

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 DOCKET NUMBER 001305-TP

3 DIRECT TESTIMONY OF CAROL BENTLEY

4 ON BEHALF OF

5 SUPRA TELECOMMUNICATIONS & INFORMATION SYSTEMS, INC.

6 JULY 27, 2001

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8
9 **Q. PLEASE STATE YOUR NAME, YOUR POSITION WITH SUPRA**
10 **TELECOMMUNICATIONS & INFORMATION SYSTEMS, INC. (SUPRA) AND YOUR**
11 **BUSINESS ADDRESS.**

12 **A.** My name is Carol Bentley. My business address is 2620 SW 27th Ave., Miami,
13 FL, 33133. I am employed by Supra as Chief Financial Officer. I have held this position
14 since 1998 and in this capacity I oversee all of Supra's financial matters, including, but
15 not limited to, Financial Statement preparation, Treasury Functions, General
16 Accounting, Tax Accounting, Accounts Receivable, Accounts Payable, Financial
17 Planning, Strategic Planning, and Capital Funding.

18 **Q. WHAT IS YOUR PROFESSIONAL EXPERIENCE AND EDUCATIONAL**
19 **BACKGROUND?**

20 **A.** My business career spans over 20 years in the high tech and
21 telecommunications industries. My areas of responsibilities have included General
22 Accounting, Financial Planning and Statistical Analysis, Business Modeling, Strategic
23 Planning, Systems Design and Implementation, and Contract Negotiation and
24 Administration.

25 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

A. In my testimony, I will address the following issues: 11, 15, 20, 41, 42, 48 and 63.

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Issue 11: *Should the Interconnection Agreement allow either party to offset from the other party disputed charges and other amounts due to the first party, from sums due to the second party?*

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

A. Either party should be allowed to offset disputed charges due to the first party against sums due to the second party. Since the current Interconnection Agreement covers a business relationship whereby both parties bill and collect from each other, then the billing, payment, collection and dispute processes must take into consideration all aspects of the billing process. Billing, payment, collections and disputes must be reviewed in whole, not on a piecemeal basis.

A good example of what can happen when billing, payments, collections and disputes are segregated is the dispute for reciprocal compensation between BellSouth and Intermedia, Inc. ("Intermedia"), a Tampa based ALEC. See *BellSouth Telecommunications, Inc. v. ITC Deltacom Communications, Inc.* 190 F.R.D. 693 (M.D.Ala., 1999). In that case, Intermedia asserted a claim against BellSouth for monies owed for reciprocal compensation. Intermedia was not able to offset the monies it claimed BellSouth owed it against amounts billed by BellSouth to Intermedia. Intermedia was forced to pay, in full, all amounts billed by BellSouth, all the while not being able to collect the monies it was due from BellSouth. Intermedia was eventually able to prevail in the courts after several years of attempting to resolve the matter, but not before facing a possible bankruptcy as a result of having to pay BellSouth its bills, without receiving amounts owed by BellSouth.

Let's clarify what, exactly, is at issue. Supra seeks to offset monies it believes it is owed by BellSouth, against monies BellSouth believes it is owed by Supra, during the

1 pendency of a billing dispute. This exact situation has arisen in the very recent past.
2 BellSouth, having deeper pockets and significantly more resources, is in a position to
3 threaten Supra with disconnection of service during a billing dispute, absent some
4 contractual provisions which protect Supra (see issue 63). As such, it is possible for
5 BellSouth to force Supra to make payments to BellSouth while BellSouth withholds
6 Supra's monies thereby having the ability to drain Supra of its financial resources long
7 before Supra can defend itself against this one-sided scenario. Supra, on the other
8 hand, has no means to threaten disconnection of BellSouth, should BellSouth refuse to
9 pay disputed sums.

10 To allow an ILEC to continue to collect monies from what it has billed the ALEC,
11 while the ILEC withholds its payment to the ALEC, whether disputed or not, gives the
12 ILEC an unfair advantage and severely disadvantages the ALEC. No party in a mutual
13 business relationship should have the power to do such financial harm to the other
14 party, especially where, as in this case, the parties are competitors and BellSouth is a
15 former monopoly provider upon which Supra must rely.

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17 Issue 15: *What Performance Measurements should be included in the*
18 *Interconnection Agreement?*

19 **Q. WHAT IS SUPRA'S POSITION ON THIS ISSUE?**

20 **A.** Performance Measurements are of an utmost concern to Supra. It is this portion
21 of the agreement that measures the effectiveness of the performance of the parties
22 under the terms of the agreement.

23 Supra is unwilling to waive its rights by agreeing now, to comply with some
24 unknown outcome of ongoing or future proceedings concerning Performance
25

1 Measurements. The fact that these dockets and/or proceedings are pending provides
2 further weight to the importance of Performance Measurements.

3 Supra's past experience with BellSouth on this matter is that BellSouth
4 consistently and repeatedly acts in bad faith. The SQMs that are part of the parties'
5 existing Agreement and the Interim Performance Metrics proposed by BellSouth are
6 inadequate. At first glance, the metrics proposed seem quite extensive, however upon
7 more thorough examination it is apparent that BellSouth has no intention of measuring
8 the metrics that have the most bearing on ALECs.

9 As an example, the interim metric titled, "Percent Flow-Through Service
10 Requests" is a complete sham due to the exclusion of stated fall out reasons such as:
11 Fatal Reject, Auto Clarification, Manual Fallout (also known as "planned fallout") and
12 CLEC System Fallout. The excluded items contain the most important reasons why
13 local service requests (LSRs) don't flow through. To exclude those LSRs first and then
14 measure how many of the remaining LSRs flow through is not an accurate
15 measurement of the systems. Of course, the vast majority of the remaining requests
16 flow through, thereby skewing the metric, and giving the impression, albeit misleading,
17 that most of the LSRs flow through. It would be much more meaningful to measure
18 every single LSR submitted to determine how many flowed through and for those
19 requests that didn't flow through, what the reasons were.

20 On a recent tour of BellSouth's Atlanta LCSC, I observed BellSouth employees
21 working on all the LSRs that did not flow through the BellSouth system interfaces. I was
22 shown a very lengthy report for that day, showing all the requests that had fallen out of
23 the system. The supervisor told me that there was nothing wrong with the LSRs
24 submitted by the ALEC, but these requests were designed to fall out for manual
25 handling. The BellSouth Retail office systems do not have routine, residential orders fall

1 out of the system for "planned" manual handling. Furthermore, BellSouth provides its
2 Retail divisions with systems that include on-line edit checking. The on-line edit
3 checking allows the BellSouth Retail representatives to process error free orders.
4 ALECs have been provided no such capabilities. As a result, it is very important that
5 when measuring order flow through that what is measured is a comparison between the
6 time an ALEC processes its request for service and the time the service is actually
7 delivered to the end-user.

8 Many of the pre-ordering and ordering performance measures could be
9 eliminated all together if BellSouth would provide direct access to its own OSS. Supra
10 contends that unless or until BellSouth's retail operations are using the same OSS as
11 ALECs, the parties will never be at parity, as is required by the Telecommunications
12 Act.

13 Supra proposes the establishment of Performance Measures for pre-ordering,
14 ordering, provisioning, billing, maintenance, systems performance and quality of
15 services provided. As a rule, all measures should be a comparison of like activities
16 between the ILEC and the ALEC. Each general category of activities should be broken
17 down into smaller steps for measuring effectiveness and parity.

18 Supra further proposes that the Performance Measures should include standards
19 and/or targeted achievement levels. BellSouth has repeatedly argued to Supra that it is
20 only required to perform the measurements and report its findings. Similarly, BellSouth
21 has repeatedly asserted that it is under no obligation to reach any performance
22 standards and/or targets. Supra doesn't believe it serves any purpose to go through the
23 exercise of measuring and reporting if there is no incentive to attempt to reach parity or
24 agreed upon standards.

1 BellSouth has a history of failing to achieve required performance measurement
2 standards. On July, 19, 2001, BellSouth paid a \$4.5 million fine to the Georgia Public
3 Service Commission for failing to meet Commission mandated performance standards
4 for three consecutive months as ordered by the Commission in January, 2001.

5 Supra proposes the following Performance Measures, which should directly
6 compare the performance of BellSouth's own retail operations to BellSouth's
7 performance in connection with handling Supra's orders/LSRs:

8 For business and residential, the time any order is submitted to the time it is
9 provisioned. And, most importantly, if ALECs cannot submit orders directly, then
10 the measure must be from the time the ALEC submits a request until the request
11 is provisioned. This measure should also be calculated for the ILEC and a
12 comparison should be done.

13 The number of orders (requests, if ALECs cannot submit orders) that flow
14 through electronically vs. the number of orders that fall out of the systems. This
15 measure should report the reasons orders fall out of the systems (reasons for
16 clarification). This measure should also be calculated for the ILEC and a
17 comparison should be done.

18 The number and type of errors reported for all orders submitted. It should be
19 noted that measuring errors for requests/LSRs submitted is erroneous and
20 irrelevant because if the ILEC provided on-line edit checking at par with its own
21 order processing edit checking, there would be no errors contained within the
22 LSRs. The error on orders submitted should be compared between the ILEC
23 and the ALEC's.

24 The number of orders which are processed manually, at any point in the process.

25 For orders where QuickServe or QuickService is available, a separate
measurement for the time the order is submitted to the time the order is
completed.

The length of time between FOC and Completion.

The length of time between Due Date and Completion.

The number of orders, by type completed by the Due Date.

The number of orders, by type completed after the Due Date.

The number of service calls within 30 days of provisioning service.

1 The number of service calls within 30 days after a service call.

2
3 The amount of billing adjustments issued each month as a percentage of the
total monthly bill.

4 The average length of time it takes to access BellSouth's underlying systems.

5 The number of hours each month that the OSS provided by BellSouth is out of
6 service.

7 The number of OSS outages reported each month.

8 The number of OSS trouble calls logged each month.

9 The number of bugs identified in BellSouth's OSS each month.

10 The number of bugs outstanding each month for BellSouth's OSS.

11 The average number of repair calls, as a percentage of access lines, reported
12 each month.

13 Furthermore, Supra requests that BellSouth be required to e-mail Supra the
14 measurement reports on a monthly basis.
15

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17 Issue 20: *Should BellSouth be required to adopt validation and audit*
18 *requirements which will enable Supra to assure the accuracy and reliability of the*
19 *performance data BellSouth provides to Supra, and upon which the FPSC will ultimately*
20 *rely when drawing conclusions about whether BellSouth meets its obligations under the*
21 *Act?*

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

23 **A.** Supra believes that BellSouth should be required to adopt validation and audit
24 requirements, which would enable Supra and the FPSC to be assured of the accuracy
25 and reliability of the performance data BellSouth provides. Parity between ILECs and
ALECs is at the heart of what is required to successfully provide for competition. It is

1 essential that performance measurement standards are established and reported, and,
2 more importantly, that they are accurate and can be relied upon.

3 It is these performance standards that must be evaluated in determining ILEC
4 271 applications. It is these performance standards that must be evaluated when
5 resolving disputes between ILECs and ALECs. It is these performance standards that
6 must be met in order to assure telecommunications consumers that they have a
7 legitimate choice in telecommunication services. As such, there must be a method to
8 validate the accuracy of the measurement and the performance against the standard.

9

10 Issue 41: *Should BellSouth be required to provide Supra the right to audit*
11 *BellSouth's book and records in order to confirm the accuracy of BellSouth's bills?*

12 **Q. WHAT IS SUPRA'S POSITION ON THIS ISSUE?**

13 **A.** Supra, or any other carrier utilizing BellSouth's network to provide
14 telecommunications services, does not have direct access to certain pieces of the
15 network that generate or house billing data. In addition to providing certain billing
16 records (see issue 48 – billing records), Supra needs to be reasonably assured that the
17 amounts billed by BellSouth are accurate. This can be achieved by conducting periodic
18 audits of BellSouth's books and records, pursuant to Generally Accepted Auditing
19 Standards ("GAAS"), to determine the accuracy of the invoicing and bills.

20 To an ALEC providing telecommunications services, one of the largest
21 components of its cost base are the expenses paid to the Incumbent Local Exchange
22 Carriers for the ordering of elements and resold services. It is not unreasonable for
23 Supra to be provided with the ability to analyze the invoices and validate the charges.

24 Furthermore, Supra does not have direct access to BellSouth's ordering,
25 provisioning, rating or billing systems. As a result, Supra's ability to validate the

1 amounts billed by BellSouth by means other than a periodic audit is severely limited.
2 The only reasonable alternative is to require BellSouth to provide direct access to its
3 ordering, provisioning, rating and billing systems.¹

4 Supra has not been provided with direct access to BellSouth's ordering,
5 provisioning, rating, and billing systems, [REDACTED]

6 [REDACTED]

7 [REDACTED] Supra has no choice but utilize the LENS interface that has been
8 provided to access those systems. Using LENS, Supra can only submit requests for
9 service (LSRs) and is unable to enter, process or track service orders.

10 After submitting an error free LSR, Supra is at the mercy of BellSouth and its
11 systems to properly execute and bill for the requested services. Supra has no visibility
12 to the BellSouth LON system, which is where Supra's error free orders are manually
13 entered, due to what BellSouth refers to as "planned system fallout". Supra has no
14 visibility to LEO or LESOG, which are the systems BellSouth uses to transform Supra's
15 LSRs into Service Orders. Supra has no visibility to SOCS, which is the BellSouth
16 system used to process and track the Service Orders. Supra has no access or visibility
17 to CWIN, which is the system BellSouth uses to provision Service Orders. Supra has
18 no visibility to the Hold File, which is where service orders flow to after provisioning, if
19 there are system processing errors. Supra has no access or visibility to GADB, which is
20 one of several rating systems used by BellSouth to price the services it bills to Supra.
21 Supra has limited visibility to the Accounts Database, which is where end user account

22

23 [REDACTED]

24 [REDACTED]

25 ² Id.

1 details are maintained. Supra has no access or visibility to BOCRIS, which is one of
2 several systems used by BellSouth to generate the bills it presents to Supra. Supra has
3 no access to ETCS, which is the system that collects the toll messages, or CDRs from
4 the Central Office Switch. Supra has no access to Alpha which is the system that filters,
5 edits and modifies the toll messages or CDRs for CABs processing or passing on to
6 BIBs for UNE processing. See **Supra Exhibit CB-2**.

7 Another category of charges Supra is subject to is called "Other Charges &
8 Credits." This category consists of a broad range of charges that BellSouth systems
9 and employees can add to Supra's bill without an LSR from Supra, without a call detail
10 record generated by the switch or without any input from Supra at all. There are a
11 number of databases and systems that BellSouth uses to track and bill for services.
12 Supra has no access and no visibility to any of these systems.

13 In all of the ordering, provisioning and billing processes that have been
14 described, Supra must take BellSouth's word for it and trust that BellSouth's systems
15 and employees all perform flawlessly throughout very complex systems and processes
16 required to execute orders, provision services, rate charges and generate bills.

17 It is unreasonable to expect Supra to rely on such systems, procedures and
18 employees for error free bills. It is reasonable however, for Supra to conduct periodic
19 audits of BellSouth's underlying data, procedures, systems and processes, pursuant to
20 GAAS, in order to insure that Supra is receiving reasonably accurate bills.

21

22 Issue 42: *What is the proper time-frame for either party to render bills?*

23 **Q. WHAT IS SUPRA'S POSITION ON THIS ISSUE?**

24

25

1 **A.** Supra is not asking any party to waive its statutory rights to collect charges for
2 services provided, but simply suggesting that bills for those services must be rendered
3 within a reasonable time frame.

4 Standard business and accounting practices require that companies close their
5 books once a year and provide a complete accounting of the results to its shareholders,
6 lien holders, bankers, etc. Nevertheless, it would never be possible to completely close
7 a company's books if there were potentially unbilled charges.

8 In many cases the charges for services will be unknown to Supra until a bill is
9 rendered. For most charges, Supra must rely on BellSouth to provide the billing records
10 (also see issue 48) and the bills in order to determine what the billing amount is. A bill,
11 along with the billing records, must be rendered by BellSouth for Supra to correctly
12 record its cost of sales. It is not unreasonable for Supra to be provided with the bill for
13 those charges in a reasonable time frame.

14 Furthermore, a periodic audit of BellSouth's books and records is necessary to
15 determine not only the accuracy of the bills rendered, but also to insure that all services
16 for which a charge was issued have been rendered. (See issue 41 in conjunction with
17 this matter.)

18 Standard commercial practice is that bills are rendered within six months of
19 providing the goods or services. The provision for rendering bills as late as six months
20 after the service has been provided should be the exception, not the norm.

21
22 Issue 48: *Is BellSouth obligated to provide Supra with Billing Records? If so,*
23 *what records and in what format?*

24 **Q. WHAT IS SUPRA'S POSITION ON THIS ISSUE?**

1 **A.** At Supra's request, BellSouth should provide any and all billing records
2 generated or housed by network elements that are not directly accessible by Supra.
3 Being that BellSouth is the only party that has complete and total direct access to all the
4 elements within its network, it must be obligated to turn over all of the relevant billing
5 records to Supra, which leases, but has no direct access to, the facilities. The
6 alternative would be to provide Supra with direct access to all of the network elements
7 that either generate or house billing data and all of the ordering, provisioning, rating and
8 billing systems. This includes direct access to central office switches, to the SS7
9 network, to BellSouth's outside plant, and to SOCS, CRIS, BOCRIS, ETCS, ALPHA,
10 CWIN, GADB, CABS, BIBS and any other system included in ordering, provisioning,
11 rating or billing.

12 BellSouth should be required to provide all of the underlying billing records in
13 industry standard formats as well as to periodically validate that the records it has
14 supplied are complete, true and accurate.

15

16 Issue 63: *Should BellSouth be permitted to disconnect service to Supra or a*
17 *Supra customer while a payment dispute is pending? Under what circumstances, if*
18 *any, would BellSouth be permitted to disconnect service to Supra?*

19 **Q. WHAT IS SUPRA'S POSITION ON THIS ISSUE?**

20 **A.** Supra feels that it is never appropriate for BellSouth to disconnect service to
21 Supra or Supra's customers at BellSouth's own discretion. Such a drastic remedy
22 should be one of last resort, to be granted by an impartial third party, whether it be a
23 judge, a panel of arbitrators, or the Commission. There are more appropriate remedies
24 elsewhere in the Interconnection Agreement for resolving billing and payment disputes.

25

1 When an ALEC's service or its customers' service is disconnected, the ALEC is
2 unable to conduct business. If the disconnection continues for more than a few minutes
3 or hours, the ALEC could, potentially be out of business permanently. Such egregious
4 consequences warrant special consideration and thoughtful deliberation.

5 Supra doesn't feel that this looming and potential threat is good for Florida
6 Telecommunication Customers. As an ALEC, Supra was required to go through a
7 rigorous certification process. The process is necessary to assure the Commission that
8 Florida consumers will be consistently and reliably serviced by the local carrier of their
9 choice. Citizens of Florida should not have to worry that their services may be
10 disconnected because their carrier and BellSouth may be engaged in a dispute.
11 Disconnection of consumers' telephone service or disconnection of consumers' carriers'
12 service is simply not an appropriate dispute resolution tool.

13 Supra also feels that to include the proposed service disconnection language in
14 the agreement allows BellSouth to act first, then defend its actions later. In fact,
15 BellSouth has carried out the very scenario described here with Supra in the past.
16 When Supra has filed a billing dispute with BellSouth, BellSouth has repeatedly taken
17 the stance that the moment it responds to Supra that the billing dispute is denied, then
18 the amounts in question are no longer in dispute. At times during the parties'
19 relationship, immediately following dispute denial notices, come the threats to
20 disconnect Supra's service and its customers' service. In fact, BellSouth has
21 disconnected Supra's service without carrying out the required dispute resolution steps
22 outlined in the parties' agreement.

23 On May 16, 2000, in the midst of a billing dispute between the parties, BellSouth
24 disconnected Supra's access to its ALEC OSS, LENS, thereby impairing, if not denying,
25 Supra's ability to provide service to its customers. This wrongful disconnection

1 remained for three days and nearly put Supra out of business. Only after a conference
2 call with Supra's attorney, did BellSouth finally restore Supra's connection to its ALEC
3 OSS. [REDACTED]

4 [REDACTED]
5 [REDACTED]

6 Disconnection of Supra's service or its customers' service has such egregious
7 consequences it should only be an available remedy of last resort and only be available
8 as ordered by the Public Service Commission or an appropriate court as part of a
9 specific dispute resolution.

10 It is true that Supra's own Florida tariff permits Supra to disconnect its customers'
11 service for nonpayment. However, BellSouth's disconnection of Supra and Supra's
12 disconnection of its customers are different in a number of respects. Supra is in the
13 business of providing telecommunications services. If BellSouth wrongfully disconnects
14 Supra, consumers throughout the state of Florida are unfairly affected. If Supra
15 wrongfully disconnects a Supra customer, only that customer is unfairly affected.

16 Supra cautions the Commission in allowing BellSouth the requested
17 disconnection language in the Interconnection Agreement, as the parties' history has
18 shown that BellSouth will take whatever action it desires when it so desires and, as
19 such, may abuse such a contractual right to its competitor's detriment. As such, any
20 disconnection of service must be made only after the parties have engaged in a proper
21 dispute resolution proceeding, (i.e. through Alternative Dispute Resolution, as requested
22 by Supra.)

23
24
25 [REDACTED]

1 **CAN YOU SUMMARIZE THE RELIEF THAT SUPRA IS SEEKING?**

2 Supra is seeking the insertion of the following provisions in the Follow-On Agreement:

- 3 a) That one party be allowed to offset from the other party any sums due under the
4 Agreement.
- 5 b) That BellSouth be held to specific comprehensive performance measures and
6 standards, comparing the performance of BellSouth's own retail operations to
7 BellSouth's performance in connection with handling Supra's LSRs, as
8 specifically set forth at pages 6 and 7 hereinabove.
- 9 c) That BellSouth be required to adopt validation and audit requirements, which
10 would enable Supra and FPSC to be assured of the accuracy and reliability of
11 the performance data BellSouth provides.
- 12 d) That BellSouth be required to provide Supra the right to audit BellSouth's books
13 and records in order to confirm the accuracy of BellSouth's bills.
- 14 e) That BellSouth be required to render bills to Supra in a proper time frame in
15 accordance with standard commercial practice.
- 16 f) That BellSouth be required to provide Supra with all underlying billing records in
17 industry standard format and to periodically validate that the records it supplies
18 Supra are complete, true and accurate.
- 19 g) That BellSouth not be allowed to disconnect Supra's services or Supra's
20 customers' services without an arbitration award or an order from a commission.

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24 **DOES THAT CONCLUDE YOUR TESTIMONY?**

25 Yes.

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Carol Bentley
Carol Bentley

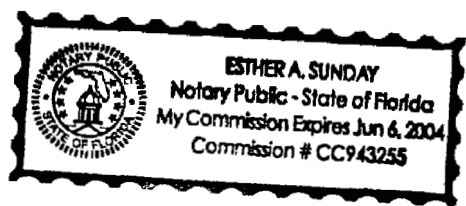
STATE OF FLORIDA)
) SS:
COUNTY OF MIAMI-DADE)

The execution of the foregoing instrument was acknowledged before me this 27th day of July, 2001, by Carol Bentley, who is personally known to me or who produced _____ as identification and who did take an oath.

My Commission Expires:

Esther Sunday
NOTARY PUBLIC
State of Florida at Large

Print Name:



CERTIFICATE OF SERVICE
FPSC Docket No. 001305

I HEREBY CERTIFY that a true and correct copy of the forgoing was served by U.S.
Mail this 27th day of July, 2001 to the following:

Nancy B. White, Esq.
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By: 

BRIAN CHAIKEN



