UNEs ordered and used by MCIW be considered part of its network for*
19 *reciprocal compensation and switched access charges?*
20

21 **Q. PLEASE COMMENT ON BELLSOUTH'S POSITION ON THIS ISSUE.**

22 A. After reading Ms. Cox' testimony, it is not clear that why BellSouth opposes
23 WorldCom's position or why WorldCom's language should not be adopted. I
24 also do not understand why Ms. Cox expresses surprise about this issue, since

1 WorldCom presented language to BellSouth on April 11 and has never received
2 a response.

3 **ISSUE 9**

4 *Should WorldCom be required to use a special construction process, with*
5 *additional costs, to order facilities of the type normally used at a location, but*
6 *not available at the time of the order? (Attachment 3, Section 4.1.1.)*

7
8 **Q. MS. COX ALLEGES THAT WORLDCOM "SEEKS TO USE**
9 **BELLSOUTH AS ITS PRIVATE CONSTRUCTION COMPANY." IS**
10 **THIS TRUE?**

11 A. No. In fact, BellSouth's proposal -- that BellSouth use the special construction
12 process in instances in which WorldCom orders facilities that are typically
13 available at a location but exhausted -- would result in BellSouth acting as
14 WorldCom's unwanted private construction company. It is not WorldCom's
15 intent, with respect to this issue, to have BellSouth build facilities for it.
16 Furthermore, WorldCom's negotiators have offered clarifying language on this
17 issue to BellSouth, and have yet to receive BellSouth's response.

18 **Q. CAN YOU POSE AN EXAMPLE THAT ILLUSTRATES THE ISSUE**
19 **MORE CLEARLY?**

20 A. Yes. Assume a BellSouth small business customer wants to add a second line to
21 his business. The second line will be identical to the first in capabilities but the
22 service will be provided by WorldCom. WorldCom would place the order and
23 BellSouth might decline to fulfill it, due to no availability of additional lines.
24 Under the terms proposed by BellSouth, WorldCom would then have to use the
25 special construction process to have BellSouth deploy a brand new line to the

1 customer's premise and the new line would be the property of WorldCom. Such
2 an undertaking would be entirely inappropriate from a network engineering
3 standpoint and extremely wasteful.

4 Moreover, the interval for that customer awaiting service on a second
5 line would be unacceptable and the cost would be prohibitively expensive to
6 WorldCom. Additionally, WorldCom does not wish to have facilities built for it
7 in such an instance and believes strongly that providing the second line is a
8 simple provisioning issue for which BellSouth should be responsible. No
9 special construction is necessary or warranted; BellSouth is tasked merely with
10 provisioning of facilities of the type that are already available at a particular
11 location.

12 **Q. MS. COX CITES TWO PROVISIONS FROM TWO DIFFERENT FCC**
13 **ORDERS. DO THESE PARAGRAPHS SUGGEST THAT BELLSOUTH**
14 **NEED NOT PROVISION FACILITIES TO ALECS THAT ARE OF A**
15 **TYPE NORMALLY AVAILABLE AT A LOCATION BUT**
16 **UNAVAILABLE AT A PARTICULAR MOMENT IN TIME DUE TO**
17 **EXHAUST?**

18 A. No. In Paragraph 324 of the *Third Report and Order and Fourth Further Notice*
19 *of Proposed Rulemaking* ("UNE Remand Order" or "319 Order"), FCC 99-238,
20 In the Matter of Implementation of the Local Competition Provisions of the
21 Telecommunications Act, CC Docket No. 96-98, released November 5, 1999,
22 the FCC declined to require ILECs to "construct new transport facilities to meet
23 specific competitive LEC point-to-point demand requirements for facilities that

1 the incumbent LEC has not deployed for its own use." This issue is wholly
2 unrelated to Issue 9 in WorldCom's arbitration petition. WorldCom is not
3 asking BellSouth to construct special dedicated facilities for it in places
4 BellSouth has no such facilities. Paragraph 451 of the *First Report and Order* is
5 not relevant to this issue either and does not support BellSouth's position.

6 **Q. PLEASE EXPLAIN THE EFFECT OF BELLSOUTH'S POSITION IF IT**
7 **WERE ADOPTED BY THE COMMISSION.**

8 A. BellSouth would be able to game the system by reducing the facilities available
9 to ALECs. In other words, BellSouth could manage its system in a manner
10 which eliminates ALEC opportunity and ultimately reduces consumer benefits.

11 In effect, BellSouth argues that it may charge WorldCom any rate it
12 desires to charge for construction of facilities even where such facilities are of
13 the type that are ordinarily found in BellSouth's central office and within the
14 typical BellSouth network configuration. Ms. Cox takes the position that the
15 Act applies only to BellSouth's existing network and that it cannot be applied to
16 ensure reasonable cost based rates where BellSouth establishes facilities for
17 ALEC use.

18 **Q. DOES WORLDCOM SEEK RATES FOR CONSTRUCTION OF**
19 **FACILITIES THAT IN ANY WAY ARE CONFISCATORY?**

20 A. No. As is the case with all other rates supported by WorldCom, rates charged
21 by BellSouth would allow recovery of costs including a fair return on
22 BellSouth's prudently incurred investments. There is no element of
23 confiscation to WorldCom's proposal. Rather, rates will be cost-based and fair.

1 **ISSUE 18**

2 *Is BellSouth required to provide all technically feasible unbundled dedicated*
3 *transport between locations and equipment designated by WorldCom so long as*
4 *the facilities are used to provide telecommunications services, including*
5 *interoffice transmission facilities to network nodes connected to WorldCom*
6 *switches and to the switches or wire centers of other requesting carriers?*
7 *(Attachment 3, Section 10.1.)*

8

9 **Q. MS. COX STATES THAT BELLSOUTH'S DUTY TO UNBUNDLE**
10 **DEDICATED TRANSPORT IS LIMITED TO BELLSOUTH'S**
11 **EXISTING NETWORK. DO YOU AGREE?**

12 A. Yes. The language proposed by WorldCom is consistent with that limitation
13 because it does not purport to require BellSouth to build new transport facilities
14 for WorldCom. It requires BellSouth to unbundle transport facilities that exist
15 in BellSouth's network.

16 **Q. MS. COX ASSERTS THAT BELLSOUTH SHOULD NOT BE**
17 **REQUIRED TO PROVIDE TRANSPORT TO OTHER CARRIERS'**
18 **LOCATIONS, CLAIMING THAT THE FCC'S RULES SPECIFICALLY**
19 **EXCLUDE THIS ACTIVITY. DO YOU AGREE?**

20 A. No. The FCC's rules are not as restrictive as BellSouth wishes them to be. For
21 example, paragraph 440 of the *First Report and Order*, which Ms. Cox quotes,
22 mentions a number of locations to which BellSouth must provide unbundled
23 transport. One of those locations, for example, is an IXC's point of presence.
24 The FCC has, in this instance, indicated that an ALEC can order unbundled
25 transport to another carrier, an IXC.

1 **Q. IS THERE ANOTHER REASON WHY BELLSOUTH IS REQUIRED TO**
2 **PROVIDE UNBUNDLED TRANSPORT TO THE LOCATIONS OF**
3 **OTHER CARRIERS?**

4 A. Yes, the FCC's regulations require BellSouth to provide transmission facilities
5 to the locations of "requesting telecommunications carriers." BellSouth is
6 interpreting this obligation as being limited to an obligation to provide
7 transmission facilities only to WorldCom's locations. However, WorldCom is
8 just one requesting telecommunications carrier and the obligation is not so
9 limited. The FCC's rules require BellSouth to provide transmission facilities to
10 the locations of any requesting telecommunications carrier. The reason is that
11 BellSouth's transport network is ubiquitous and BellSouth will have transport
12 facilities in place to all requesting telecommunications carriers. All carriers will
13 interconnect with BellSouth, the dominant LEC. BellSouth's obligation is to
14 provide, upon request, unbundled transmission facilities to the locations of all
15 requesting telecommunications carriers, not just, as it asserts, to a single
16 requesting telecommunications carrier -- WorldCom.

17 **Q. MS. COX ALSO OBJECTS TO PROVIDING UNBUNDLED**
18 **TRANSMISSION FACILITIES TO WORLDCOM NODES THAT ARE**
19 **CONNECTED TO WORLDCOM SWITCHES. PLEASE COMMENT ON**
20 **THIS ISSUE.**

21 A. BellSouth transmission facilities currently run to nodes on WorldCom's
22 network. These facilities are part of BellSouth's existing ubiquitous network.

1 There is no legitimate reason for BellSouth's refusal to provide transport to
2 locations that are currently part of its existing transport network.

3 **Q. WHAT SHOULD THE COMMISSION DO TO RESOLVE THE**
4 **PARTIES' CONFLICT?**

5 A. The Commission should direct that the Agreement include the language
6 proposed by WorldCom regarding unbundled dedicated transport.

7 **ISSUE 22**

8 *Should the Interconnection Agreements contain WorldCom's proposed terms*
9 *addressing line sharing, including line sharing in the UNE-P and unbundled*
10 *loop configurations? (Attachment 3, Sections 14.1-14.1.8.)*

11

12 **Q. WHAT IS THE STATUS OF THIS ISSUE?**

13 A. As I stated in my Direct Testimony, WorldCom recently has submitted
14 proposed line sharing language to BellSouth based on BellSouth's agreement
15 with COVAD and certain other terms and conditions. A copy of this proposal is
16 attached as Exhibit ___ (DP-1). BellSouth's direct testimony does not
17 specifically respond to this new proposal, and we therefore do not know what
18 concerns, if any, BellSouth may have.

19 **Q. DO YOU AGREE WITH MS. COX' POSITION THAT BELL SOUTH HAS NO**
20 **OBLIGATION TO PROVIDE LINE SHARING OVER THE UNE-P?**

21 A. No, I do not. Under BellSouth's position, BellSouth will provide line sharing if
22 BellSouth is providing the voice service and an ALEC is providing xDSL on the
23 same line. In this scenario, however, if WorldCom were to win the voice
24 customer from BellSouth, WorldCom would have no knowledge that another
25 ALEC was providing xDSL to WorldCom's new voice customer. BellSouth

1 would, under its position, cease providing line sharing and the DSL service
2 would be disconnected, without warning to the data ALEC, the customer, or to
3 WorldCom. WorldCom would be blamed by the data ALEC and the customer
4 for the loss of DSL service.

5 **Q. WHAT IS WRONG WITH BELLSOUTH'S POSITION?**

6 A. BellSouth's position is fundamentally anti-competitive. BellSouth proposes to
7 disconnect a customer's DSL service if BellSouth loses the voice business for
8 that customer.

9 **Q. WHAT WILL HAPPEN TO DSL SERVICE IF BELLSOUTH'S**
10 **POSITION PREVAILS?**

11 A. Data ALECs will be wary of using line sharing as a means to provide DSL
12 services, because the service can be disconnected without notice if the DSL
13 customer changes voice providers. This will result in customers' not being able
14 to take advantage of the cost savings available by using line sharing.

15 **ISSUE 23**

16 *Does WorldCom's right to dedicated transport as an unbundled network element*
17 *include SONET rings that exist on BellSouth's network? (Attachment 3, Sections*
18 *10.2.3, 10.5.2, 10.5.6.3, 10.5.9, 10.6, 10.7.2.16.)*

19
20 **Q. WHAT IS YOUR UNDERSTANDING OF BELLSOUTH'S POSITION**
21 **ON THIS ISSUE?**

22 A. Ms. Cox states that if BellSouth has a SONET ring in place, it will provide
23 dedicated transport to WorldCom over that ring. Ms. Cox states that BellSouth
24 is not obligated to provide unbundled access to the SONET rings themselves.

25 **Q. WHAT IS THE PURPORTED BASIS FOR BELLSOUTH'S POSITION?**

1 A. BellSouth bases its position primarily on Paragraph 337 of the UNE Remand
2 Order, which states as follows:

3 Notwithstanding the fact that we require incumbents to unbundle
4 high-capacity transmission facilities, we reject Sprint's proposal
5 to require incumbent LECs to provide unbundled access to
6 SONET rings. In the Local Competition First Report and Order,
7 the Commission limited an incumbent LEC's transport
8 unbundling obligation to existing facilities, and did not require
9 incumbent LECs to construct facilities to meet a requesting
10 carrier's requirements where the incumbent LEC has not
11 deployed transport facilities for its own use. Although we
12 conclude that an incumbent LEC's unbundling obligation extends
13 throughout its ubiquitous transport network, including ring
14 transport architectures, we do not require incumbent LECs to
15 construct new transport facilities to meet specific competitive
16 LEC point-to-point demand requirements for facilities that the
17 incumbent LEC has not deployed for its own use.

18 **Q. DOES THE UNE REMAND ORDER SUPPORT BELLSOUTH'S**
19 **POSITION?**

20 A. Only in part. WorldCom agrees that BellSouth is not required to build SONET
21 rings for WorldCom, and WorldCom is not requesting that BellSouth be
22 required to do so. The parties' positions in this regard are in accord with the
23 UNE Remand Order. Where the parties diverge is on the question of whether

1 BellSouth must provide unbundled access to existing SONET rings and thus
2 provide SONET functionality (as WorldCom contends), or whether BellSouth
3 only must provide dedicated transport over SONET rings without providing
4 SONET functionality (as BellSouth contends). Contrary to Ms. Cox' contention,
5 nothing in paragraph 337 of the UNE Remand Order states that ILECs are not
6 required to provide access to existing SONET rings. Rather, the FCC rejected a
7 particular proposal by Sprint, which apparently would have required ILECs to
8 build SONET rings for ALECs. That is not what WorldCom is requesting here.

9 **Q. WHY, AS A PRACTICAL MATTER, IS IT IMPORTANT FOR**
10 **WORLDCOM TO OBTAIN SONET FUNCTIONALITY?**

11 A. SONET functionality provides a number of features not afforded by point-to-
12 point dedicated transport. For example, SONET rings provide redundancy and
13 the capability to accomplish nearly instantaneous recovery so that if a fiber is
14 cut, service is not interrupted. Likewise, SONET ring architecture enables a
15 carrier to add service at any node on the ring, regardless of whether service is
16 provided at other nodes on the ring. SONET architecture also enables carriers to
17 provision service remotely, so that, for instance, additional capacity can be
18 provisioned to a customer from a central location. BellSouth should not be
19 permitted to discriminate by affording itself such functionalities while
20 preventing WorldCom from using them, even though the companies are using
21 the same facilities.

22

ISSUE 28

23

*Should BellSouth provide the calling name database via electronic download,
24 magnetic tape, or via similar convenient media? (Attachment 3, Section 13.7.)*

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Q. MS. COX CONTENDS THAT BELLSOUTH MEETS ITS UNBUNDLING OBLIGATIONS BY ENABLING WORLDCOM TO OBTAIN ACCESS TO THE CNAM DATABASE VIA BELLSOUTH'S SS7 NETWORK. HOW DO YOU RESPOND?

A. Customers served via WorldCom's switches have telephone numbers that either were assigned to WorldCom or ported from BellSouth. For WorldCom to provide CNAM information on a call, it must first dip into its database in search of the information. If the calling party is not a WorldCom customer, WorldCom must do a table look-up, based on the calling party's NPA-NXX, and determine the database that must be searched and then query that database. That is both time consuming, in that the call in progress must be held while this activity is going on, and costly because WorldCom is required to establish facilities that duplicate BellSouth's facilities in addition to the facilities and circuitry necessary for its own database access. BellSouth, on the other hand, knows that an NPA-NXX outside of the NPA-NXX's assigned to it must route to a foreign database and can take the appropriate action without needlessly querying its own database. If WorldCom obtains downloads of BellSouth's CNAM database, it can stand on equal footing with BellSouth.

Q. MS. COX CONTENDS THAT PARAGRAPH 248 OF THE LOUISIANA II ORDER SUPPORTS BELLSOUTH'S POSITION. IS SHE CORRECT?

A. No. When viewed in context, it is clear that the FCC was saying that BellSouth must provide a download of its directory database or provide it on a "per dip" basis, depending which method of access is chosen by the ALEC. The reason

1 this is clear is that the FCC cited its Rule 51.217(c)(3)(ii), which states as
2 follows:

3 A LEC shall provide directory listings to competing providers in
4 readily accessible magnetic tape or electronic formats in a timely
5 fashion upon request. A LEC also must permit competing
6 providers to have access to and read the information in the LEC's
7 directory assistance databases.

8 The same principle applies here. To provide reasonable and nondiscriminatory
9 access to the CNAM database, BellSouth should give ALECs the option of
10 using a download or accessing BellSouth's database.

11 **ISSUE 29**

12 *Should calls from WorldCom customers to BellSouth customers served via*
13 *Uniserve, Zipconnect, or any other similar service, be terminated by BellSouth*
14 *from the point of interconnection in the same manner as other local traffic,*
15 *without a requirement for special trunking? (Attachment 4, Section 1.1.1.)*
16

17 **Q. MR. MILNER INDICATES THAT OTHER CARRIERS DELIVER**
18 **CALLS DESTINED TO BELLSOUTH'S UNISERV CUSTOMERS TO**
19 **THE BELLSOUTH TOPS PLATFORM. PLEASE ADDRESS THIS**
20 **POINT.**

21 **A.** I can't comment on the decisions other carriers may make or on what
22 compromises on other issues may lead to a decision on an issue such as this. I
23 do know, however, that WorldCom has an interest in avoiding unnecessary
24 trunking expense such as would be required by BellSouth's position on this
25 issue. I also know that not all carriers have the right that WorldCom does to
26 designate the point of interconnection. An example of a carrier that does not

1 have such a right is an independent incumbent local exchange carrier. Finally,
2 even if another carrier has the right to designate a point of interconnection, and
3 such carrier waives the right, BellSouth cannot use this fact to require
4 WorldCom to waive its rights. In effect, BellSouth is attempting to “pick and
5 choose” from its own interconnection agreements. As much as this may be
6 desirable for BellSouth to do, it does not have the right to do so.

7 **Q. IS THIS ISSUE SIMILAR TO ANY OTHER ISSUE IN THIS**
8 **ARBITRATION?**

9 **A. This issue is similar in one respect to the issue of how to route calls to**
10 WorldCom’s directory assistance and operator services platforms, Issue 19, and
11 to the issue concerning the point of interconnection, Issue 36. The similarity is
12 that in all three instances BellSouth’s position imposes unnecessary trunking
13 costs on WorldCom. BellSouth’s position with respect to this issue will require
14 WorldCom to add special trunks to BellSouth’s TOPs platform so as to complete
15 local calls. BellSouth’s position with respect to Issue 19 apparently would
16 require WorldCom to construct an expensive and unnecessary overlay network
17 to route calls to WorldCom’s DA/OS platform. BellSouth’s position on Issue 36
18 requires WorldCom to construct interconnection trunking to multiple points in a
19 LATA, even though it is technically feasible to interconnect at a single point and
20 have all calls handled by the interconnecting carriers on their side of that
21 interconnection from or to that point. In all three instances WorldCom’s
22 position allows these calls to be completed in a more efficient manner and
23 BellSouth’s position requires unnecessary trunking by WorldCom.

1 **Q. WHAT SHOULD THE COMMISSION DO?**

2 A. The Commission should direct BellSouth to accept calls directed to its Uniserv
3 customers at the interconnection point and transport and terminate these calls
4 from that point.

5 **ISSUE 39**

6 *How should Wireless Type 1 and Type 2A traffic be treated under the*
7 *Interconnection Agreements? (Attachment 4, Section 9.7.2.)*

8
9 **Q. HOW SHOULD WIRELESS TYPE 1 AND WIRELESS TYPE 2A**
10 **TRAFFIC BE TREATED UNDER THE INTERCONNECTION**
11 **AGREEMENT?**

12 A. This traffic should be treated like transit traffic, not like traffic originated or
13 terminated by BellSouth. This issue involves Wireless Type 1 and Type 2A
14 traffic, which is transit traffic originated by one carrier, delivered to BellSouth's
15 tandem, tandem switched by BellSouth to the network of a third carrier, and
16 then terminated by the third carrier. BellSouth receives a transiting fee for this
17 service, as it should. However, pursuant to its current practice BellSouth also
18 charges the ALEC originating carrier for reciprocal compensation, which
19 BellSouth retains. WorldCom disagrees with this practice.

20 **Q. WHY DOES WORLDCOM DISAGREE WITH THIS PRACTICE?**

21 A. The carrier that ultimately terminates the call, the third carrier in this three
22 carrier transaction, should receive the reciprocal compensation payment.
23 BellSouth should be directed to turn over to the terminating carrier the
24 reciprocal compensation payment that BellSouth currently collects from the
25 originating carrier. Of course, BellSouth would retain the transiting fee (tandem

1 switching) which it charges the originating carrier. The call termination revenue
2 which BellSouth bills the originating carrier should be remitted to the carrier
3 who actually performs the call termination function.

4 BellSouth's practice of retaining reciprocal compensation payments on
5 this traffic could subject WorldCom to liability to the CMRS provider. For
6 example, where WorldCom originates traffic to a CMRS provider and BellSouth
7 transits the call, BellSouth will charge reciprocal compensation to WorldCom
8 and retain it. The CMRS provider, which should be entitled to the payment,
9 may seek such payment from WorldCom which had originated the call and had
10 turned over the payment to BellSouth. Clearly, WorldCom should not have to
11 pay reciprocal compensation twice. Therefore, if the Commission does not
12 direct BellSouth to remit the reciprocal compensation to the terminating carrier,
13 it should at a minimum direct BellSouth to indemnify WorldCom against any
14 lawsuit filed by CMRS providers that results from BellSouth's practice of
15 retaining the reciprocal compensation payment.

16 Finally, Ms. Cox indicates in her testimony that for Type 2A traffic,
17 BellSouth intends to end the practice of billing for such traffic as landline traffic
18 when the involved parties have the necessary meet point billing system
19 capabilities. WorldCom requests that BellSouth be directed to continue to
20 provide the billing function as it does now, but as noted above, that the
21 payments in all cases be remitted to the carrier performing the terminating
22 function.

1 **ISSUE 40**

2 *What is the appropriate definition of internet protocol (IP) and how should*
3 *outbound voice calls over IP telephony be treated for purposes of reciprocal*
4 *compensation? (Attachment 4, Sections 9.3.3 and 9.10.)*
5

6 **Q. ARE THERE AREAS OF AGREEMENT WITH RESPECT TO THIS**
7 **ISSUE?**

8 A. Both WorldCom and BellSouth agree that reciprocal compensation should apply
9 to local telecommunications provided via IP telephony. (See Cox at p. 56.)

10 WorldCom also notes that 7- or 10-digit dialed local calls to ISPs should be
11 treated as local calls. WorldCom and BellSouth also both agree that reciprocal
12 compensation is not due for long distance calls originated by a handset using
13 telephone numbers (not IP addresses). Ms. Cox' description of WorldCom's
14 position at page 57 of her direct testimony is mistaken -- WorldCom does not
15 believe that reciprocal compensation is due for long distance calls originated by
16 a handset using telephone numbers.

17 BellSouth and WorldCom disagree, however, on whether the
18 Commission should require payment of access charges on long distance calls
19 utilizing Phone-to-Phone IP telephony.

20 **Q. WHAT IS WORLDCOM'S POSITION ON WHETHER THE**
21 **COMMISSION SHOULD REQUIRE PAYMENT OF ACCESS**
22 **CHARGES ON LONG DISTANCE CALLS UTILIZING PHONE-TO-**
23 **PHONE IP TELEPHONY?**

24 A. That issue is beyond the scope of this proceeding. The issue of access charges
25 for interstate long distance calls is clearly within the jurisdiction of the FCC and

1 not with this Commission. While BellSouth tries to argue that these calls should
2 be classified as switched exchange access traffic and be subject to access
3 charges, that is a question that the FCC, not this Commission, must answer. In
4 fact, BellSouth has presented to the FCC the very arguments it makes here to
5 and the FCC has not adopted BellSouth's arguments. Instead, in its 1998 *Report*
6 *to Congress*, Docket No. 96-45, FCC 98-67 (April 10, 1998), the FCC examined
7 the issue of IP telephony, including the arguments of BellSouth, and concluded
8 that it would be inappropriate to make any definitive pronouncements in the
9 absence of a more complete record focused on individual service offerings. (*Id.*
10 at ¶ 89.) The FCC further specifically declined to impose access charges on IP
11 telephony, noting that "we will likely face difficult and contested issues relating
12 to the assessment of access charges on these providers. . . . We intend to
13 examine these issues more closely based on the more complete records
14 developed in future proceedings." (*Id.* at ¶ 91.) Because federal law currently
15 does not allow access charges to be imposed on IP telephony, it would be
16 contrary to federal law and the Commission's jurisdiction for the Commission to
17 impose access charges on interstate long distance calls utilizing Phone-to Phone
18 IP telephony.

19 Moreover, because the FCC will be addressing the issue of access
20 charges in this area, it would be appropriate for the Commission to await the
21 FCC's decision before addressing the issue of access charges for intrastate long
22 distance calls utilizing Phone-to-Phone IP telephony. This is particularly true
23 because the FCC has recognized that it may be difficult to determine whether

1 particular IP telephony calls are interstate or intrastate, and hence the FCC
2 intends to address that issue in the context of determining whether access
3 charges should apply. (*Id.*)

4 As noted in my Direct Testimony, the FCC has announced plans to
5 institute a proceeding to examine issues associated with IP telephony during the
6 next six months. (TR Daily, June 30, 2000.) For all of the reasons noted above,
7 the Commission should await the FCC's decision rather than addressing this
8 issue in this arbitration proceeding.

9 **ISSUE 42**

10 *Should WorldCom be permitted to route access traffic directly to BellSouth end*
11 *offices or must it route such traffic to BellSouth's access tandem? (Attachment*
12 *4, Section 2.3.8.)*

13
14 **Q. WHAT IS BELLSOUTH'S POSITION CONCERNING WHETHER**
15 **WORLD COM SHOULD BE PERMITTED ROUTE ACCESS TRAFFIC**
16 **DIRECTLY TO BELLSOUTH END OFFICES?**

17 A. BellSouth has proposed language that prohibits WorldCom from delivering
18 switched access traffic to BellSouth except over WorldCom ordered switched
19 access trunks. (Cox Direct, p. 61) This language prohibits WorldCom from
20 routing such traffic directly to BellSouth end offices and thereby precludes
21 WorldCom from offering tandem services for switched access traffic.

22 **Q. WHAT IS THE BASIS OF BELLSOUTH'S POSITION?**

23 A. Ms. Cox contends that WorldCom must be required to use BellSouth's existing
24 switched access network configuration and BellSouth's established access
25 processes and systems. (Cox Direct, p. 61-62)

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

2 A. BellSouth should not be permitted to monopolize the tandem services business,
3 and WorldCom should be permitted to offer such services. BellSouth's
4 proposed language ties the provision of access services to BellSouth's existing
5 network and processes. It stifles innovation and the development of new
6 approaches to the delivery of access services by ALECs. BellSouth's proposed
7 language will prevent the further growth of competition in this market. When
8 both state and federal regulators consistently are seeking ways to reduce access
9 charges, it does not make sense to stifle competition in the exchange access
10 market and grant BellSouth a monopoly.

11 **Q. PLEASE EXPLAIN WORLDCOM'S POSITION.**

12 A. The prohibition BellSouth proposes effectively would require WorldCom to
13 route all toll traffic to BellSouth's access tandems using access facilities, and
14 would preclude WorldCom from routing toll traffic from its own tandem
15 switches to BellSouth end offices via UNE facilities. BellSouth's language
16 would ensure that it always would be able to charge for tandem and transport
17 when terminating toll traffic, and would eliminate competition for tandem and
18 transport services. BellSouth's proposed language is anticompetitive and should
19 be rejected.

20 **Q. IS WORLDCOM SEEKING TO AVOID THE PAYMENT OF ACCESS**
21 **CHARGES ON LONG DISTANCE CALLS AS MS. COX CLAIMS?**

22 A. No. WorldCom objects to the language proposed by BellSouth because
23 WorldCom does not want language in the Agreement that would preclude

1 WorldCom from offering tandem services to other carriers, as I already have
2 described. BellSouth incorrectly suggests that WorldCom's opposition to the
3 language proposed by BellSouth is an attempt to disguise switched access traffic
4 as local traffic over local interconnection trunks. Perhaps BellSouth
5 misunderstands WorldCom's intent. In fact, BellSouth's proposal will
6 perpetuate its monopoly over the provision of access services to IXCs in
7 violation of the Act. WorldCom is entitled to provide the tandem and transport
8 services associated with toll calling and if WorldCom does so, BellSouth will be
9 entitled to bill the access charges associated with the access services it provides
10 at the end office.

11 **Q. IS MS. COX CORRECT IN HER ASSERTION THAT BELL SOUTH**
12 **WILL BE UNABLE TO BILL FOR SWITCHED ACCESS IF**
13 **WORLDCOM DELIVERS TOLL CALLS TO A BELL SOUTH END**
14 **OFFICE VIA UNE FACILITIES?**

15 **A.** No she isn't. WorldCom has agreed to provide a monthly PIU/PLU report to
16 BellSouth on any such trunk group. WorldCom will provide an EMI record
17 with ANI, time and duration of call. As part of the Meet Point Billing terms of
18 the contract, WorldCom would provide this information which will enable
19 BellSouth to bill for the switched access services it provides.

20 **ISSUE 45**

21 *How should third party local transit traffic be routed and billed by the parties?*
22 *(Attachment 4, Sections 9.7.1, 9.7.2, 10.7.1.1, 10.7.2, and 10.7.3)*

23
24 **Q. IN HER DIRECT TESTIMONY, MS. COX ASSERTS THAT**
25 **WORLDCOM WANTS BELL SOUTH TO PAY RECIPROCAL**

1 **COMPENSATION FOR LOCAL TRAFFIC ORIGINATED FROM**
2 **ANOTHER CARRIER TERMINATING TO WORLDCOM. IS THIS**
3 **CORRECT?**

4 A. No. The implication of Ms. Cox' testimony is that WorldCom expects BellSouth
5 to be financially responsible for paying reciprocal compensation on traffic
6 originated by a third carrier. This is not what WorldCom has proposed. As
7 described in WorldCom's direct testimony, the proposal is that if a call is
8 originated from WorldCom, transited by BellSouth, and terminated to an
9 independent LEC, WorldCom proposes that BellSouth bill WorldCom for a
10 transiting charge, and the call termination charges as well. BellSouth would
11 then settle up with the independent LEC, as they have done for years. The
12 independent LEC would not have to go through the network expense of separate
13 trunk groups and billing expense for billing this small volume of traffic from
14 WorldCom, but would obtain payment from BellSouth, since BellSouth billed
15 WorldCom. All carriers along the route are compensated for their piece of
16 carrying the call. In the reciprocal fashion, if a call is originated from an
17 independent LEC, transited through BellSouth, and terminated to WorldCom,
18 WorldCom proposes that BellSouth bill the independent for a transiting charge
19 (if applicable), and WorldCom bill BellSouth for terminating that call on the
20 WorldCom network. Again, BellSouth would obtain payment from the
21 independent LEC. This practice is consistent with the Ordering and Billing
22 Forum (OBF) Meet Point Billing Guidelines (single bill/single tariff option).
23 This practice also is consistent with what both parties agree is the proper

1 procedure for third party wireless traffic. Contrary to Ms. Cox' implication, this
2 proposal does not require BellSouth to pay reciprocal compensation on third
3 party transit traffic.

4 **Q. WHY SHOULD THE COMMISSION ADOPT WORLDCOM'S**
5 **PROPOSAL?**

6 A. The proposal will increase billing efficiencies for all companies in the Florida
7 telecommunications industry.

8 WorldCom speaks from experience concerning these benefits, because
9 this is how the traffic is routed and billed in over half of the country. Also,
10 WorldCom's proposed billing arrangement is consistent with BellSouth's
11 current billing practice for Type 1 and Type 2 wireless transit traffic. It is
12 equally applicable to all transit traffic.

13 From a billing perspective, WorldCom's position significantly reduces
14 the number of bills that all LECs in the LATA have to send to and audit from
15 one another. It also significantly reduces the amount of record exchange
16 required between the companies. Also, we believe that the reason BellSouth
17 currently requires that separate trunk groups be established for transit traffic is
18 so BellSouth can produce the necessary billing records for such transit traffic.
19 WorldCom's proposal would also eliminate the need for separate and inefficient
20 trunk groups for transit traffic.

21 From a network perspective, again, it is WorldCom's position to route
22 the local/intraLATA and transit traffic on a combined trunk group. There are
23 tremendous network efficiencies by combining these three traffic types, from a

1 facilities, trunking, and switch port perspective, and also translations table
2 maintenance. Conversely, if BellSouth's position is adopted, the effect will be
3 to eliminate these efficiencies, thereby raising WorldCom's cost of competing
4 with BellSouth in the local market.

5 The Commission should rule specifically that all of these types of traffic
6 can be sent over the same trunk and that BellSouth will bill for transit traffic as
7 proposed herein.

8 **ISSUE 46**

9 *Under what conditions, if any, should the parties be permitted to assign an*
10 *NPA/NXX code to end users outside the rate center in which the NPA/NXX is*
11 *located? (Attachment 4, Sections 9.4.6. and 9.10.)*

12
13 **Q. WHAT WOULD BELLSOUTH ACCOMPLISH IF ITS POSITION IS**
14 **ADOPTED BY THE COMMISSION?**

15 A. Ms. Cox asserts that BellSouth has no intention of limiting WorldCom's ability
16 to define a local calling area for WorldCom's end users but does desire to assess
17 access charges on calls from BellSouth end users to WorldCom customers who
18 purchase FX service. The effect of BellSouth's position is to limit the ability of
19 WorldCom to compete with BellSouth's FX service and similar offerings.
20 Where a BellSouth end user calls a subscriber to BellSouth's FX service, that
21 end user would be billed for a local call (or have it included as part of flat rate
22 local calling) as described by Ms. Cox at page 69. BellSouth's proposal would
23 preclude WorldCom from providing a comparable offering. This result is hardly
24 in keeping with the Commission's prior decisions encouraging the development

1 of a competitive environment that will allow consumers to have choices when
2 shopping for FX and similar services.

3 **Q. MS. COX ASSERTS THAT IF WORLDCOM GIVES A TELEPHONE**
4 **NUMBER TO A CUSTOMER WHO IS PHYSICALLY LOCATED IN A**
5 **DIFFERENT LOCAL CALLING AREA THAN THE LOCAL CALLING**
6 **AREA WHERE THAT NPA/NXX IS ASSIGNED, CALLS ORIGINATED**
7 **BY BELLSOUTH END USERS TO THOSE NUMBERS ARE NOT**
8 **LOCAL CALLS. IS SHE CORRECT?**

9 A. No. As indicated in WorldCom's direct testimony, whether a call is local or not
10 depends on the NXX dialed, not the physical location of the customer.
11 Jurisdiction of traffic is properly determined by comparing the rate centers
12 associated with the originating and terminating NPA/NXXs for any given call,
13 not the physical location of the end-users. Comparison of the rate centers
14 associated with the calling and called NPA/NXXs is consistent with how the
15 jurisdiction of traffic and the applicability of toll charges are determined within
16 the industry today. As discussed more fully below, BellSouth's indication that
17 this comparison should be used for "retail" services only further illustrates
18 BellSouth's desire to have their own FX service treated as local and any
19 competitor's offering of FX to be treated as toll.

20 **Q. AT PAGE 66, MS. COX DISCUSSES A CALLING EXAMPLE WHERE A**
21 **BELLSOUTH CUSTOMER IN THE KEY WEST LOCAL CALLING**
22 **AREA CALLED A WORLDCOM NUMBER IN THE 305/336 CODE**
23 **(WITHIN THE KEY WEST LOCAL CALLING AREA) ASSIGNED TO A**

1 **WORLDCOM CUSTOMER PHYSICALLY LOCATED IN MIAMI.**
2 **PLEASE COMMENT ON THAT DISCUSSION.**

3 A. Ms. Cox notes that in this situation BellSouth would treat the call as a local call
4 for purposes of billing its Key West, Florida customer. Indeed, this result is
5 correct because when BellSouth's customer dialed the Key West number he
6 intended to make a local call and he did make a local call. Yet, Ms. Cox objects
7 to the fact that reciprocal compensation is due for this call which WorldCom
8 terminates.

9 **Q. IS BELLSOUTH'S OBJECTION TO PAYING RECIPROCAL**
10 **COMPENSATION ON THIS LOCAL CALL VALID?**

11 A. No, it isn't. This call (what Ms. Cox refers to as a Key West to Miami call) is a
12 call to an FX number, which Ms. Cox acknowledges is rated as a local call, and
13 reciprocal compensation is payable on local calls.

14 **Q. DOES BELLSOUTH PROPOSE A DISCRIMINATORY APPROACH TO**
15 **FX OFFERINGS BY ITS COMPETITORS?**

16 A. Yes. Continuing with Ms. Cox' example, if BellSouth provides one of its Key
17 West customers with FX service to Miami, BellSouth treats calls from within
18 the Key West local calling area to the FX number as local. However, if
19 WorldCom wishes to offer the same FX service, BellSouth wants the same exact
20 call to be treated as a toll call. BellSouth's position is intended to obstruct a
21 competitor's ability to offer a service which competes on an equal footing with
22 BellSouth's FX service.

1 Q. MS. COX ALSO SUGGESTS THAT WORLDCOM COULD EVEN
2 ASSIGN A KEY WEST NXX TO A CUSTOMER LOCATED IN NEW
3 YORK AND THEN CLAIM THAT THE CALL IS LOCAL. PLEASE
4 COMMENT ON THIS SUGGESTION.

5 A. This bit of hyperbole does little to assist the Commission in resolving the
6 parties' dispute. WorldCom is quite aware of its obligations under the
7 interconnection agreement that interconnection for the provision of local
8 services does not entitle WorldCom to avoid access charges by such a ruse. The
9 question presented by this issue is whether BellSouth can preclude WorldCom
10 from assigning NXXs using a routing point that is different from the rating
11 point, and given our obligation to interconnection within each LATA, the
12 question is limited to different points within the same LATA.

13 Q. WHAT IS BELL SOUTH'S VIEW OF ITS COMPETITORS OFFERING
14 FX SERVICE AND SIMILAR OFFERINGS?

15 A. As stated above, BellSouth's desire to place its proposed limitations on
16 assignment of NXXs by WorldCom and refusal to follow its own tariff
17 regarding the classification of FX traffic as local is an attempt to prohibit
18 ALECs from competing with BellSouth. BellSouth's General Subscriber
19 Service Tariff at Section A9.1.1.A specifies that "Foreign Exchange service is
20 exchange service furnished to a subscriber from an exchange other than the one
21 from which the subscriber would normally be served, allowing subscribers to
22 have *local presence* and two-way communications in an exchange different
23 from their own." [emphasis added] At Section A1 the same BellSouth tariff

1 defines Exchange Service as "...a general term describing as a whole the
2 facilities provided for *local intercommunications*, ..." [emphasis added]

3 This traffic exists because BellSouth's end users are making local calls
4 to an FX service. If WorldCom is precluded from offering competitive FX
5 arrangements, BellSouth's Key West end users would only be able to reach the
6 WorldCom Miami customer on a toll basis. In that instance end users would
7 quickly look for another method of local access for a variety of calls. Likewise,
8 if BellSouth were to apply switched access charges to this traffic, such above
9 cost pricing would ultimately make the offering of competitive alternatives by
10 ALECs infeasible.

11 **Q. MS. COX ASSERTS THAT THE FCC HAS MADE IT CLEAR THAT**
12 **TRAFFIC JURISDICTION IS DETERMINED BASED UPON THE**
13 **ORIGINATING AND TERMINATING END POINTS OF A CALL AND**
14 **CITES FEATURE GROUP A ACCESS SERVICE. PLEASE COMMENT**
15 **ON THIS.**

16 **A.** Contrary to Ms. Cox' implication, BellSouth is not providing Feature Group A
17 service to an ALEC that is offering FX service to its customers. BellSouth's
18 Feature Group A service is a switched access service provided to requesting
19 *interexchange* carriers. Feature Group A involves the assignment of a *BellSouth*
20 10-digit telephone number to the interexchange carrier and provides for a variety
21 of optional, BellSouth-provided features (e.g., hunt groups, uniform call
22 distribution, service code denial) from a specific end office.

1 In Ms. Cox' view the ALEC should have to purchase switched access in
2 order to provide a local service. However, just like BellSouth and unlike an
3 interexchange carrier, when an ALEC provides FX service it does so as a local
4 service provider, assigning to the end user a 10-digit telephone number from the
5 ALEC's own NXX. Additionally, because the ALEC has a local switch, it does
6 not rely on the BellSouth local switch to provide additional features as an
7 interexchange carrier would.

8 BellSouth should not be allowed to re-categorize as toll, traffic
9 historically viewed as local by pretending that an ALEC is an interexchange
10 carrier.

11 **Q. MS. COX ASSERTS THAT THE CLOSEST PARALLEL TO AN FX**
12 **OFFERING BY AN ALEC IS 800 SERVICE. DO YOU AGREE?**

13 **A.** No. The closest parallel would be BellSouth's own FX service. Of course,
14 BellSouth's position, if adopted, will raise WorldCom's cost of providing a
15 competitive service to a level that would effectively eliminate WorldCom's
16 ability to offer a competing FX service. BellSouth's suggestion that an ALEC's
17 FX service is comparable to 800 service is not correct. 800 service allows toll
18 free calling from callers in the LATA, the State, or indeed the entire country.
19 FX service allows local calling limited to the rate center with which the NXX is
20 associated. Calls to that NXX from anywhere else would not be local and would
21 not be toll free. The California Commission has noted this distinction as
22 discussed below in greater detail.

1 Q. WHAT POLICY ISSUES ARE RAISED BY BELLSOUTH'S ASSERTION
2 THAT DETERMINATION OF CALL JURISDICTION BASED ON
3 RATE CENTERS ASSOCIATED WITH THE NPA/NXXS IS ONLY
4 APPLICABLE TO RETAIL END USER BILLING?

5 A. Simply put, BellSouth would like to place its competitors at a disadvantage by
6 utilizing one standard (i.e., FX is local) for offering its retail services and
7 another standard (i.e. FX is toll) when another local provider attempts to make a
8 competitive offering. As noted above, the effect of this position is to increase
9 BellSouth's potential competitors' costs of providing equivalent service
10 offerings, thereby harming the competitive process.

11 Ms. Cox, at page 69 points to the FCC's jurisdictional analysis based on
12 the originating and terminating end points of a call as the guide to be followed.
13 However, the FCC's analysis has traditionally been utilized to determine
14 whether or not particular traffic is *interstate* and thereby within the FCC's
15 jurisdiction. The discussion of call jurisdiction is merely a smokescreen to
16 cover BellSouth's private business interest in reducing potential competition for
17 its FX service.

18 The California Commission recognized the practical problems associated
19 with BellSouth's position in its order addressing the provision of FX service by
20 ALECs (Decision 99-09-029, September 2, 1999, Rulemaking 95-04-043) in
21 finding that

22 The rating of a call, therefore, should be **consistently** determined
23 based upon the designated NXX prefix. Abandoning the linkage

1 between NXX prefix and rate center designation could undermine
2 the ability of customers to discern whether a given NXX prefix
3 will result in toll charges or not. Likewise, the service
4 expectations of the called party (i.e., ISPs) would be undermined
5 by imposing toll charges on such calls since customers of the ISPs
6 would be precluded from reaching them through a local call.
7 Consequently, the billing of toll charges for Internet access which
8 is designed to be local could render an ISP's service prohibitively
9 expensive, thus limiting the competitive choices for Internet
10 access, particularly in rural areas.”

11 (Emphasis added.) As the California Commission recognized, the retail offering
12 of FX service and its associated rating based on the rate centers associated with
13 the assigned NXX's must be applied to FX offerings from ALECs as well.
14 Failure to do so distorts the way in which ALECs can make a competitive FX
15 offering available and, would in fact eliminate competition for this increasingly
16 important service.

17 **Q. MS. COX ASSERTS THAT WHEN WORLDCOM ASSIGNS NXXs SO**
18 **AS TO PROVIDE FX SERVICE IT IS NOT SEEKING TO DEFINE ITS**
19 **OWN LOCAL CALLING AREA BUT RATHER IS ATTEMPTING TO**
20 **REDEFINE THE LOCAL CALLING AREA OF BELLSOUTH'S**
21 **CUSTOMERS. IS THIS CORRECT?**

22 **A. No. Continuing with the Miami-Key West example introduced by Ms. Cox,**
23 **when WorldCom provides an NXX associated with the Key West rate center to**

1 WorldCom's customer located in Miami, WorldCom is providing its customer
2 with a local presence in Key West because that is what the customer wants.
3 Contrary to Ms. Cox' assertion, when WorldCom does so it is not redefining the
4 local calling area of BellSouth's customers in Key West. Just as when
5 BellSouth provides an FX service allowing its end users in Key West to place
6 local calls to customers located elsewhere, the local calling scope of BellSouth's
7 Key West customers is not changed. The expectation of BellSouth's customers
8 that when they call a Key West exchange they are making a local call is not
9 changed.

10 **Q. IS MS. COX CORRECT THAT THIS ISSUE HAS NO EFFECT ON THE**
11 **DEGREE OF LOCAL COMPETITION?**

12 **A.** No. Ms. Cox reaches this conclusion by noting that, in her Key West-Miami
13 hypothetical, the offering of FX service by an ALEC to a Miami customer does
14 nothing to enhance local competition in Key West. Two responses are called
15 for:

16 First, in Ms. Cox' example the ALEC is enhancing local competition in
17 Miami by offering a service which competes with BellSouth's FX offering.
18 Second, the offering of competitive FX services to customers in Miami by an
19 ALEC will enhance the degree of local competition in Key West.

20 Ms. Cox reaches the conclusion she does only because of the limits of
21 her hypothetical example (a customer in Miami seeking FX service with an
22 NXX associated with the Key West rate center). As noted above, it is clear that

1 the introduction of FX service by ALECs can and will expand competitive
2 choices in all geographic areas.

3 **Q. MS. COX DESCRIBES A DECISION BY THE MAINE PUC IN HER**
4 **TESTIMONY. PLEASE COMMENT ON THE RELEVANCE OF THAT**
5 **DECISION.**

6 A. The focus of the Maine PUC was on the impact of FX service on numbering
7 resources in Maine and the effect on matters such as NXX code conservation for
8 purposes of avoiding area code splits, etc.. While the Maine PUC did make a
9 determination on this matter, the focus was not on whether FX service is local or
10 interexchange.

11 **Q. MS. COX NOTES THAT THE MAINE PUC CONCLUDED THAT THE**
12 **CLOSEST PARALLEL TO THE BROOKS FIBER FX SERVICE IN**
13 **THAT CASE IS 800 SERVICE. PLEASE ADDRESS THIS MATTER.**

14 A. The Maine PUC did make this finding, however that finding is incorrect, for the
15 reasons noted above. Moreover, the California PUC has found that this type of
16 service, when provided by ALECs, is indeed equivalent to FX service and not
17 800 service:

18 We believe the Pac-West arrangement is equivalent to foreign
19 exchange service, not to intraLATA toll-free calling as claimed
20 by Pacific. Just as with other forms of foreign exchange service,
21 the Pac-West arrangement relocates the rate center from which
22 incoming calls are rated as either local or toll. Unlike intraLATA
23 toll-free calling, however, the Pac-West arrangement does not

1 permit a caller from any location to dial the ISP toll-free. The
2 calling party would still incur toll charges if the call was made
3 from a location whereby the rate center of the calling party was
4 more than 12 miles from the rate center for the ISP's NXX prefix.
5 The Pac-West arrangement is not equivalent to intraLATA toll-
6 free calling.

7 **Q. MS. COX ASSERTS THAT THE CALIFORNIA COMMISSION WAS**
8 **PRESENTED WITH THIS ISSUE BUT DID NOT DECIDE WHETHER**
9 **THE SERVICE WAS LOCAL OR INTEREXCHANGE. IS THIS**
10 **CORRECT?**

11 **A.** No. The California Commission decided that FX calls are local because the
12 rating of calls is based upon the designated rate centers of the calling and called
13 NXXs:

14 As discussed below, we conclude that the rating of calls as toll or
15 local should be based upon the designated rate center of the NXX
16 prefix of the calling and called parties' numbers. Even if the called
17 party may be physically located in a different exchange from
18 where the call is rated, the relevant rating point is the rate center of
19 the NXX prefix. We conclude that under a foreign exchange
20 service arrangement, it is consistent with the applicable tariffs to
21 rate calls in reference to the rate center of the assigned NXX prefix
22 even though it is in a different exchange from where the called
23 party is located.

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Thus, foreign exchange service provides for a called party to reside in one exchange, but still have a telephone number rated as local served from a foreign exchange.

For purposes of considering the issue of call rating, it is not necessary to deliberate at length over whether Pac-West's service conforms to some particular definition of "foreign exchange service" based upon specific provisioning arrangements. Although the Pac-West form of service differs from certain other forms of foreign exchange service in how it is provisioned, the ultimate end-user expectation remains the same, namely to achieve a local presence within an exchange other than where the customer resides. From the end-use customer's perspective, Pac-West's service is a competitive alternative to other form of foreign exchange service.

WorldCom's position is consistent with the decision of the California PUC. FX service is local and the originating carrier owes reciprocal compensation to the terminating carrier. All of the above illustrates the fallacy in Ms. Cox' assertion that "FX service is clearly a long distance service." (Cox Direct, at 69)

Q. WHAT RESOLUTION WOULD WORLDCOM RECOMMEND TO THE COMMISSION ON THIS ISSUE?

A. Just as stated in my direct testimony, the Commission should allow ALECs to assign NXXs within the LATA in a manner that provides for rating points

1 different from routing points and conclude that the appropriate method for
2 determining the jurisdiction of this traffic is to compare the rate centers
3 associated with the calling and called NXXs. This resolution will permit
4 ALECs such as WorldCom to offer competitive FX service to their customers on
5 non-discriminatory terms.

6 Additionally, for the reasons stated above, BellSouth should be required
7 to pay reciprocal compensation to the ALEC for this local traffic.

8 BellSouth's proposed contract language on this matter would not allow
9 WorldCom to assign NXXs in such a manner as to provide *local* FX service.
10 BellSouth has refused to recognize this as local traffic and has insisted on
11 applying originating access charges as well as refusing to pay reciprocal
12 compensation to the ALEC. BellSouth proposes to treat WorldCom's FX
13 service differently than BellSouth treats its own retail FX service. The
14 Commission should reject this discrimination.

15 **ISSUE 47**

16 *Should reciprocal compensation payments be made for calls bound to ISPs?*

17
18 **Q. HAS THE COMMISSION ALREADY DECIDED THIS ISSUE?**

19 **A.** Yes. In the Global NAPS arbitration, the Commission recently held that
20 reciprocal compensation payments should be made for payments bound to ISPs.
21 Unlike the Global NAPS case, however, BellSouth has not in this proceeding
22 proposed different rates for reciprocal compensation depending on the identity
23 of the party to which calls are terminated. Therefore the Commission should

1 simply rule that the uniform reciprocal compensation rate applies for ISP-bound
2 calls.

3 **Q. HAS BELLSOUTH OFFERED ANYTHING NEW TO THE**
4 **COMMISSION ON THIS ISSUE?**

5 A. No. Ms. Cox suggests that the Commission make an interim ruling in this
6 proceeding, subject to retroactive true-up when the FCC establishes final rules
7 associated with ISP-bound traffic. WorldCom respectfully suggests that there is
8 no need for this Commission to await further FCC action; instead, the
9 Commission should confirm the independent determination in made in Global
10 NAPS that reciprocal compensation should apply to this traffic.

11 **ISSUE 51**

12 *Under what circumstances is BellSouth required to pay tandem charges when*
13 *MCIW terminates BellSouth local traffic? (Attachment 4, Sections 9.4, 10.4.2,*
14 *10.4.2.3.)*

15
16 **Q. PLEASE DESCRIBE BELLSOUTH'S POSITION ON THIS ISSUE.**

17 A. Ms. Cox argues that WorldCom must meet a two-pronged test to receive
18 reciprocal compensation at the tandem rate (including tandem switching,
19 transport and end office switching): (1) WorldCom must show that its switches
20 cover a geographic area comparable to BellSouth's tandems; and (2)
21 WorldCom must show that its switches perform local tandem functions.

22 **Q. IS BELLSOUTH'S POSITION VALID?**

23 A. No. As I explained in my Direct Testimony, the FCC has been quite clear on
24 this point. FCC Rule 51.711(a)(3) establishes that an ALEC is entitled to
25 reciprocal compensation at the tandem rate whenever its switch covers a

1 geographic area comparable to the area covered by the ILEC's tandem. That
2 rule does not include any requirement that the ALEC provide tandem
3 functionality. Paragraph 1090 of the *Local Competition Order*, which I quoted
4 in my Direct Testimony, makes it clear that an ALEC may obtain the tandem
5 rate if it provides equivalent tandem functionality or it meets the geographic
6 comparability requirement. Ms. Cox' contention that ALECs must establish
7 tandem functionality and geographic comparability finds no support in the
8 FCC's rules or the *Local Competition Order*.

9 **Q. DO YOU AGREE WITH MS. COX' READING OF THE ILLINOIS**
10 **DECISION?**

11 A. No. Ms. Cox cites *MCI Telecommunications Corporation v. Illinois Bell*
12 *Telephone Company*, 1999 U.S. Dist. LEXIS 11418 (N.D. Ill. June 22, 1999) to
13 support BellSouth's two-pronged test theory. Ms. Cox' reliance is misplaced.
14 The district court did not reach the issue of whether a two-pronged test is
15 consistent with FCC Rule 51.711 or the Local Competition Order. In any event,
16 the functionality point was essentially moot, because there was no dispute that
17 MCI's switches provided functionality comparable to Ameritech's tandem
18 switches.

19 **Q. CAN YOU ELABORATE FURTHER ON THE RELATIONSHIP**
20 **BETWEEN GEOGRAPHIC COMPARABILITY AND TANDEM**
21 **FUNCTIONALITY?**

22 A. Yes. The concept of a single, geographic scope test was adopted largely
23 because the FCC recognized that when an ALEC switch covers a geographic

1 area that is comparable to the area covered by an ILEC tandem switch, the
2 ALEC switch is necessarily providing similar functionality. Although, as
3 discussed above, a functionality test is not required or appropriate when
4 geographic comparability has been established, it is useful to discuss how the
5 WorldCom network operates to understand why geographic coverage and
6 functionality go hand in hand.

7 WorldCom's network consists of some basic components: switches,
8 fiber transport, local nodes, collocations, and on-net buildings. The physical
9 connectivity between the WorldCom switches and the customers served by those
10 switches is accomplished in a variety of ways. First, a customer can be served
11 via a facility, such as a DS1, that extends from the switch directly to the
12 customer. Typically this facility is leased from BellSouth and is used to provide
13 service to customers that are not located in an on-net building or close to the
14 WorldCom fiber transport system.

15 Alternatively, a customer could be served by extending a facility from a
16 collocation space to the customer. In this case the facility would be connected
17 to multiplexing equipment that would place that customer's traffic on a
18 WorldCom high capacity transport system (e.g. OC-48 SONET system) to be
19 transported to the switch. This situation allows traffic from multiple customers
20 to be combined onto the higher capacity transport system.

21 Another situation is involved when a customer is located in an on-net
22 building. Here, WorldCom can place add/drop multiplexing equipment in the
23 building that is connected to the high capacity fiber ring. WorldCom then uses

1 the building's inside wire and riser cable to connect the customer to the
2 multiplexing equipment that ultimately provides connectivity to the switch.

3 The WorldCom network is interconnected with BellSouth in the
4 following manner. There is a point of interconnection at which there are
5 physical facilities used by both companies for the exchange of traffic. Over
6 those physical facilities, trunk groups are configured to pass traffic between the
7 WorldCom switch and BellSouth tandems as well as various BellSouth end
8 offices. These trunk groups are typically established at a DS1 level but can vary
9 in capacity based on traffic needs. In addition to local and intraLATA traffic,
10 trunking arrangements are established for such things as operator traffic,
11 directory assistance, E911, and long distance traffic. When traffic is originated
12 on BellSouth's network, WorldCom picks that traffic up at the point of
13 interconnection between the two networks, bring that traffic into their local
14 switches and then route the traffic across the extensive fiber transport network,
15 digital cross connects and multiplexers (or, in some cases over the direct trunk
16 facilities between the switches and the customers) for delivery to the customer.
17 Essentially WorldCom switches serve as aggregation points for traffic originated
18 from BellSouth's customers, just as the BellSouth tandem serves as an
19 aggregation point for traffic originated on ALECs' networks.

20 **Q. PLEASE COMPARE THE WORLDCOM LOCAL NETWORK TO**
21 **BELLSOUTH'S LOCAL NETWORK IN GENERAL.**

22 **A.** WorldCom uses state-of-the-art equipment and design principles based on
23 technology available today. Their local network has been built within the past

1 few years using optical fiber rings with SONET transmission, which makes it
2 possible to access and serve a large geographic area from a single switch. In
3 addition, WorldCom uses combinations of DS1 loops and transport leased from
4 BellSouth to extend the reach of its network. In contrast, BellSouth's network,
5 developed over many decades, employs an architecture characterized by a large
6 number of switches within a hierarchical system with relatively short copper
7 based subscriber loops.

8 **Q. WHAT ARE THE GEOGRAPHIC AREAS AT ISSUE IN THIS CASE?**

9 A. There are two geographic areas at issue -- South Florida (Miami/Ft. Lauderdale)
10 and Orlando.

11 **Q. PLEASE DESCRIBE WORLDCOM'S LOCAL NETWORK IN THE**
12 **SOUTH FLORIDA AREA.**

13 A. The WorldCom network consists of four switches, three of which are located in
14 the Miami rate center and one of which is located in the Ft. Lauderdale rate
15 center. These switches, combined with the transport network described below,
16 provide local service in eleven rate centers in the South Florida area. Exhibit
17 ____ (DP-2) provides the Local Serving Area Map for the WorldCom local
18 network. WorldCom is currently providing local service to customers located in
19 all but 1 of the 12 rate centers in this area. While WorldCom uses 4 local
20 switches and a transport network to serve these rate centers, BellSouth utilizes 5
21 local or access tandems and a multitude of end offices to serve this area.

22

23

1 ****BEGIN PROPRIETARY****

2 The total equipped capacity of the WorldCom switches in the South
3 Florida area is in excess of [REDACTED] DS0s. WorldCom currently has customers
4 in eleven rates centers and provides those customers with more than [REDACTED] local
5 access circuits. Through the fiber network, these switches serve [REDACTED] on-
6 net buildings in [REDACTED] cities. [REDACTED] collocation arrangements have been established
7 in [REDACTED] BellSouth wire centers. These collocation arrangements are connected to
8 the appropriate switches via SONET transport systems that ride WorldCom's
9 fiber facilities, and additional SONET transport systems provide internodal
10 transport between and among the local nodes and the switch.

11 ****END PROPRIETARY****

12 **Q. PLEASE DESCRIBE WORLDCOM'S LOCAL NETWORK IN THE**
13 **ORLANDO AREA.**

14 A. The WorldCom network consists of one switches which is configured and
15 equipped to provide local service in fourteen rate centers. WorldCom currently
16 has customers in nine of these rate centers. Exhibit ___ (DP-2) provides the
17 Local Serving Area Map for the WorldCom local network. While WorldCom
18 uses one local switch and a transport network to serve these rate centers,
19 BellSouth utilizes 4 local or access tandems and a multitude of end offices to
20 serve this area.

21 ****BEGIN PROPRIETARY****

22 WorldCom's Orlando switch has a current equipped capacity of approximately
23 [REDACTED] DS0s, and current provides customers with more than [REDACTED] local

1 circuits. Through its fiber network, the Orlando switch serves [REDACTED] on-net
2 buildings in [REDACTED] cities. In addition, WorldCom has established [REDACTED] collocation
3 arrangements in [REDACTED] BellSouth and Sprint wire centers. As is the case in South
4 Florida, these collocation arrangements are connected to WorldCom's switch via
5 SONET transport systems that ride WorldCom's fiber facilities, and additional
6 SONET transport systems provide internodal transport between and among the
7 local nodes and the switch.

8 ****END PROPRIETARY****

9 **Q. PLEASE RESPOND TO MS. COX' ASSERTION (PAGE 87-89) THAT**
10 **WORLDCOM IS INAPPROPRIATELY SEEKING TO BASE**
11 **COMPENSATION FOR TRANSPORT BASED ON THE AVERAGE**
12 **DISTANCE BETWEEN BELL SOUTH'S END OFFICES SUBTENDING**
13 **A BELL SOUTH TANDEM SWITCH.**

14 A. Ms. Cox' position is completely inconsistent with the requirement that the
15 ILECs' costs are to be utilized as a proxy for the ALECs' costs. The FCC makes
16 this clear in Paragraph 1085 in the *Local Competition Order*. The FCC states:

17 We conclude that it is reasonable to adopt the incumbent LECs'
18 transport and termination prices as a presumptive proxy for other
19 telecommunications carriers' additional costs of transport and
20 termination.

21 One of the reasons that the FCC adopted this approach was its recognition that
22 ALECs' networks were not likely to be constructed in the same manner as the

1 ILECs' and that there should not be an incentive or requirement for the ALECs'
2 to replicate the ILEC network.

3 WorldCom's proposal is consistent with the FCC' rules and the policy
4 goals underlying those rules. Because of the different network architecture
5 deployed by WorldCom, adopting BellSouth's position would allow only
6 BellSouth to enjoy the benefits of WorldCom's network architecture by
7 requiring WorldCom to complete calls on BellSouth's behalf, without BellSouth
8 having to pay appropriate compensation.

9 **Q. PLEASE SUMMARIZE YOUR TESTIMONY ON THIS ISSUE.**

10 A. WorldCom is entitled to the tandem rate when its switches serve a geographic
11 area comparable to the area served by BellSouth's tandems. In the case of the
12 South Florida and Orlando areas, WorldCom's switches plainly meet this test.

13 **ISSUE 53**

14 *Should call jurisdiction be based on the calling party number or on*
15 *jurisdictional factors that represent averages? (Attachment 4, Sections 9.6.1 and*
16 *10.6.1; Part B, Sections 129-130.)*

17
18 **Q. WHY IS BELLSOUTH'S POSITION, THAT JURISDICTIONAL**
19 **FACTORS SUCH AS PERCENTAGE INTERSTATE USAGE ("PIU")**
20 **AND PERCENTAGE LOCAL USAGE ("PLU") SHOULD BE USED IN**
21 **LIEU OF THE CALLING PARTY NUMBER ("CPN"), NOT**
22 **SUBSTANTIATED BY BELLSOUTH'S TESTIMONY?**

23 A. BellSouth concedes that using recorded data to more accurately bill for calls
24 between the two companies' networks is "desirable," but contends that there are
25 a "number of limitations" that preclude the use of CPN. Mr. Scollard gives

1 three "key" reasons for BellSouth's position. None of these reasons justifies
2 BellSouth's position.

3 First, he states that industry standards used by BellSouth to record calls
4 do not allow BellSouth to record "CPN" in the terminating switch records. To
5 alter the standards, so Mr. Scollard maintains, would require industry agreement
6 and subsequent switch vendor modifications. Regardless of whether this is true,
7 the statement misses the point. The information needed for billing – which,
8 strictly speaking, is not "CPN," but the ANI of the calling party -- is in fact
9 captured and recorded in the originating switch.

10 Second, BellSouth maintains that, even if "CPN" is eventually captured
11 by switch recordings, it is of limited use to the extent that some interconnection
12 agreements define "local traffic" as traffic that is billed to the end user of the
13 originating company as a local call, and that BellSouth has "no way" of knowing
14 what another company bills its users. Again, Mr. Scollard misses the mark.
15 "CPN," as stated above, isn't the issue; the originating switch captures the ANI
16 information, which is available for billing purposes. Moreover, WorldCom and
17 BellSouth have agreed that local traffic will be defined "as any telephone call
18 that originates in one exchange and terminates in either the same exchange, or
19 other local calling area associated with the originating exchange (e.g., Extended
20 Area Service) as defined and specified in Section A3 of BellSouth's General
21 Subscriber Services Tariff." (Attachment 4, Section 9.3.) Under this definition,
22 there is no ambiguity as to call jurisdiction.

1 Last, Mr. Scollard contends that there are cases in which CPN is not
2 included in the call record. To the extent that BellSouth and another LEC have
3 agreed that the entire telephone number need not be recorded, BellSouth should
4 not be able to hide behind such agreements to avoid providing reasonable and
5 necessary information to WorldCom. Accurate billing does not depend on
6 auditing sample information, which is what BellSouth in essence proposes.
7 Instead, accurate billing depends on the ability to audit the number of the calling
8 party.

9 **Q. MR. SCOLLARD CONTENDS THAT WORLDCOM'S TRAFFIC**
10 **INCLUDES CPN INFORMATION ONLY 50% OF THE TIME. HOW**
11 **DO YOU RESPOND?**

12 A. This statement is misleading; regardless of whether "CPN" in a given situation
13 is required to be transmitted between LECs, the originating switch captures ANI
14 information, which is what is needed for billing. It is that information which can
15 and must be shared for billing purposes.

16 **Q. WHAT IS THE APPROPRIATE METHOD, THEN, FOR THE PARTIES**
17 **TO USE IN DETERMINING CALL JURISDICTION?**

18 A. The originating carrier should use CPN or other data available, such as ANI or
19 BTN, to determine the PLU, and provide the PLU to the terminating carrier.
20 This approach is far preferable to a process based on a sampling of call records
21 to estimate a PLU.

22

ISSUE 67

23 *When WorldCom has a license to use BellSouth rights-of-way, and BellSouth*
24 *wishes to convey the property to a third party, should BellSouth be required to*
25 *convey the property subject to WorldCom's license? (Attachment 6, Section 3.6.)*

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Q. DOES MS. COX GIVE A VALID REASON FOR BELLSOUTH'S PROPOSED CONTRACT LANGUAGE?

A. No. Ms. Cox simply contends that BellSouth should have the unfettered right to dispose of its property as it wishes. Ms. Cox does not address WorldCom's concerns that it could be put in the position of having to strand its facilities and that BellSouth could dispose of its property in a way that would discriminate against WorldCom (such as by selling the property subject to BellSouth's rights but not WorldCom's rights). WorldCom's proposed language hardly would enable WorldCom "to control the disposition of BellSouth's property" as Ms. Cox contends. It simply would protect WorldCom's rights in a manner consistent with the policies underlying the Act.

ISSUE 68

Should BellSouth require that payments for make-ready work be made in advance? (Attachment 6, Sections 4.4.2, 4.7.3 and 5.6.1.)

Q. DOES MR. MILNER'S TESTIMONY SUPPORT BELLSOUTH'S POSITION?

A. No. Mr. Milner does not explain why work should be delayed until WorldCom processes payment for make-ready work. As I noted in my Direct Testimony, WorldCom is willing to make such payment within fourteen days, which is commercially reasonable. WorldCom has offered to fax BellSouth, upon receipt of an invoice, written authorization to commence the work at WorldCom's expense. The parties have agreed on credit and deposit language in this agreement, and BellSouth is free to apply that language to WorldCom's

1 purchase of make-ready work. BellSouth has not explained why, among all the
2 services WorldCom is purchasing in this agreement, only make-ready work
3 must be paid for in advance.

4 **ISSUE 75**

5 *For end users served by INP, should the end user or the end user's local carrier*
6 *be responsible for paying the terminating carrier for collect calls, third party*
7 *billed calls or other operator assisted calls? (Attachment 7, Section 2.6.)*

8

9 **Q. WHAT IS BELLSOUTH'S POSITION, AND YOUR RESPONSE TO IT?**

10 A. BellSouth has proposed that, when an end user served via Interim Number
11 Portability ("INP") receives a collect call, third party billed or other operator
12 assisted call, the end user's carrier should be responsible for payment to the
13 other carrier. For example, if a WorldCom end user receives a collect call from
14 a BellSouth customer, BellSouth would propose that it bill WorldCom for the
15 charges, thus imposing on WorldCom the responsibility for billing the end user
16 and the risk of nonpayment.

17 BellSouth's proposal is contrary to the industry practice with respect to
18 these types of calls. The practice in the industry is for the toll carrier to bill the
19 end user directly. The toll carrier obtains the necessary billing information (for
20 the applicable charge) from the end user's local carrier. Thus BellSouth's
21 statement that "(a)ny issue MCI has with billing its end users" should be "short
22 lived" because the INP process is being replaced with Local Number Portability
23 ("LNP") is gratuitous.

24 **Q. BESIDES BELLSOUTH'S MISTAKEN STATEMENTS AS TO**
25 **INDUSTRY PRACTICE, MR. SCOLLARD STATES THAT, WITH INP,**

1 **THE ALEC BECOMES BELLSOUTH'S CUSTOMER OF RECORD AND**
2 **THUS BELLSOUTH SHOULD BE ABLE TO BILL THE ALEC FOR**
3 **THE CALL. HOW DO YOU RESPOND?**

4 A. The mere fact that BellSouth has provided a number for portability purposes
5 should not be allowed to override the established industry practice of billing the
6 end user for collect and third party calls. It is specious in this regard for Mr.
7 Scollard to suggest that WorldCom can "block" or "restrict" certain phone
8 numbers if it is having difficulty collecting from its end users for these types of
9 calls. Companies -- including BellSouth for intraLATA and all the interLATA
10 providers -- providing service to WorldCom end users are responsible for billing
11 for those services -- whether directly or via a billing and collections agreement
12 with WorldCom by which it bills those charges for the toll or OS provider on the
13 WorldCom bill. If a service at issue is provided by BellSouth (such as an
14 intraLATA collect call), then BellSouth should have to bill for that service in the
15 same manner that other OS and toll providers do today. If BellSouth needs
16 billing name and address ("BNA") information from WorldCom in order to
17 render a bill, WorldCom will provide it to BellSouth in the same manner that
18 BellSouth provides ALECs with BNA information today. It is ludicrous and
19 contrary to any industry standard to require a local exchange company to be
20 responsible for these types of charges incurred by its end users.

21 Q. **MR. SCOLLARD STATES THAT WORLDCOM CAN "AVOID THIS**
22 **ISSUE" BY CHOOSING TO OFFER SERVICE VIA LNP RATHER**
23 **THAN INP. IS THIS A VALID POINT?**

1 A. No. WorldCom agrees that fewer and fewer customers will be served using
2 INP. This issue may never even get raised. It is, however, BellSouth who is
3 proposing the insertion of language that would make WorldCom responsible for
4 all operator-assisted calls made and received by its customers. If the issue is so
5 unlikely to be of concern, why is BellSouth insisting on the insertion of this
6 onerous language?

7 **ISSUE 92**

8 *Should the parties be required to follow the detailed guidelines proposed by*
9 *MCIW with respect to LNP orders? (Attachment 8, Section 3.6.)*

10

11 **Q. MR. MILNER CONTENDS THAT WORLDCOM IS PROPOSING**
12 **ERRONEOUS INTERVALS FOR LNP AND INP. DO YOU AGREE?**

13 A. No, and in fact the LNP and INP intervals are not in dispute. The parties have
14 agreed to a table of LNP and INP intervals that has been appended to
15 Attachment 7 of the most current version of the interconnection agreement being
16 negotiated. This table is based on BellSouth's interval guide.

17 **ISSUE 93**

18 *By when must the parties bill for previously unbilled amounts? By when must*
19 *they submit bills to one another? (Attachment 8, Sections 4.2.3.4.2, 4.2.3.4.4,*
20 *4.2.3.4.5 and 4.2.3.5.)*

21

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

23 A. BellSouth's position is that parties may bill for previously unbilled amounts until
24 the statute of limitations expires, and there should be no deadline for submitting
25 bills. The statute of limitations, of course, is a defense to an action for collection
26 of a debt. BellSouth contends that it needs the statutory period to render a bill to

1 WorldCom, notwithstanding WorldCom's commitment to bill BellSouth in a
2 shorter period, because BellSouth must rely on usage records from third parties.
3 BellSouth characterizes WorldCom's position – which is that the parties must
4 bill for previously unbilled amounts within one year of the bill date, and that the
5 bill date should be no more than ninety days old - as “artificial”.

6 **Q. WHAT IS YOUR RESPONSE?**

7 A. Mr. Scollard's example of a meet point billing procedure, involving a third party,
8 is invalid. Carriers bill one another for services rendered. Based upon the
9 information Mr. Scollard presented in his testimony, I cannot conceive of how
10 or why any third party would need to supply information to BellSouth for it to
11 be able to render complete bills. According to BellSouth, it relies on
12 information from various third parties to render proper bills to WorldCom and
13 these parties might take longer than one year to provide the requisite
14 information. Assuming for the sake of argument that this is true, certainly
15 BellSouth has agreements with these third parties regarding what is an
16 acceptable length of time for such entities to supply the needed information to
17 BellSouth. Only BellSouth can negotiate with third parties regarding the length
18 of time those parties may delay in supplying any needed information.

19 **Q. IS WORLDCOM ASKING THAT BELLSOUTH BE HELD TO A
20 HIGHER STANDARD THAN IT IS WILLING TO MEET ITSELF?**

21 A. No. WorldCom intends to render its bills to BellSouth under the terms it has
22 proposed. WorldCom believes that its proposal to render bills every ninety days
23 and to bill all previously unbilled amounts within one year is eminently

1 reasonable. Putting reasonable time limitations on billing encourages prompt
2 bills and bill corrections, and permits parties to close their books on past activity
3 within a reasonable time.

4 **Q. WHAT IS YOUR RESPONSE TO MR. SCOLLARD'S SUGGESTION OF**
5 **A BILL CERTIFICATION PROCESS?**

6 A. This process would apparently still permit BellSouth to send bills many months
7 after charges have been incurred; hence many of these charges still would be
8 ultimately uncollectible from the end users. More fundamentally, WorldCom
9 would not likely agree to "certify" the accuracy of BellSouth's bills, given our
10 past experience where it is necessary to pay a team of auditors to uncover the
11 many flaws in BellSouth's billings for interexchange access.

12 **ISSUE 94**

13 *Should BellSouth be permitted to disconnect service to WorldCom for*
14 *nonpayment? (Attachment 8, Section 4.2.18)*

15
16 **Q. MS. COX USES THE "PICK AND CHOOSE" ARGUMENT TO**
17 **EXPLAIN WHY IT MUST BE ABLE TO DISCONNECT SERVICE TO**
18 **WORLDCOM'S CUSTOMERS, EVEN THOUGH WORLDCOM IS**
19 **RELATIVELY LIKELY TO BE WILLING AND ABLE TO PAY FOR**
20 **ALL APPROPRIATE CHARGES. IS THIS A REASONABLE**
21 **JUSTIFICATION FOR THE INCLUSION OF BELLSOUTH'S**
22 **LANGUAGE WHICH WOULD PERMIT THE DISCONNECTION OF**
23 **SERVICE TO END USERS?**

24 A. No. The language proposed by WorldCom would adequately protect both
25 billing parties (ILEC and ALEC) against the risk of non-payment. BellSouth

1 suggests that disconnection of customers would only occur if/when WorldCom
2 fails to pay "absent a good faith billing dispute." But parties often differ in
3 opinion as to whether a dispute is made in good faith. It would be wholly
4 inappropriate for BellSouth to terminate service to WorldCom's or any ALEC's
5 end user customers because it unilaterally determined that WorldCom's or
6 another ALEC's dispute was not made "in good faith." WorldCom's proposal
7 would enable BellSouth to pursue dispute resolution if WorldCom does not pay.
8 Dispute resolution could entail bringing an enforcement action before this
9 Commission or suing in a court of law. These are standard procedures and do
10 not contain the risks inherent in permitting a billing party to unilaterally
11 determine that a billing dispute is not made in good faith.

12 The consequences to Florida consumers and to local exchange
13 competition are too great to permit an incumbent local exchange carrier such as
14 BellSouth to have the contractual right to give 30 days notice that it will
15 terminate service to its dependent competitor one month after a bill is rendered.
16 Customers would have their basic local service cut off and would naturally
17 blame WorldCom for terminating service. BellSouth should not be granted such
18 leverage (the threat of turning off customers' dial tone) to exact settlement from
19 WorldCom when disputes arise. Normal dispute resolution processes, as
20 proposed by WorldCom, should be followed.

21 **ISSUE 95**
22 *Should BellSouth be required to provide WorldCom with billing records with all*
23 *EMI standard fields? (Attachment 8, section 5.)*

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Q. WHAT LANGUAGE HAVE THE PARTIES PROPOSED CONCERNING THE BILLING FORMAT TO BE USED?

A. The parties have proposed different versions of Attachment 8, Section 5, which is set forth in Attachment C to the Petition.

Q. WHAT ISSUE GIVES RISE TO THE DIFFERENT LANGUAGE PROPOSED BY THE PARTIES?

A. The basic issue dividing the parties is whether BellSouth should be required to provide WorldCom with all Electronic Message Interexchange (“EMI”) standard fields on the bills it provides.

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

A. BellSouth should be required to provide bills using the EMI standard fields.

Q. WHAT IS BELLSOUTH’S POSITION?

A. BellSouth proposes to provide billing records using its tariffed services known as access daily usage file (“ADUF”) and optional daily usage file (“ODUF”), which apparently contain a subset of the fields contained in an EMI record.

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

A. The EMI format is the industry standard used by all the other Bell companies. WorldCom should be entitled to receive complete billing information with all EMI fields. BellSouth should be contractually obligated to provide EMI billing records; otherwise, it will be free to move away from the industry standard and develop proprietary records, if it has not done so already.

The current interconnection agreement requires that such EMI records be provided and WorldCom is simply requesting that the existing language be kept

1 in the new interconnection agreement. BellSouth has given no valid justification
2 for changing the existing language.

3 **Q. MR. SCOLLARD STATES THAT BELL SOUTH IS WILLING TO**
4 **PROVIDE BILLING RECORDS CONSISTENT WITH EMI**
5 **GUIDELINES, BUT THAT ONLY BELL SOUTH'S PROPOSED**
6 **LANGUAGE MAKES CLEAR HOW THOSE RECORDS WILL BE**
7 **PROVIDED. DO YOU AGREE?**

8 A. No. WorldCom's proposed language is clear that BellSouth must provide
9 specific EMI records to WorldCom, in the EMI format. (Attachment 8, Section
10 5.2.17.) This language is identical to the language in the existing
11 interconnection agreement that was approved by the Commission. BellSouth's
12 promise to provide billing records "consistent with EMI guidelines" falls short
13 of a commitment to provide the EMI records themselves and is therefore
14 unacceptable.

15 **Q. MR. SCOLLARD CONTENDS THAT BELL SOUTH DOES PROVIDE**
16 **THE EMI FIELDS THAT ARE REQUIRED FOR THE TYPE OF**
17 **RECORDS INCLUDED ON THE USAGE INTERFACE INVOLVED.**
18 **HOW DO YOU RESPOND?**

19 A. It is not clear what it means to "provide the EMI fields that are *required*"
20 (Emphasis added). Again, BellSouth stops short of committing to provide the
21 EMI records themselves, and thus it appears BellSouth would be providing less
22 than what WorldCom would receive from those records.

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ISSUE 96

Should BellSouth be required to give written notice when a central office conversion will take place before midnight or after 4 a.m.? (Attachment 8, Section 6.2.4.)

Q. IS NOTIFICATION OF CENTRAL OFFICE CONVERSION VIA WEB POSTING ADEQUATE, AS MR. MILNER CONTENDS?

A. No. As I noted in my Direct Testimony, it is critical that ALECs receive notice of central office conversions, and written notice therefore should be required. BellSouth has failed to explain why something as monumental as a central office conversion will be documented only on its web site.

ISSUE 97

Should BellSouth be required to provide WorldCom with notice of changes to NPA/NXXs linked to Public Safety Answering Points as soon as such changes occur? (Attachment 9, Section 1.1.6.)

Q. PLEASE RESPOND TO MR. MILNER'S STATEMENTS REGARDING THE PROVISION OF E911 SERVICE?

A. Most of Mr. Milner's comments regarding an ALEC's obligation to route 911 calls to the correct 911 tandem, or to accurately populate the 911 database, have nothing to do with the issue WorldCom has asked the Commission to resolve. WorldCom is only asking that BellSouth be required to provide WorldCom with notice of changes to NPA/NXXs linked to Public Safety Answering Points as soon as such changes occur. Mr. Milner's only basis for objecting to this provision is a general statement that "it is up to the ALEC" to contact each County Coordinator for this type of information. Since BellSouth has ready access to this information, and since ALECs require this information

1 for public safety purposes, it is wasteful and inefficient for BellSouth to suggest
2 that every ALEC must deal with every County Coordinator in order to obtain
3 this information.

4 **ISSUE 99**

5 *Should BellSouth be required to provide WorldCom with 10 digit PSAP*
6 *numbers? (Attachment 9, Section 1.3.17.)*

7

8 **Q. WHY DOES WORLDCOM REQUIRE 10 DIGIT PSAP NUMBERS?**

9 A. These numbers are required so that WorldCom can route its customers'
10 emergency 911 calls to the PSAP by an alternative means if the 911 system is
11 not functioning properly.

12 **Q. WHY HAS BELL SOUTH REFUSED TO PROVIDE THESE NUMBERS**
13 **TO WORLDCOM?**

14 A. BellSouth has not offered a reason for its refusal. Rather, in its testimony
15 BellSouth states that "BellSouth gets these administrative line numbers directly
16 from each PSAP, and MCI should do likewise." (Milner, p. 42.)

17 **Q. PLEASE RESPOND TO BELL SOUTH'S STATEMENT?**

18 A. BellSouth does not "get these numbers from the PSAP." Rather, BellSouth
19 provides the numbers to the PSAPs. It should also provide the numbers to all
20 ALECs, including WorldCom, as a matter of public safety. BellSouth has
21 provided no reason for its refusal to provide this important public safety
22 information.

23 **ISSUE 100**

24 *Should BellSouth operators be required to ask WorldCom customers for their*
25 *carrier of choice when such customers request a rate quote or time and*
26 *charges? (Attachment 9, Section 2.2.2.12.)*

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Q. WHY SHOULD BELLSOUTH OPERATORS ASK WORLDCOM CUSTOMERS FOR THEIR CARRIER OF CHOICE WHEN SUCH CUSTOMERS REQUEST A QUOTE OF TIME AND CHARGES?

A. The contract language proposed by WorldCom applies when BellSouth is providing operator services to a WorldCom customer on WorldCom's behalf. Given the fact that the service is being provided to a WorldCom customer, and that WorldCom is paying BellSouth for providing operator services, it is reasonable that BellSouth ask the customer for its carrier of choice, rather than assuming that BellSouth is the carrier of choice.

Q. MR. MILNER SUGGESTS AT PAGE 43 OF HIS TESTIMONY THAT WORLDCOM IS ASKING BELLSOUTH TO PROVIDE A SERVICE FOR FREE. IS THIS CORRECT?

A. No it is not. WorldCom pays BellSouth for the operator services on a per minute of work time basis. Therefore, BellSouth will be paid for having its operators take the time to ask the customer for its carrier of choice.

Q. MR. MILNER ALSO REFERS TO BELLSOUTH'S OPERATOR TRANSFER SERVICE ("OTS"). IS THE OTS RELEVANT TO THIS ISSUE?

A. No it isn't. The OTS is a service in which BellSouth transfers callers seeking long distance operator services to long distance carriers. It is offered by BellSouth to long distance carriers because BellSouth cannot offer long distance service itself and has no long distance rates of its own. In any event, provision of this service should not change BellSouth's obligation to inquire concerning

1 the customer's preferred provider when it receives requests for rate quotes or
2 time and charges.

3 **ISSUE 101**

4 *Is BellSouth required to provide shared transport in connection with the*
5 *provision of custom branding? Is WorldCom required to purchase dedicated*
6 *transport in connection with the provision of custom branding? (Attachment 9,*
7 *Sections 2.2.4.3.3, 2.8.1, 2.8.1.1, 3.2.1.1, 3.2.4.3.3, 3.5.2, and 3.5.2.1.)*

8

9 **Q. DOES BELLSOUTH MEET ITS BURDEN OF DEMONSTRATING**
10 **THAT IT LACKS THE CAPABILITY TO COMPLY WITH**
11 **WORLDCOM'S REQUEST FOR BRANDING OF OS/DA TRAFFIC**
12 **WITHOUT REQUIRING DEDICATED TRUNKING?**

13 A. No. As I noted in my Direct Testimony, FCC rules provide that the refusal to
14 comply with a reasonable request for a LEC to rebrand its OS/DA creates a
15 presumption that the LEC is unlawfully restricting access to its OS/DA. The
16 only way for the LEC to rebut this presumption is for the LEC to show that it
17 lacks the capability to comply with the request. Mr. Milner notes two ways that
18 BellSouth will route WorldCom's OS/DA call, one of which requires dedicated
19 trunking and the other of which provides some shared transport to an AIN hub,
20 and presumably dedicated trunking after that. Mr. Milner does not explain why
21 BellSouth cannot provide a solution without any dedicated trunking. In fact,
22 there is no reason BellSouth could not do so, as demonstrated by Bell Atlantic
23 and Southwestern Bell ("SWBT").

24 **Q. WHAT METHODS DO BELL ATLANTIC AND SWBT USE?**

25 A. Bell Atlantic uses an AIN solution that calls for a WorldCom branded message
26 to be played from the end office. SWBT uses an ANI solution in which the ANI

1 triggers a message for the SWBT operator to use for WorldCom customers.
2 Thus, it is clear that when ILECs put their minds to it, they are able to solve the
3 branding problem. BellSouth likewise should be required to do so.

4 **ISSUE 102**

5 *Should the parties provide "inward operator services" through local*
6 *interconnection trunk groups using network routable access codes BellSouth*
7 *establishes through the LERG? (Attachment 9, Sections 2.6.1-2.6.4.)*

8
9 **Q. DOES BELL SOUTH ACKNOWLEDGE THAT OPERATOR TO**
10 **OPERATOR TRAFFIC IS SENT VIA SPECIAL CODES AVAILABLE**
11 **TO THE OPERATORS AS NOTED IN WORLDCOM'S PROPOSAL?**

12 A. Yes, Mr. Milner states that "[i]nward operator traffic has for years been sent
13 between operator services platforms by the operator dialing a special code."
14 (Milner, p. 44.)

15 **Q. WHY THEN DOES BELL SOUTH OPPOSE WORLDCOM'S PROPOSED**
16 **CONTRACT LANGUAGE?**

17 A. Mr. Milner goes on to state that "[w]hile these codes are commonly used in
18 operator platforms, they are not used in end offices and there is no need to do
19 so." (Milner, p. 45) Apparently BellSouth misunderstands the language
20 proposed by WorldCom because WorldCom's proposal does not require
21 BellSouth to use the operator codes in any end offices.

22 **Q. PLEASE ELABORATE.**

23 A. The proposal made by WorldCom would work as follows: Our operator would
24 dial the appropriate code for the BellSouth operator and the call would route
25 over the local interconnection trunk to BellSouth's access tandem to BellSouth's

1 operator services platform. The routing has nothing to do with BellSouth end
2 offices as stated in Mr. Milner's testimony. Indeed, WorldCom operator
3 services platforms do not subtend BellSouth end offices and there is no need for
4 them to do so.

5 **Q. WHAT SHOULD THE COMMISSION DO?**

6 A. Given that BellSouth's only objection to WorldCom's proposal is based on a
7 faulty characterization of the proposal, the Commission should adopt the
8 contract language proposed by WorldCom. As explained above, WorldCom's
9 proposal does not require the routing of operator to operator traffic through
10 BellSouth end offices as BellSouth claims.

11 **ISSUE 107**

12 *Should the parties be liable in damages, without a liability cap, to one another*
13 *for their failure to honor in one or more material respects any one or more of*
14 *the material provisions of the Agreements? (Part A, Sections 11.1.1 and 11.1.2.)*

15

16 **Q. MS. COX SAYS THAT "THE PARTIES HAVE REACHED**
17 **AGREEMENT ON A LIABILITY CAP," IMPLYING THAT THIS ISSUE**
18 **CAME SOMEWHAT AS A SURPRISE TO BELLSOUTH. HAD THE**
19 **PARTIES REACHED SUCH AGREEMENT?**

20 A. No. The issue of whether to cap liability for material breaches has been in
21 dispute throughout the negotiations. WorldCom believes strongly that without
22 an exception to the liability cap for material breaches, BellSouth would have an
23 incentive to breach the contract when the benefit to BellSouth exceeded its
24 possible liability.

1 **Q. ACCORDING TO MS. COX, THIS ISSUE IS INAPPROPRIATE FOR**
2 **THE COMMISSION TO DECIDE PURSUANT TO SECTIONS 251 AND**
3 **252 OF THE ACT. DO YOU AGREE?**

4 A. No. The Commission must be able to address general provisions such as this
5 one in interconnection agreements. Otherwise, the party with no incentive to
6 reach a bargain (that is, the incumbent provider) will be able to veto
7 commercially reasonable terms. This is an unresolved issue. The Commission
8 (acting as an arbitrator under the Act) is the appropriate forum for the resolution.
9 In fact, in his recent order, Judge Hinkle ruled that the Commission is required
10 to address every issue presented to it for arbitration, specifically including issues
11 regarding the liability of one party to the other.

12 **ISSUE 108**

13 *Should WorldCom be able to obtain specific performance as a remedy for*
14 *BellSouth's breach of contract? (Part A, Section 14.1)*

15
16 **Q. WHY SHOULD THE AGREEMENT PROVIDE FOR SPECIFIC**
17 **PERFORMANCE AS A REMEDY FOR BREACH OF CONTRACT?**

18 A. The services provided by BellSouth under the Agreement—interconnection,
19 unbundled network elements, resale services—are critical to WorldCom's
20 ability to provide services to its customers as an ALEC. Specific performance is
21 required to ensure that BellSouth provides the services that will be used by
22 WorldCom to conduct business.

23 **Q. MS. COX' TESTIMONY ON THIS SUBJECT IS THAT SPECIFIC**
24 **PERFORMANCE IS NOT AN APPROPRIATE SUBJECT FOR**
25 **ARBITRATION?**

1 A. The specific performance remedy relates directly to BellSouth's obligations to
2 provide interconnection, unbundled network elements, and resale services under
3 the Act. The rights conferred on ALECs under the Act and BellSouth's
4 obligations to perform set forth in the Agreement are the subject matter of this
5 arbitration. Inclusion of a clause confirming that specific performance of these
6 obligations is available is an entirely appropriate subject for arbitration.
7 Moreover, Ms. Cox' suggestion that WorldCom can make the showing needed
8 for specific performance at a later date is just an attempt to delay the availability
9 of the remedy. Ms. Cox proposes, in effect, a case-by-case consideration of
10 whether or not specific performance should occur. This will just delay
11 resolution of any future disputes in which specific performance is sought.
12 Finally, and most fundamentally, the Agreement imposes obligations on
13 BellSouth which have their basis in the Act. Specific performance is at its core
14 nothing more than the remedy needed to enforce BellSouth's obligations under
15 the Act. The Commission should adopt the language proposed by WorldCom.

16 **ISSUE 109**

17 *Should BellSouth be required to permit WorldCom to substitute more favorable*
18 *terms and conditions obtained by a third party through negotiation or otherwise,*
19 *and should BellSouth be required to provide WorldCom with copies of*
20 *BellSouth's interconnection agreements with third parties within fifteen days of*
21 *the filing of such agreements with the FPSC? (Part A, Section 18)*
22

23 **Q. MS. COX SAYS THAT WORLDCOM IS "INAPPROPRIATELY"**
24 **SEEKING TO HAVE MORE FAVORABLE TERMS IN A SUBSEQUENT**
25 **AGREEMENT ENTERED INTO BETWEEN BELL SOUTH AND**
26 **ANOTHER ALEC MADE EFFECTIVE UPON THE EFFECTIVE DATE**
27 **OF THE AGREEMENT WITH THE OTHER ALEC, UPON**

1 **WORLDCOM'S REQUEST. DO YOU AGREE THAT THIS REQUEST**
2 **IS "INAPPROPRIATE"?**

3 A. Not at all. Indeed, the language WorldCom is proposing is nearly identical to
4 the language contained in the current MCI-BellSouth interconnection
5 agreement.

6 **Q. MS. COX SAYS THAT BELL SOUTH IS UNDER NO OBLIGATION TO**
7 **POST ITS AGREEMENTS ON ITS WEBSITE. IS WORLDCOM**
8 **REQUESTING SOMETHING SUBSTANTIALLY DIFFERENT THAN**
9 **WHAT IS IN ITS CURRENT AGREEMENT IN THIS REGARD?**

10 A. No. The requirement that BellSouth provide WorldCom with agreements
11 entered into with other ALECs is part of WorldCom's current Florida
12 interconnection agreement with BellSouth, as ordered by the Commission. It
13 greatly facilitates the goals of Section 252(i) of the Act for BellSouth to post
14 copies of new interconnection agreements on its website. In order to opt into
15 preferable terms, WorldCom must become aware that another ALEC has such
16 terms. The simplest and most efficient way for this to occur is for BellSouth to
17 post copies of all new interconnection agreements within 15 days of filing those
18 agreements with the Commission.

19

ISSUE 110

20 *Should BellSouth be required to take all actions necessary to ensure that*
21 *WorldCom confidential information does not fall into the hands of BellSouth's*
22 *retail operation, and shall BellSouth bear the burden of proving that such*
23 *disclosure falls within enumerated exceptions? (Part A, Section 20.1.1.1.)*
24

25 **Q. ACCORDING TO MS. COX, IN THE EVENT BELL SOUTH RETAIL**
26 **UNITS ARE MADE AWARE OF CONFIDENTIAL WORLDCOM**

1 **INFORMATION, WORLDCOM SHOULD BEAR THE BURDEN OF**
2 **PROVING THAT BELLSOUTH FAILED TO TAKE PROPER**
3 **MEASURES TO KEEP THE CONFIDENTIAL INFORMATION FROM**
4 **ITS RETAIL UNITS. HOW CAN WORLDCOM BE EXPECTED TO**
5 **BEAR THE BURDEN OF PROVING SUCH A THING?**

6 A. It would be nearly impossible for WorldCom to meet the burden of showing
7 how information traveled from one portion of the BellSouth corporate family to
8 another. If "Mr. Smith" in the local carrier service center learns of a new
9 WorldCom plan for winning new small business customers and he shares this
10 information with "Ms. Jones" in BellSouth's small business retail entity,
11 WorldCom will have no information whatsoever that could help it establish the
12 chain of events that led to such inappropriate disclosure.

13 **Q. MS. COX SUGGESTS THAT BELLSOUTH'S RETAIL UNITS MIGHT**
14 **LEARN OF CONFIDENTIAL INFORMATION ABOUT WORLDCOM**
15 **FROM SOURCES OTHER THAN BELLSOUTH'S WHOLESALE**
16 **UNITS, EVEN FROM WORLDCOM ITSELF. WHAT DO YOU**
17 **BELIEVE IS THE RELATIVE LIKELIHOOD OF SUCH**
18 **OCCURRENCES AND DO YOU BELIEVE IT TO BE ANY**
19 **JUSTIFICATION FOR SHIFTING THE BURDEN OF PROOF TO**
20 **WORLDCOM?**

21 A. The most likely source of confidential WorldCom information for BellSouth's
22 retail units is its wholesale division. The wholesale and retail divisions are both
23 part of BellSouth. Both have the same ultimate corporate goal (increasing the

1 value of "BLS" shares). It is the natural inclination of BellSouth entities to want
2 to share information that will further their overall corporate goal. Additionally,
3 employees of BellSouth wholesale operations may well know and interact with
4 employees on BellSouth's retail side. It is appropriate to insist that BellSouth
5 take all actions necessary to secure WorldCom confidential information because
6 the incentives and ability of BellSouth wholesale and retail employees to share
7 such information are compelling.

8 WorldCom employees, in contrast, have no incentive to share
9 confidential information with BellSouth retail employees and, indeed, their
10 opportunities for doing so would be far less than the opportunities of BellSouth
11 wholesale employees.

12 Additionally, it would be relatively easy for BellSouth to prove (if the
13 information is disclosed to a BellSouth retail unit by a source other than
14 BellSouth wholesale) how the confidential information was obtained by the
15 BellSouth retail unit. This is in stark contrast to the near impossibility of
16 WorldCom's ever determining how the BellSouth retail unit obtained such
17 information.

18 **Q. WHY IS IT FAIR TO ESTABLISH A REBUTTABLE PRESUMPTION,**
19 **SHOULD SUCH DISCLOSURE OF CONFIDENTIAL WORLDCOM**
20 **INFORMATION OCCUR, THAT BELLSOUTH WHOLESALE LEAKED**
21 **THE INFORMATION?**

22 **A.** It is fair because, as noted above, BellSouth employees have incentives --
23 financial and cultural -- as well as significant opportunities, to share such

1 information. Additionally, the threat of having to prevail against such a
2 presumption is likely to cause BellSouth to establish tighter corporate policies
3 regarding the confidential information of ALECs, reducing the chance that such
4 inappropriate disclosures would ever occur.

5 **Q. ACCORDING TO MS. COX, APPROPRIATE MEASURES FOR**
6 **BELLSOUTH TO TAKE TO KEEP WORLDCOM'S INFORMATION**
7 **CONFIDENTIAL WOULD BE "REASONABLE ACTIONS." DO YOU**
8 **BELIEVE THAT THIS IS THE PROPER STANDARD?**

9 A. I do not. BellSouth is WorldCom's sole supplier of many critical services and
10 elements, which puts it in the position of learning a significant amount of
11 confidential information. Should this information be learned by BellSouth's
12 retail units, they could clearly use it to WorldCom's serious detriment. Having
13 access to WorldCom's confidential information would place BellSouth's retail
14 operation at an unfair competitive advantage. BellSouth is only willing to take
15 "reasonable measures" to safeguard WorldCom's confidential information from
16 its retail operations, and is not willing to assume the burden of establishing that
17 disclosure of such information falls into one of the enumerated exceptions (such
18 as the exception for when confidential information becomes public through no
19 breach of contract by BellSouth).

20 BellSouth should be required to take all actions necessary to ensure that
21 its retail operations do not obtain such information. If such disclosure does
22 occur, a rebuttable presumption should arise that BellSouth has breached its
23 obligations to preserve confidentiality, and BellSouth should bear the burden of

1 proving that the disclosure was permissible under one of the exceptions
2 enumerated in Part A, section 19.1.2.

3 **ISSUE 111**

4 *Should WorldCom's proposed procedures be followed for usage audits for*
5 *reporting and auditing of PIUs and PLUs? (Part A, Section 21.2.)*

6
7 **Q. MR. SCOLLARD OPINES THAT THE WORLDCOM AUDIT**
8 **PROPOSAL IS CONFUSING AS TO THE SCOPE OF THE AUDIT. DO**
9 **YOU AGREE AND DO YOU BELIEVE THAT THE BELL SOUTH**
10 **PROPOSAL IS CLEARER?**

11 A. I do not agree that the WorldCom proposal is unclear, and I strongly believe that
12 the BellSouth proposal is neither clearer nor appropriate for the Agreement. To
13 begin with, BellSouth's proposal commences with a definition of "percent local
14 use" or "PLU." Both "PLU" and Percent Interstate Use or "PIU" are already
15 defined in the agreement. Rather than clarify matters, having two definitions of
16 "PLU" and "PIU" introduces ambiguity into the agreement. Additionally,
17 BellSouth has incorporated by reference the audit process outlined in its tariff
18 regarding IXCs and amended it only slightly to arrive at the audit process it
19 proposes here. The contract should contain all audit language, without reference
20 to BellSouth's access tariffs. If BellSouth believes that something in its access
21 tariffs – which are subject to modification at any time - is important enough to
22 have in the contract, WorldCom is willing to consider any particular language
23 BellSouth would like to propose. Moreover, BellSouth is attempting to treat
24 WorldCom as an IXC, rather than as the local exchange carrier that it is. In
25 short, BellSouth's proposal is inappropriate because the same issues that are of

1 concern in the interexchange arena are not applicable to the LEC-to-LEC traffic
2 that we are discussing here.

3 **Q. IS THE PIU SOMETHING FOR WHICH A LOCAL**
4 **INTERCONNECTION AGREEMENT SHOULD CONTAIN AUDIT**
5 **PROCEDURES?**

6 A. Not really. The relevant information is actual local usage data. Local usage is
7 what matters in a local interconnection agreement like this one. PIU has no
8 application under the terms of the agreement. Moreover, WorldCom intends to
9 supply actual PLU data where available (which is most of the time) and the PLU
10 factor would be needed only as a substitute when actual data is not available.

11 **Q. MR. SCOLLARD SAYS THAT BELL SOUTH'S PROPOSAL**
12 **SPECIFICALLY STATES WHICH PARTY WILL PAY FOR THE**
13 **AUDIT BUT THAT WORLDCOM'S PROPOSAL IS "COMPLETELY**
14 **SILENT" ON THIS POINT. DO YOU AGREE?**

15 A. No. WorldCom's proposal is clear that audits are conducted at the expense of
16 the auditing party.

17 **Q. MR. SCOLLARD MAKES THE POINT THAT WORLDCOM'S**
18 **PROPOSAL CONTAINS NO TERMS FOR RECTIFYING**
19 **DISCREPANCIES UNCOVERED IN AN AUDIT WHEREAS**
20 **BELL SOUTH'S DOES. IS THIS A REASONABLE OBJECTION TO**
21 **WORLDCOM'S AUDIT PROPOSAL?**

22 A. No. The contract provision at issue deals with rights to audit and terms of an
23 audit. Settlement provisions for rectifying billing errors are contained in a

1 different provision of the contract (Part A, Section 21.2.4) and would serve no
2 purpose in this section.

3 **Q. WHAT ABOUT BELLSOUTH'S STATEMENT THAT THE USAGE**
4 **DATA TRANSMITTED VIA CABS IS COVERED IN ATTACHMENT 8**
5 **AND SHOULD NOT BE INCLUDED HERE?**

6 A. BellSouth does not state whether it would accede to WorldCom's language in
7 this respect, and if it does not, why not. Thus BellSouth implies that
8 WorldCom's language, which pertains to audits and hence does belong in this
9 section of the Agreement, is acceptable.

10 **Q. NOTWITHSTANDING MR. SCOLLARD'S COMMENTS, DOES**
11 **WORLDCOM'S PROPOSED LANGUAGE STATE THE**
12 **RESPONSIBILITIES OF THE PARTIES IN PREPARING FOR THE**
13 **AUDIT?**

14 A. Yes. What we have proposed in Section 21 is clear and detailed in this respect.

15 **Q. AS TO THE COMPROMISE BELLSOUTH PROPOSES, WHAT IS**
16 **YOUR RESPONSE?**

17 A. PLU data, including for the "transit" traffic (e.g., ISP-bound traffic) that
18 BellSouth erroneously states is not subject to reciprocal compensation, certainly
19 should be reported on a monthly basis. The point, which Mr. Scollard neglects,
20 upon which the Commission should focus is that the contract must provide for
21 the auditing of actual local usage.

22 **Q. DOES THAT CONCLUDE YOUR REBUTTAL TESTIMONY?**

23 A. Yes, it does.

7.1 Introduction – Line Sharing:

7.1.1 BellSouth shall support MCI's ability to provide combinations of voice services, data services, and voice and data services.

7.2 Definitions:

7.2.1 Use of the High Frequency Spectrum (HFS) portion of the Loop by MCI or a third party Carrier authorized by MCI to provide Advanced Services, on Loops employed by MCI in a UNE-P configuration (a combination of all Network Elements), or a Loop Transport combination, or Loop alone, to provide Customers Telecommunications Service. In this configuration, BellSouth performs operational activities necessary to facilitate extracting the High Frequency Spectrum ("HFS") so that MCI (or its authorized Advanced Services supplier) can utilize the HFS portion of the Loop.

7.3 General Requirements:

7.3.1 MCI may provide voice service or other telecommunications Services over the same Loop that BellSouth or any data affiliate of BellSouth, or any data CLEC, uses to provide data services to that Customer, and BellSouth shall not interrupt or terminate services provided in the HFS. BellSouth agrees to continue to provide all existing data services in the HFS, to any Customer that chooses MCI as its Carrier for voice service or other Telecommunications Services where the Customer desires continuation of MCI's services.

7.3.2 Whenever MCI provides service utilizing a Loop, either as part of a UNE-P or otherwise, MCI may, at its option, control the entire Loop spectrum in order to provide both voice and HFS services, whether by itself or sharing with an authorized Advanced Services provider.

7.3.3 Where the BellSouth is line sharing, convert the voice portion of the Loop to MCI UNE-P while leaving the service in the HFS portion of the Loop intact. As part of the conversion order, billing of the HFS portion of the Loop to the Advanced Services provider must be terminated if MCI so requests.

7.3.4 Where BellSouth is line sharing, convert the voice portion of the Loop to MCI UNE-P and, as part of the same transaction, connect the HFS portion of the Loop to MCI's designated point of interconnection.

7.3.5 Add voice capability, where none currently exists, to a Loop where only the HFS is used for service delivery. BellSouth shall provide the capability to utilize the telephone number of any voice line currently

provided by BellSouth to the Customer at the same location, provided the Customer disconnects the associated BellSouth line with that telephone number, and MCIIm provides the service, via UNE-P from the same Central Office. As part of the conversion order, MCIIm shall have the ability to redirect billing of the Loop from the Advanced Services Provider to MCIIm.

7.4 Maintenance Requirements for Loops with and without Advanced Services will be reported as specified in Attachment 10 of this contract.

7.5 Advances Services Deployment: BellSouth splitters must be available to MCIIm, or its authorized Advanced Services supplier, on a line by line basis. While BellSouth may make splitters available to MCIIm on a shelf by shelf basis, this option will not preclude MCIIm from obtaining splitters, as needed, on a line by line basis.

7.6 Line Sharing –General: BellSouth shall provide MCIIm access to the high frequency portion of the local loop as an unbundled network element (“High Frequency Spectrum Network Element” or “HUNE”) at the rates set forth in Section 4 herein. BellSouth shall provide MCIIm with the HUNE irrespective of whether BellSouth chooses to offer xDSL services on the loop.

7.6.1 The HUNE is defined as the frequency range above the voiceband on a copper loop facility carrying analog circuit-switched voiceband transmissions. Access to the HUNE is intended to allow MCIIm’s the ability to provide Digital Subscriber Line (“xDSL”) data services. The HUNE shall be available for any version of xDSL presumed acceptable for deployment pursuant to 47 C.F.R. Section 51.230, including, but not limited to, ADSL, RADSL, and any other xDSL technology that is presumed to be acceptable for deployment pursuant to FCC rules. BellSouth will continue to have access to the low frequency portion of the loop spectrum (from 300 Hertz to at least 3000 Hertz, and potentially up to 3400 Hertz, depending on equipment and facilities) for the purposes of providing voice service, unless MCIIm is providing voice service over the loop. MCIIm may directly deploy, or deploy through a third party, any Advanced Services equipment that operates within the Spectrum Classes defined in the T1E1.4 Spectrum Management Standard or conforms to other generally recognized and applicable industry standards and which operates within the high frequency portion of the loop.

7.6.2 The following loop requirements are necessary for MCIIm to be able to access the HUNE: an unconditioned, 2-wire copper loop. An unconditioned loop is a copper loop with no load coils, low-

pass filters, range extenders, DAMLs, or similar devices and minimal bridged taps consistent with ANSI T1.413 and T1.601. The process of removing such devices is called "conditioning." BellSouth shall charge and MCI shall pay as interim rates, the same rates that BellSouth charges for conditioning stand-alone loops (e.g., unbundled copper loops, ADSL loops, and HDSL loops) until permanent pricing for loop conditioning is established either by mutual agreement or by a state public utility commission. The interim costs for conditioning are subject to true up as provided in paragraph 4.0. BellSouth will condition loops to enable MCI to provide xDSL-based services on the same loops used to provide analog voice service, regardless of loop length. BellSouth is not required to condition a loop for shared-line xDSL if conditioning of that loop significantly degrades BellSouth's voice service. BellSouth shall charge, and MCI shall pay, for such conditioning the same rates BellSouth charges for conditioning stand-alone loops (e.g., unbundled copper loops, ADSL loops, and HDSL loops.) If MCI requests that BellSouth condition a loop longer than 18,000 ft. and such conditioning significantly degrades the voice services on the loop, MCI shall pay for the loop to be restored to its original state.

- 7.6.3 MCI's meet point is the point of termination for MCI's or the toll main distributing frame in the central office ("Meet Point"). BellSouth will use jumpers to connect the MCI's connecting block to the splitter. The splitter will route the HUNE on the circuit to the MCI's xDSL equipment in the MCI's collocation space.
- 7.6.4 MCI shall have access to the Splitter for test purposes, irrespective of where the Splitter is placed in the BellSouth premises.

7.7 PROVISIONING OF HUNE AND SPLITTER SPACE

- 7.7.1 BellSouth will provide MCI with access to the HUNE as follows:

7.7.1.1 BellSouth is unable to obtain a sufficient number of splitters for placement in all central offices requested by competitive local exchange carriers ("CLECs") by June 6, 2000. Therefore, BellSouth, MCI and other CLECs have developed a process for allocating the initial orders of splitters. BellSouth will install all splitters ordered on or before April 26, 2000, in accordance with the schedule set forth in Attachment 1 of this Agreement. Once all splitters ordered by all CLECs on or before April 26, 2000, have been installed, BellSouth will install splitters within forty-two (42) calendar days of MCI's submission of such

order to the BellSouth Complex Resale Support Group; provided, however, that in the event BellSouth did not have reasonable notice that a particular central office was to have a splitter installed therein, the forty-two (42) day interval shall not apply. Collocation itself or an application for collocation will serve as reasonable notice. BellSouth and MCIIm will reevaluate this forty-two (42) day interval on or before August 1, 2000.

7.7.1.2 After June 6, 2000, once a splitter is installed on behalf of MCIIm in a central office, MCIIm shall be entitled to order the HUNE on lines served out of that central office.

7.7.1.3 BellSouth will select, purchase, install, and maintain a central office POTS splitter and provide MCIIm access to data ports on the splitter. In the event that BellSouth elects to use a brand of splitter other than Siecor, the Parties shall renegotiate the recurring and non-recurring rates associated with the splitter. In the event the Parties cannot agree upon such rates, the then current rates (final or interim) for the Siecor splitter shall be the interim rates for the new splitter. BellSouth will provide MCIIm with a carrier notification letter at least 30 days before of such change and shall work collaboratively with MCIIm to select a mutually agreeable brand of splitter for use by BellSouth. MCIIm shall thereafter purchase ports on the splitter as set forth more fully below.

7.7.1.4 BellSouth will install the splitter in (i) a common area close to the MCIIm collocation area, if possible; or (ii) in a BellSouth relay rack as close to the MCIIm DS0 termination point as possible. For purposes of this section, a common area is defined as an area in the central office in which both Parties have access to a common test access point. BellSouth will cross-connect the splitter data ports to a specified MCIIm DS0 at such time that a MCIIm end user's service is established.

7.7.1.5 In the event the end-user's BellSouth provided voice service is terminated for reasons such as non-payment, , and MCIIm desires to continue providing xDSL service on such loop, MCIIm shall be required to purchase the full stand-alone loop unbundled network element. In the event BellSouth disconnects the end-user's voice service pursuant to its tariffs or applicable law, and MCIIm desires to continue providing xDSL service on such loop, MCIIm shall be required to purchase the full stand-alone loop unbundled network element.

7.7.1.6 MCIIm and BellSouth shall continue to work together collaboratively to develop systems and processes for provisioning

the HUNE in various real life scenarios. BellSouth and MCIIm agree that MCIIm is entitled to purchase the HUNE on a loop that is provisioned over fiber fed digital loop carrier. BellSouth will provide MCIIm with access to feeder subloops at UNE prices. BellSouth and MCIIm will work together to establish methods and procedures for providing MCIIm access to the HUNE over fiber fed digital loop carriers by August 1, 2000.

7.7.1.7 Only one competitive local exchange carrier shall be permitted access to the HUNE of any particular loop.

7.7.1.8 To order HUNE on a particular loop, MCIIm must have a DSLAM collocated in the central office that serves the end-user of such loop. BellSouth will work collaboratively with MCIIm to create a concurrent process that allows MCIIm to order splitters in central offices where MCIIm is in the process of obtaining collocation space and enables BellSouth to install such splitters before the end of MCIIm's collocation provisioning interval. While that process is being developed, MCIIm may order splitters in a central office once it has installed its Digital Subscriber Line Access Multiplexer ("DSLAM") in that central office. BellSouth will install these splitters within the interval provided in paragraph 2.1.

7.7.1.9 BellSouth will devise a splitter order form that allows MCIIm to order splitter ports in increments of 1, 24 or 96 ports.

7.7.1.10 BellSouth will provide MCIIm the Local Service Request ("LSR") format to be used when ordering the HUNE.

7.7.1.11 BellSouth will initially provide access to the HUNE within the following intervals: Beginning on June 6, 2000, BellSouth will return a Firm Order Confirmation ("FOC") in no more than two (2) business days. BellSouth will provide MCIIm with access to the HUNE as follows:

7.7.1.11.1 For 1-5 lines at the same address within three (3) business days from the receipt of MCIIm's LSR; 6-10 lines at same address within 5 business days; and more than 10 lines at the same address is to be negotiated. BellSouth and MCIIm will re-evaluate these intervals on or before August 1, 2000.

7.7.1.12 MCIIm will initially use BellSouth's existing pre-qualification functionality and order processes to pre-qualify line

and order the HUNE. MCIIm and BellSouth will continue to work together to modify these functionalities and processes to better support provisioning the HUNE. BellSouth will use its best efforts to make available to MCIIm, by the fourth quarter of 2000, an electronic pre-ordering, ordering, provisioning, repair and maintenance and billing functionalities for the HUNE.

7.8 MAINTENANCE AND REPAIR - MCIIm shall have access, for test, repair, and maintenance purposes, to any loop as to which it has access to the HUNE. MCIIm may access the loop at the point where the combined voice and data signal exits the central office splitter.

7.8.1 BellSouth will be responsible for repairing voice services and the physical line between the network interface device at the customer premise and the Meet Point of demarcation in the central office. MCIIm will be responsible for repairing data services. Each Party will be responsible for maintaining its own equipment.

7.8.2 If the problem encountered appears to impact primarily the xDSL service, the end user should call MCIIm. If the problem impacts primarily the voice service, the end user should call BellSouth. If both services are impaired, the recipient of the call should coordinate with the other service provider(s).

7.8.3 BellSouth and MCIIm will work together to diagnose and resolve any troubles reported by the end-user and to develop a process for repair of lines as to which MCIIm has access to the HUNE. The Parties will continue to work together to address customer initiated repair requests and other customer impacting maintenance issues to better support unbundling of HUNE.

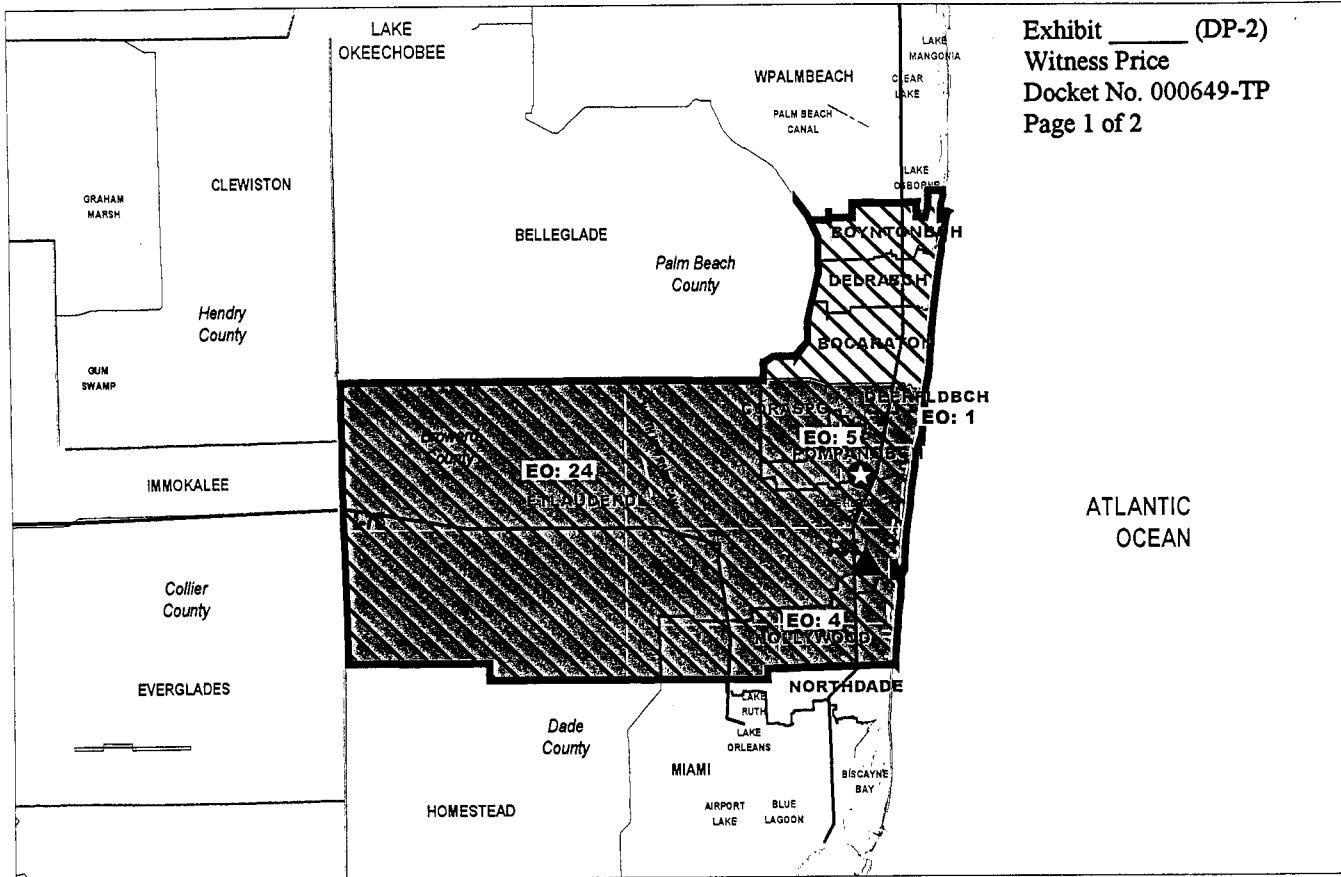
7.8.3.1 The Parties will be responsible for testing and isolating troubles on its respective portion of the loop. Once a Party ("Reporting Party") has isolated a trouble to the other Party's ("Repairing Party") portion of the loop, the Reporting Party will notify the Repairing Party that the trouble is on the Repairing Party's portion of the loop. The Repairing Party will take the actions necessary to repair the loop if it determines a trouble exists in its portion of the loop.

7.8.3.2 If a trouble is reported on either Party's portion of the loop and no trouble actually exists, the Repairing Party may charge the Reporting Party for any dispatching and testing (both inside and outside the central office) required by the Repairing Party in order to confirm the loop's working status.

7.8.4 In the event MCI's deployment of xDSL on the HUNE significantly degrades the performance of other advanced services or of BellSouth's voice service on the same loop, BellSouth shall notify MCI and allow twenty-four (24) hours to cure the trouble. If MCI fails to resolve the trouble, BellSouth may discontinue MCI's access to the HUNE on such loop.

Ft. Lauderdale/Miami Market Area Rate Centers

Exhibit _____ (DP-2)
 Witness Price
 Docket No. 000649-TP
 Page 1 of 2



BellSouth Network

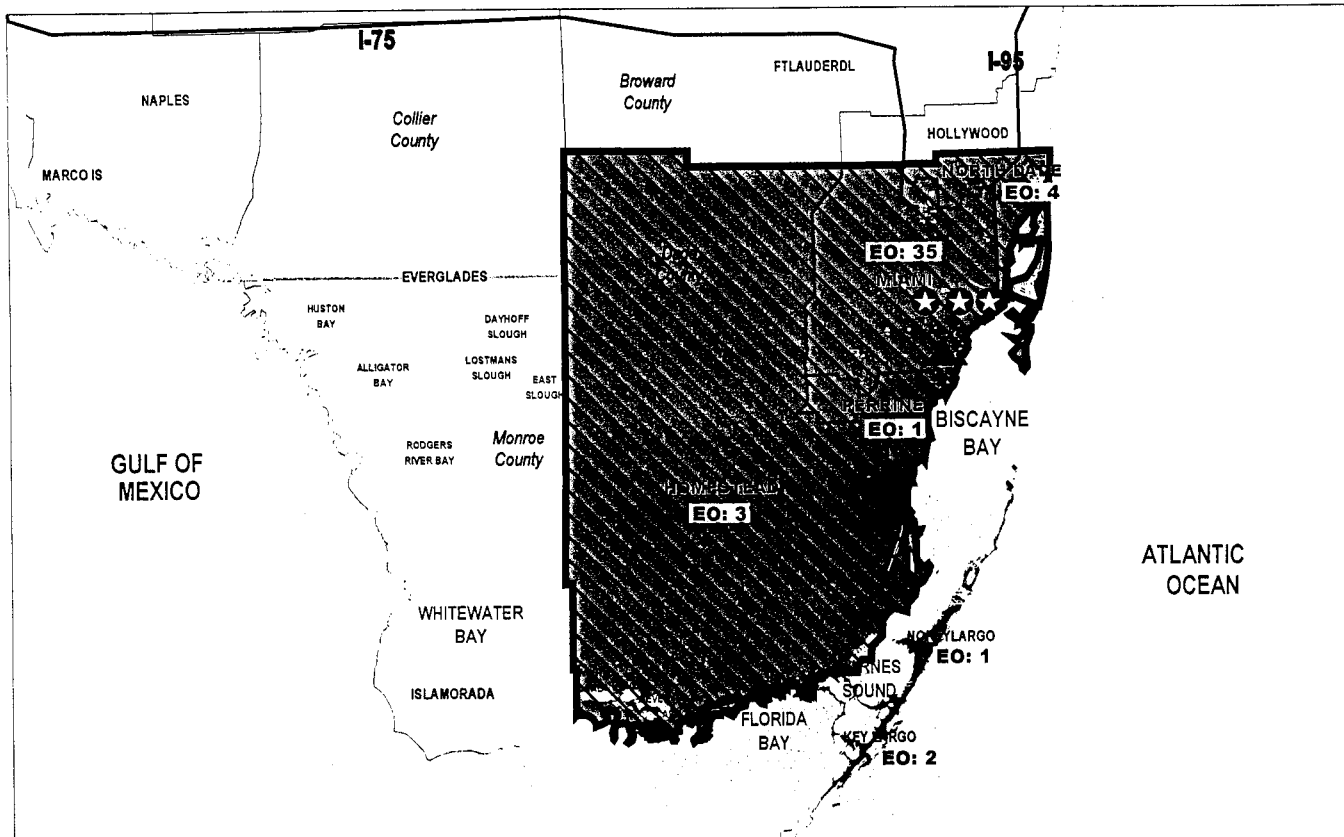
WorldCom Network

▲ Local Tandems
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■ Rate Centers Served
 EO: Indicates # of Subtending End Offices

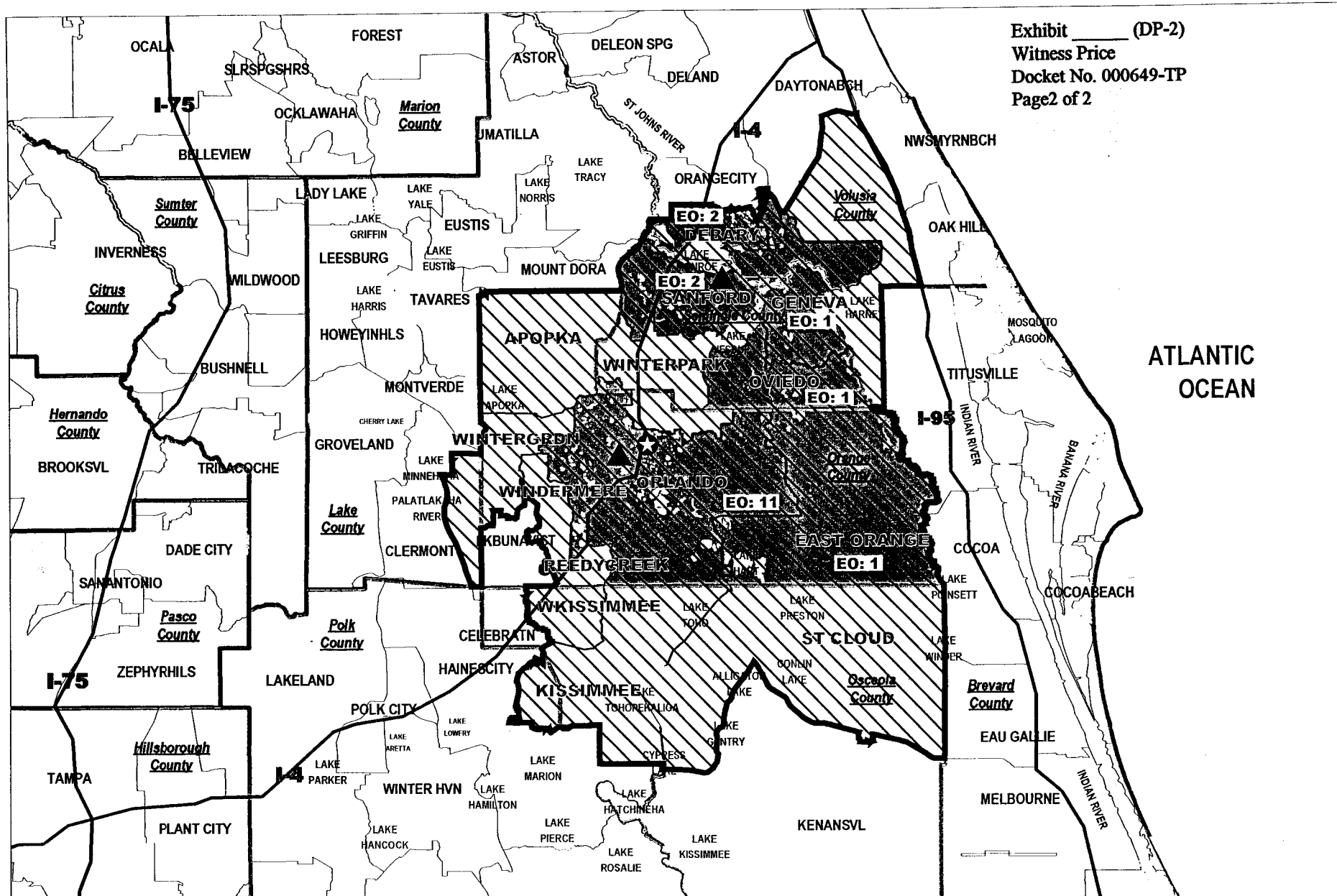
▨ Rate Centers Served

★ Local Switches



Central Florida and Greater Orlando Market Area Rate Centers

Exhibit _____ (DP-2)
 Witness Price
 Docket No. 000649-TP
 Page 2 of 2



BellSouth Network

- ▲ Local Tandems
 ORLDFLMA34T
 SNFRFLMA32T

- Rate Centers Served

EO: Indicates # of Subtending End Offices

WorldCom Network

- ▨ Rate Centers Served

- ★ Local Switch