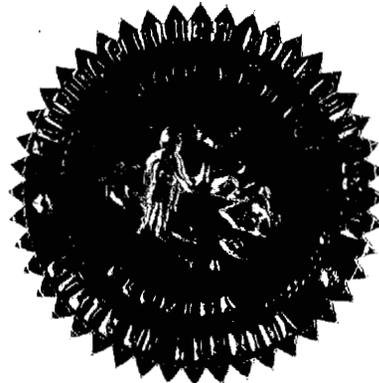


BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of  
PETITION BY MCIMETRO ACCESS  
TRANSMISSION SERVICES, LLC AND MCI  
WORLD COM COMMUNICATIONS, INC. FOR  
ARBITRATIONS OF CERTAIN TERMS AND  
CONDITIONS OF A PROPOSED AGREEMENT  
WITH BELL SOUTH TELECOMMUNICATIONS,  
INC. CONCERNING INTERCONNECTION AND  
RESALE UNDER THE TELECOMMUNICATIONS  
ACT OF 1996.  
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: DOCKET NO. 000649-TP



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VOLUME 4

Pages 553 through 689

PROCEEDINGS: HEARING  
BEFORE: COMMISSIONER E. LEON JACOBS, JR.  
COMMISSIONER LILA A. JABER  
COMMISSIONER BRAULIO L. BAEZ  
DATE: Thursday, October 5, 2000  
TIME: Commenced at 9:00 a.m.  
PLACE: Betty Easley Conference Center  
Room 148  
4075 Esplanade Way  
Tallahassee, Florida  
REPORTED BY: JANE FAUROT, RPR  
FPSC Division of Records & Reporting  
Chief, Bureau of Reporting  
APPEARANCES: (As heretofore noted.)

DOCUMENT NUMBER-DATE

13411 OCT 20 08

## 1 I N D E X

## 2 WITNESSES

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7 Redirect Examination by Mr. O'Roark 676

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## 1 P R O C E E D I N G S

2 (Transcript follows in sequence from  
3 Volume 3.)

4 COMMISSIONER JACOBS: We will resume on the  
5 record.

6 Mr. Ross, I think you were on cross.

7 MR. ROSS: Thank you, Commissioner Jacobs.

8 DON PRICE

9 continues his testimony under oath from Volume 3:

10 CONTINUED CROSS EXAMINATION

11 BY MR. ROSS:

12 Q Good morning, Mr. Price. I would like to turn  
13 our attention this morning to Issue 6, which deals with  
14 combinations. The language proposed by MCI on this issue  
15 would require that BellSouth combine network elements for  
16 MCI so long as those elements are ordinarily combined  
17 somewhere in BellSouth's network, is that correct?

18 A Yes, it is. And in our view, and as I state in  
19 my testimony, we believe that is the only fair reading of  
20 the FCC's regulation and the act.

21 Q Let me see if I can use an example to illustrate  
22 what MCI's position is. I want you to assume for purposes  
23 of my question that we have a new subdivision in Orlando  
24 and that BellSouth has -- there is no customer living in  
25 the house in this particular subdivision, but BellSouth -

1 has put in the facilities to provide service. Put the  
2 loop in place, but has otherwise not made the connection  
3 of the loop to the switch in the end office serving that  
4 customer. Do you understand my hypothetical?

5 A Yes, I do.

6 Q Now, loops and ports or switches are ordinarily  
7 combined in BellSouth's network, is that correct?

8 A Absolutely.

9 Q Is it MCI's view in the circumstance I just  
10 described that BellSouth would have the obligation to  
11 perform the functions necessary to combine that loop and  
12 that port so MCI could serve that customer moving into the  
13 new house?

14 A Yes. I mean, I think any other interpretation  
15 is ludicrous, because what it suggests is that if the  
16 recall end user were to come in and request service from  
17 BellSouth in that instance that BellSouth would in short  
18 order make the necessary connections between those  
19 elements to accomplish the service requested by the end  
20 user. Whereas it would refuse to do that, as I understand  
21 it based on BellSouth's position, if the same request were  
22 made by WorldCom on behalf of that same end user. Whereas  
23 if that end user requested service from BellSouth and  
24 BellSouth provided the service requested, then presumably,  
25 you know, a day or two or a month or two later if WorldCom

1 were to request service to that same end user, then  
2 somehow that would be okay, whereas it would not have been  
3 okay previously. And that to me makes no sense whatsoever  
4 from a public policy perspective.

5 Q You do understand that under BellSouth's  
6 position MCI could purchase the loop, could purchase the  
7 port, and BellSouth would deliver both to MCI's  
8 collocation spot and MCI could, in fact, combine those  
9 elements?

10 A Yes, it is my understanding of BellSouth's  
11 position. And I totally disagree with that because the  
12 FCC has stated that it is not a requirement for CLECs to  
13 use collocation in order to accomplish a combination. And  
14 because BellSouth would not otherwise give WorldCom access  
15 to its equipment in order to allow WorldCom to make those  
16 same combinations in a way that is commensurate with the  
17 way that BellSouth's technicians would do it. So, in  
18 other words, there is not a nondiscriminatory access to  
19 the elements that is in our view required by the act and  
20 the FCC's rules.

21 Q You are also aware that BellSouth offers an  
22 assembly point which allows ALECs to combine elements  
23 without having collocation?

24 A I am not completely familiar with that. But  
25 assuming that is the case, again, in our view that is not

1 nondiscriminatory access because BellSouth's own services  
2 are not combined using that same methodology.

3 Q Now, in your direct testimony on Page 15 you  
4 cite at the top of the page to two decisions by this  
5 Commission almost a year ago in AT&T and MCI cases, is  
6 that correct? Or MCI cases.

7 A Yes.

8 Q You mentioned in your summary yesterday, and I  
9 believe you cited to this Commission's decision in the  
10 DeltaCom and Intermedia arbitrations on the ISP issue. To  
11 your knowledge did the Commission also address the  
12 combination issue in both DeltaCom and Intermedia?

13 A If I could have a moment just to refresh my  
14 memory.

15 Q Well, if you don't know, I'm not asking you  
16 to -- obviously the orders speak for themselves.

17 A I have read the recent decisions and there are  
18 several of them, and now that I have had to chance to  
19 think about it for longer than a second, it is my  
20 understanding that the Commission has reached a decision  
21 in one or more of those recent orders.

22 Q Is MCI willing to abide by this Commission's  
23 decision, let's say, in the Intermedia arbitration on the  
24 issue of combinations?

25 A Bear with me for just a minute. I really would

1 like to refresh my memory.

2 Q It's at Page 26 and 27 of the Commission's --

3 A That is not going to help me because I don't  
4 actually have the entire decision.

5 Q Oh, okay.

6 A I appreciate it, though. In the case of the  
7 Intermedia decision, I believe what we have presented in  
8 our case and in my testimony in this proceeding is  
9 evidence that I believe the Commission needs to take into  
10 account in reaching a decision on this particular issue.  
11 Because as I have stated this morning and as my testimony  
12 states, it is really bad public policy to draw a line, as  
13 we discussed a few minutes ago, between a customer who  
14 could get service immediately if BellSouth were to provide  
15 that service, but somehow BellSouth would refuse to  
16 combine those elements simply because in the case of our  
17 example the line and the port had not been hooked up  
18 previously. I mean, I do not see how that advances this  
19 Commission's objectives of opening up the market in  
20 Florida for, for example, residential competition.

21 Q I'm not sure you answered my question. Is that  
22 a no, that MCI is not willing to abide by this  
23 Commission's decision in the Intermedia arbitration on the  
24 issue of combinations?

25 A It's a yes and a no. It's a yes that we are

1 willing to abide by it as far as it goes. But what I am  
2 saying is that I believe the Commission stopped a little  
3 bit short of what I think perhaps they should have  
4 decided. And we would like for them to take the evidence  
5 in this case in mind as they look at this issue and not  
6 feel as if somehow the decision that was reached in the  
7 Intermedia case necessarily represents the last word.

8 Q You also cite on Page 15 of your direct  
9 testimony a decision from the Georgia Public Service  
10 Commission on the issue of combinations, is that correct?

11 A I'm sorry, which page?

12 Q Page 15.

13 A Yes, I do.

14 Q Although you don't mention it in your testimony,  
15 isn't it true that the Georgia Commission in this docket  
16 that you cite specifically stated in their order that it  
17 would revisit its decision on this issue after the Eighth  
18 Circuit issued a decision on the FCC's combination rules?

19 A I believe that is something that the decision  
20 stated.

21 Q Let's talk about Issue 7A for just a moment, and  
22 I believe you discussed this beginning on Page 24 of your  
23 direct testimony. Is it true that MCI has not raised this  
24 particular issue in any other arbitration besides Florida?

25 A If you could bear with me for just a second.

1 And the question was whether we have raised this in other  
2 arbitrations?

3 Q Yes.

4 A I believe that is correct.

5 Q You believe that you have raised this issue in  
6 other arbitrations or you have not raised it in other  
7 arbitrations?

8 A I'm sorry, I was agreeing with your question  
9 that we have not raised this elsewhere.

10 Q Now, in looking at the language that is in  
11 dispute on this particular issue, and I am at Page 24,  
12 Lines 10 through 13 of your testimony, the first sentence  
13 suggests that BellSouth is entitled to charge MCI only for  
14 network elements that MCI actually uses, is that fair?

15 A I apologize, could you ask me that again?

16 Q Yes. As I read the first sentence of the  
17 proposed language by MCI, BellSouth is only entitled to  
18 charge MCI for network elements that MCI orders when MCI  
19 actually uses those unbundled network elements to carry  
20 traffic. Is that what the language says?

21 A That is a possible reading of the language, and  
22 I can assure you that is not the intent.

23 Q Okay. So this is another case where the  
24 language proposed by MCI may not be as precise as MCI may  
25 want?

1           A     Or said differently, this is a case where the  
2 language has been sitting before BellSouth for quite some  
3 time. And for some reason BellSouth has yet to propose  
4 language that would clarify its concerns.

5           Q     It has been sitting in front of BellSouth for so  
6 long that MCI hasn't sought to arbitrate this in any state  
7 outside of Florida?

8           A     I can't testify to the rationale that went into  
9 the various petitions because I was not involved with the  
10 filing of those petitions. But I can assure you that  
11 there is certainly no intent on our part to try to be  
12 underhanded or whatever. Otherwise we would not have put  
13 this language on the table and asked for BellSouth's  
14 response as part of the discussion.

15          Q     Can you testify as to when MCI actually even  
16 proposed this language to BellSouth?

17          A     It is my understanding as stated in my rebuttal  
18 testimony that that language was provided in April of this  
19 year.

20          Q     Do you know that for a fact?

21          A     Not having participated in the negotiations, I  
22 do not have personal knowledge of that.

23          Q     So your testimony is today that MCI is willing  
24 to agree to pay BellSouth for any unbundled network  
25 elements that MCI actually orders from BellSouth whether .

1 or not MCI uses those elements?

2 A Yes. And if I could, I would like to give a  
3 brief example that explains exactly what we are trying to  
4 accomplish here.

5 Q If you feel that is necessary to elaborate on  
6 your answer, I think you have resolved one point of  
7 BellSouth's dispute, but if you feel it is necessary to  
8 explain your answer, go ahead.

9 A Well, I think it is important for the Commission  
10 to understand exactly what is at issue here? Because as I  
11 stated, it is not our intention to somehow try to avoid  
12 payment for unbundled network treatments that are ordered  
13 by WorldCom. In the case of UNE-P, for example, where  
14 there is a combination of elements, the ordering that  
15 would take place for -- Commissioner Jacobs, I will pick  
16 on you.

17 If you were to have ordered a second line into  
18 your home and we were to get past this question of whether  
19 or not Bell is obligated to provide those combinations, if  
20 WorldCom could order that second line for you and  
21 BellSouth were to provision the line and the port so that  
22 you would have dial phone on that second line, what we  
23 would order as part of that is only the line, the loop out  
24 to your house and the switch port. We would not order any  
25 common transport. We would not order any tandem

1 switching. We would not order -- in the service order that  
2 we issued for your second line, we would not order the  
3 other parts of the network because all of that would  
4 actually be -- it would not be necessary in order to  
5 provide you service. Now it would be necessary for you  
6 to, you know, call other people within the community or  
7 make long distance calls.

8           To extent that transport is provided by  
9 BellSouth in that instance, we would not have ordered it  
10 but we would pay for it. To the extent that tandem  
11 switching was used in order to get the call to the  
12 interexchange carrier that you have presubscribed on your  
13 line, hopefully WorldCom, but if not another interexchange  
14 carrier, we would pay for that tandem switching on a per  
15 minute basis. But, again, we would not have ordered it.

16           So the intent of this language is to try to make  
17 sure that there is language in the interconnection  
18 agreement that reflects the fact that we are going to pay  
19 for those things that we order. And in addition, even if  
20 we don't order it, we are going to pay for the things that  
21 are used as part of that combination. And that is all we  
22 are trying to accomplish by this language.

23           Q     Thank you, Mr. Price. The other part of this  
24 issue deals with reciprocal compensation. And just so I  
25 am clear, is it MCI's position that when it serves a

1 customer using the UNE platform and a BellSouth customer  
2 calls your UNE platform customer, that BellSouth owes  
3 reciprocal compensation for that call?

4 A In one respect, yes. And I read very carefully  
5 the rebuttal testimony of Ms. Cox on this issue. And she  
6 correctly points out that BellSouth would be entitled to  
7 collect a switching charge from WorldCom for that traffic  
8 that terminates. And if we could continue to use  
9 Commissioner Jacobs, if a call coming in, a local call  
10 coming into that line, BellSouth would be entitled to  
11 charge WorldCom switching on that. By the same token we  
12 believe that we are entitled to reciprocal compensation.  
13 And as Ms. Cox pointed out in her testimony, in that  
14 instance it would be a wash. So there would be no need  
15 for BellSouth to render WorldCom a bill for the switching,  
16 and there would be no need for WorldCom to render  
17 BellSouth a bill for the reciprocal compensation for that  
18 traffic terminating on Commissioner Jacobs' line.

19 Q Okay. And that is, in fact, an issue that the  
20 FCC took up, considered in connection with BellSouth's  
21 second application for long distance authority in  
22 Louisiana, is that correct?

23 A It has been awhile, Mr. Bennett, since I have  
24 looked at that order, and I frankly don't recall.

25 Q That's fine. Let's turn briefly to Issue 18 and

1 Issue 23, which I think you discussed together. And both  
2 of these issues deal with access to unbundled transport,  
3 is that correct?

4 A Yes, it is.

5 Q More specifically, Issue 18 deals with unbundled  
6 transport as a general matter while Issue 23 relates  
7 specifically to unbundled transport via SONET rings, is  
8 that correct?

9 A Yes.

10 Q And I believe you testified that MCI agrees that  
11 BellSouth is not required to build transport facilities  
12 for WorldCom, is that correct?

13 A Yes, it is.

14 Q Now, talking about SONET rings, in order to have  
15 a SONET ring, and I am not an engineer and I know you are  
16 not either, you need fiber and you need electronics, is  
17 that fair from a layman's perspective?

18 A Yes. And when we say fiber, I guess we really  
19 need two different paths between Point A and Point B. I  
20 mean, ideally in order to have a ring you need two routes  
21 between the two points, at least two points on the  
22 network.

23 Q And you need the two routes in order to provide  
24 the redundancy?

25 A Yes, and because that is the way ring

1 architectures are configured.

2 Q And when we talk about electronics, the  
3 electronics may be comprised of things such as a digital  
4 loop carrier system, line cards, and a whole host of other  
5 equipment that is actually necessary to make a SONET ring  
6 function, is that correct?

7 A You used the term digital loop carrier and I  
8 don't believe that that necessarily is involved in a SONET  
9 ring. Now, I will agree that there are devices, optical  
10 multiplexers, et cetera, that are used. But I believe the  
11 digital loop carrier would be something that would be in  
12 another part of the network.

13 Q If BellSouth does not have any -- if MCI comes  
14 to BellSouth and says I want a dedicated transport via a  
15 SONET facility at this particular place in Miami, and  
16 BellSouth does not have any fiber in the ground, is it  
17 MCI's position that BellSouth would have to put the fiber  
18 in the ground in order to provide the SONET ring?

19 A I believe I have already answered that question.  
20 It is not our position that there is any obligation of  
21 BellSouth to construct fiber facilities.

22 Q Let's assume that BellSouth has fiber, just a  
23 point-to-point fiber facility in Miami. MCI comes to  
24 BellSouth and says, I want you to provide unbundled  
25 transport using that fiber via SONET technology, so you, .

1 BellSouth, will need to put on electronics, be it  
2 multiplexers, whatever.

3           Is it MCI's position that BellSouth would have  
4 to put those electronics on the fiber in order to make  
5 that system function as a SONET system?

6           A     I am struggling a little bit with the  
7 hypothetical because it is not at all clear to me that  
8 BellSouth would have significant instances in its network  
9 of deploying fiber on purely a point-to-point basis. It  
10 would be my sense that BellSouth, like most other  
11 carriers, are deploying ring technologies much more  
12 throughout its network. And so I am struggling a little  
13 bit with the extent to which your hypothetical represents  
14 a real world example.

15           Q     Well, humor me, because I think you in your  
16 testimony acknowledged that there are at least some fiber  
17 facilities in BellSouth's network which are not ring  
18 architecture.

19           A     And there may be some. Again, my question is  
20 whether or not that represents the exception or the rule.  
21 And I think it would be definitely the exception.

22           Q     Well, let's just talk about the exception.  
23 Given my original question, is it MCI's view that  
24 BellSouth must put the electronics on an existing  
25 point-to-point fiber facility in order to make that fiber

1 function as a SONET system?

2 A Now we are talking about Issue 23, correct?

3 Q Yes.

4 A I want to make real sure that we are clear on  
5 this. Because to the extent that there is already a SONET  
6 system there, clearly our position is that we should have  
7 access to that. And as I read Ms. Cox's rebuttal  
8 testimony, I believe BellSouth has agreed that where such  
9 systems exist then there is no question that BellSouth  
10 would make those available to WorldCom.

11 With respect to the situation where there is no  
12 SONET capability currently on those fibers, what I have  
13 testified previously and what I believe is the proper  
14 public policy result would be for BellSouth to advise  
15 WorldCom that the SONET capability does not exist and then  
16 for WorldCom to perhaps get a bid, if you will, for what  
17 it would take for that fiber to be enhanced, if you will,  
18 from the point-to-point use that it is currently in to a  
19 SONET capability.

20 Q Do you know whether that principle that you just  
21 articulated, which is that when the electronics are not in  
22 place that MCI is willing to go through, I gather, the  
23 special construction process, whether that principle is  
24 incorporated in any language that MCI has proposed to  
25 BellSouth on this issue?

1           A     I would not be at all surprised if there were  
2 language somewhere in the interconnection agreement or the  
3 draft, I guess, that would speak to this.  Although it is  
4 not reflected, I don't believe, in the specific sections  
5 that I have cited in my testimony.

6           Q     Let's also take another hypothetical where you  
7 do have an existing SONET ring, but let's say that ring is  
8 operating on a DS-3 capacity.  And MCI wants additional  
9 capacity on that ring, which would require that BellSouth  
10 increase it to an OC-3, OC-12, OC-48, something of that  
11 sort.

12                     Is it MCI's position that BellSouth would be  
13 required to install the necessary electronics to increase  
14 the capacity of that existing SONET ring?

15           A     Yes, and there is an explanation behind that.  
16 First of all, I want to correct a little bit what I heard  
17 in your question because there is no optical network that  
18 is being run at a DS-3 level.  Everything that is in a  
19 SONET architecture would be at the optical level, which is  
20 why the OC terminology is used.  DS-3s may be provisioned  
21 over those optical facilities, but the SONET ring itself  
22 is going to be run at an optical level as opposed to a DS  
23 level.

24                     The other thing that I want to make sure that  
25 the Commission is aware of is that in each instance where

1 we talk about what exists, there is an inference that I  
2 think can be drawn that is kind of a dangerous one which  
3 is that somehow networks are static and they just kind of  
4 sit there and there is no changes to them.

5           BellSouth has numerous personnel in probably  
6 several organizations whose job is to manage a living,  
7 breathing evolving network on a day-to-day basis. And  
8 there is going to be constant looks by BellSouth at the  
9 kinds of traffic statistics that Mr. Olson talked about  
10 yesterday and other factors in determining whether any  
11 given route between any two points on BellSouth's network  
12 is sufficient today to handle the traffic that is going to  
13 be needed tomorrow or next week or next year.

14           So it is real dangerous to get into this sort of  
15 line in the sand mentality with respect to BellSouth's  
16 network, because it is not something that is just sitting  
17 there totally static. It is something that is constantly  
18 being augmented, constantly being modified. And as part  
19 of that process, WorldCom would like to think that we  
20 would have input into that process and be able to help  
21 BellSouth plan for augmentations and modifications to its  
22 network in order to meet our needs.

23           Q     Actually, what I think we are actually talking  
24 about it is who pays for the augmentations, not the  
25 planning. And I appreciate you pointing out any

1 inaccurate technical assumptions in my question, because  
2 as I say, I'm not a technical person. But I don't think  
3 you answered my question, and maybe I will rephrase it to  
4 do it correctly. Let's say BellSouth has an existing  
5 SONET ring that is an OC-12 level. BellSouth has done all  
6 of its network engineering necessary to determine the  
7 capacity required to serve its customers and other  
8 customers currently on that ring and determines that OC-12  
9 is sufficient capacity. MCI comes in and says we want to  
10 add an additional customer that we think is going to  
11 generate a significant amount of capacity, we want you to  
12 increase the capacity of the SONET ring to OC-48. Are you  
13 with me so far?

14 A Yes, I am.

15 Q Is it MCI's position that BellSouth would have  
16 to pay for the electronics necessary to increase that  
17 capacity on an existing SONET ring?

18 A And the short answer is no. And the somewhat  
19 longer answer is that, again, we would hope that we would  
20 have input into the planning process so that if it was  
21 important to BellSouth's needs to know that we had this  
22 potential demand that we could work with BellSouth in a  
23 way that would maximize both carriers' use of those  
24 facilities. So, you know, for example, if in your example  
25 the OC-12 was sufficient for the next nine months perhaps,

1 but there was a capital project that BellSouth already was  
2 looking at, you know, for the subsequent years or  
3 something, we would hope to have input into that. And if  
4 moving up that capital project a few months helped our  
5 needs, we would certainly hope that BellSouth wouldn't try  
6 to hit us for all of the costs that were associated with  
7 merely advancing a project that it already had on its  
8 plans.

9 Q And so the record is clear, so MCI is willing to  
10 go through the special construction process when it comes  
11 to any additional electronics that may be required to  
12 increase capacity on an existing SONET system, is that  
13 correct?

14 A That is a little bit of an oversimplification, I  
15 think, of what I was trying to get at. Because, again,  
16 that assumes that at any given time BellSouth can draw a  
17 line in the sand and say if we do anything to this network  
18 facility that it is WorldCom's responsibility to pay for  
19 it. And I think that would be unfair given the fact, as  
20 in my previous answer there may be plans on the books  
21 where merely advancing that capital project by a few  
22 months would meet our needs. And in that instance I don't  
23 believe it would be fair for WorldCom to have to pick up  
24 all the cost of that augmentation.

25 Q Are you aware that through BellSouth's special .

1 construction process that BellSouth does, in fact,  
2 consider whether it has existing plans to augment  
3 facilities?

4 A No, I am not familiar with the details of that  
5 process.

6 Q Assume for purposes of my question that as part  
7 of BellSouth's special construction process that it does,  
8 in fact, look at existing plans to augment facilities and  
9 simply requires a requesting carrier to pay for the  
10 advancing cost of the placement of those augmented  
11 facilities. Is MCI willing to agree to resort to the  
12 special construction process when additional electronics  
13 are necessary to provide MCI with transport facilities  
14 over an existing SONET system?

15 A That sounds like that would be a very workable  
16 process, and the only caveat that I would put on that is  
17 the same caveat that Mr. Olson put yesterday, which is so  
18 long as that process is not somehow burdened by policy  
19 and/or competitive influences, if you will, from other  
20 departments within BellSouth, we would think that could be  
21 workable.

22 Q To you knowledge -- yes, sir.

23 COMMISSIONER JACOBS: One brief question. Is  
24 this an area that Commissioner Jaber spoke about yesterday  
25 where the industry, mostly ALECs I would think, could get

1 together and figure out what demands they are going to  
2 place on a particular component of BellSouth's network and  
3 work together to go and request, for instance, the  
4 expansion of this ring? Is there enough information out  
5 there for the companies to come together and figure out  
6 what their collective needs are and what that might  
7 place -- what demands that might place on the company and  
8 then go and work through these provisioning issues?

9 THE WITNESS: That is a good question. And I  
10 guess my answer is perhaps. It is my understanding that  
11 as part of the interaction between BellSouth and WorldCom,  
12 that there are bilateral discussions that take place about  
13 network needs and network demands. And that same type of  
14 bilateral arrangement I would assume takes place between  
15 BellSouth and Intermedia and BellSouth and anyone else  
16 with whom BellSouth interconnects. So there is already a  
17 bit of working together that takes place.

18 Now, the interesting thing about that is the  
19 dynamic there is that BellSouth's personnel are the only  
20 ones that have knowledge of sort of what all the sum of  
21 the parts are. Whereas each of the individual players are  
22 looking only at what their requests are and they don't  
23 really have access to sort of the big picture. And it  
24 might be helpful if there were a process by which, say,  
25 every six months or every year or whatever there was an

1 ability of all of the players to get together and talk  
2 about network demands in a more global fashion.

3           So that instead of BellSouth having all of the  
4 information about all the demands and each of the carriers  
5 only having information about its inputs into that, each  
6 of the carriers could begin to get a somewhat more global  
7 picture and perhaps there could be some benefits from  
8 that.

9           COMMISSIONER JACOBS: Thank you.

10 BY MR. ROSS:

11           Q     Just to follow-up Commissioner Jacobs' question,  
12 would MCI be willing to share with Intermedia or AT&T its  
13 forecasted demand for capacity on a SONET ring?

14           A     You have hit on one of the real difficulties  
15 associated with that. As I have seen that process unfold  
16 in other jurisdictions, the process really is for  
17 BellSouth to present sort of its view of the way that all  
18 of those forecasts, for example, rolled up, and then to  
19 talk about whether, for example -- and I am going to use  
20 interconnection trunks, as the example. If we felt like  
21 we had the need in Miami for another -- and, again, purely  
22 fictitious numbers for another 1,000 interconnection  
23 trunks in 2001, and some other carrier said 500 and some  
24 other carrier said 200, whatever, if the sum of all of  
25 those was another 5,000 interconnection trunks, and

1 BellSouth said we believe in the Miami area we are going  
2 to configure 1,500, then that might be a reason for the  
3 industry to be concerned because of the big difference  
4 between the roll-up of all of the forecasts versus  
5 BellSouth's interpretation of what it really needed to  
6 provision.

7           And that is -- again, you have hit on one of the  
8 problems, because, no, I would not be comfortable  
9 providing my forecast to other carriers who don't need  
10 that information. But by the same token, there is a way  
11 for -- as I responded to Commissioner Jacobs, there is a  
12 way for that information to be made available so that all  
13 the carriers can kind of have a view of how BellSouth is  
14 responding to the aggregate demand.

15           Q     And going back to the discussion we were having  
16 about the special construction and adding additional  
17 electronics to an existing SONET ring. To your knowledge  
18 has MCI proposed any language to BellSouth which would  
19 incorporate that principle on this issue?

20           A     Again, I don't believe that would be reflected  
21 in the specific language that we have talked about, but I  
22 wouldn't be at all surprised if there is not general  
23 language at some point in the agreement that could be used  
24 for that purpose.

25           Q     Let's talk about Issue 28, which deals with the

1 CNAM, or calling name database. And the issue here is  
2 whether or not MCI is entitled to a download of that  
3 database, is that correct?

4 A Yes, it is.

5 Q And the database contains the name and telephone  
6 number of every BellSouth customer, is that correct, and  
7 actually other carriers' customers, as well?

8 A Yes. That is a specific -- I'm trying to think  
9 of the appropriate -- I guess a specific purpose or a one  
10 purpose primarily database, and it is for the purpose of  
11 having the name so that in the caller name service that  
12 BellSouth offers and other carriers offer that the name  
13 can be extracted and provided on a Caller ID box along  
14 with the number.

15 Q And BellSouth is willing to provide MCI with  
16 access on a per query basis as needed to the CNAM  
17 database, is that correct?

18 A BellSouth has proposed a specific means of  
19 access, yes.

20 Q Now, MCI's opposition to the per query access to  
21 CNAM is because MCI believes that it will delay, add delay  
22 to the call set-up process, is that correct?

23 A We believe both delay in obtaining the  
24 information so that we can deliver it to our caller -- I'm  
25 sorry, to our customer, and the additional cost that is .

1 necessary to set up multiple signaling links that are  
2 necessary only for that purpose when we can achieve the  
3 same thing in our view much more elegantly and without the  
4 need for multiple SS7 signaling links.

5 Q Have you done any analysis or presented this  
6 Commission with any analysis to quantify the delay that  
7 you believe is associated with essentially a per query  
8 access to CNAM?

9 A No, and I don't believe it is necessary.

10 Q You cite on Page 18 of your rebuttal testimony a  
11 rule of the FCC that deals with the provisioning of  
12 directory listings via magnetic tape or electronic  
13 formats, is that correct?

14 A Yes.

15 Q To your knowledge is there a similar rule that  
16 the FCC has adopted for access to CNAM?

17 A I think the -- I don't believe that there is a  
18 specific rule, but I believe that this rule is general  
19 enough that it covers the situation we are talking about.

20 Q Do you believe CNAM is the same thing as a  
21 directory listing?

22 A No, it's not the same thing, but it is very  
23 similar.

24 Q Would you agree that there is -- not only would  
25 BellSouth under MCI's proposal have to provide an initial

1 download of the CNAM database, but would it not have to  
2 provide subsequent downloads given that CNAM is a dynamic  
3 database?

4 A Certainly. And we are more than willing to pay  
5 for whatever costs BellSouth incurs to provide an  
6 electronic transmission or a tape download of the  
7 database.

8 Q And is MCI also willing to enter into a license  
9 agreement to restrict the use of the data in CNAM, much as  
10 it has agreed to enter into such a license agreement with  
11 respect to the regional street address guide database?

12 A I don't know.

13 Q Let me ask you to take a look at Issue 39 and  
14 45, and this dispute generally deals with, again, money,  
15 reciprocal compensation and who pays whom, is that  
16 correct?

17 A Bear with me.

18 Q Okay.

19 A Do you want to help me by giving me a page  
20 reference?

21 Q Well, I don't have your page reference written  
22 down, to be honest.

23 A That's fine. I will find it.

24 Q It is Page 39, coincidentally, of your direct.

25 A Thank you. That's fine.

1           Q     And the language in dispute was specifically  
2 with respect to Issue 45 really generally requires that  
3 for calls that transit BellSouth's network that MCI has  
4 the option to require BellSouth to make arrangements with  
5 the third-party carrier for any compensation that may be  
6 owed in connection with that particular call, is that  
7 correct?

8           A     I would phrase it a little bit differently.  
9 Because the way that your question is phrased it assumes  
10 that somehow there is no existing business relationship  
11 between BellSouth and the third-party carrier. And that,  
12 of course, would not be true. All we are asking for is  
13 that the existing business relationship that BellSouth has  
14 with those third parties for the exchange of traffic  
15 between BellSouth and the other carrier be augmented  
16 slightly to handle the exchange of records that is  
17 necessary when BellSouth is in the middle of the traffic  
18 that is exchanged between WorldCom and the third party.

19          Q     Let's see if we can use an example of the  
20 principle that you just articulated. You have an AT&T end  
21 user in Orlando that is calling an MCI end user in Orlando  
22 and AT&T and MCI are not directly interconnected. Do you  
23 understand my hypothetical so far?

24          A     I do, yes.

25          Q     And so in order to get that call from the AT&T .

1 end user to the MCI end user, the call transits  
2 BellSouth's network, is that correct?

3 A Yes.

4 Q And that is what I think we discussed with Mr.  
5 Olson yesterday, that is what we call transit traffic?

6 A Yes.

7 Q Now, in that context of that call the  
8 originating carrier is AT&T, is that correct?

9 A I can assume that, yes.

10 Q And in the hypothetical the terminating carrier  
11 is MCI, is that right?

12 A Okay.

13 Q And the rules of reciprocal compensation would  
14 require that the originating carrier, in our example AT&T,  
15 would owe MCI reciprocal compensation for the transport  
16 and termination of that call, is that correct?

17 A I agree.

18 Q MCI's proposal is that at MCI's request  
19 BellSouth should pay MCI the reciprocal compensation that  
20 AT&T actually owes, and then should turn around and  
21 collect that money from AT&T, is that correct?

22 A Generally that is correct. And as I stated a  
23 minute ago, the reason for that is, A, because it is  
24 consistent with the way that BellSouth handles the  
25 wireless Type 1 and Type 2A traffic today. Also because .

1 of the fact that obviously the majority of the traffic  
2 that is going to originate on AT&T's network in our  
3 example is not going to transit Bell's network, but is  
4 rather going to terminate on Bell's network because Bell  
5 has the vast majority of the end user customers in that  
6 market.

7           So, again, what we are talking about is simply  
8 an augmentation of that existing business relationship so  
9 that in addition to billing AT&T for all the traffic that  
10 terminates on Bell's network, which I am comfortable in  
11 assuming would be a vast majority of the traffic, that for  
12 that slight additional increment of traffic that transits  
13 Bell's network and terminates to the WorldCom end user  
14 that BellSouth would go ahead and collect from AT&T for  
15 that at the same time that it renders the bill for the  
16 traffic that it terminates and merely remit the  
17 terminating portion of that to WorldCom.

18           Q     Let's put aside wireless for just a minute,  
19 because we will get to that. This issue does not deal  
20 with any kind of reciprocal compensation that BellSouth  
21 may owe AT&T as the originating carrier or AT&T may owe  
22 BellSouth as the terminating carrier, does it?

23           A     That is correct. It does not have to do with  
24 that, although, again, because BellSouth is the dominant  
25 carrier and has the vast majority of the end users,

1 BellSouth obviously has a business arrangement which  
2 allows it to bill for the traffic for which it is due  
3 reciprocal compensation in our example.

4 Q In the example that we have just described with  
5 the AT&T end user calling the MCI end user, BellSouth is  
6 not the originating or terminating carrier, correct?

7 A Correct.

8 Q And BellSouth would not owe reciprocal  
9 compensation to anybody in this scenario since it is  
10 neither originating nor terminating the traffic, correct?

11 A Correct.

12 Q Would you agree that nothing in the  
13 Telecommunications Act obligates BellSouth to perform the  
14 billing function that you have just proposed on MCI's  
15 behalf?

16 A I can't point to a specific provision in the act  
17 that says that that is BellSouth's obligation. I do  
18 believe, however, that it makes a great deal of sense from  
19 a public policy perspective, again, given the fact that  
20 what we are talking about is merely a minor extension of a  
21 business relationship that BellSouth already has with the  
22 other carrier, in our example AT&T, for the handling of  
23 traffic and the billing of traffic.

24 And the other thing, I guess, that I would point  
25 out is that there is a very strong inference that is

1 drawn, at least I think as intended by BellSouth's  
2 testimony on this issue that somehow the industry  
3 guidelines that exist would foreclose that kind of  
4 business arrangement, and they don't at all. In fact, the  
5 industry guidelines that are being developed or that exist  
6 for this would equally support either BellSouth's position  
7 or WorldCom's position on this. And so the guidelines  
8 are -- the guidelines doesn't tilt either way. I mean,  
9 there is no reason for the Commission to think that there  
10 are no industry guidelines around our proposal because  
11 that is not true.

12 Q We were talking about a call pattern in my  
13 hypothetical of an AT&T end user calling an MCI end user.  
14 Let's turn the call around and you have an MCI end user  
15 calling an AT&T end user that transits BellSouth's  
16 network. Do you understand the hypothetical?

17 A Yes, I do.

18 Q Is it MCI's proposal that in that circumstance  
19 BellSouth also would remit to AT&T any reciprocal  
20 compensation that MCI may owe to AT&T and then turn around  
21 and collect that money from MCI?

22 A Yes. And, again, that is consistent with  
23 BellSouth's position on the wireless Type 1 and Type 2A  
24 traffic.

25 Q To your knowledge would that kind of arrangement

1 where BellSouth is essentially acting as a payment agency,  
2 or pick your word, require any kind of amendments to  
3 BellSouth's existing interconnection agreements?

4 A As I understand the relationship that BellSouth  
5 has today for Type 1 and Type 2A wireless traffic that is  
6 exactly the arrangement that exists, and to that extent we  
7 would think that any modifications to the interconnection  
8 agreement would be minimal if at all.

9 Q Well, are you aware of anything -- and we are  
10 not talking about in this type of arrangement wireless  
11 traffic, are we, in the hypothetical we have just been  
12 describing? Let's assume for purposes of my hypothetical  
13 we have not been talking about wireless traffic.

14 A Thank you.

15 Q In that arrangement, to your knowledge is there  
16 anything in BellSouth's existing interconnection  
17 agreements that would authorize BellSouth to either bill  
18 AT&T or collect money from AT&T on another carrier's  
19 behalf?

20 A I guess the short answer is I don't know. And  
21 the reason for that is because if there are -- the reason  
22 for that is it would -- your question suggests that  
23 somehow BellSouth has numerous different provisions in its  
24 interconnection agreement with AT&T, for example, that  
25 would separate the way that it bills and handles the

1 wireless Type 1 and Type 2A, and the way that it handles  
2 wireline traffic. And I don't know whether that is the  
3 case or whether even such a distinction is necessary.

4 Q Let's assume that that distinction does exist in  
5 BellSouth's interconnection agreement. In order to  
6 implement MCI's proposal, wouldn't BellSouth have to amend  
7 every one of its interconnection agreements with carriers  
8 that may be receiving or originating transit traffic  
9 either coming from or to MCI?

10 A I think the answer is in the assumption that you  
11 asked me to make. I mean, if the provisions aren't there,  
12 then I guess the provisions would have to be negotiated.

13 Q And what if AT&T says, sorry, BellSouth, we want  
14 to deal direct -- we do not want to provide that, you to  
15 provide that function, we want to bill MCI directly or we  
16 want to collect our money directly from MCI. Do you  
17 foresee any implementation problems in putting MCI's  
18 proposal in place?

19 A That's a good question. Because I think in the  
20 case of AT&T or the case of another large carrier, there  
21 is probably an incentive on our part to maybe go ahead and  
22 resolve that between the two carriers. But as we started  
23 out, I mean, the fact is that BellSouth is interconnected  
24 with presumably every CLEC that requests interconnection.  
25 And I don't know that it is necessary or appropriate or .

1 that are every other -- let me back up. I don't know that  
2 every other small CLEC would necessarily want to engage in  
3 that activity on its own behalf as opposed to having  
4 BellSouth take care of that as part of its existing  
5 business relationship with that other carrier.

6 Q Let's assume for purpose of my question that  
7 AT&T says to BellSouth, no, we are not going to amend our  
8 agreement. We are not going to -- we want to deal  
9 directly with MCI. If this Commission grants MCI's  
10 proposed relief on this issue, BellSouth is going to be  
11 betwixt and between, is it not, in trying to amend an  
12 agreement that the carrier won't agree to amend even  
13 though the amendment is necessary to implement the  
14 proposal?

15 A Well, as I read the language in Attachment 4,  
16 Section 9.7.1, there is language in there that says MCI  
17 may require BellSouth, and certainly I don't know why we  
18 would have an interest in trying to require BellSouth to  
19 do something, if as in your question, the other carrier  
20 was simply not interested in that. I can, as I have  
21 already said, see why there would be a reason for us to go  
22 ahead and assume that business relationship with a large  
23 carrier. But, again, there aren't too many AT&T's out  
24 there. But there are a whole lot of smaller carriers out  
25 there for whom this might be seen as a very important

1 process.

2 Q Well, let's talk about that. To your  
3 knowledge -- a number of these small carriers have  
4 arbitrated before this Commission; Intermedia, DeltaCom,  
5 just to name a couple. To your knowledge have any of  
6 those smaller carriers raised this issue as being  
7 something in which they have expressed interest?

8 A I don't know that they have, but I don't know  
9 that we should necessarily take that as indicative of  
10 their final word on the issue.

11 Q Going back to my original hypothetical where you  
12 have the call from the MCI end user to -- I'm sorry, from  
13 the AT&T end user to the MCI end user. Is it MCI's  
14 proposal that BellSouth should pay MCI reciprocal  
15 compensation before it actually collects the money from  
16 AT&T?

17 A I don't believe so.

18 Q So MCI is willing to wait for BellSouth to  
19 collect the reciprocal compensation from AT&T before it  
20 actually remits those funds to MCI?

21 A Well, it is my understanding that because the  
22 parties have been unable to reach agreement in principle  
23 on this issue that there have not been the types of  
24 discussions that would be necessary to implement the  
25 agreement. I mean, if we can't even get past the question

1 of whether or not BellSouth would even do it, there is not  
2 really much sense in talking about how it would be done.

3 Q Well, I think it is important for this  
4 Commission to understand the -- I think you would agree it  
5 is important for this Commission to understand the  
6 ramifications of what will happen if MCI's proposal is put  
7 in place. And I'm just trying to understand what MCI's  
8 view on the issue is.

9 A I'm sorry, I thought I had already answered  
10 that.

11 Q I want to just make sure I understand, that  
12 before BellSouth would have to make any payments to MCI,  
13 BellSouth would actually have to collect the money from  
14 AT&T, is that correct?

15 A That does not sound unreasonable to me.

16 Q Okay. Do you not see any kind of potential for  
17 delay in that process?

18 A Yes.

19 Q And MCI is willing to live with that delay?

20 A Well, again, I mean that doesn't seem  
21 unreasonable. But, again, because we have not been able  
22 to reach agreement on the principle, we haven't had the  
23 in-depth discussions that would allow the companies to  
24 explore those kinds of issues.

25 Q Let's again turn the call around. Do you

1 believe or do you know whether AT&T or any other carrier  
2 would be willing to wait for BellSouth to collect money  
3 that MCI actually owes before it remits those funds to  
4 AT&T or the other carrier?

5 A I do not have knowledge of other carriers'  
6 business plans or their desires.

7 Q And what if there is a dispute between MCI and  
8 AT&T as to the reciprocal compensation that is either due  
9 or should be paid?

10 A Presumably the carriers would do what they  
11 typically do, which is to meet and try to work those kinds  
12 of disagreements out.

13 Q And, of course, by having BellSouth in the  
14 middle, BellSouth gets dragged into what would otherwise  
15 be just a dispute between AT&T and MCI, is that correct?

16 A There is a possibility. I don't know how real  
17 that is.

18 Q You are not aware of any reciprocal compensation  
19 disputes between carriers in our industry?

20 A Involving third parties?

21 Q No, just involving reciprocal compensation  
22 generally?

23 A Well, certainly. But I thought we were talking  
24 about the dispute between the two end carriers where  
25 BellSouth is neither owed nor responsible for the

1 terminating revenues.

2 Q But if BellSouth is the banker, if BellSouth is  
3 actually paying the money, doesn't BellSouth have to get  
4 involved in any dispute that may arise between AT&T and  
5 MCI as the actual originating and terminating carriers?

6 A I don't know that they have to get involved in  
7 any dispute, no.

8 Q Well, let me put it this way. You just said  
9 that MCI was willing to agree that BellSouth does not have  
10 to pay MCI reciprocal compensation until it actually  
11 collects that money from AT&T, correct?

12 A I did say that.

13 Q So if AT&T says I'm not paying that bill, I  
14 don't owe that money to MCI, I'm not paying it. BellSouth  
15 is going to say, sorry, MCI, I'm not paying you because  
16 AT&T is not paying me. Don't you see a potential for all  
17 three carriers to get involved into a reciprocal  
18 compensation dispute that would otherwise just be between  
19 AT&T and MCI?

20 A I do see the possibility that all three carriers  
21 could be involved, but your earlier question was whether  
22 BellSouth would by necessity be involved with any dispute,  
23 and I can't agree with that.

24 Q Now, you have mentioned several times wireless  
25 traffic. And just so the record is clear, we basically

1 have two types of wireless traffic. You have wireless  
2 Type 1 traffic, which is where a carrier is using a  
3 BellSouth telephone number from a BellSouth NPA-NXX, is  
4 that correct?

5 A That is my understanding.

6 Q And then you also have wireless Type 2A traffic  
7 which involves a wireless carrier using numbers from its  
8 own NPA-NXX, is that correct?

9 A That is my understanding.

10 Q And when we are talking about the first  
11 category, the wireless Type 1 traffic, because the  
12 wireless carrier is using BellSouth's telephone numbers,  
13 BellSouth cannot distinguish wireless Type 1 traffic from  
14 BellSouth's traffic, is that correct?

15 A It is my understanding that BellSouth claims it  
16 cannot. I think I would phrase it a little bit  
17 differently and say that BellSouth has not developed the  
18 ability to do so.

19 Q Okay. Now, with respect to wireless Type 2  
20 traffic, currently BellSouth does not have the meet point  
21 billing capability for wireless Type 2A traffic, is that  
22 correct?

23 A That is BellSouth's claim, yes.

24 Q Do you any reason to dispute that claim?

25 A No. I do understand that that is under

1 development within BellSouth.

2 Q And without this meet point capability, there is  
3 a technological difference between how carriers treat  
4 wireless traffic versus traffic from carriers such as  
5 CLECs and independents on the wireline side of the house,  
6 is that correct?

7 A I'm sorry, could you ask me that again?

8 Q Yes. It was probably an inartful question.  
9 When we are talking about wireline traffic from  
10 independents, BellSouth, other ALECs, we have and have had  
11 for some time meet point billing capabilities, correct?

12 A Yes.

13 Q Now, without having that same capability for  
14 Type 2A wireless traffic, that is a difference in Type 2A  
15 traffic from wireline traffic, is that correct?

16 A I am not sure that I can agree with that.  
17 Because in both instances BellSouth would have  
18 interconnection trunks with the other carrier, and it  
19 would be my understanding that the issue is not a  
20 technical issue with respect to, say, switch recordings or  
21 the ability to distinguish the traffic so much as it is a  
22 development issue in Bell's back office systems with  
23 respect to the billing part of that.

24 Q Well, let's not use the word technical then. Do  
25 you see any difference in the way wireless Type 2A traffic

1 is treated from wireline traffic without having the same  
2 meet point billing capabilities?

3 A Well, I believe I stated earlier that it is my  
4 understanding that that is simply an issue that BellSouth  
5 has not developed. And I don't know enough about why that  
6 would have been the case, why that development effort  
7 would not have begun earlier. But it appears not to have  
8 been developed at the same time the capabilities were  
9 developed for the wireline carriers.

10 Q I'm not sure you answered my question. Is that  
11 a yes or a no to the question?

12 A Could you repeat the question, please.

13 Q Putting aside BellSouth's motivation, putting  
14 aside why BellSouth didn't develop it sooner, the fact  
15 that BellSouth does not have meet point capability,  
16 billing capability for wireless Type 2A traffic results in  
17 this type of traffic being different than normal  
18 run-of-the-mill wireline traffic?

19 A I can't agree that the traffic is different. I  
20 can agree that for whatever reason BellSouth has back  
21 office limitations on one type of traffic that may not  
22 exist on another type of traffic. But I don't view that  
23 as a difference in the traffic. I view that as a  
24 difference in the way that BellSouth's back office systems  
25 have been developed.

1 Q Let's talk about Issue 40. And if I recall  
2 correctly, although I didn't write it down, Issue 40 deals  
3 with Internet protocol telephony, is that correct?

4 A Well, certainly one of the issues does. Let's  
5 see if that is the one.

6 Q I think it is Page 41 of your direct.

7 A All right.

8 Q And the language that BellSouth has proposed  
9 is -- appears in your testimony at Lines 14 through 16 on  
10 Page 41, is that correct?

11 A I'm sorry, was your question the language that  
12 BellSouth has proposed?

13 Q Yes.

14 A That's correct.

15 Q I want you to assume that you have a  
16 phone-to-phone call that originates somewhere in Florida  
17 and terminates somewhere in New York. Would you agree  
18 with me that that is a long distance telephone call?

19 A Yes.

20 Q And switched access charges would apply to that  
21 call?

22 A Yes.

23 Q And reciprocal compensation would not apply to  
24 that call?

25 A Agreed.

1           Q     And does it make any difference whether the  
2 carrier or the Internet exchange carrier is using an  
3 Internet protocol for carrying that long distance portion  
4 of the call?

5           A     No, and that was exactly why we proposed  
6 language early on that said that the type of technology  
7 used in the handling of the traffic was not an issue with  
8 respect to jurisdiction. And for some reason BellSouth  
9 refused to agree to that language.

10          Q     With respect to the language that BellSouth has  
11 proposed, if BellSouth were to add the words  
12 phone-to-phone Internet telephony traffic will be  
13 considered switched access traffic, would that solve your  
14 concerns?

15          A     I want to make sure that I understand exactly  
16 what you have asked me. Could you ask me that again,  
17 please?

18          Q     Yes. Looking at the BellSouth proposed language  
19 on 41, if BellSouth were to add the words, additionally,  
20 phone-to-phone Internet protocol telephony will be  
21 considered switched access traffic, is that language  
22 acceptable to MCI?

23          A     It certainly narrows the potential dispute a  
24 great deal. And, again, I think part of the concern that  
25 we wanted this Commission to be aware of was the fact that

1 the FCC has not yet rendered a decision on exactly what IP  
2 Telephony means. And that until they do so, we were  
3 hesitant to have this Commission try to get too far out in  
4 front of something that needs to be resolved at the  
5 national level. But I can certainly agree that that would  
6 minimize the potential for disagreement.

7 Q And with that change, in fact, BellSouth's  
8 proposed language would be exactly the language that this  
9 Commission approved in the Intermedia arbitration,  
10 correct?

11 A Again, we will let that order speak for itself.

12 Q Okay. Let's talk about Issue 42. And the  
13 language in dispute, again, appears on Page 46 of your  
14 direct testimony.

15 A Yes, it does.

16 Q And essentially this language would require that  
17 MCI deliver its switched access traffic over trunks  
18 ordered as switched access trunks, correct?

19 A That is the BellSouth proposed language.

20 Q And BellSouth's concern is that if MCI ordered  
21 both local interconnection trunks and switched access  
22 trunks to the same end office, MCI might route its  
23 switched access traffic over the local interconnection  
24 trunks, is that correct?

25 A That is the concern that has been expressed by .

1 BellSouth, and, frankly, it is puzzling. Because we have  
2 committed that we would provide to BellSouth exactly the  
3 same call records that BellSouth furnishes to us when  
4 BellSouth provides the tandem function. And it is not at  
5 all clear why with those records that are necessary when  
6 we need to render an access bill, BellSouth would not  
7 likewise be able to render the appropriate billings with  
8 those same records that it provides to us.

9 Q In BellSouth's view if switched access traffic  
10 were routed over local interconnection trunks, BellSouth  
11 would be unable to determine the traffic for which  
12 switched access charges would apply, is that correct?

13 A Again, that is the contention and one that I do  
14 not understand.

15 Q There is no dispute that BellSouth is entitled  
16 to receive access charges for switched access traffic, is  
17 there?

18 A I don't believe so.

19 Q And there is nothing in BellSouth's proposal  
20 that requires MCI to take access traffic over switched  
21 access trunks to BellSouth's access tandem, does it?

22 A Again, I want to make real sure that I answer  
23 your question. Would you mind repeating it?

24 Q Yes. Nothing in BellSouth's proposed language  
25 would require that MCI take access traffic over switched.

1 access trunks to the BellSouth access tandem. In other  
2 words, MCI could purchase switched access trunks directly  
3 to end offices, correct?

4 A Correct. And we don't believe that is  
5 appropriate. I mean, if you would think about what we are  
6 talking about in this interconnection agreement, we are  
7 talking about two local exchange carriers. And it is not  
8 at all clear why a local exchange carrier, WorldCom, would  
9 need to be ordering switched access trunks as part of this  
10 agreement.

11 Q Well, then if this is never going to be an  
12 issue, why can't MCI agree to BellSouth's language?

13 A I didn't say it wasn't going to be an issue, I  
14 said it is not clear to us why it is an issue. In other  
15 words, it is not clear why one LEC would be imposing on  
16 another LEC a requirement that really should be directed  
17 at an interexchange carrier as opposed to a LEC.

18 Q Well, does MCImetro not deliver any switched  
19 access traffic to BellSouth?

20 A Certainly. And it is not clear to us why we  
21 should have an obligation to order switched access trunks  
22 in order to do that.

23 Q Now, are you an expert in billing and call  
24 records?

25 A No, I'm not. I know enough about it to be

1 probably pretty dangerous.

2 Q Do you know exactly what records are provided to  
3 BellSouth when access traffic and local traffic are mixed  
4 together on a local interconnection trunk?

5 A Well, the type of records would differ depending  
6 on the type of traffic. In other words, if there was a  
7 mix of traffic there would be call records that would be  
8 furnished along with the access traffic, and there would  
9 not be call records associated with the local traffic.

10 Q Now, part of MCI's concern is that MCI wants to  
11 have a competitive access service, is that correct?

12 A We may well choose to try to do that, yes.

13 Q And as I understand MCI's concern it wants to  
14 offer an access tandem to be able to aggregate traffic  
15 from other interexchange carriers, is that correct?

16 A That would be a possible goal, yes.

17 Q Does MCI have an access tandem in Florida today?

18 A Not to my knowledge.

19 Q Does MCI metro have an access tandem anywhere in  
20 the country to your knowledge?

21 A No.

22 Q To your knowledge is BellSouth opposed to MCI  
23 providing competitive tandem service for end user long  
24 distance traffic if that end user utilizes MCI for local  
25 exchange service?

1           A       No. I believe that BellSouth has made that  
2 point clear. But, again, the situation in providing a  
3 competitive tandem arrangement would involve situations  
4 where the end user was not the end user served by a  
5 WorldCom local carrier, but could be any end user served  
6 by any local carrier and we would be offering our service  
7 to the interexchange carrier, be it Sprint, or AT&T, or  
8 whomever.

9                   And really the point would be to try to compete  
10 in a portion of the switched access world where no  
11 competition has yet existed, which is between the access  
12 tandem and the end office.

13                   COMMISSIONER JACOBS: Mr. Ross, why don't we  
14 take a moment. We will take a break and come back at  
15 10:30.

16                   (Recess.)

17                   COMMISSIONER JACOBS: Okay. Mr. Ross, you may  
18 continue. Go back on the record.

19                   MR. ROSS: Thank you, Commissioner Jacobs.

20 BY MR. ROSS:

21           Q       Before we broke, Mr. Price, I believe you made  
22 the statement that MCI wanted the ability to bring  
23 competition to the access market where there hasn't been  
24 competition before, is that correct?

25           A       Yes.

1           Q     How long have there been competitive access  
2 providers in the State of Florida, to your knowledge?

3           A     Well, I'm sure for awhile. I believe what I  
4 said was the switched access market and CAPs don't, to my  
5 knowledge, provide that service yet.

6           Q     Does BellSouth to your knowledge have a tariffed  
7 offering that allows or provides for competitive switched  
8 access services to interconnect directly to BellSouth's  
9 end offices?

10          A     I have seen reference to a tariffed offering of  
11 BellSouth, I'm not familiar with it.

12          Q     Does providing competitive access service  
13 promote competition in the local exchange market?

14          A     I would think so, yes.

15          Q     Do you believe that allowing interexchange  
16 carriers to have been an alternative at a tandem will  
17 stimulate competition among, let's say, residential  
18 customers in the local market?

19          A     Well, maybe I spoke a little too quickly a  
20 minute ago. I don't know that there is a particular  
21 desire on the part of this Commission or other regulators  
22 to pigeonhole, if you will, competition. And certainly I  
23 know that there is a very important desire to have  
24 competition be brought to the local exchange marketplace.  
25 But I don't know that fragmenting competition and saying.

1 that competition that is only in a portion of the switched  
2 access market that has previously been monopolized is  
3 necessarily an incorrect policy objective.

4 Q Currently, to your knowledge, how is it that  
5 BellSouth can distinguish access traffic from local  
6 traffic, if you know?

7 A If I recall correctly, BellSouth has stated that  
8 it needs to have separate trunk groups in order to make  
9 that distinction. And it is my understanding that that is  
10 not something that is -- that perhaps we can appreciate.  
11 We don't understand why that is necessary, given the  
12 records exchange processes that have already been agreed  
13 to.

14 Q Well, if you know, are you aware that when an  
15 interexchange carrier sends an access call to BellSouth  
16 that it has what is called a CIC code, or carrier  
17 identification code, that is provided on the billing  
18 records?

19 A Yes.

20 Q Now, under MCI's proposal, MCI would provide an  
21 access tandem service by which other interexchange  
22 carriers' traffic would be aggregated and then sent  
23 through MCI's access tandem, is that correct?

24 A The tandem would actually perform the  
25 aggregation, but yes.

1           Q     And how is it that BellSouth would be able to  
2 distinguish calls coming from AT&T, Intermedia, WorldCom,  
3 or any other interexchange carrier in terms of when a CIC  
4 code that would be provided from MCI's access tandem would  
5 be MCI?

6           A     I think there is a misunderstanding of the way  
7 that that would work, given your question. Because when  
8 BellSouth provides the tandem function and a non-BellSouth  
9 LEC is behind that tandem, it is my understanding that the  
10 information that is passed to the local exchange carrier  
11 by BellSouth allows that identification.

12                     And as I testified earlier, that is precisely  
13 the kind of information that WorldCom -- well, let me say  
14 it differently. That is exactly the information that  
15 WorldCom would provide to the carriers behind its tandem  
16 in the event that we were allowed to offer this type of  
17 service.

18           Q     Of course, in the example you just gave, those  
19 calls are coming in BellSouth's network over access  
20 trunks, correct?

21           A     Not necessarily. I mean, they could be common  
22 trunks that are used for any number of things, and may or  
23 may not. I don't know whether there are specific trunks,  
24 say, to another incumbent LEC that subtends Bell's tandem,  
25 whether that trunk group is necessarily an access trunk .

1 group or not.

2 Q Are you aware of a situation where in  
3 BellSouth's network today access traffic is being carried  
4 over local interconnection trunks as MCI proposes to do  
5 here?

6 A Can I point to an example, no.

7 Q Has MCI ever routed its access traffic to  
8 BellSouth through an independent or an ALEC over that ALEC  
9 or independent's local trunks?

10 A I don't know.

11 Q Let's turn to Issue 46. This issue deals with  
12 the compensation that would apply when MCI assigns a  
13 telephone number to end users physically located outside  
14 of the rate center to which the NPA-NXX has been assigned,  
15 is that correct?

16 A Generally, yes.

17 MR. ROSS: I would ask Mr. Goggin, Commissioner  
18 Jacobs, to pass a exhibit to the witness and to the  
19 Commissioners.

20 Mr. Chairman, BellSouth would ask this be marked  
21 as the next exhibit, which I believe is 20.

22 COMMISSIONER JACOBS: Very well. It is marked  
23 as Exhibit 20. We will say diagram of --

24 (Exhibit Number 20 marked for identification.)

25 BY MR. ROSS:

1 Q Again, this is another diagram that may look  
2 somewhat complicated. Maybe we can set the stage. You  
3 have seen a diagram like this before that we have used in  
4 other states, have you not?

5 A Yes.

6 Q And what we have depicted on this diagram that  
7 we have marked as Exhibit 20 are two local calling areas,  
8 one in Jupiter and one in Miami.

9 COMMISSIONER JABER: Mr. Chairman, to make the  
10 distinction between Exhibit 15 and Exhibit 20, can we call  
11 them Diagram 1 and Diagram 2?

12 COMMISSIONER JACOBS: Very astute.

13 BY MR. ROSS:

14 Q Mr. Price, we have the local calling area in  
15 Jupiter and the local calling area in Miami, is that  
16 correct?

17 A Yes.

18 Q And then you have three MCI end users, one in  
19 the Miami local calling area, one in Jupiter, and one in  
20 New York City, do you see that?

21 A Yes, I do.

22 Q And we have switches placed on the diagram, one  
23 BellSouth switch in Jupiter and an MCI switch in Miami, do  
24 you see that?

25 A Yes.

1           Q     Now, what we have assumed for purposes of our  
2 discussion is an MCI end user in Miami, in the Miami local  
3 calling area to whom the (561)336-2000 telephone number  
4 has been assigned, do you see that?

5           A     I do.

6           Q     And then the NPA-NXX of 561-336 we have assumed  
7 for purposes of discussion is associated with -- is  
8 assigned to the Miami local calling area, all right?

9           A     Okay.

10          Q     Now, when a BellSouth end user in Jupiter calls  
11 the MCI end user in Miami, that would normally be a toll  
12 call, would it not?

13          A     I want to make sure I understand, you are asking  
14 about MCI end user C placing a call to MCI end user A?

15          Q     No, actually I'm just asking you if a BST end  
16 user were to call from Jupiter to Miami, that would be --  
17 and it is a BST end user, it would normally be a toll  
18 call?

19          A     As I understand the facts as set forth in Ms.  
20 Cox's testimony, Jupiter and the Miami local calling area  
21 are different. And so, yes, the answer would be it would  
22 be a toll call for the BellSouth end user to call MCI end  
23 user A.

24          Q     If the 561-336 NPA-NXX is assigned to Miami,  
25 let's assume for purposes of my next question that the

1 actual NPA-NXX is assigned to Jupiter, okay?

2 A Can we do that again real carefully, I want to  
3 make sure.

4 Q Yes. I want to make sure my questions are  
5 clear. Let's assume for purposes of the following  
6 questions that the 561-336 NPA-NXX has been assigned to  
7 the Jupiter local calling area, okay?

8 A I can assume that.

9 Q So when a BST end user calls the 561-366 number  
10 in Jupiter, that appears to be a local call, correct?

11 A This is the same end user in Jupiter that we  
12 talked about a minute ago. But now because the assumption  
13 is that that 336 prefix is associated with Jupiter, the  
14 call from the BellSouth end user in Jupiter would be a  
15 local call?

16 Q Yes. 561, I believe, is Jupiter, and I have  
17 missed the -- I misspoke when I originally said it was  
18 assigned to Miami. So I want to correct the hypothetical  
19 that I am providing. So 561-336 is assigned to Jupiter,  
20 okay?

21 A So this is a BellSouth NXX?

22 Q No, this is an MCI NPA-NXX, 561-336, okay?

23 A Okay. But we have assigned that to the Jupiter  
24 rate center?

25 Q Yes.

1 A Okay.

2 Q The BellSouth end user calls that (561)336-5555  
3 number and that is a local call all within the Jupiter  
4 local calling area, is that correct?

5 A Correct.

6 Q Even though to get that call it may actually go  
7 to Miami and back to the MCI end user in Jupiter, correct?

8 A Correct. Because the way the calls are rated is  
9 based on the rate center.

10 Q Now, let's assume that --

11 A I'm sorry, as we have assumed the 561-336  
12 NPA-NXX is assigned by WorldCom to the Jupiter rate  
13 center.

14 Q Let's assume for purposes of the next example  
15 that MCI has assigned a 561-336 number to the MCI end user  
16 in Miami, do you see that?

17 A Yes.

18 Q Now, if the BellSouth end user picks up the  
19 telephone in Jupiter and dials (561)336-2000, the customer  
20 probably thinks that is just going to be a local call, is  
21 that right? It is going to be within the Jupiter local  
22 calling area?

23 A I don't know why I'm struggling with this, but I  
24 want to make sure that I answer correctly. So if you  
25 could just do the question one more time.

1 Q Yes. If the BellSouth end user dials the number  
2 (561)336-2000 --

3 A Okay.

4 Q -- in our hypothetical, that call, that number  
5 actually has been assigned to a customer, an MCI customer  
6 in Miami, correct?

7 A The customer is physically located in Miami, the  
8 number is still associated with the Jupiter local calling  
9 area.

10 Q And my question was from the BellSouth end  
11 user's perspective it appears just like a normal local  
12 telephone number, correct?

13 A Absolutely.

14 Q Now, in the example that we just described where  
15 the BellSouth end user picks up the phone in Jupiter  
16 calling the (561)336-2000 number, which has been assigned  
17 to an MCI end user in Miami, would you agree that the call  
18 is originating in Jupiter and terminating in Miami?

19 A Okay.

20 Q Do you agree with that?

21 A Yes.

22 Q Is it MCI's position that BellSouth owes  
23 reciprocal compensation when a call originates in Jupiter  
24 and terminates in Miami?

25 A It is our position that reciprocal compensation

1 is appropriate for local traffic, and the 336 NXX in this  
2 example is associated with the Jupiter local calling area,  
3 and it is therefore a local call between the BellSouth end  
4 user in Jupiter and any customer to whom that number -- a  
5 number in the 336 NXX is assigned regardless of whether  
6 that end user is physically within that rate center or  
7 not.

8 Q All right. So I'm not sure you actually  
9 answered my question, but it is MCI's position that  
10 BellSouth owes reciprocal compensation for a call  
11 originating in Jupiter and terminating in Miami under the  
12 scenario we have just described?

13 A Well, the answer is yes. But I want to make  
14 sure that we understand. It is not that the call  
15 terminates in Miami that is the critical issue, it is the  
16 fact that the rate center to which the 336 NXX is assigned  
17 is local to Jupiter. The way that traffic is rated in the  
18 telecommunications industry is based on the rate center  
19 associated with the NPA-NXX.

20 Q Now, let's take the next example that may be  
21 more extreme. MCI assigns a (561)336-3000 telephone  
22 number to a MCI end user in New York City. Do you  
23 understand?

24 A I understand that. I know that we have already  
25 stated in our testimony that it is not our intention to .

1 make such assignments, but --

2 Q And there was some, I think, conflict or maybe a  
3 misunderstanding about this in other arbitrations. Is it  
4 MCI's position that it will not assign NPA-NXXs that are  
5 assigned to a local calling area in a single LATA to a  
6 customer physically located outside of that LATA?

7 A I am hesitating a little bit. Because while it  
8 is not our intention to do so in any sort of wholesale  
9 manner, by the same token it would not at all be abnormal  
10 for a customer to have what is, in essence, a foreign  
11 exchange service just like this. And, in fact, BellSouth  
12 provides such services today, or cooperates in the  
13 provision of such services today.

14 Q I'm not sure you answered my question. I  
15 understand you were hesitant, but I will ask it again. Is  
16 MCI willing to agree not to assign an NPA-NXX to someone  
17 outside of the LATA in which the local calling area to  
18 which that NPA-NXX has been assigned?

19 A And my answer is generally, yes, we are willing  
20 to make that sort of commitment, although I don't want  
21 this Commission to be misled, because it is not unusual  
22 for customers to have service in a foreign exchange sort  
23 of manner as is depicted on here. And I don't know why I  
24 would commit WorldCom to not be able to do something that  
25 BellSouth could do today, although it would have to do so

1 in a partnership basis with an interexchange carrier.

2 Q Well, let me ask you this way. Let's assume  
3 that MCI has assigned the (561)336-3000 number to a  
4 customer in New York City. The BellSouth end user in  
5 Jupiter picks up the phone and dials the (561)336-3000.  
6 In that scenario the call is originating in Jupiter and  
7 terminating in New York City, is that correct?

8 A Yes.

9 Q Is it MCI's position that if that call were  
10 placed that BellSouth would owe reciprocal compensation  
11 for a call originating in Jupiter and terminating in New  
12 York City?

13 A And I am going to say yes, and I am going to  
14 have to explain, I think, in some detail exactly why that  
15 is appropriate. And if possible it probably would be  
16 easier if I were to draw a separate diagram. Could I get  
17 a marker? Thank you, Counsel.

18 I am going to try to do something that is very  
19 similar to the situation that is on Exhibit 20, Diagram 2.  
20 And I am drawing in the upper right-hand corner the  
21 Jupiter exchange. I'm sorry, the Jupiter rate center.  
22 And I am drawing a box with a square in it. I'm sorry, an  
23 X in it that represents a BellSouth end office. And I am  
24 drawing a telephone customer. I say drawing, that is  
25 probably raising it to too fine an art. I'm not an

1 artist. And we are going to assume -- I have no idea what  
2 BellSouth has assigned there, so I am just going to assume  
3 561-987 as a BellSouth prefix in Jupiter. And I am going  
4 to draw in the lower part of the page another circle that  
5 represents the Miami rate center. And, again, this is  
6 attempting in a very crude way to be similar to the  
7 diagram. And I am going to draw another box with an X in  
8 it that represents a BellSouth wire center in Miami. And  
9 I am going to connect the two BellSouth offices between  
10 Jupiter and Miami. And then I am going to do the same  
11 kind of jagged line, if you will, that we have from Miami  
12 to the upper part of the picture where we are going to put  
13 a New York customer. When I say New York customer,  
14 somebody that is physically located in New York City.

15           And for purposes of this example, we are going  
16 to assume that this customer in New York City has  
17 requested a Jupiter phone number from BellSouth, and  
18 BellSouth today would perform that function in conjunction  
19 with an interexchange carrier. And the customer who is  
20 physically located in New York City would have a 561-987  
21 telephone number.

22           COMMISSIONER JACOBS: This would -- I am  
23 assuming that you are saying somebody is physically  
24 located in New York. I had assumed it would be a  
25 cellphone initially. It would be somebody who physically

1 lives in New York and they could get a 561?

2 THE WITNESS: Yes, sir. That is called foreign  
3 exchange service. It has been done for -- well, more than  
4 the 20 years that I have been in with the industry. And  
5 what it requires is it requires essentially a dedicated  
6 circuit from the Jupiter wire center all the way down to  
7 the Miami area where it would be -- and, again, there is  
8 an interexchange carrier that is involved with this that  
9 provides part of this physical path, okay? Because as we  
10 know, BellSouth does not have the ability to provide  
11 services across LATA boundaries today.

12 So you have got a physical connection between  
13 New York City and Jupiter, and this customer in New York  
14 City could today be sitting there, pick up the phone and  
15 make a local call to anyone within the Jupiter wire  
16 center. Likewise, any of BellSouth's other customers  
17 within the Jupiter wire center would be able to pick up  
18 the phone, make a local call, and have that ring and be  
19 answered at the location in New York City.

20 In that example, again, all of the calls that  
21 are within and among the 561-987 prefix would be local  
22 calls. The customers that BellSouth has in the Jupiter  
23 rate center would not be charged a toll call for the  
24 ability to reach this customer that is physically halfway  
25 across the country. And it is for that reason that I .

1 can't state that WorldCom would be able to categorically  
2 state that we wouldn't assign a number in the same way it  
3 could be assigned today by BellSouth albeit in conjunction  
4 with an interexchange carrier to provide the end-to-end  
5 service.

6 Q Just to follow up, Mr. Price, the real issue in  
7 dispute here is when we have two carriers involved who  
8 pays what for these types of calls, is that correct?

9 A That is certainly a large part of the dispute,  
10 yes.

11 Q And the example that where MCI is providing this  
12 foreign exchange-like service and has the customer in New  
13 York City, you have testified that BellSouth could not  
14 complete that call on its own to serve a customer in New  
15 York, they would have to go through an interexchange  
16 carrier, is that correct?

17 A BellSouth would not have the ability to provide  
18 that service in and of itself, although it certainly is  
19 providing key components of that because it is providing  
20 the dial tone in Jupiter, it is providing the  
21 interexchange channel between Jupiter and Miami, and it is  
22 providing an access channel in Miami up to the  
23 interexchange carrier's point of presence in the Miami  
24 area.

25 Q And the reason that BellSouth cannot provide the

1 whole service that you have depicted on this diagram is  
2 because it is an interLATA service, correct?

3 A That's correct, but I don't want us to lose  
4 sight of the fact that -- I mean, what you were asking me  
5 earlier was if I was willing to state that WorldCom would  
6 never, quote, assign a number outside of the LATA. And my  
7 point and my only point really in this diagram is that I  
8 can't unequivocally commit to that on WorldCom's behalf  
9 today because BellSouth has the ability to do essentially  
10 the same thing, albeit in a partnering arrangement.

11 Q Well, Mr. Price, just so the Commission  
12 understands how this came up, in North Carolina when we  
13 used a similar type of diagram and used as an example --  
14 instead of New York City I think we used Colorado -- you  
15 sort of took umbrage with that hypothetical because you  
16 said, and I believe you stated specifically that MCI would  
17 not assign an NPA-NXX to some one outside of the LATA. Is  
18 that correct?

19 A I may have said those exact words, and as I  
20 testified in Georgia, I thought about it a great deal  
21 after that and believe that like all humans I made a  
22 mistake.

23 Q That's fine. And isn't it true that BellSouth  
24 really, doesn't really care how MCI decides to assign its  
25 telephone numbers, but rather the dispute is what does .

1 BellSouth have to pay as a result of the telephone  
2 assignments that MCI actually makes, is that correct?

3 A Correct. And that is why I wanted the record to  
4 be very clear that in the situation where BellSouth is  
5 cooperating with what is, as BellSouth would characterize  
6 it, an interexchange call between Jupiter and New York  
7 City, it is not charging its end users in Jupiter a toll  
8 charge to call that person, that person being the person  
9 in New York City with the Jupiter phone number.

10 Q In the example, though, that we have just  
11 described, and it is depicted on Diagram 2 as Exhibit 20,  
12 even though this is an interLATA service that MCI is  
13 providing, BellSouth would have to pay reciprocal  
14 compensation for the call from Jupiter to New York City,  
15 is that correct?

16 A And that is not at all inconsistent with what  
17 would happen -- yes, and that is not at all inconsistent  
18 with what would happen if WorldCom were providing service  
19 in my very crude diagram in the Jupiter exchange and one  
20 of our customers on our network placed a call to the  
21 561-987 number that is not going to ring on a phone within  
22 the Jupiter exchange, or within the Miami exchange, or  
23 even the State of Florida, but it is going to ring on a  
24 phone clear halfway across the country.

25 Q If BellSouth were willing to say, fine, we will

1 agree that MCI to the extent it originates traffic to an  
2 FX customer of ours will not be billed reciprocal  
3 compensation, is MCI willing to agree to that same  
4 provision?

5 A No, because what it does is it distorts a very  
6 important principle that to this date has not to my  
7 knowledge been in question in the telecommunications  
8 industry, which is the rating and routing -- I'm sorry,  
9 the routing -- I'm not going to say this right. Third  
10 time, the rating of traffic is based on the rate center  
11 that is associated with the NPA-NXX, and throughout all of  
12 our discussions we have assumed that the two rate centers  
13 that we have described, the one that we have talked about  
14 that WorldCom has assigned to the Jupiter local calling  
15 area based on your Exhibit 20, and the 561-987 number that  
16 I have assumed for purposes of my example that BellSouth  
17 has assigned to the Jupiter rate center should be treated  
18 as local for calls within the rate center regardless of  
19 the physical location of the customer calling.

20 Q Well, let me make sure I understand. You  
21 believe that it is the industry standard or practice that  
22 reciprocal compensation should be paid on calls to  
23 particular NPA-NXXs no matter where the end user customer  
24 is physically located, is that your testimony?

25 A I may have said it that way, and if I need to .

1 step through it a little bit differently I would be happy  
2 to. It is my testimony that it is the industry practice  
3 that for the rating of toll calls that the originating and  
4 terminating NPA-NXX are the keys. The distance is based  
5 on originating and terminating NPA-NXX. That is something  
6 that is reflected in BellSouth's tariffs, it is something  
7 that is reflected to my knowledge in every ILEC's tariffs  
8 across the United States, that that is how long distance  
9 calls are rated.

10           Conversely, we don't have quite as long a  
11 history on the question of reciprocal compensation, but  
12 conversely if the call is not a toll call and is not to be  
13 treated as a toll call, then I think this Commission is  
14 capable of considering whether or not reciprocal  
15 compensation then applies. And the question of the  
16 physical location of the customer is not the issue, it is  
17 the rate center that is assigned to the NPA-NXX.

18           Q     Mr. Price, when we talk about the rating of  
19 calls, you are talking about from the end user  
20 perspective, are you not?

21           A     From the end user perspective as well as from  
22 the access perspective associated with the interexchange  
23 carrier relationships.

24           Q     Okay. So you believe that the location, the  
25 physical location of the customer to which an NPA-NXX is .

1 assigned is irrelevant in looking at the issue of  
2 reciprocal compensation?

3 A Well, that's why I tried to say a minute ago I  
4 wanted to step through it carefully, because if it is not  
5 toll, it must be local. If it is local, in my view, it  
6 must have reciprocal compensation associated with it.

7 Q Are you aware of at least two state commissions  
8 that have expressly disagreed with you on that issue?

9 A I will agree that there are some state  
10 commissions that can arguably be said to disagree with  
11 that. I don't think it is necessarily expressly.

12 Q You testified in a proceeding in Texas, did you  
13 not, that dealt with a number of reciprocal compensation  
14 issues?

15 A If you are speaking of the recent generic  
16 proceeding, yes.

17 MR. ROSS: I am.

18 Commissioner Jacobs, I would like to ask that  
19 Mr. Goggin distribute -- this is a Texas Commission order  
20 that is on the official recognition list, but I'm not sure  
21 that everybody has copies.

22 COMMISSIONER JACOBS: Very well.

23 MR. ROSS: Thank you.

24 BY MR. ROSS:

25 Q I have handed you a copy of the Texas Commission

1 decision in the generic docket that I think you were  
2 referring to, is that correct?

3 A Yes. I believe this has been modified slightly  
4 since then, but, yes.

5 Q And this was actually pulled off of the  
6 Commission's website, which explains why it doesn't have  
7 the signatures on it. But if you will look to Page 17 of  
8 this document.

9 A All right.

10 Q The middle of the paragraph, right after -- the  
11 sentence beginning right after Footnote 54, do you see  
12 that, it says the Commission finds?

13 A Yes, I see that.

14 Q "The Commission finds that to the extent that FX  
15 type and 8YY traffic do not terminate within a mandatory  
16 local calling scope they are not eligible for reciprocal  
17 compensation." Do you see that?

18 A Yes, I do.

19 Q And would you agree with me that under the Texas  
20 Commission's holding that the calls we have just been  
21 describing that are going from the BellSouth end user to  
22 Miami or to New York would not be eligible for reciprocal  
23 compensation?

24 A I'm not sure that it is clear, because what this  
25 language does not state is that terminate means the

1 physical location of the customer.

2 Q You believe it is confusing as to where -- well,  
3 let me ask it this way. Is MCI taking the position -- I'm  
4 sorry. In Texas, is MCI taking the position with SBC that  
5 it is entitled to reciprocal compensation on the calls  
6 that we have just described where they are being  
7 originated in one local calling area to customers  
8 physically located in different local calling areas?

9 A As the company witness in that proceeding, I did  
10 not present any testimony on that issue whatsoever.

11 Q I'm not sure that was my question. As a result  
12 of this decision, is MCI taking the position with SBC that  
13 it, MCI, is entitled to reciprocal compensation on calls  
14 that are from an end user customer in one local calling  
15 area to customers physically located in other local  
16 calling areas?

17 A And the question is are we taking that position?  
18 I don't believe that we have expressed a position one way  
19 or the other.

20 Q And while we are on that page of the order, the  
21 Commission also determined in Texas, did it not, that  
22 transit traffic is not eligible for reciprocal  
23 compensation?

24 A I recall that.

25 Q Let's move to exhibit -- I'm sorry, Issue 51, .

1 and I'm going to try to wrap this up in hopefully 20  
2 minutes. Issue 51, which has been an issue before this  
3 Commission several times, and the Commission has already  
4 heard a lot of evidence on the issue, which deals with the  
5 extent to which MCI is entitled to the tandem  
6 interconnection rate, is that correct?

7 A Yes.

8 Q And you, MCI, disagrees that there are two  
9 criteria for determining whether symmetrical reciprocal  
10 compensation at the tandem rate is appropriate, one being  
11 similar functionality and two being comparable geographic  
12 area?

13 A No, I can't agree that we disagree that there  
14 are two criteria. I believe the dispute is over whether  
15 those criteria should be looked at as an either/or or as a  
16 both and.

17 Q And which does MCI contend it should be?

18 A We firmly believe that it should be either/or.

19 Q To your knowledge is MCI's position consistent  
20 with the position that this Commission adopted in the  
21 Intermedia arbitration?

22 A I don't believe that it is clear in that  
23 decision whether the Commission looked at the question in  
24 quite the same way that we are talking about here. In  
25 other words, the Commission -- in our view, the Commission

1 did not clearly state that it should be a both and test as  
2 opposed to an either/or.

3 Q Now, your testimony does not address the  
4 functionality performed by MCI's local switches in  
5 Florida, is that correct?

6 A I'm sorry, bear with me for just a second. My  
7 recollection is that we didn't touch on that to any great  
8 extent because, again, we believe that the test should be  
9 either/or. And as indicated by the exhibits that were  
10 attached to my rebuttal testimony, we believe the record  
11 is pretty clear that we cover a geographic area that is  
12 certainly comparable to the area covered by BellSouth's  
13 local tandems.

14 Q Let's talk about that for a moment. Do you have  
15 your revised exhibits, which I believe are Exhibit 18 in  
16 the record, which are the color charts?

17 A Yes, I do.

18 Q Let's look at Central Florida and greater  
19 Orlando. The hatch marks areas reflected in red on the  
20 color version of this document indicate that those are the  
21 rate centers that are served by MCI's single switch in  
22 Orlando, is that correct?

23 A Yes, it is.

24 Q You are not suggesting, are you, that MCI is  
25 actually providing local service to customers in each of.

1 the rate centers reflected on this diagram?

2 A In each and every one, I don't believe we do.

3 Q For example, you are not serving -- you do not  
4 provide local service to St. Cloud in the St. Cloud rate  
5 center, do you?

6 A Is your question whether we offer service in the  
7 St. Cloud rate center or whether we presently have  
8 customers?

9 Q My question is do you actually serve, provide  
10 local service to customers in the St. Cloud rate center as  
11 reflected on your diagram?

12 A That is an area in which our business markets  
13 folks can go out and sell services.

14 COMMISSIONER JABER: Mr. Price?

15 THE WITNESS: Yes, ma'am.

16 COMMISSIONER JABER: Do you have current  
17 customers in the St. Cloud service area?

18 THE WITNESS: Commissioner, I believe there is  
19 information that is responsive to that, and I don't have  
20 that directly in front of me. What I was trying to  
21 understand was whether the question was whether we have  
22 the ability to serve and can and do market services, or  
23 whether we actually have customers located there, and I  
24 can certainly check on that second part.

25 MR. ROSS: This is Exhibit 14 that I think we

1 discussed yesterday, and we will distribute that again,  
2 since it is confidential, and see if we might expedite  
3 this process a bit. And just so I don't go astray from  
4 any proprietary information, I believe that we would agree  
5 that it is not proprietary to identify places where MCI is  
6 not providing local service.

7 MR. MELSON: Mr. Ross, I don't know if we -- I  
8 forget how we handled that in the case we tried here three  
9 weeks ago. I know it at least was not proprietary to say  
10 that there were some rate centers in which we did not.  
11 Whether we called them out by name, I don't know. You  
12 will have to ask the witness whether he regards that as  
13 proprietary.

14 MR. ROSS: I certainly intend to ask  
15 specifically by name rate centers. So if that is a  
16 proprietary issue, then we probably need to hash that out  
17 on the front end. And, again, all I'm asking for is to  
18 identify those rate centers where you are not providing or  
19 actually serving customers.

20 COMMISSIONER JACOBS: Mr. Price, is that an  
21 issue that you would consider to be proprietary?

22 THE WITNESS: If I were certain -- if I were  
23 certain -- maybe I should answer this differently.

24 COMMISSIONER JACOBS: If you want to take a  
25 moment, you can.

1           THE WITNESS: If the question is if we don't  
2 have any customers there is it proprietary to say where  
3 there is.

4           COMMISSIONER JACOBS: The places where you don't  
5 have customers.

6           THE WITNESS: Exactly. I don't know that that  
7 would be --

8           COMMISSIONER JACOBS: If you want to take a  
9 minute and have a conference, that is fine.

10          MR. MELSON: Commissioner Jacobs, let me suggest  
11 a way that Mr. Ross may be able to accomplish this. You  
12 all have the confidential materials in front. He can  
13 point you to the fifth line and say is it true you don't  
14 have customers in the rate center identified on Line 5.  
15 The exhibit will be in the record. If he needs to brief  
16 it he can put it in the confidential portion of his brief.

17          COMMISSIONER JACOBS: Well, as I understand the  
18 problem is that what he wants to ask questions about is  
19 not on this list.

20          MR. ROSS: Commissioner Jacobs, I cannot for the  
21 life of me think of why it is that rate centers where they  
22 are not providing local service is proprietary and how  
23 that effects their business plans in the least.

24          COMMISSIONER JACOBS: Well, we have not gotten a  
25 real answer that you think that they are. I thought that

1 you were --

2 THE WITNESS: That's correct, Your Honor. I  
3 don't know of a reason why we have to deem that as  
4 proprietary information. Obviously if we were getting  
5 into numbers in particular rate centers that would be a  
6 whole lot more sensitive.

7 MR. ROSS: Thank you. And I appreciate that,  
8 and I do not intend to do that.

9 BY MR. ROSS:

10 Q So looking at Exhibit 14 and comparing it to the  
11 map that has been marked as Exhibit 18, would you agree  
12 that MCI is not providing local service to any customers  
13 in the St. Cloud rate center?

14 A It does not appear to be the case based on this  
15 information. Unfortunately, the distribution of  
16 information that is reflected on this list does not  
17 include all of our customers in the state because it is  
18 reflective only of the customers served by MCI metro.

19 Q Well, BellSouth specifically asked MCI WorldCom  
20 in response to this interrogatory to provide the location  
21 of all -- and the number of all customers receiving local  
22 service from MCI WorldCom in the State of Florida by wire  
23 center actually.

24 Is it your testimony that MCI WorldCom did not  
25 respond in full to BellSouth's discovery request?

1           A     It is my testimony that we provided all the  
2 information that was readily available on that. And in  
3 trying to be responsive to your question about whether we  
4 serve customers today in the St. Cloud area, I do not have  
5 the appropriate information in order to say definitively  
6 either way.

7           Q     All right. I'm sort of curious. How is it that  
8 WorldCom would not know where its local customers are  
9 located?

10          A     The short answer is that the systems that we  
11 utilize are very different from the systems that an  
12 incumbent telephone company has developed over the  
13 decades. And I have found that there are occasions when  
14 it is extremely difficult to get information that would  
15 seem to be very readily available, and one would think  
16 that it would be available. And as someone who has to sit  
17 before the regulator and talk about this sort of thing, it  
18 makes me very uncomfortable to have to make that  
19 admission. But I can assure you that it is the case.

20                   I have someone who worked for -- who works for  
21 me who spent nearly a month trying to get very similar  
22 information. And in order to do so, he had to talk to  
23 numerous people in numerous different groups and engage in  
24 what was effectively a special study, or actually more  
25 than one in order to get anything that looked like the

1 kinds of information that we are getting here.

2           So, again, what we provided was the information  
3 that was readily available, and I just can't say one way  
4 or the other whether we have customers today that we are  
5 serving, local customers in St. Cloud.

6           Q       Well, let me --

7           COMMISSIONER JABER: Mr. Price, may I ask you a  
8 question in that regard? What other mechanisms do you  
9 have to figure out where your local customers are? I  
10 mean, what is the additional information you need?

11           THE WITNESS: Well, obviously we have billing  
12 information where bills are generated, and in order to --

13           COMMISSIONER JABER: Did the person you directed  
14 to gather this information that went into the response to  
15 the interrogatory not look at billing records?

16           THE WITNESS: Unfortunately, Your Honor, I was  
17 not directly involved with the preparation of this and I  
18 don't know the answer to your question.

19           COMMISSIONER JABER: Would you be able to put  
20 together a late-filed exhibit that shows where MCI  
21 WorldCom local service customers are by Florida rate  
22 centers, a complete list of that in a late-filed exhibit  
23 in the next ten days?

24           THE WITNESS: We can certainly do everything in  
25 our power to generate that information. And the person .

1 who works for me who I spoke of earlier that did that kind  
2 of thing, if it can be done I trust that he could do it.

3 COMMISSIONER JABER: And in addition to the  
4 billing records, what other source would you have to look  
5 at?

6 THE WITNESS: Well, the billing records generate  
7 a billing address. They do not contain the service  
8 address. And what we had to do in the example that I  
9 referenced earlier was to go in a very different direction  
10 and actually find out from the 911 database that we use  
11 that we pass our records by before they go to the Bell  
12 company and get the physical addresses out of that  
13 database. It was an extremely time consuming process.

14 COMMISSIONER JABER: From a marketing standpoint  
15 isn't that something that companies should have readily  
16 available to them? I mean, don't you keep a rolling tally  
17 of where the local penetration is and how well you have  
18 done?

19 THE WITNESS: And the short answer is no, we  
20 don't.

21 COMMISSIONER JABER: Shouldn't you?

22 THE WITNESS: I wish we did. As I said, it is  
23 very uncomfortable for me to sit here before you and try  
24 to explain something that seems so obvious that we should  
25 have. But, again, the information is rolled up in sales.

1 reports and different kinds of things that are not at all  
2 the kinds of information that, for example, BellSouth I'm  
3 sure has readily available. But unfortunately that is the  
4 reality of the competitive marketplace and the way that  
5 disparate systems try to talk.

6 I mean, in WorldCom's case we have multiple  
7 companies that have been brought together over the last  
8 few years. And that in itself is a headache that I don't  
9 even want to begin to try to describe for you.

10 MR. ROSS: Commissioner, my only concern is that  
11 what you have asked for as a late-filed exhibit is exactly  
12 what we asked for in discovery, you know, two months ago.

13 COMMISSIONER JABER: No, I actually just asked  
14 if it could be done. I didn't ask for it.

15 MR. ROSS: Okay. We had hoped to have that  
16 information as part of this proceeding.

17 BY MR. ROSS:

18 Q At least with respect to the information you  
19 have provided, Mr. Price, there is no evidence to reflect  
20 that MCI is, in fact, providing local service to any  
21 customers in the St. Cloud rate center, correct?

22 A I do not have information that could say either  
23 way.

24 Q All right. We'll leave it at that. Let's look  
25 at -- the areas in green are the areas that are reflected

1 by -- as served by BellSouth's tandem, is that correct?

2 A That's correct.

3 Q And let's look at the tandem to the north of  
4 Orlando.

5 A Okay.

6 Q Based on the information that you have provided  
7 that is reflected in Exhibit 14, MCI has no local  
8 customers in the DeBary rate center, is that correct?

9 A Yes.

10 Q And it has no local customers in the Geneva rate  
11 center, is that correct?

12 A Yes.

13 Q And even looking down at the area served by  
14 BellSouth tandem in Orlando, you have not identified the  
15 specific wire centers where your customers are physically  
16 located, isn't that correct?

17 A Yes.

18 Q Let's flip over to the Miami/Fort Lauderdale  
19 charts that are reflected on your Exhibit 18. In looking  
20 down at the Miami area, BellSouth's tandem serves  
21 Homestead, does it not?

22 A Correct.

23 Q And it is also correct that MCI has no local  
24 customers in the Homestead rate center, correct?

25 A That is my information, yes.

1           Q     I will see if we can get this thing wrapped up.  
2 Issue 94.

3           COMMISSIONER JACOBS:   Could I ask a quick  
4 question on that.  One thing that intrigues me about that  
5 whole issue is the argument that your design, MCI's design  
6 is an evolution in terms of network design.

7           THE WITNESS:  (Indicating yes.)

8           COMMISSIONER JACOBS:  Walk me through how it is  
9 so.  And in that regard, what I take you to mean is that  
10 -- as you look forward in the design of the network that  
11 it facilitates -- best facilitates competition.  This is a  
12 more cost-effective manner of dealing with the exchange of  
13 traffic.  Walk me through the rationale for that.

14          THE WITNESS:  I would be happy to.  I guess the  
15 easiest way to get at that is to sort of start with a bit  
16 of an historical view and explain why the network that  
17 BellSouth has is the way that it is.  In other words, why  
18 is that architecture there.  And the short answer is  
19 because engineering design principles for years for the  
20 loop have required that those loops be relatively short.  
21 In other words, there are engineering reasons why  
22 BellSouth could not serve a customer 30 years ago, 40  
23 years ago over a copper loop that was 20 miles long.

24                        So the design that has evolved because of  
25 engineering principles had switches that were located in.

1 relatively small geographic areas where the copper loops  
2 could emanate from that building in a spoke-like  
3 environment and minimize the distance on average of all of  
4 the loops that were needed to serve that area. And it was  
5 a whole lot more cost-effective to do the shorter loops  
6 and the numerous switches because of that engineering  
7 limitation on the length of the loop.

8           Now, if we kind of fast forward from that to the  
9 1980s and the 1990s with the implementation of digital  
10 switching and new digital transmission methodologies, and  
11 more specifically fiber-optics, the limitation -- I mean,  
12 fiber-optics were first used in longhaul networks from  
13 coast-to-coast because there is no distance limitation. I  
14 mean, you have to have repeaters every so often that allow  
15 you to make sure that that light signal stays, you know,  
16 at a certain, I guess, volume, for lack of a better term.  
17 But the distance limitation that was inherent in copper  
18 isn't there with fiber facilities.

19           So, the design that carriers who are coming into  
20 the marketplace in the 1990s and the beginning of this  
21 century is a design that is based on the engineering  
22 principles that we are dealing with today, which are very  
23 different from copper loops and the need to minimize the  
24 distance in your loops. I mean, it is conceivable from an  
25 engineering standpoint to serve, you know, probably half .

1 of Florida from one point with fiber-optics.

2           And so the design that the carriers such as  
3 WorldCom and others are deploying is a design that does  
4 not recognize the distance limitation of copper but uses  
5 the capabilities of fiber. And to the extent that there  
6 is a building that is located 30 miles or even 50 miles  
7 away from the switch, you can have a fiber-optic facility  
8 that enters that building. And really there is where you  
9 are talking about the copper piece is really just within  
10 that building. Obviously there is no distance limitation  
11 there. Probably a rather inartful discussion, but I think  
12 that kind of points you in the direction of why there is  
13 such a big difference. Because our networks aren't  
14 evolving from something that was put in 30 or even 50  
15 years ago. We are coming in with a different design that  
16 is based on today's technology.

17           COMMISSIONER JACOBS: And here is the challenge  
18 for me. It would appear that what we would want to do, we  
19 being the policymaker, would want to do is deliver the  
20 efficiencies that come about in that process ultimately to  
21 consumers. And what I hear you saying is that we are  
22 moving to a point where that need to have that  
23 intermediate tandem function is past, declining. That  
24 need is declining. And so if we continue to have in the  
25 process, effectively impute the need for that tandem

1 office, that seems to me to delay getting those  
2 efficiencies down to the consumer. How do we deal with  
3 that?

4 THE WITNESS: In my opinion that is exactly what  
5 the FCC grappled with in the local competition order when  
6 it ruled that a carrier like WorldCom was entitled to the  
7 same compensation -- again, this is our position -- that  
8 BellSouth gets in a tandem architecture even if we don't  
9 have that same architecture if we serve the same  
10 geographic area.

11 And what I mean by that is if I were in a  
12 position where BellSouth could say, well, we are going to  
13 pay you 1/10th of a penny when we terminate traffic to  
14 you, but they are going to demand a quarter of a penny  
15 because they have the more expensive network. That  
16 provides absolutely no incentive for BellSouth to  
17 implement the kinds of efficiencies that we are talking  
18 about in this new network design.

19 If they have the pay the same that they charge,  
20 which is our proposal, then they have every incentive to  
21 get those efficiencies into their network and lower the  
22 rate that they charge because that also lowers the amount  
23 that they have to pay to others. And if you break that  
24 relationship between what they have to charge and what  
25 they have to pay to others, that incentive goes away. And

1 that, I believe, is exactly what the result that the FCC  
2 was trying to achieve in its local competition report, in  
3 its local competition order. I believe that is the  
4 conclusion that the FCC reached in the policy decision  
5 that I think was exactly what you just asked.

6 COMMISSIONER JACOBS: Thank you.

7 MR. ROSS: Just to follow-up Commissioner  
8 Jacobs' questions.

9 BY MR. ROSS:

10 Q Wouldn't you agree that reciprocal compensation  
11 is a cost recovery mechanism?

12 A Yes. And the question, of course, is whose  
13 costs are at issue. And as I read the FCC rules, my costs  
14 aren't at issue unless I choose to come in and claim that  
15 I need higher compensation than what BellSouth gets.

16 Q But you would also use reciprocal compensation,  
17 based on your response to Commissioner Jacobs' question,  
18 not only as a cost recovery mechanism, but as a tool to  
19 incent BellSouth to be more efficient, if I understood you  
20 correctly?

21 A And I agree. And I think that that is looking  
22 at it at sort of two different levels. One is the more  
23 immediate near-term level, and the other is the long-term  
24 public policy objective. And as I have said, I believe  
25 that is the right result.

1           Q     Speaking of efficiency, can you look at your  
2 diagram of Miami.  If this diagram is correct, you have --  
3 you, MCI, has three local switches in Miami.  Do you see  
4 that?

5           A     I do.

6           Q     That are providing service to a relative -- that  
7 are serving actual customers in a relatively small area  
8 considering, according to your own information, you are  
9 serving customers only in North Dade, Miami, and the  
10 Perrine rate centers, correct?

11          A     Well, again, I don't have information that says  
12 that we are serving in the Perrine and the Homestead  
13 areas.  I have said I don't have information to show that  
14 we do.  But by the same token I can't sit here and tell  
15 you that we don't.

16          Q     Well, let's assume that for purposes of my  
17 question that the information you have provided in  
18 response to discovery is accurate and that you have no  
19 local customers in Homestead, okay?

20          A     I can assume that.

21          Q     So you have -- MCI has three switches that are  
22 being used to provide service to customers in the Miami,  
23 Perrine, and North Dade rate centers, correct?

24          A     That would be consistent with the assumption,  
25 yes.

1 Q And BellSouth has one switch, one local tandem  
2 switch that is providing service to all three of those --  
3 or, I'm sorry, all of the rate centers there except for  
4 the North Dade area, correct?

5 A One tandem, and I have no idea how many end  
6 office switches. And, again, that would be consistent  
7 with what I was discussing with Commissioner Jacobs about  
8 the genesis of BellSouth's network. And I don't fault  
9 that. I think that the policy results that we were  
10 talking about earlier are important for this Commission.

11 Q Let's turn to Issue 94 quickly, which deals with  
12 the extent to which BellSouth should have the right to  
13 discontinue service if MCI fails to pay undisputed amounts  
14 it owes to BellSouth, is that correct?

15 A Yes, it is.

16 Q And the language that BellSouth has proposed  
17 appears in your testimony on Page 85.

18 A And the top of 86, yes.

19 Q Where essentially BellSouth says absent a good  
20 faith billing dispute and after notice, BellSouth has the  
21 right to discontinue service if MCI doesn't pay its bills,  
22 correct?

23 A That is BellSouth's proposal.

24 Q And MCI's view is that BellSouth should have no  
25 right to discontinue service on its own, but rather must.

1 avail itself of some dispute resolution mechanism such as  
2 going to the Commission in order to get approval to  
3 discontinue service to MCI for failure to pay its bills?

4 A Correct.

5 Q I think you know what is coming.

6 A I have a suspicion.

7 Q We have done this before. I am going to hand  
8 you -- or Mr. Goggin actually will hand you two different  
9 exhibits which are portions of MCI's and MCI WorldCom's  
10 tariffs here in the State of Florida.

11 MR. ROSS: Mr. Chairman, there are two documents  
12 that the witness has been handed, and one is MCImetro  
13 Access Transmission Services LLC tariffs, portions  
14 thereof, which is five pages, and we would ask that that  
15 be marked as the next exhibit, which I believe is 21.

16 COMMISSIONER JACOBS: Show it marked as Exhibit  
17 21.

18 (Exhibit Number 21 marked for identification.)

19 MR. ROSS: And, Mr. Chairman, the MCI WorldCom  
20 Communications tariff, which is two pages, have that  
21 marked as Exhibit 22.

22 COMMISSIONER JACOBS: Okay. Show that marked as  
23 Exhibit 22.

24 (Exhibit Number 22 marked for identification.)

25 BY MR. ROSS:

1 Q Mr. Ross, have you had a chance to look at these  
2 tariffs?

3 A I have looked at them, yes.

4 Q If you will look at the tariff of MCImetro  
5 Access Transmissions, which we have marked as Exhibit 21,  
6 there is a section which deals with discontinuance of  
7 service?

8 A I see that.

9 Q And in 2.5.6.1 of this tariff, MCI has the right  
10 to discontinue service without incurring any liability if  
11 a customer does not pay its bills after giving 30 days  
12 notice, is that correct?

13 A Yes, generally that states what the language  
14 says.

15 Q And a similar provision appears in the tariff  
16 marked as Exhibit 22, which allows MCI WorldCom to  
17 discontinue service for nonpayment of bills by a customer,  
18 correct?

19 A Yes.

20 Q And it is fair to say that MCI is providing  
21 service to some large business customers, is that fair?

22 A Yes.

23 Q And let's take an example, MCI provides service  
24 to Internet service providers, for example?

25 A Yes.

1 Q Let's just take an Internet service provider  
2 like AOL, and assume that MCI is providing local service  
3 to AOL. If AOL fails to pay its bills and MCI  
4 discontinues service as it has the right to do under  
5 its tariffs, that potentially could affect the service  
6 that AOL is providing to its end user customers?

7 A Yes.

8 Q Finally, Issue 107. Issue 107 deals with the  
9 extent to which and the terms of a liability cap. And I  
10 believe the agreed-upon language and the disagreed-upon  
11 language is reflected on Page 100 of your testimony, is  
12 that correct?

13 A Yes, it is.

14 Q And the disputed language appears in bold,  
15 correct?

16 A That is my understanding, yes.

17 Q And the dispute basically is that the parties  
18 have agreed generally to a liability cap, but MCI wants to  
19 exempt from the liability cap a claim for damages  
20 resulting from a material breach of the provision,  
21 correct? A material breach of any material provision of  
22 the agreement?

23 A Yes.

24 Q Liability caps are not unusual in our industry,  
25 are they?

1 A Not in the carrier/end user relationship, no.

2 MR. ROSS: Mr. Chairman, I would like to hand  
3 the witness an exhibit, please, which we would ask be  
4 marked as Exhibit 23.

5 COMMISSIONER JACOBS: Okay.

6 (Exhibit Number 23 marked for identification.

7 BY MR. ROSS:

8 Q Mr. Price, Exhibit 23 is an excerpt from  
9 MCImetro Access Transmission Services' local tariff in  
10 Florida that outlines the terms of its local exchange  
11 service here in the state, correct?

12 A That is what it appears to be, yes.

13 Q And is it fair to say that under the provision  
14 dealing with liability of the company in the first page  
15 that MCI has essentially limited its liability to its end  
16 user customers?

17 A Yes.

18 Q And the only exception to the limit of liability  
19 deals with willful misconduct, do you see that?

20 A Yes, I do. And, again, as I said earlier, you  
21 know, your question was whether it was unusual, and I said  
22 not in the carrier/end user relationship. And, you know,  
23 I cannot think of a reason in the carrier/end user  
24 relationship where the carrier obviously want to have a  
25 good relationship with its end user why there would be any

1 incentive to breach, if you will, the service agreement  
2 that the carrier has with the end user. That is not at  
3 all the issue that we are talking about with respect to  
4 Issue 107.

5           Because Issue 107 is not a carrier/end user  
6 relationship, but rather a situation where WorldCom is  
7 relying very heavily on BellSouth for services that are  
8 needed by WorldCom to provide services to end users, and  
9 there is a very different -- in my view, a very different  
10 incentive structure there.

11           Q     In the liability cap that MCI has in its tariffs  
12 in Florida there is no exception or exemption for material  
13 breaches of any material obligation that MCI may owe its  
14 customers, correct?

15           A     I believe that is true.

16           MR. ROSS: Mr. Chairman, BellSouth has no  
17 further questions of the witness, and I appreciate your  
18 indulgence. BellSouth would move into evidence Exhibits  
19 19 through 23.

20           COMMISSIONER JACOBS: Very well. We show  
21 Exhibits 19 through 23 without objection admitted.

22                   (Exhibit Number 19 through 23 admitted into  
23 evidence.)

24           MR. MELSON: You might leave those out until  
25 redirect is finished, Mr. Goggin. I don't know if there.

1 is going to be redirect on them or not.

2 MS. CHRISTENSEN: Commissioner Jacobs, staff  
3 does have some questions for Mr. Price. I believe we  
4 could finish up in the next 20 minutes from staff's  
5 questions.

6 COMMISSIONER JACOBS: We are going to break at  
7 12:30 for lunch, so you can go ahead.

8 MS. CHRISTENSEN: Okay.

9 CROSS EXAMINATION

10 BY MS. CHRISTENSEN:

11 Q Good morning, Mr. Price. In reference to Issue  
12 2, if we understood your testimony correctly yesterday,  
13 the parties have agreed to narrow the scope of this issue,  
14 correct?

15 A Yes, I believe substantially narrowed.

16 Q And if our recollection is correct, the elements  
17 which remain in dispute are line sharing and collocation  
18 issues, correct?

19 A Yes. And with the clarification that the  
20 dispute is really only as to whether the rates should be  
21 interim subject to true-up or whether they should be  
22 established in this arbitration.

23 Q Can you refer to Attachment 1, Table 1. This is  
24 the attachment that was attached to the interconnection  
25 agreement, draft WorldCom agreement. Do you have access.

1 to that?

2 A I believe I do. I have -- yes, I do. Thank  
3 you.

4 Q Okay. Mr. Price, to make our records clear, can  
5 you please identify the elements in Table 1 that are still  
6 in dispute and need to be addressed by this Commission  
7 regarding Issue 2?

8 A Yes, I would be happy to. In Attachment 1,  
9 Table 1, which is my copy shows 33 pages, I do not believe  
10 that there are any remaining disputes as to any of the  
11 elements listed in this part of the table. Having said  
12 that, if we flip over to Table 2, which in my copy is  
13 labelled Attachment 1, and it begins at Page 34, then the  
14 dispute would be where we have shown a zero rate, and I'm  
15 not going to try to read all of these, but let me use an  
16 example. At Page 34, under the physical collocation  
17 heading, a couple of lines down, there is a subsequent  
18 applications NRC that shows a zero rate.

19 Q Yes.

20 A We have accepted BellSouth's proposed rate for  
21 the elements that we showed a zero on an interim basis and  
22 proposed that those rates be trued-up at the conclusion of  
23 some future proceeding. So, going down Page 34, the next  
24 zero rate would be -- would be where it says space  
25 preparation, common systems modification, cage list per .

1 square foot per month, and then immediately below that  
2 another entry that says very much the same thing, space  
3 preparation, common systems modification, cage -- per cage  
4 per month. In both instances, instead of the zeros that  
5 we have proposed, we have proposed to accept BellSouth's  
6 proposed rates. Again, the dispute being whether those  
7 rates are interim subject to true-up in some future  
8 proceeding or not.

9 Q And that refers to all of the entries in this  
10 table which have zeros, correct?

11 A I believe that is true, yes.

12 Q Thank you. Moving to Issue 23, I think, relates  
13 to the SONET ring. Can the SONET ring be unbundled for  
14 ALEC use? And if so, please explain.

15 A Yes, I think it can. And I think what we would  
16 be talking about would be access to the SONET capabilities  
17 for whatever portion of that SONET ring were provisioned  
18 for our use. So, for example, if we -- we will use an  
19 OC-12 example. If BellSouth had an OC-12 SONET ring and  
20 BellSouth agreed to make available to WorldCom one or more  
21 OC-3s on that SONET ring, I believe that is technically  
22 feasible. And all we are asking for is the ability to  
23 utilize that subset of capacity on that SONET ring along  
24 with the capabilities that are inherent in the SONET  
25 architecture, which is the immediate recovery in case of a

1 fiber cut and the ability to do the insert capabilities at  
2 points along the ring that allows -- which allows traffic  
3 to get on and off the SONET transport.

4 Q Let me refer you to Issue 29. Does WorldCom  
5 oppose connecting to BellSouth's access tandem to receive  
6 interexchange originated traffic?

7 A I apologize, the question was whether we oppose  
8 what now?

9 Q Let me repeat the question. Does WorldCom  
10 oppose connecting to the BellSouth access tandem to  
11 receive interexchange originated traffic?

12 A Yes. We don't believe that there is a need to  
13 interconnect in that way. Let me make sure I understand.  
14 If we agree that the point of interconnection would be at  
15 an access tandem, for example, whether in that particular  
16 market the access tandem is a local tandem or a switched  
17 access tandem, then obviously that would be the meet point  
18 and that would be where we would agree that the financial  
19 responsibility begins and ends for the traffic that we  
20 exchange there.

21 But we don't believe that BellSouth should be  
22 able to dictate a separate trunking arrangement  
23 specifically for a service that it provides to its end  
24 users and then require us to duplicate, or have redundant  
25 trunking, or separate trunking solely to accommodate a .

1 BellSouth retail service.

2 Q And would that apply for switched access  
3 tandems, as well, would you have the same response?

4 A Well, again, the process that Mr. Olson  
5 discussed yesterday for determining what the appropriate  
6 point of interconnection should be, it may be at an access  
7 tandem. But, again, that is somewhat market-specific and  
8 it depends to some extent on, you know, where BellSouth  
9 has facilities, where we have facilities. Certainly that  
10 is a point that might be an appropriate point of  
11 interconnection, but it need not be.

12 Q Can you please tell us how you would propose  
13 getting interexchange traffic, or receiving that, excuse  
14 me?

15 A Well, there would be interconnection trunks that  
16 would be provisioned over the interconnection facility.  
17 And those trunks would go in whatever manner the engineers  
18 agreed to. In other words, there would probably be a need  
19 to have interconnection trunks to the access tandem for  
20 switched access traffic, for example. That doesn't mean  
21 that that necessarily has to be the point of  
22 interconnection.

23 Q What is WorldCom's position on whether WorldCom  
24 originated calls to BellSouth's UNEServe, ZipConnect, or  
25 other similar customers should be accessed or local

1 traffic? Do you understand my question?

2 A Yes, I think I do. Frankly, I haven't given any  
3 thought to that because the nature of the dispute is  
4 really a different kind of dispute. The dispute is  
5 whether or not we should be required to establish separate  
6 trunk groups solely to accommodate a retail service that  
7 BellSouth has chosen to configure in a particular way. We  
8 don't believe that we should be required to set up  
9 separate trunk groups just to accommodate a particular  
10 configuration. Frankly, I haven't given any thought at  
11 all to the question of the compensation for that.

12 Q If these access calls are outside of the local  
13 calling area -- nevermind, I will withdraw that question.  
14 Does BellSouth's TOP routing proposal require WorldCom to  
15 maintain a routing database as to which BellSouth  
16 customers are served via UNE service or other similar  
17 service in order for WorldCom to properly route the call?

18 A And, I apologize, are we still on Issue 29?

19 Q Correct.

20 A I don't know the answer to that question. I  
21 mean, I think the question is really whether or not we  
22 have to configure our interconnection trunking  
23 arrangements in a unique and specific way in order to  
24 accommodate a service that BellSouth offers to its retail  
25 customers, and we just don't believe that should be done.

1 Q Does WorldCom have a way of determining which  
2 calls go via the UNE service or do not, or over any  
3 special trunking or not over special trunking?

4 A Well, our proposal is that they not be handed to  
5 BellSouth over anything other than just normal  
6 interconnection trunks. And if BellSouth wants to rate  
7 that traffic in a way that doesn't charge the receiving  
8 carrier for the toll charges or whatever, then we view  
9 that as certainly BellSouth's prerogative in shaping its  
10 retail services to its customers. We just don't believe  
11 that we should have to modify our network interconnections  
12 in a way that causes us to set up special trunking for a  
13 service that we don't even offer.

14 Q Is it your understanding that BellSouth's  
15 proposal would require the special routing that you were  
16 just discussing?

17 A Yes.

18 Q Let me move on to Issue 40. In your rebuttal  
19 testimony at Page 22, beginning at Line 24, you stated the  
20 issue of access charges for interstate long distance calls  
21 is clearly within the jurisdiction of the FCC and not this  
22 Commission. What is WorldCom's position on intrastate  
23 calls?

24 A Well, I guess the smart answer would be that  
25 that is clearly within the jurisdiction of this.

1 Commission. I think the concern is that there is an  
2 intent expressed by the FCC to look at the question of IP  
3 Telephony in a -- not a generic proceeding, I don't know  
4 what they call those things at the FCC. But to have a  
5 proceeding expressly for the purpose of looking at that.  
6 And we just feel like it is premature for the Commission  
7 here to try to get out ahead of that decision by the FCC.

8 I recall a staff report that was issued on a  
9 similar related issue by the Florida staff about a year or  
10 so ago, and I believe what we are saying is consistent  
11 with the conclusion there which was to kind of wait and  
12 see how the issue developed.

13 Q And my understanding was your previous testimony  
14 was that the FCC has not done anything with this issue as  
15 of yet?

16 A They have not. They have expressed an intent to  
17 open a proceeding.

18 Q But they have not done that as of yet to your  
19 knowledge?

20 A I don't recall seeing that they have. If they  
21 have, it would have been, you know, within the fairly  
22 recent past.

23 Q And how long do you think this Commission can  
24 wait to have the FCC resolve this issue?

25 A I'm not sure I have an answer for that. I mean,

1 there is some question as to the extent to which this type  
2 of technology is being deployed. And certainly I think we  
3 have all seen press releases about acquisitions and about  
4 different folks that are trying to move in a different  
5 direction with respect to the handling of traffic and  
6 moving away from the circuit switched network. But I  
7 still am not convinced that this is something that is an  
8 immediate or pressing problem.

9 Q So I guess what you are saying is it is  
10 WorldCom's position that this issue -- that we do nothing  
11 regarding this issue for the time being or for purposes of  
12 this interconnection agreement?

13 A Yes.

14 Q Let me ask you, in your deposition you say that  
15 for calls that use the IP Telephony and are long distance  
16 calls, access charges would apply, and in a local context  
17 or context reciprocal compensation should apply if it is a  
18 local call. I guess you are making a distinction that it  
19 doesn't matter the protocol method used, it is really the  
20 routing method, am I understanding that testimony  
21 correctly?

22 A Well, I think that is generally, yes, a correct  
23 assessment of what I was trying to get at. As I testified  
24 earlier today, WorldCom proposed language to BellSouth  
25 that expressly said that the technology used is not

1 determinative of the call jurisdiction and that is our  
2 position. Technology shouldn't impact the question of the  
3 call jurisdiction.

4 Q What is WorldCom's position on how compensation  
5 should be applied to phone-to-phone calls using IP  
6 Telephony that go over the Internet?

7 A That is a darn good question. Again, I mean, if  
8 we take away the technology and just say the phone, you  
9 know, the phones that are being dialed and the fact that  
10 we are using the North American Numbering Plan to place  
11 the call, and those are in different LATAs within Florida  
12 and it certainly makes sense to say that intrastate access  
13 charges would apply for that. And if the call originated  
14 in Florida and went elsewhere, then it would make sense  
15 that interstate access charges would apply. And I don't  
16 think that is inconsistent with the language that we had  
17 proposed in our negotiations with BellSouth.

18 Q Let me refer you now to Issue 47, the issue of  
19 reciprocal compensation for ISP-bound traffic. In your  
20 rebuttal testimony, Page 41, beginning at Line 19 --

21 COMMISSIONER JABER: I'm sorry, let me  
22 interrupt. Mr. Price, it is your testimony that in your  
23 proposed agreement you concede that if a call is made from  
24 Florida to an outside -- to a different state, basically,  
25 that for reciprocal compensation purposes it doesn't

1 matter that it was an Internet call, is that what you just  
2 testified to?

3 THE WITNESS: Well, I'm not sure that I  
4 understood your question. In that instance -- I mean the  
5 language that we had proposed said that the technology  
6 used in the handling of the call didn't have anything to  
7 do with the jurisdiction. So the jurisdiction was the  
8 jurisdiction. And we have talked a little bit this  
9 morning about some kind of quirky examples, but things  
10 where, again, the rate centers are the thing that  
11 determine. And, again, if it were within Miami, it  
12 wouldn't matter whether the call was, you know, using tin  
13 can and strings or Internet telephony or whatever, it  
14 would still be local. And if it weren't, I mean, if the  
15 call was between Miami and some other city in the state,  
16 then again the technology shouldn't be the driving factor,  
17 and that was what I was trying to get at.

18 COMMISSIONER JABER: Then help me understand why  
19 Issue 40 is still outstanding. What is your difference of  
20 opinion as it relates to Issue 40, then? Actually, let me  
21 confirm that that is still an outstanding issue for you  
22 all.

23 THE WITNESS: It is, Your Honor. And in  
24 response to your question, I think the -- I think the  
25 nature of the dispute is that we are not 100 percent

1 comfortable with BellSouth trying to make categorical  
2 statements about under what circumstances specific charges  
3 apply. What we were trying to do was to simply put a  
4 general statement in the agreement that said, for example,  
5 this Commission has a certain amount of say-so about what  
6 kinds of traffic are under its jurisdiction and subject to  
7 whatever type of compensation is appropriate. And the  
8 technology that is used in the handling of the call really  
9 shouldn't be the driving factor.

10           So we weren't trying to get down to a very  
11 granular level in our language, we were trying to make a  
12 very general statement that the technology today shouldn't  
13 be the driving factor.

14 BY MS. CHRISTENSEN:

15           Q     Let me refer you back to Issue 47. In your  
16 rebuttal testimony, Page 41, beginning with Line 19. You  
17 mentioned that this Commission has already decided this  
18 issue, is that correct?

19           A     Yes.

20           Q     Can you tell me which decision you were  
21 referring to?

22           A     I thought I had a part, at least, of the  
23 decision in my notes here. It was a recent decision  
24 involving Global NAPS and BellSouth. And I have part of  
25 the docket number which I show as 1680. I don't know

1 whether that is helpful or not, but --

2 Q That's fine. You are familiar with that  
3 decision?

4 A I have read parts of it and skimmed others.

5 Q Are you familiar with the part of the decision  
6 that discusses ISP-bound traffic and how that traffic  
7 should be treated?

8 A Yes.

9 Q And can you please tell me what your  
10 understanding of the Commission's decision regarding that  
11 is?

12 A Well, with all due respect to what the order  
13 actually says, my recollection of it is that the  
14 Commission recognized that there were some differing  
15 characteristics, perhaps, between a typical local call and  
16 a typical Internet bound call, and made some conclusions  
17 that perhaps the rate structure that existed at the time  
18 of the decision did not correctly reflect those kinds of  
19 cost characteristics.

20 So in my view I guess the Commission recognized  
21 that in this instance Global NAPS was entitled to  
22 compensation for the termination function that it was  
23 performing when a BellSouth customer picked up its  
24 BellSouth service phone and called an Internet service  
25 provider who was behind the Global NAPS switch. But then

1 they did -- again, they reached a particular result with  
2 respect to the compensation that reflects, I guess, what  
3 was a concern that the Commission had regarding the  
4 evidence in the record at that time.

5 Q Is it fair to say that the Commission decided to  
6 treat the ISP-bound traffic as local for purposes of the  
7 reciprocal compensation?

8 A Yes, I would agree.

9 Q And you had alluded to it a little bit, but let  
10 me see if I can make it clear, that in the Global NAPS  
11 arbitration there was a concern about the rate that was  
12 being charged for reciprocal compensation, correct?

13 A That is my reading, yes.

14 Q And that the Commission did something different  
15 in the Global NAPS than had been done previously, which  
16 was lowering the rates for ISP-bound traffic, correct?

17 A That is my understanding.

18 Q Mr. Price, do you believe it would be  
19 appropriate to establish lower rates for ISP-bound traffic  
20 in regards to this arbitration?

21 A Well, as I stated in my rebuttal testimony,  
22 BellSouth hasn't proposed such rates in this proceeding.  
23 And in terms of the -- in terms of the cost basis, I don't  
24 believe that that is an appropriate result, and let me try  
25 to explain why. I have heard it said a number of times .

1 that Internet service calls are on average longer than the  
2 average voice-to-voice call.

3           To me that begs the question, because there are  
4 long calls that are voice-to-voice calls, and I believe  
5 anybody that has a teenager or has ever been a teenager  
6 can remember, you know, the long time spent on the phone  
7 doing nothing more than, you know, gabbing about not much  
8 of anything. By the same token, there are very short  
9 calls from time-to-time to ISPs. So it's not at all clear  
10 to me that the question of the destination of the call is  
11 really the issue. Rather, I view the issue as more of a  
12 rate design issue.

13           In other words, you can come up with a rate  
14 design that neither penalizes or rewards calls that are  
15 relatively shorter or longer. And the way that you do  
16 that is by recovering all of the set-up costs in the first  
17 minute, and then by having the holding time costs  
18 reflected in the per minute cost beyond that. And then it  
19 doesn't matter -- in fact, it is actually preferable that  
20 you not try to figure out who is being called because the  
21 appropriate cost principles are that the costs were  
22 recovered as they were incurred.

23           There is a certain amount of cost that is  
24 incurred to set up the call, and then there is a much  
25 lower cost to actually keep that connection up. So in my

1 view, I mean, to the extent that anything needs to be  
2 done -- now, what needs to be done is simply reflect the  
3 difference in the holding time and the call set-up in a  
4 rate design that is appropriate for that and doesn't rely  
5 on some on average length of call that would, in fact,  
6 penalize or reward either longer or shorter calls.

7 Q Let me go back to a statement you made just a  
8 little bit earlier that BellSouth had not asked for lower  
9 rates. Is it your position that because BellSouth has not  
10 asked for these lower rates that it would preclude this  
11 Commission for setting lower rates for this ISP-bound  
12 traffic in this proceeding?

13 A I don't want to be the one that tells this  
14 Commission that it is precluded from doing anything. But  
15 I guess to the extent that we have got another proceeding  
16 going on right now that involves the question of the UNE  
17 costs, to me that would be where the question that I was  
18 just trying to describe about the difference in the cost  
19 between the cost set up and the holding time would  
20 appropriately be explored.

21 And I think if that were explored there and if  
22 the Commission were satisfied that the result was the  
23 appropriate cost-based rate, then, I mean, we have already  
24 agreed that the rates that were in BellSouth's proposal  
25 are interim subject to true-up in that proceeding anyway.

1           Q     Let me move on to Issue 68, and refer you to  
2 your direct testimony, Page 81, beginning at Line 3. And  
3 in this testimony you state that prepayment requirement  
4 would delay the work of a make-ready job, is that correct?

5           A     Yes, it is.

6           Q     Can you provide an example that would support  
7 this assertion that the requirement for a prepayment would  
8 delay the work of a make-ready job?

9           A     Sure. And, again, what we are talking about  
10 here is an issue that would relate to our use of, say, a  
11 pole attachment on a BellSouth pole. And to try to keep  
12 it simple we will just make it one pole. If BellSouth had  
13 to do work on that pole in order to make that pole ready  
14 for the hanging of a line by WorldCom, what we are  
15 proposing says we have agreed to make payment for the  
16 make-ready work, and we will process that paperwork and we  
17 will have that payment within 14 days to BellSouth.

18                   BellSouth's proposal, on the other hand, is they  
19 render us a bill, they can't do anything on that pole  
20 until they receive the full payment. And so you have got  
21 a 14-day difference there when on the one hand we believe  
22 that they could be doing the work in order to have that  
23 ready, and, again, within 14 days we would have the  
24 payment for them. And otherwise then that 14 days is time  
25 when they would not be doing anything until such time at .

1 they have the check in their hand.

2 Q Is that, in fact, shifting the risk to BellSouth  
3 to put in the work and put in the equipment without having  
4 received payment for that work and equipment up front?

5 A Well, I don't know that once -- I don't know  
6 that once we have agreed to make that payment that there  
7 is all that much risk. I mean, the only question is  
8 whether they actually have the money in hand or whether  
9 they have our word that we are going to process that  
10 payment immediately and try to get it to them as quickly  
11 as possible.

12 Q Let me take you to Issue --

13 COMMISSIONER JACOBS: Aren't there -- I would  
14 think there would be other means to kind of take care of  
15 that arrangement; lines of credit, bonds, or something of  
16 that sort. Are any of those provisions used in the  
17 industry?

18 THE WITNESS: I frankly don't know. I suspect  
19 that there probably are some examples where things along  
20 those lines have been used. I don't know whether there is  
21 any history at all in this area for that.

22 COMMISSIONER JACOBS: Thank you.

23 BY MS. CHRISTENSEN:

24 Q Let me move your attention to Issue 67, which is  
25 somewhat related to the pole example we were just using.

1 In your rebuttal testimony you assert that BellSouth's  
2 position would allow BellSouth to convey its property,  
3 such as the poles, conduits, and such that MCI leases or  
4 licenses to use, that property which is subject to the MCI  
5 licensing agreement is inconsistent with the policy  
6 underlying the Telecommunications Act of 1996, is that  
7 correct?

8 A We believe so, yes.

9 Q Can you please describe the policy or policies  
10 that you are referring to?

11 A Well, I think at the broadest level we would be  
12 looking to what we believe is the very clear intent of the  
13 act to facilitate competition for telecommunications  
14 services, and the very clear obligations that incumbent  
15 telephone companies such as BellSouth have to open up  
16 their markets in order to facilitate competition to grant  
17 what we view as sort of a unilateral right to BellSouth in  
18 this instance to just convey the property without any  
19 regards to what agreements we may have with respect to a  
20 pole attachment or some other right-of-way or whatever, we  
21 believe is very much inconsistent with that type of  
22 result.

23 Q Let me move you to Issue 95. Are you familiar  
24 with Witness Scollard's direct testimony, or do you have a  
25 copy of that available?

1 A I do not have a copy. I am familiar with it.

2 Q We can provide you with a copy of the testimony  
3 which we are referring to. I believe that Mr. Barrett has  
4 handed out a photocopy of Page 13 and 14 of that, to  
5 clarify that, of Mr. Scollard's direct testimony. And  
6 beginning at Line 9 on Page 13 and going through Line 18  
7 on Page 14. Are you familiar with this portion of the  
8 testimony?

9 A Yes, I am.

10 Q Do you agree with Mr. Scollard's statement that  
11 the industry guidelines determine what is required for  
12 differing types of records, record fields, and data  
13 formats depending on the type of usage being recorded?

14 A Yes.

15 Q Concerning Mr. Scollard's testimony on  
16 BellSouth's willingness to provide MCI with all of the  
17 required EMI fields, please explain MCI's justification  
18 for requesting all EMI fields as opposed to only the  
19 required EMI fields?

20 A Well, I believe it is consistent with my  
21 previous answer that the industry guidelines are the  
22 things that actually set forth what fields and what  
23 records are appropriate for a particular type of call.  
24 And the call records do vary depending on the type of  
25 call. The concern that we had with the language that

1 BellSouth had proposed was that -- and I forget now what  
2 they call them -- ADUF and other formats that they have  
3 represented their view of the appropriate subsets. And we  
4 did not want to be held to their view, rather we wanted to  
5 agree to the industry standards. So if the industry  
6 standard said that for a particular -- I don't know, an  
7 800 originating call, for example, that certain fields  
8 needed to be populated and records exchanged then that is  
9 what we believe need to be at the heart of the agreement  
10 between the carriers as opposed to some terminology that  
11 might exist within BellSouth.

12 Q For purposes of clarification, what you are  
13 stating is that it is WorldCom's position that the EMI  
14 fields be consistent with the industry guidelines?

15 A Yes, both the fields and the records that the  
16 parties agree to exchange with each other be consistent  
17 with those guidelines.

18 Q And would BellSouth have an opportunity to have  
19 input into those industry guidelines?

20 A Certainly, as we would. And do, in fact. I  
21 mean, both BellSouth and WorldCom participate in the  
22 ordering and billing forum as direct participants.

23 Q Let me refer you now to Issue 96, and I am  
24 referring specifically to your direct testimony, Page 87,  
25 Lines 29 and 30.

1 A All right.

2 Q And there you testified that the central office  
3 conversions can involve taking down ALECs' switched  
4 service, is this correct?

5 A Yes.

6 Q Can you explain what is a central office  
7 conversion?

8 A A central office conversion, I think, can be any  
9 number of things. For example, the replacement of an old  
10 switch with a new switch that takes its place in the  
11 switching hierarchy. In other words, there would be the  
12 same codes that had existed in the old switch would now  
13 exist on the new switch. I guess, perhaps, the addition  
14 of a new NPA or whatever could be a type of central office  
15 conversion. But, in any event, what we are talking about  
16 is something that is a major issue in the switching  
17 network. A major event, I should say.

18 Q Can you explain in a little bit more detail what  
19 is entailed in a central office conversion?

20 A Yes. Let's go back to the cutover of a new  
21 switch, for example. As noted in my testimony at Lines 28  
22 and 29, there is no disagreement that if a conversion is  
23 to occur, generally it needs to occur in the wee hours.  
24 In other words, it needs to occur at the time when there  
25 is less people that are likely to be on the network. So,

1 the agreement is that it is going to happen between  
2 midnight and 4:00 a.m. And really the only question is if  
3 it does not happen in the time when it is supposed to,  
4 what is the appropriate means of notifying WorldCom in  
5 this event.

6           And our very real concern is that if we get  
7 outside of that period, that midnight to 4:00 a.m. period  
8 when the switched traffic is likely to be at its lowest,  
9 then we have a much higher likelihood that there will be  
10 disruptions associated with that conversion. And because  
11 of that, we believe that we should have the most direct  
12 notice possible in order to make sure that we don't do  
13 something that we are supposed to do related to that  
14 conversion if that conversion does not take place.

15           Q     Let me ask, when a central office conversion is  
16 taking place, does this always require that the ALEC's  
17 switched services be taken down?

18           A     No. I'm sorry, I didn't mean to suggest that  
19 they may be taken down, but it involves the risk that they  
20 be taken down. For example, as part of a central office  
21 cutover we may be putting in all new interconnection  
22 trunks to that other switch, and we plan to cut over those  
23 interconnection switches -- I'm sorry, those intersection  
24 trunks at 3:00 a.m., for example.

25                     If for some reason BellSouth's cutover doesn't.

1 happen, we need to be notified as quickly as possible or  
2 we would have already cut over at 3:00 a.m. our  
3 interconnection trunks to that switch and then when  
4 traffic starts coming up on our switch later on, it would  
5 have taken down our service because those interconnection  
6 trunks aren't going to terminate into anything.

7 Q Let me take to you Issue 107, which is the  
8 liability language.

9 A All right.

10 Q Assume that this Commission takes -- it is  
11 determined that it has to not only arbitrate this issue,  
12 but resolve this issue. Assume that hypothetically that  
13 that is the position that this Commission finds itself in.  
14 From your standpoint, from a policy standpoint, why should  
15 MCI's language be adopted?

16 A Well, quite simply because, again, what we have  
17 in the industry post-act is we have a rather unwilling  
18 participant, if you will, in the opening up of its market.  
19 And the imposition of a liability cap when a carrier such  
20 as WorldCom is so heavily dependent upon actions of  
21 BellSouth in order to provide services to its end users.  
22 We just don't see that the cap does anything other than  
23 minimize BellSouth's incentives.

24 On the other hand, the absence of a liability  
25 cap in our view gives us an opportunity then in the event

1 of some breach of contract to go and to actually obtain  
2 what we believe would be more appropriate -- and the word  
3 just left me -- results, I guess.

4 Q Can you explain why you believe that MCI's  
5 position, the language that you are proposing is  
6 commercially reasonable?

7 A Well, commercially reasonable -- and, again, I  
8 am certainly not an expert on this area, but in most  
9 commercial arrangements the parties that are at the table  
10 are negotiating from a reasonably level position, and it  
11 is certainly my opinion that anytime we sit down and try  
12 to negotiate with BellSouth we have a great deal that we  
13 need from them and they have very little that they need  
14 from us. And that doesn't exactly get you to the point  
15 where you feel like there is a negotiation among equals  
16 there.

17 Because of that, I can see from BellSouth's  
18 perspective exactly why they would think it would be  
19 appropriate to impose a liability cap. But from our  
20 perspective, we believe that all that would do would be to  
21 create a -- and I am going to say this probably a little  
22 bit odd or awkwardly -- it is going to create a level, if  
23 you will, within which they may be willing to engage and  
24 not willingly, but perhaps some of their employees may be  
25 willing to engage in some activities that they shouldn't.

1 be engaging in that would harm our customers, that would  
2 harm our competitive status in the industry.

3           And, you know, again, the imposition of a cap  
4 would make it possible for BellSouth to look at that as  
5 simply a business risk. And I don't think it is  
6 appropriate for them to have the ability to say is it  
7 worth it for us to go ahead and engage in this kind of  
8 activity or for their employees to be able to say that.

9           Q     Do you agree with BellSouth's assertion that  
10 lifting the liability cap would result in a greater  
11 protection for MCI's customer than the protection that  
12 BellSouth offers to its customers?

13           A     No, I don't. Because, again, we are not talking  
14 about a carrier/customer relationship here. We are  
15 talking about two carriers that are coming to the table,  
16 so to speak, from very, very different postures.  
17 BellSouth has an enormous amount of market power, and that  
18 is why we have much that we need of them. And there is  
19 not a whole lot that they need of us. So we are not  
20 equals in this relationship.

21           Q     Let me refer you to Issue 108.

22                   COMMISSIONER JACOBS: How close are you, staff?

23                   MS. CHRISTENSEN: I'm sorry, Issue 108.

24                   COMMISSIONER JACOBS: How close are you to  
25 completion?

1 MS. CHRISTENSEN: Two or three more questions,  
2 Commissioner.

3 COMMISSIONER JACOBS: Okay.

4 BY MS. CHRISTENSEN:

5 Q Is it MCI WorldCom's position that if we were to  
6 adopt the specific performance requirements that this  
7 Commission would be obligated to enforce that specific  
8 performance remedy in the interconnection agreement?

9 A Yes, I think so. I think that is a tool that we  
10 believe the Commission should have is to be able to order  
11 specific performance. Because, again, BellSouth is the  
12 only one who can do many of the things that we are seeking  
13 under this interconnection agreement.

14 Q Let me refer you to Issue 110. Would you agree  
15 that all reasonable measures and all actions necessary to  
16 keep MCI's information confidential are two separate  
17 standards?

18 A Yes.

19 Q Would WorldCom agree to language that required  
20 BellSouth to take all reasonably necessary actions to keep  
21 MCI's information confidential?

22 A I don't think so. And I think the reason is  
23 because the presumption in the event that there is a  
24 dispute here, in our view the presumption should be that  
25 the burden would be on BellSouth to prove that it had not

1 engaged in or failed to engage in activities that caused  
2 this release of information. The burden should not be on  
3 us to prove that BellSouth did something that harmed us.  
4 Because we have no way of determining the flow of  
5 information, if you will, or the chain of passing that  
6 information within BellSouth. We shouldn't be put in a  
7 position where we have to prove a negative, which is that  
8 BellSouth didn't take the appropriate measures. The  
9 presumption should be that BellSouth has to do everything  
10 and anything that is necessary to keep that information  
11 separate and distinct between the different parts of its  
12 organization.

13 MS. CHRISTENSEN: Staff has no further questions  
14 of this witness.

15 COMMISSIONER JACOBS: Commissioners. Redirect?

16 MR. O'ROARK: We do have redirect, Mr. Chairman.  
17 Probably 10 to 15 minutes worth.

18 COMMISSIONER JACOBS: Then why don't we break  
19 for lunch. We will come back at 1:30 and you can complete  
20 your redirect at that time. Sorry we couldn't get you  
21 off.

22 (Lunch recess.)

23 COMMISSIONER JACOBS: We will convene back on  
24 the record. You may proceed.

25 REDIRECT EXAMINATION

1 BY MR. O'ROARK:

2 Q Mr. Price, a few questions on redirect for you  
3 starting with Issue 2, which you will recall is the  
4 pricing issue that has been narrowed now to relate to  
5 whether BellSouth's proposed rates on collocation and line  
6 sharing should be permanent or interim subject to true-up.

7 Now, you were asked about future proceedings  
8 concerning collocation pricing, do you recall those  
9 questions?

10 A Yes.

11 Q And do you have in front of you the Commission's  
12 final order on collocation guidelines, which relates to  
13 Docket Numbers 981834-TP, and 990321-TP, Order Number  
14 PSC-000-0941-FOF-TP?

15 A Yes, I do.

16 Q And that was issued May 11th, 2000?

17 A Yes.

18 MR. O'ROARK: And, Mr. Chairman, that is one of  
19 the orders on the official recognition list which I have  
20 shown to counsel before giving it to the witness.

21 BY MR. O'ROARK:

22 Q Mr. Price, would you please read the final  
23 ordering clause on Page 109 of the order.

24 A The page again was what?

25 Q 109.

1           A     The final ordering clause reads as follows:  
2 "Ordered that these dockets shall remain open pending  
3 further proceedings to set collocation rates."

4           Q     Now, let's turn to Issue 29, Mr. Price. You  
5 were asked some questions by Ms. Christensen, do you  
6 recall those?

7           A     Yes, I do.

8           Q     And let's just clarify that -- or if you can,  
9 that the issue concerning the routing of Uniserve calls  
10 arises when a WorldCom customer is served by a WorldCom  
11 switch, is that accurate?

12          A     Yes, it is. It is only in the situation where  
13 WorldCom is providing services in a facilities-based  
14 environment that this is an issue. And, again, as I tried  
15 to describe earlier, it is because of the methods by which  
16 BellSouth wants to require WorldCom to interconnect in  
17 order to meet its needs in its retail offering.

18          Q     And, again, to make sure we are clear, does this  
19 issue arise when a WorldCom customer is served via UNE-P  
20 with a BellSouth switch?

21          A     No, it is not.

22          Q     Let's talk about Issue 40 for just a moment.  
23 And you will recall that Mr. Ross asked you about a call  
24 from Florida to New York, do you recall that question?

25          A     Yes, I recall several.

1 Q Is there any situation in which a Florida to New  
2 York call would not be a long distance call?

3 A Yes, there would. And, again, in the example  
4 that I rather crudely drew on the white board there, the  
5 call that would be placed from the BellSouth customer in  
6 the Jupiter exchange to the foreign exchange customer that  
7 in our example is physically located in New York would not  
8 be considered a long distance call.

9 Q Mr. Ross also asked you about some BellSouth  
10 proposed language which I will at least paraphrase, if not  
11 quote. BellSouth would add the language, "Additionally,  
12 Phone-to-Phone IP Telephony will be switched access  
13 traffic." Do you recall his question about that language?

14 A Yes.

15 Q Is it possible for a Phone-to-Phone IP Telephony  
16 call to be local?

17 A Sure.

18 Q Can you please explain?

19 A Well, I mean, the examples that we discussed  
20 were examples where a part of the transmission path  
21 happened to use an Internet protocol instead of, you know,  
22 some other kind of transmission capability. So if what we  
23 were talking about were a call within the Miami exchange,  
24 for example, within the Miami rate center, if in that  
25 example if WorldCom were to use any Internet protocol in.

1 its transmission of a call between a BellSouth customer in  
2 the Miami rate center and a WorldCom customer in the Miami  
3 rate center, that by this language would be considered,  
4 quote, switched access traffic, even though it originated  
5 and terminated within the same rate center. And it just  
6 so happened that a part of the transmission protocol, for  
7 lack of a better term, was Internet protocol as opposed to  
8 some other kind of protocol.

9 Q In your opinion, would it be appropriate to  
10 classify all Phone-to-Phone IP Telephony calls as switched  
11 access traffic?

12 A No, for the reasons that I just stated.  
13 Because, again, the technology should not determine the  
14 jurisdiction of the call.

15 Q Just so we are clear on WorldCom's position, let  
16 me refer you to Page 41, Line 15 of your direct testimony,  
17 and let me ask you to read WorldCom's proposed language on  
18 this issue. Again, it is Page 41, Line 15 of your direct  
19 testimony. Do you have that in front of you?

20 A I have that in front of me, but that is not our  
21 language.

22 Q Let's try it this way. Tell me if this is  
23 WorldCom's proposed language: Designation of traffic as  
24 switched access traffic shall not be dependent on the  
25 switching or transport technology used, including packet.

1 switching and Internet protocol. Does that sound right?

2 A That is my understanding of our proposal.

3 Q Let's turn to Issue 42. To your knowledge is  
4 WorldCom willing to provide BellSouth with CIC codes for  
5 access traffic from our access tandems to BellSouth's end  
6 offices?

7 A Yes. It is my understanding that we would be --  
8 absolutely would be willing to do that in the example  
9 where we are providing the tandem function.

10 Q Mr. Price, do you have an understanding as to  
11 whether BellSouth uses common transport trunk groups for  
12 IXC traffic that goes to independent telephone companies?

13 A It would be my understanding that that is done  
14 as a -- in a typical configuration that would be the case.

15 Q And can you tell us whether common transport  
16 trunk groups are comparable to interconnection trunk  
17 groups?

18 A From a technical standpoint, they are very much  
19 comparable. And, in fact, I think the only difference  
20 would be that those trunk groups that would be  
21 incumbent LEC-to-incumbent LEC, say to an independent,  
22 just sort of have a different nomenclature attached to  
23 them because of the tradition even though really they are  
24 interconnection trunks, as I understand it, under the way  
25 that interconnection is used in the Telecommunications .

1 Act.

2 Q Let me ask you a few questions about Issue 51.  
3 You were asked some questions about the functionality and  
4 geographic scope test, do you recall that?

5 A Yes, I do.

6 Q Do WorldCom switches provide the function of  
7 aggregating and distributing traffic over a widespread  
8 geographic area?

9 A Yes, they do.

10 Q You were asked about rates centers where we do  
11 not have customers today, for example, St. Cloud. Do you  
12 recall that testimony?

13 A Yes, I do.

14 Q Is everything in WorldCom's network ready today  
15 to serve customers in St. Cloud if WorldCom's sales people  
16 win customers there?

17 A Absolutely. I mean, the way that we would  
18 prepare for the offering of service in an area would be to  
19 establish codes in our switches for each separate rate  
20 center. So by the diagram that we were looking at earlier  
21 that was attached to my rebuttal testimony, each of the  
22 areas that we show in this diagram as cross-hatched and as  
23 rate centers served would be an area where there is  
24 already a code set up in our switch and we are ready,  
25 willing, and able to provide service to customers within.

1 those areas today.

2 Q When you say a code set up in our switch, what  
3 do you mean?

4 A There would be distinct NPA-NXX codes that were  
5 obtained from the North American Numbering Plan  
6 Administrator, and each of those codes would be active in  
7 our switch and activated in the Local Exchange Routing  
8 Guide, which I think we have also had referred to here in  
9 this hearing as the LERG, L-E-R-G, so that all carriers  
10 have notice of the existence of those codes, where they  
11 are physically located, and the rate centers to which they  
12 are associated. So the entire industry within the North  
13 American Numbering Plan would have notice that the  
14 NPA-NXXs associated with each of these rate centers are  
15 up, and, in fact, you know, calls can be dialed to those  
16 codes. Now, if there is no customer there, then there  
17 would be a switch recording that says we can't complete  
18 the call as dialed or something. But the codes are ready  
19 to be utilized and could be turned on to provide customer  
20 service very quickly.

21 Q To your knowledge does BellSouth serve customers  
22 in St. Cloud using a local tandem?

23 A It is my understanding they do not.

24 Q You were asked some questions about Exhibit 14,  
25 which is the confidential version of the attachment to .

1 BellSouth Interrogatory Number 62. Do you recall those  
2 questions?

3 A Yes.

4 Q Mr. Price, do you have in front of you the  
5 public version of WorldCom's response to  
6 interrogatories -- or rather BellSouth Interrogatory 61  
7 and 62?

8 A Yes, I do.

9 MR. O'ROARK: Mr. Chairman, I have shown this  
10 document to counsel before providing it to the witness.  
11 This document is not in the record.

12 COMMISSIONER JACOBS: Do you want to mark it?

13 MR. O'ROARK: We would like to have it marked.  
14 We will need to provide copies. And with the Commission's  
15 indulgence, we would like to do that in the morning if we  
16 could.

17 COMMISSIONER JACOBS: You may want to get at  
18 least one copy for the court reporter and then have  
19 everyone else have copies tomorrow.

20 MR. O'ROARK: Would it be acceptable if we did  
21 that at a break, Mr. Chairman?

22 COMMISSIONER JACOBS: Just a moment. Let me go  
23 ahead and get a title for it.

24 MR. O'ROARK: I believe that will be Exhibit 24.  
25 This should be the public response, the public version of

1 WorldCom's response to Interrogatories 61 and 62.

2 COMMISSIONER JACOBS: And that is a  
3 nonconfidential response?

4 MR. O'ROARK: Yes, sir.

5 COMMISSIONER JACOBS: WorldCom's response to  
6 who --

7 MR. O'ROARK: To BellSouth's.

8 COMMISSIONER JACOBS: Okay. That is marked as  
9 Exhibit 24.

10 (Exhibit Number 24 marked for identification.)

11 BY MR. O'ROARK:

12 Q Mr. Price, did WorldCom lodge an objection to  
13 Interrogatory Number 62?

14 A Yes, it did.

15 Q Can you please read that objection?

16 A "WorldCom objects to this interrogatory as  
17 written on the grounds that it is overly broad, unduly  
18 burdensome, and time consuming. The number of WorldCom  
19 customers within each of the BellSouth wire centers in  
20 Florida is not information that is tracked in the normal  
21 course of business and is not available without  
22 significant manual effort."

23 Q And did WorldCom nevertheless provide a response  
24 to Interrogatory Number 62?

25 A Yes.

1 Q Can you give us that response, please?

2 A The response says, "Notwithstanding this  
3 objection, WorldCom will provide the distribution of  
4 customers by rate center which is available for MCImetro.  
5 Please note that only MCImetro's customers are represented  
6 by this study because WorldCom is unable to associate its  
7 entire customer base to its originating rate centers.  
8 WorldCom believes that the information provided is  
9 relatively representative of the total customer base. The  
10 distribution of customers by rate center will be produced  
11 to BellSouth after execution of an appropriate  
12 nondisclosure agreement in this docket."

13 Q Our response was filed on September 1st, 2000,  
14 is that correct?

15 A Yes.

16 Q To your knowledge did BellSouth object to that  
17 response or file a motion to compel?

18 A No to my knowledge.

19 Q Let's talk about Issue 68, which you will recall  
20 concerns the payment for make-ready work. To your  
21 knowledge does BellSouth bill for nonrecurring charges for  
22 UNEs after the service has been provided?

23 A For UNEs, that would be absolutely true. In  
24 other words, the order would be launched over to  
25 BellSouth, the order would be provisioned, and then

1 subsequent to that then a bill would be rendered by  
2 BellSouth to WorldCom for the -- at a minimum the  
3 nonrecurring charges that are associated with that UNE.

4 Q And obviously payment would then take place  
5 after the bill was rendered?

6 A Yes, it would.

7 Q In response to Commissioner Jacobs' question  
8 concerning security for payment, let me ask you to take a  
9 look at Attachment 8, Section 1.7.4 of the draft  
10 interconnection agreement. Do you have that in front of  
11 you?

12 A. Yes, I do.

13 Q Can you please just read the first sentence of  
14 that language.

15 A That sentence reads as follows, "BellSouth, to  
16 safeguard its interests, may require a security deposit  
17 prior to or at any time after the provision of a service  
18 to be held as a guarantee of the payment of rates and  
19 charges only where MCIm has a proven history of late  
20 payments to BellSouth or does not have established  
21 credit."

22 MR. O'ROARK: Thank you, Mr. Price.

23 Mr. Chairman, I have no further redirect. I  
24 would move that Exhibits 16, 17, 18, and 24 be admitted.

25 COMMISSIONER JACOBS: Okay. Without objection,

1 show 16, 17, 18, and 24 admitted.

2 (Exhibit Number 16, 17, 18, and 24 admitted into  
3 evidence.)

4 COMMISSIONER JACOBS: No other questions? You  
5 are excused, Mr. Price. Thank you.

6 THE WITNESS: Thank you.

7 COMMISSIONER JACOBS: Your witness is next, I  
8 believe.

9 (Transcript continues in sequence in Volume 5.)

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STATE OF FLORIDA)

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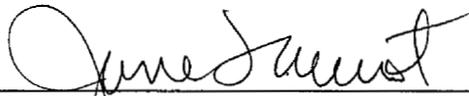
COUNTY OF LEON )

I, JANE FAUROT, RPR, Chief, FPSC Bureau of Reporting, Official Commission Reporter, do hereby certify that the Hearing in Docket No. 000649-TP was heard by the Florida Public Service Commission at the time and place herein stated.

It is further certified that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript, consisting of 137 pages, Volume 4 constitutes a true transcription of my notes of said proceedings and the and the insertion of the prescribed prefiled testimony of the witnesses.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED THIS 19TH DAY OF OCTOBER, 2000.



JANE FAUROT, RPR  
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Chief, Bureau of Reporting  
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