

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 001305-TP

In the Matter of

PETITION BY BELLSOUTH  
TELECOMMUNICATIONS, INC. FOR  
ARBITRATION OF CERTAIN ISSUES IN  
INTERCONNECTION AGREEMENT WITH  
SUPRA TELECOMMUNICATIONS AND  
INFORMATION SYSTEMS, INC.



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VOLUME 3

Pages 351 through 444

PROCEEDINGS: HEARING

BEFORE: COMMISSIONER LILA A. JABER  
COMMISSIONER BRAULIO L. BAEZ  
COMMISSIONER MICHAEL A. PALECKI

DATE: Wednesday, September 26, 2001

TIME: Commenced at 9:30 a.m.

PLACE: Betty Easley Conference Center  
Room 148  
4075 Esplanade Way  
Tallahassee, Florida

REPORTED BY: KORETTA E. FLEMING, RPR  
Official Commission Reporter

APPEARANCES: (As heretofore noted.)

FLORIDA PUBLIC SERVICE COMMISSION DOCUMENT NUMBER-DATE

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I N D E X

WITNESSES

NAME:

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JERRY KEPHARD

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EXHIBITS

NUMBER:

ID.

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14 JK-1 through JK-3

388

15 (Late-Filed) Study/Documentation  
Indicating Error Rate of 1% for  
Conversions From BellSouth  
Customers to ALEC Customers

414

CERTIFICATE OF REPORTER

444

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

2 (Transcript follows in sequence from Volume 2.)

3 COMMISSIONER JABER: BellSouth call your next  
4 witness.

5 MS. WHITE: BellSouth calls Jerry Kephart.

6 COMMISSIONER JABER: While Mr. Kephart is taking the  
7 stand, let me tell you that I noticed Mr. Williams is supposed  
8 to testify on Issue 35, and Issue 35 has been withdrawn, so  
9 during the next break maybe you all could talk about that, too.10 MR. CHAIKEN: Actually, we've already spoken and  
11 Supra will withdraw the testimony of Mr. Williams.12 COMMISSIONER JABER: Okay. We'll go ahead and  
13 reflect -- is that correct, BellSouth?

14 MR. TWOMEY: Yes.

15 MS. WHITE: Yes.

16 COMMISSIONER JABER: Staff? We'll go ahead and  
17 reflect that Mr. Williams' prefiled testimony has been  
18 withdrawn since Issue 35 was been withdrawn. Anyone else?  
19 Guess not, huh?

20 Mr. Kephart, have you been sworn?

21 THE WITNESS: Yes, ma'am.

22 JERRY KEPHART

23 was called as a witness on behalf of BellSouth  
24 Telecommunications, Inc. and, having been duly sworn, testified  
25 as follows:

FLORIDA PUBLIC SERVICE COMMISSION

## DIRECT EXAMINATION

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BY MS. WHITE:

Q Mr. Kephart, would you please state your name and address for the record?

A Jerry Kephart, I'm at 675 West Peachtree Street in Atlanta, Georgia.

Q And by whom are you employed and in what capacity?

A BellSouth, I'm a Senior Director in Regulatory Loan to Interconnection Services.

Q Have you previously caused to be prepared and prefiled in this case direct testimony consisting of 32 pages?

A Yes, I have.

Q Do you have any changes or corrections to make to that direct testimony at this time?

A No, I don't.

Q If I were to ask you the questions that are contained in that testimony would your answers be the same today?

A Yes.

MS. WHITE: Commissioner Jaber, if I could have the direct testimony of Mr. Kephart inserted into the record as if read.

COMMISSIONER JABER: You pronounce it Gephart with a "G"?

THE WITNESS: It's Kephart, but a lot of people do it that way, so I don't --

1 MS. WHITE: I'm sorry. I always knew you as Gephart.  
2 Okay, I admit it. I don't even know my own witnesses.

3 COMMISSIONER JABER: And you see that I couldn't let  
4 that go.

5 MS. WHITE: Thank you. I appreciate that so much.

6 COMMISSIONER JABER: The prefiled direct testimony of  
7 Jerry Kephart shall be inserted into the record as though read.

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1                   BELLSOUTH TELECOMMUNICATIONS, INC.  
2                   DIRECT TESTIMONY OF JERRY KEPHART  
3                   BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION  
4                   DOCKET NO. 001305-TP  
5                   JULY 27, 2001  
6

7    Q.    PLEASE STATE YOUR NAME, YOUR BUSINESS ADDRESS, AND  
8           YOUR POSITION WITH BELLSOUTH TELECOMMUNICATIONS,  
9           INC. (BELLSOUTH).

10

11   A.    My name is Jerry Kephart. My business address is 675 West  
12           Peachtree Street, Atlanta, Georgia 30375. I am Senior Director -  
13           Regulatory for BellSouth. I have served in my present position since  
14           October 1997.

15

16   Q.    PLEASE SUMMARIZE YOUR BACKGROUND AND EXPERIENCE.

17

18   A.    My career in the telecommunications industry spans over 30 years and  
19           includes responsibilities in the areas of network operations,  
20           commercial operations, administration, and regulatory. I have held  
21           positions of responsibility in BellSouth that include managing  
22           installation and maintenance personnel engaged in providing customer  
23           telephone service and also managing staff operations in support of  
24           these activities. I also have extensive experience in managing  
25           regulatory activities for BellSouth including FCC docket management

1 work and public policy planning.

2

3 I graduated from Daytona Beach Junior College in 1964, with an  
4 Associate of Science in Electronics Technology. I obtained a Bachelor  
5 of Business Administration degree from the University of Florida in  
6 1968.

7

8 Q. HAVE YOU TESTIFIED PREVIOUSLY BEFORE ANY STATE PUBLIC  
9 SERVICE COMMISSION?

10

11 A. Yes, I have testified before the state Public Service Commissions in  
12 Georgia and Florida.

13 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY TODAY?

14

15 A. In my testimony, I will address the technical aspects of network related  
16 issues which have been raised in the Petition for Arbitration filed by  
17 BellSouth Telecommunications in this docket. Specifically, I will  
18 address the following issues, in whole or in part: Issues 28, 33-35, 40  
19 and 53.

20

21 Q. HAVE THE PARTIES DISCUSSED EACH OF THESE ISSUES IN AN  
22 INTERCOMPANY REVIEW BOARD MEETING AS ORDERED BY  
23 THE FLORIDA PUBLIC SERVICE COMMISSION?

24

25 A. No. Although Bellsouth attempted to engage Supra Telecom on all



1 issues, Supra refused to negotiate the following issues during the  
2 Intercompany Review Board: 28,33,34,40, and 53

3

4 **Issue 28: What terms and conditions, and what separate rates if any,**  
5 **should apply for Supra Telecom to gain access to and use BellSouth**  
6 **facilities to serve multi-unit installations?**

7

8 Q. HAS THE COMMISSION ALREADY ADDRESSED THE ISSUE OF  
9 ACCESS TO BELLSOUTH'S FACILITIES IN MULTI-UNIT  
10 INSTALLATIONS?

11

12 A. Yes. The Commission first addressed this issue in the arbitration  
13 proceedings between BellSouth and MediaOne in Docket 990149-TP.  
14 More recently, the Commission addressed this issue in Docket No.  
15 990649-TP (the Generic UNE docket) and in Docket No. 000731-TP  
16 (AT&T/BellSouth Arbitration). In fact, the commission in these two  
17 proceedings adopted BellSouth's position on how Supra Telecom can  
18 gain access and use BellSouth facilities in multi-unit installations.

19

20 Q. WHAT IS BELLSOUTH'S PROPOSAL FOR PROVIDING ACCESS TO  
21 INTRA-BUILDING NETWORK CABLE (INC) AND/OR NETWORK  
22 TERMINATING WIRE (NTW)?

23

24 A. BellSouth will provide access to INC and/or NTW wire pairs as  
25 requested by the Alternative Local Exchange Carrier (ALEC) by

1 terminating such pairs on separate connecting blocks serving as an  
2 access terminal for the ALEC. BellSouth currently has its own terminal  
3 in each garden apartment arrangement or high rise building. BellSouth  
4 will create a separate access terminal for any building for which such  
5 service is requested. With regard to garden apartments, BellSouth will  
6 prewire the necessary pairs to serve each apartment on the access  
7 terminal BellSouth builds. For garden apartments, this means that  
8 each cable pair available to serve customers in that garden apartment  
9 building will appear on BellSouth's terminal and on the access  
10 terminal. An ALEC wanting to serve a customer in the garden  
11 apartment situation would build its terminal at that location and then  
12 wire its cable pair to the appropriate prewired location on the access  
13 terminal.

14

15 The treatment for high rise buildings will be different. BellSouth will still  
16 build an access terminal to complement BellSouth's own terminal  
17 located in the high rise building. The ALEC wanting to access those  
18 facilities will still have to build its own terminal for its cable pairs.  
19 However, rather than prewiring the access terminal, BellSouth  
20 proposes that it will then receive orders from the ALEC and will wire  
21 the access terminal it has created as facilities are needed by the  
22 ALECs.

23

24 BellSouth does not propose to prewire every pair to the access  
25 terminal in high rise buildings because it is simply impractical to do so.

1           The garden apartment terminal might have 20 to 25 loops terminated  
2           on it, thus making rewiring the access terminal something that can be  
3           done with a reasonable effort. On the other hand, high rise buildings  
4           may have hundreds or even thousands of pairs, which would make  
5           rewiring the access terminal impractical.

6

7    Q.    HAS THIS COMMISSION ALREADY DECIDED THE ISSUE OF  
8           WHETHER THERE SHOULD BE AN ACCESS TERMINAL IN BOTH  
9           THE CASE OF GARDEN APARTMENTS AND HIGH RISE  
10          BUILDINGS?

11

12   A.    Yes. This Commission first considered the issue of access to the sub-  
13          loop element referred to as NTW in the arbitration proceedings  
14          between BellSouth and MediaOne in Docket No. 990149-TP.

15

16          This Commission denied MediaOne direct access to NTW and  
17          required an access terminal to be placed between BellSouth's network  
18          and MediaOne's network. The access terminal gives MediaOne the  
19          access to NTW it desires without reducing network reliability and  
20          security. BellSouth believes the underlying issues here (that is,  
21          providing an ALEC unbundled access to INC while preserving network  
22          reliability and security) are the same as were addressed in the  
23          MediaOne arbitration cited above. This Commission determined that  
24          MediaOne and others could gain access to unbundled NTW without  
25          reducing network security and reliability by adopting BellSouth's

1 proposed form of access. A portion of that Order follows:

2

3 The record does not contain evidence of any case which would  
4 support a proposal where one party is seeking to use its own  
5 personnel to, in effect, modify the configuration of another  
6 party's network without the owning party being present. We find  
7 that MediaOne's proposal to physically separate BellSouth's  
8 NTW cross-connect facility from BellSouth's outside distribution  
9 cross-connect facilities is an unrealistic approach for meeting its  
10 objectives. Therefore, BellSouth is perfectly within its rights to  
11 not allow MediaOne technicians to modify BellSouth's network.

12

13 Based on the evidence presented at the hearing, we believe  
14 that it is in the best interests of the parties that the physical  
15 interconnection of MediaOne's network be achieved as  
16 proposed by BellSouth.

17

18 The commission has also ruled in the AT&T Arbitration Order, Docket  
19 000731-TP, that:

20 The Commission agrees that an "ALEC-access terminal"  
21 will enable AT&T to cross-connect its own facilities with the  
22 NTW or INC owned by BellSouth. The Commission further finds  
23 that the "access" terminal provides a degree of accountability for  
24 ALECs that may not otherwise exist if direct connections were  
25 permitted. They acknowledge that the proposed access

1 terminal adds another layer of connections to a given circuit, but  
2 believes that the benefit of increased control would contribute to  
3 the overall network reliability for all concerned, AT&T included.  
4 The Commission also finds that the use of an "ALEC access  
5 terminal" would reduce the potential risk for AT&T or another  
6 ALEC's technicians to intentionally or unintentionally disrupt  
7 BellSouth's or other ALECs, end user services, since each  
8 company will have the ability to more adequately monitor the  
9 activities of their respective terminals.

10

11 Moreover, the Commission concluded in the Docket No. 990649-TP  
12 that: "Upon consideration of the record regarding access, we find that  
13 access to subloop elements shall be provided via an access terminal,  
14 as suggested by BellSouth. The evidence in the record for this  
15 proceeding does not support allowing ALECs direct access to  
16 BellSouth's unbundled subloop elements." Further in this Order No.  
17 PSC-01-1181-FOF-TP on page 96, the Commission stated that "we  
18 shall require the parties to evenly split the costs associated with  
19 provisioning access terminals."

20

21 BellSouth believes the use of access terminals as ordered by this  
22 Commission gives ALECs the requested access to unbundled sub-loop  
23 elements while still maintaining network reliability and security. Such  
24 access should apply to all sub-loop elements, including access to INC.

25

1 Q. HOW DOES THIS RELATE TO THE ISSUE OF ACCESS TO FACILITIES IN  
2 HIGH RISE BUILDINGS?

3

4 A. Just as there was a very good reason to require an access terminal in  
5 the garden apartment situation, there is even a better reason to require  
6 such an access terminal in high rise buildings, for the reasons I  
7 articulate below. Specifically, even in a simple residential garden  
8 apartment situation, bridging the working pairs over to the access  
9 terminal could, in fact, disturb working customers' services. In a  
10 commercial high-rise building involving business customers with high-  
11 speed digital data services operating 24 hours per day, the problem is  
12 even more acute. Any disturbance of a working circuit would cause  
13 irreparable harm to existing services and subject BellSouth to  
14 customer complaints. Furthermore, such interruptions could and would  
15 be considered by some customers as a serious breach of security.

16

17 Further, and while I am in no way disparaging Supra's or any other  
18 ALEC's technicians, with direct access it is possible for Supra's or  
19 other ALECs' technicians to intentionally or unintentionally disrupt  
20 BellSouth's and other ALECs' end user services. That simply presents  
21 an unnecessary risk for all involved parties, end users, BellSouth, other  
22 ALECs, and Supra itself (i.e., because such actions by some other  
23 ALEC could have the same disrupting effect on existing sub-loop  
24 elements that Supra is utilizing.)

25

1 Further, with direct access, BellSouth would be at Supra's and other  
2 ALECs' mercy to tell BellSouth how, when, where, and the amount of  
3 BellSouth's facilities that were being used. I will discuss the record  
4 keeping issues involved below, but the bottom line is that such  
5 uncontrolled access to these sub-loop elements would have a totally  
6 debilitating effect on BellSouth's ability to maintain accurate cable  
7 inventory records. It would be simply impossible for BellSouth to ever  
8 have an accurate record of its facilities if every ALEC in the state had  
9 direct access to these facilities. Of course, the lack of accurate  
10 inventory information would result in imminent failure of BellSouth's  
11 (and ALECs using loops and sub-loop elements acquired from  
12 BellSouth) service provisioning, maintenance and repair processes. I  
13 do want to be perfectly clear about this. What we are talking about  
14 here, if Supra gets its way, is allowing technicians from any and every  
15 ALEC in Florida to walk into an equipment room in a high rise building  
16 and start appropriating pairs and facilities for its own use, without  
17 consulting with anyone and without any obligation to keep appropriate  
18 records so that the next person in the room knows what belongs to  
19 whom. It doesn't take much imagination to know what a disaster this  
20 would end up being for BellSouth and for the customers in the building  
21 in question. It should be noted that *any* mechanized cable  
22 management system (CMS) available in the telecommunications  
23 market today has at its core the fundamental requirement that the  
24 manager of the CMS maintain absolute and full control over cable pair  
25 assignment. To do otherwise would result in chaotic failure of the

1 service delivery and maintenance system.

2

3 Q. PLEASE DISCUSS THE ISSUE YOU MENTIONED REGARDING  
4 KEEPING RECORDS IF THE ALECs ARE ALLOWED TO WORK  
5 DIRECTLY ON BELLSOUTH'S TERMINAL IN CIRCUMSTANCES  
6 SUCH AS THOSE WE ARE TALKING ABOUT HERE.

7

8 A. Keeping accurate records of what pairs are spare, working, or  
9 defective is critical to ensuring high quality service, both in provisioning  
10 new or additional customer lines and in repairing existing customers'  
11 service. In the case of INC, maintaining accurate inventory records is  
12 especially critical. NTW records consist generally as paper tags or  
13 records for each pair of wires that are present at the NTW garden  
14 terminal. A technician can usually determine the use to which a  
15 particular pair is being put while on-site either via the tag or by  
16 electrically testing the NTW. However, such "intrusive testing" by  
17 electrically testing the NTW is the cause of disturbance on the line.  
18 This is because such intrusive testing cannot be done without  
19 interrupting existing line transmissions. Such disturbances can quickly  
20 lead to end user dissatisfaction.

21

22 INC cable records are even more problematic because they are  
23 mechanized records not available at the access terminal. As  
24 mechanically inventoried records, individual assignments of INC pairs  
25 are made as orders for service are processed. Should particular INC



1 pairs become unusable, a notation is made in the records system so  
2 that the pairs are not assigned as the need arises for additional pairs.  
3 Thus, a field technician has no way of using particular INC pairs  
4 without risking disruption of service to existing end users. As I  
5 discussed earlier, using a test set to determine whether the cable pair  
6 is in use would disrupt an in-progress transmission. Utilizing INC pairs  
7 at random could result in taking an existing end user out of service, or  
8 in having the new end user's service be inoperable because of a faulty  
9 INC pair. Should a technician by chance choose a spare INC pair and  
10 successfully install the end user's service, there is no means of  
11 protecting that service from potential disruptions resulting from the next  
12 technician entering that work area, no matter whether that technician is  
13 employed by BellSouth, Supra, or another ALEC. As subsequent  
14 technicians enter the work scene, the existing INC cable pair records  
15 would progressively deteriorate, creating an immediate and significant  
16 service problem that would be extremely costly and difficult to correct.

17  
18 The bottom line is that allowing an ALEC's technician to try to locate  
19 spare facilities to provide service will result in service degradation and  
20 chaotic service provisioning by all carriers.

21

22 Q. ARE THERE OTHER CONCERNS TO REPORTING AND  
23 INVENTORY WITH RESPECT TO THIS ISSUE?

24

25 A. Yes, and these comments go directly to the heart of the issue of

1           whether a BellSouth technician will be allowed to place the tie cables  
2           for the ALEC between the BellSouth terminal and the access terminal  
3           created for the use of the ALECs. Without the involvement of a  
4           BellSouth technician, it would be entirely possible for an ALEC to  
5           provide service over a pair without BellSouth ever knowing that it  
6           should charge the ALEC.

7  
8           Therefore, as it did with the garden terminals, BellSouth proposes to  
9           construct an access terminal. However, it is simply not feasible to  
10          prewire every cable pair in every high rise building to the access  
11          terminal. Unlike the situation with the garden terminals, there can be  
12          hundreds or even thousands of pairs in a high rise building. What  
13          BellSouth proposes therefore, is that it not prewire every cable pair, but  
14          rather that it be allowed to take orders from the ALECs to prewire just  
15          what each ALEC needs, as the ALEC needs the facilities.

16  
17  
18       **Q.    HAVE YOU PREPARED AN EXHIBIT WHICH ILLUSTRATES**  
19       **BELLSOUTH'S PROPOSAL REGARDING SUB-LOOP UNBUNDLING**  
20       **IN A MULTI-STORY BUILDING?**

21  
22       **A.    Yes. Exhibit JK-1, which is attached to this testimony, contains three**  
23       **(3) pages that I hope will aid in understanding this issue. Page 1**  
24       **shows a typical serving arrangement in multi-story buildings for which**  
25       **BellSouth is, at present, the sole provider of telephone service. Page 2**

1 shows BellSouth's proposed form of access for an ALEC to the sub-  
2 loop elements INC and NTW. BellSouth proposes the use of an  
3 access terminal that is cross-connected by tie cable with the terminals  
4 of both BellSouth and the ALEC. The access terminal for unbundled  
5 INC (UINC) and the access terminal for unbundled network terminating  
6 wire (UNTW) access could also serve as a single point of  
7 interconnection for use by multiple carriers. Page 3 shows the typical  
8 access to UNTW in a "garden" apartment complex. The point to be  
9 made here is that the access terminal is cross-connected by tie cable  
10 pairs with the terminals of both BellSouth and the ALEC thus allowing  
11 an ALEC access while preserving network reliability and security.

12

13 Q. WHAT SOLUTION TO THIS ISSUE DOES BELLSOUTH PROPOSE?

14

15 A. BellSouth believes the Commission should affirm its decisions in  
16 dockets 000731-TP and 990149-TP that the appropriate method is to  
17 require BellSouth to construct an access terminal for access to NTW or  
18 INC pairs as may be requested by an ALEC. Supra (or another ALEC)  
19 would interconnect its network to these constructed access terminals.  
20 Such a methodology would permit Supra appropriate access to end  
21 users while providing both companies the ability to maintain  
22 appropriate records on an on-going basis.

23

24 **Issue 33: What are the appropriate means for BellSouth to provide**  
25 **unbundled local loops for provision of DSL service when such loops are**

1 **provisioned on digital loop carrier facilities?**

2

3 Q. WHAT IS YOUR UNDERSTANDING OF THE DISAGREEMENT  
4 BETWEEN SUPRA AND BELLSOUTH CONCERNING ISSUE 33?

5

6 A. Because Supra has refused to discuss this issue, I do not know  
7 Supra's position. Nevertheless, my understanding is that BellSouth and  
8 Supra have not reached agreement as to BellSouth's obligations in  
9 cases where a given end user's loop is provided over equipment  
10 referred to as Digital Loop Carrier and that end user wants Supra's  
11 Digital Subscriber Line (xDSL) service which is incompatible with the  
12 DLC serving that end user. BellSouth is willing to provide two solutions  
13 that will allow Supra to provide its xDSL services in such a situation.

14

15 Q. WHAT ARE THE TWO SOLUTIONS BELLSOUTH AGREES TO  
16 PROVIDE TO SUPRA?

17

18 A. The first solution is to move the end user to a loop that is suitable for  
19 xDSL service. For example, if the end user is served via DLC but a  
20 spare copper loop is available to the end user's premises, BellSouth  
21 agrees to move the end user to the copper loop that is capable of  
22 supporting xDSL services. BellSouth provides access to all its loops  
23 on an unbundled basis including those loops served by DLC  
24 equipment. BellSouth has developed a number of different methods  
25 for providing such unbundled access, thus ensuring that each and

1 every BellSouth loop can be provided on an unbundled basis  
2 regardless of whether the end user (when that end user was a  
3 BellSouth customer) is served via DLC.  
4

5 The second solution is to allow Supra to collocate its Digital Subscriber  
6 Line Access Multiplexer (DSLAM) in the remote terminal housing the  
7 DLC and give Supra access to the unbundled network element  
8 referred to as loop distribution. BellSouth agrees that in any case  
9 where it has installed its own DSLAM in a given remote terminal,  
10 BellSouth will accommodate collocation requests from Supra or any  
11 other ALEC even if that means that room inside the remote terminal  
12 must be augmented or that the remote terminal itself must be  
13 expanded or replaced to make room for Supra's or another ALEC's  
14 DSLAM. If BellSouth does not accommodate collocation of Supra's  
15 DSLAM at the remote terminal where BellSouth's DSLAM is installed,  
16 BellSouth will provide unbundled packet switching to Supra pursuant to  
17 applicable FCC rules.  
18

19 Q. WHAT SOLUTION TO THIS ISSUE DOES BELLSOUTH PROPOSE?  
20

21 A. This Commission should affirm that BellSouth has met its obligations  
22 for providing access to unbundled loops including the high frequency  
23 portion and for collocation in its remote terminals.  
24

25 **Issue 34: What coordinated cutover process should be implemented to**

1 **ensure accurate, reliable, and timely cutovers when a customer changes**  
2 **local service from BellSouth to Supra?**

3

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

5

6 A. The coordinated cutover process proposed by BellSouth ensures  
7 accurate, reliable, and timely cutovers. No changes in this process are  
8 necessary or appropriate at this time.

9

10

11 Q. HAS THE COMMISSION ALREADY ADDRESSED THE ISSUE OF  
12 THE APPROPRIATE CUTOVER PROCESS?

13

14

15 A. No, but BellSouth and AT&T have resolved the issue and have agreed  
16 to mutually acceptable language which has been included in CLEC  
17 interconnection agreements. BellSouth is willing to accept language  
18 agreed to with AT&T in settling this issue.

19

20

21 Q. PLEASE PROVIDE THE COMMISSION WITH SOME IDEA OF WHAT  
22 IS INVOLVED IN PERFORMING A LOOP CUTOVER.

23

24

25 A. I have provided Exhibit JK-2, which is attached to my testimony, that

1 shows, pictorially and with a brief narrative, the various work steps  
2 involved in a typical loop cutover. These photographs were taken in  
3 BellSouth's Norcross, Georgia central office; however, the work steps  
4 are identical in all nine states in BellSouth's region. Briefly, the work  
5 steps involved are as follows:

- 6 • The BellSouth central office technician receives a call to begin  
7 cutover and asks for the cable pair number of the loop to be  
8 cutover. This is shown on page 1 of Exhibit JK-2.
- 9 • The technician types the cable pair number into a database to find  
10 the loop cutover work order number. This is shown on page 2 of  
11 Exhibit JK-2.
- 12 • The technician retrieves a copy of the work order for the unbundled  
13 loop. This is shown on page 3 of Exhibit JK-2.
- 14 • The technician in the BellSouth central office responds to the  
15 BellSouth UNE Center's request to initiate coordination of the  
16 overall cutover of service from BellSouth to the ALEC. This is  
17 shown on page 4 of Exhibit JK-2.
- 18 • The technician then verifies that the correct loop has been identified  
19 for cutover. This is done using a capability referred to as Automatic  
20 Number Announcement Circuit (ANAC). The technician attaches a  
21 test set onto the loop and dials a special code. The telephone  
22 number associated with that loop is played audibly. This is shown  
23 on page 5 of Exhibit JK-2.
- 24 • Next, the technician locates the existing jumper on the BellSouth  
25 Main Distributing Frame (MDF) running between the loop and the

- 1           BellSouth switch port. This is shown on pages 6-7 of Exhibit JK-2.
- 2           • The technician locates and removes the end of the jumper
- 3           connected to the BellSouth cable pair. This is shown on page 8 of
- 4           Exhibit JK-2.
- 5           • The technician then locates and removes the end of the jumper
- 6           connected to the BellSouth switching equipment. This is shown on
- 7           page 9 of Exhibit JK-2.
- 8           • The technician then connects the one end of a new jumper
- 9           between the loop and a connector block on a cable rack with tie
- 10          cables to the ALEC's collocation arrangement. This is shown on
- 11          page 10 of Exhibit JK-2.
- 12          • The technician then weaves the new jumper wire through the cable
- 13          rack to reach the tie cables to the ALEC's collocation arrangement.
- 14          This is shown on page 11 of Exhibit JK-2.
- 15          • The technician connects the second end of the new jumper to the
- 16          connector block and thus the tie cable to the ALEC's collocation
- 17          equipment. This is shown on page 12 of Exhibit JK-2.
- 18          • The technician next verifies that the loop is connected to the
- 19          expected switch port and telephone number in the ALEC's switch,
- 20          again using ANAC capabilities. This is shown on page 13 of Exhibit
- 21          JK-2
- 22          • Upon successful completion of the loop cutover, the technician
- 23          verifies with the ALEC that the order was correctly worked, closes
- 24          the work order, and notifies the UNE Center. This is shown on
- 25          page 14 of Exhibit JK-2.



1  
2 Naturally, any errors (both BellSouth's errors and the ALEC's errors)  
3 slow the process while corrections are identified and made. While  
4 BellSouth should clearly be responsible for its own errors, it should not  
5 be held responsible for delayed cutovers due to problems or errors  
6 caused by the ALEC. It is obvious from the many steps that have to be  
7 taken to correctly perform a loop cutover that the timeframe  
8 appropriate for a single loop would not be a reasonable timeframe for a  
9 multiple loop cutover for a large end-user such as a major bank or  
10 manufacturing firm as most of the individual work steps must be  
11 repeated for each loop to be converted.

12  
13 Q. IS BELLSOUTH IN TOTAL CONTROL OF THE LOOP CUTOVER  
14 PROCESS?

15  
16 A. No. As discussed above, loop cutovers require high levels of  
17 coordination between BellSouth and the ALEC to which the unbundled  
18 loop is being provided. If an ALEC fails to perform a function in a  
19 timely fashion, the delay directly impacts the overall cutover time.  
20 Therefore, any measurement of average loop cutover times will reflect  
21 not only the efficiency of BellSouth's systems and employees' skills,  
22 but also the efficiency of the ALEC's systems and employees' skills.  
23 For example, one step in the process occurs after the loop is removed  
24 from BellSouth's switch and is connected to the ALEC's switch. At this  
25 point in the cutover, tests are performed to verify that the loop is

1 connected to the expected switch port and telephone number in the  
2 ALEC's switch. However, if the ALEC has a defective switch port, or  
3 has provided an invalid switch port number, or any of a number of  
4 other possible errors occurs, BellSouth is powerless to move forward  
5 until the ALEC takes appropriate corrective steps. While the ALEC is  
6 doing so, the total cutover time clock is still running. Thus, while  
7 BellSouth strives to complete loop cutovers in as timely and effective a  
8 manner as possible, BellSouth cannot be saddled with the entire  
9 responsibility for meeting the stated interval, especially given the  
10 ALEC's contribution to total cutover time.

11

12 Q. WHAT EFFECT OR IMPACT DOES BELLSOUTH'S HOT CUT  
13 PROCESS HAVE ON CUSTOMERS WANTING TO CHANGE THEIR  
14 LOCAL SERVICE TO SUPRA?

15

16 A. A customer may experience service outage if either service provider  
17 fails to follow a rational and consistent process for converting live  
18 service. However, this is not the norm nor has BellSouth exhibited a  
19 pattern of failure that has resulted in the level of service outage alleged  
20 to have been experienced by Supra end users.

21

22 BellSouth uses a very detailed process for conversion of live local  
23 service and uses these same procedures across the region for all  
24 ALECs with a high level of success.

25

1 Q. HAS BELLSOUTH DOCUMENTED ITS HOT CUT PROCESS?

2

3 A. Yes. BellSouth has created a detailed flow chart depicting the entire  
4 process. This process flow is attached to this testimony as Exhibit  
5 JK-3.

6

7 Q. WHAT SOLUTION TO THIS ISSUE DOES BELLSOUTH PROPOSE?

8

9 A. This Commission should affirm that BellSouth uses a very detailed  
10 process for conversion of live local service and that no changes in the  
11 process are necessary at this time. These same procedures are used  
12 with a high level of success across the region for all ALECs. BellSouth  
13 has proposed language that supports these detailed process flows and  
14 provides additional support of BellSouth's commitment to provide  
15 coordinated conversions to Supra which afford a meaningful  
16 opportunity for Supra to compete for local service. BellSouth's  
17 processes provide for a conversion that should ensure a smooth  
18 transition for an end user electing to change local service providers  
19 from BellSouth to Supra with minimal end user service interruption.  
20 This Commission should affirm that BellSouth's loop conversion  
21 procedures are appropriate and allow for timely conversions without  
22 undue customer service disruption.

23

24 **Issue 35: Is conducting a statewide investigation of criminal history**  
25 **records for each Supra employee or agent being considered to work on**

1 **a BellSouth premises a security measure that BellSouth may impose on**  
2 **Supra?**

3

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

5

6 A. BellSouth performs criminal background checks on its employees prior  
7 to hiring. Supra should do the same in order for Supra's employees or  
8 agents who enjoy unescorted access to BellSouth's central offices and  
9 other premises. Such security requirements are reasonable in light of  
10 the impact on public safety and the assets being protected as well as  
11 the number of new entrants and other telecommunications carriers  
12 who rely on the integrity and reliability of BellSouth's network. By  
13 requiring criminal background investigations, BellSouth is seeking to  
14 protect the consumer and other ALECs up front from the incumbent  
15 risks.

16

17 Q. DESCRIBE THE SPECIFIC SECURITY CHECKS BELLSOUTH  
18 REQUIRES OF ITS EMPLOYEES, VENDORS, AND OTHER  
19 AGENTS THAT ARE IN EFFECT TODAY.

20

21 A. BellSouth requires a seven (7) year criminal background check for all  
22 of its employees prior to hiring, and a five (5) year criminal background  
23 check for vendors and agents.

24

25

1 Q. HAS THIS COMMISSION ALREADY ADDRESSED THIS ISSUE?

2

3 A. Yes. This issue was recently addressed in the AT&T Arbitration Order,  
4 Docket 000731-TP. The commission found that:

5

6 "BellSouth has not demonstrated that its proposed criminal  
7 background check will actually enhance its existing security  
8 arrangement beyond the psychological "sense of comfort" that  
9 any ALEC's employee that has access to BellSouth's networks  
10 and premises is free of any criminal offenses. The resulting  
11 increase in AT&T's expenses for collocation is potentially a  
12 barrier to entry. Further, the record shows that the use of  
13 electronic monitoring systems and computerized badges  
14 provide adequate and reasonable protection to BellSouth's  
15 networks. Thus, we hereby deny BellSouth's proposal as is, but  
16 require AT&T to conduct criminal background checks on AT&T's  
17 employees and agents, who have been with the company for  
18 less than two years, that may work on BellSouth's premises."

19

20 Q. ARE THERE ANY OTHER SPECIFIC REQUIREMENTS THAT THE  
21 ALEC SHOULD CONSIDER WHEN ASSIGNING VENDORS AND  
22 AGENTS TO BELL SOUTH'S PREMISES?

23

24 A. Yes. The ALEC should not knowingly assign to BellSouth's premises  
25 any individual who was a former employee of BellSouth and whose

1 employment with BellSouth was terminated for a criminal offense  
2 whether or not BellSouth sought prosecution of the individual for the  
3 criminal offense.

4

5 Also, the ALEC should not knowingly assign to BellSouth's premises  
6 any individual who was a former contractor of BellSouth and whose  
7 access to BellSouth's premises was revoked due to commission of a  
8 criminal offense whether or not BellSouth sought prosecution of the  
9 individual for the criminal offense.

10

11 Q. DOES BELLSOUTH MEET THE FCC'S REQUIREMENT THAT  
12 PERMITS COLLOCATORS DIRECT ACCESS TO ITS EQUIPMENT  
13 WITHOUT BEING ESCORTED BY BELLSOUTH PERSONNEL AND  
14 WITHOUT THE COLLOCATOR'S EQUIPMENT BEING PHYSICALLY  
15 SEPARATED BY A WALL OR OTHER STRUCTURE FROM  
16 BELLSOUTH'S EQUIPMENT OR THE EQUIPMENT OF OTHER  
17 ALECs?

18

19 A. Yes. However, the FCC's Order raises serious concerns that must be  
20 addressed in order to retain the level of network reliability and security  
21 that currently exists and which end users and regulators have come to  
22 expect. BellSouth has addressed those concerns and is compliant  
23 with the FCC's requirements. In order to provide reasonable security  
24 measures, BellSouth requires that all collocators' employees and  
25 agents undergo the same level of security training, or its equivalent,

1 that BellSouth's own employees, or third party contractors providing  
2 similar functions, must undergo. Each collocator must provide its  
3 employees and agents with picture identification, which must be worn  
4 and be visible in the collocation space or other areas in and around  
5 BellSouth's central offices. In its Order, the FCC permitted incumbent  
6 LECs to impose security arrangements that are as stringent as the  
7 security arrangements the incumbent LEC maintains at its premises for  
8 its own employees. BellSouth is not requiring ALECs to perform a  
9 seven (7) year criminal background investigation, as it does for its own  
10 employees, or a five (5) year criminal background check of BellSouth's  
11 vendors and agents. Collocators are required to conduct an  
12 investigation of criminal history records for each of the collocator's  
13 employees and agents being considered for work within or upon  
14 BellSouth's premises. Restrictions are imposed on a collocator's  
15 employees or agents with felony or misdemeanor criminal convictions.  
16 Also, the FCC's Order provides for additional security measures such  
17 as allowing BellSouth to provide a cage around its own equipment.  
18 Thus, BellSouth is in compliance with the security provisions required  
19 by the FCC's Order.

20

21 Q. DOES BELLSOUTH REQUIRE THAT SUPRA PERFORM SECURITY  
22 CHECKS OF ALL ITS EMPLOYEES?

23

24 A. No. BellSouth is indifferent to the security measures and background  
25 checks Supra makes for its employees to access its own buildings.

1           However, BellSouth is rightly concerned for proper security measures  
2           and background criminal checks for those of Supra's employees for  
3           which Supra wants unescorted access to BellSouth's premises. If  
4           Supra doesn't want to perform background criminal checks of all of its  
5           employees, it need only check those of its employees it wants admitted  
6           to BellSouth's premises.

7

8    **Q.    IS THE CRIMINAL BACKGROUND CHECK PROPOSED BY**  
9           **BELLSOUTH EFFECTIVE IN LIMITING OR RESTRICTING A**  
10          **WORKER FROM HARMING OR DAMAGING PROPERTY?**

11

12   **A.    Yes. Criminal background checks are a reasonable way to prevent**  
13          **known criminals from even being in a place where they could cause**  
14          **harm or damage to BellSouth's or an ALEC's network**

15

16   **Q.    DOES BELLSOUTH'S PROPOSAL IMPOSE DISCRIMINATORY**  
17          **SECURITY REQUIREMENTS ON SUPRA THAT IT DOES NOT**  
18          **IMPOSE ON ITSELF?**

19

20   **A.    No. Incumbent Local Exchange Carriers (ILECs) such as BellSouth**  
21          **are entitled under the FCC's order to "impose reasonable security**  
22          **arrangements to protect their equipment and ensure network security**  
23          **and reliability." Advanced Services Order at paragraph 46. That is all**  
24          **BellSouth's policy is meant to do. BellSouth's security policies are a**  
25          **reasonable balance between giving ALECs unfettered access to**



1 BellSouth's premises while maintaining network reliability and security.

2

3

4 Q. WHAT SOLUTION TO THIS ISSUE DOES BELLSOUTH PROPOSE?

5

6 A. This Commission should affirm its decision in AT&T Arbitration Docket  
7 000731-TP for those of Supra's employees who will have unescorted  
8 access to BellSouth's premises.

9

10 **Issue 40: Should Standard Message Desk Interface - Enhanced (SMDI-**  
11 **E) and Inter-switch Voice Messaging Service (IVMS), and any other**  
12 **corresponding signaling associated with voice mail messaging be**  
13 **included within the cost of the UNE switching port?**

14

15 Q. WHAT IS STANDARD MESSAGE DESK INTERFACE-ENHANCED  
16 (SMDI-E)?

17

18 A. Standard Message Desk Interface-Enhanced is the industry term for  
19 BellSouth's Simplified Message Desk Interface (SMDI) service. SMDI  
20 is a feature that provides the capability for sending call data to a voice  
21 messaging service (VMS) provider and allows the voice messaging  
22 service provider to signal its end user. Data transmitted from a  
23 BellSouth switch to the VMS platform includes the calling telephone  
24 number, the called telephone number and the reason for the call being  
25 forwarded (that is, busy or no answer). Data transmitted from the VMS

1 platform to the BellSouth switch includes the message waiting  
2 indication . The message waiting indication may be either audible  
3 (such as so-called "stutter dialtone") or visual (such as a message  
4 waiting light on the telephone set).

5

6

7 Q. WHAT IS INTER-SWITCH VOICE MESSAGING SERVICE (IVMS)?

8

9 A. IVMS ( which is also referred to as Interoffice Simplified Message Desk  
10 Interface or "ISMDI") is the inter-switch version of SMDI. ISMDI takes  
11 advantage of the BellSouth CCS7 signaling network which allows a  
12 voice messaging provider to offer service to multiple switch locations  
13 using a single data facility interconnection.

14

15 Q. ARE SMDI-E AND INTEROFFICE SMDI (ISMDI) USED TO  
16 PROVIDE TELECOMMUNICATIONS SERVICE OR  
17 INFORMATION SERVICE TO SUPRA'S END USERS?

18

19 A. My understanding is that Supra intends to use SMDI-E and  
20 ISMDI to provide an information service (that is, Supra's voice  
21 messaging service) rather than to provide a telecommunications  
22 service. The Act defines "information service" as follows:

23

24 The term 'information service' means the offering of a capability  
25 for generating, acquiring, storing, transforming, processing,

1           retrieving, utilizing, or making available information via  
2           telecommunications, and includes electronic publishing, but  
3           does not include any use of any such capability for the  
4           management, control, or operation of a telecommunications  
5           system or the management of a telecommunications service.  
6           Section 3(a)41.

7  
8           To my knowledge, Supra does not dispute that voice messaging  
9           service is an information service rather than a telecommunications  
10          service.

11  
12        Q.    WHAT SOLUTION TO THIS ISSUE DOES BELL SOUTH PROPOSE?

13  
14        A.    SMDI-E and IVMS both have capabilities that go beyond the  
15              functionality contained in an unbundled switch port. Both features  
16              provide for data transmission to and from the customer's voicemail  
17              platform. BellSouth will provide these data transmission capabilities to  
18              Supra at the same tariffed rates that it provides SMDI-E and IVMS to  
19              other unaffiliated voice messaging providers. These are also the same  
20              tariffed rates BellSouth charges to its own affiliated voice messaging  
21              provider. As an alternative, Supra may provide its own data  
22              transmission links or purchase such links from BellSouth at UNE  
23              prices.

24  
25        **Issue No. 53: Should BellSouth have the right to determine unilaterally**

1 **the demarcation points for access to UNEs?**

2

3 Q. WHAT IS BELLSOUTH'S POSITION REGARDING WHICH PARTY,  
4 THAT IS, BELLSOUTH OR SUPRA, SHOULD DETERMINE THE  
5 DEMARCATION POINT FOR ACCESS TO UNEs?

6

7 A. BellSouth believes that it has the right to designate the point of  
8 demarcation.

9

10 Q. WHY DOES BELLSOUTH BELIEVE IT HAS THE RIGHT TO  
11 DESIGNATE THE DEMARCATION POINT?

12

13 A. There is nothing in the 1996 Act or the FCC Rules that allows the  
14 ALEC to choose the point of demarcation on the ILEC's network.  
15 Thus, BellSouth has the authority to determine the demarcation point  
16 at any point within its network including in its central offices for ALECs  
17 that choose collocation as their method of interconnecting with  
18 BellSouth's network.

19 Q. WHAT IS BELLSOUTH'S POSITION ON WHERE IS THE  
20 APPROPRIATE POINT OF DEMARCATION BETWEEN SUPRA'S  
21 NETWORK AND BELLSOUTH'S NETWORK?

22

23 A. Each party should be responsible for maintenance and operation of all  
24 equipment/facilities on its side of the demarcation point. For 2-wire  
25 and 4-wire connections to BellSouth's network in the central office, the

1 demarcation point should be a common block on the BellSouth  
2 designated conventional distributing frame (CDF). The ALEC should  
3 be responsible for providing, and the ALEC's Certified Vendor should  
4 be responsible for installing and properly labeling/stenciling, the  
5 common block and necessary cabling to the established demarcation  
6 point. For all other terminations, BellSouth shall designate a  
7 demarcation point on a per arrangement basis. Any such designation  
8 shall allow for all ALECs to access the same or similar UNEs on a  
9 nondiscriminatory basis and include technically feasible points within  
10 BellSouth's network.

11

12 By addressing the demarcation point in this manner, BellSouth  
13 believes that a more standard and administratively simple means for  
14 providing UNEs in central office locations will be the eventual result. In  
15 addition, the ALEC will have additional options for the collocation effort  
16 by making them less reliant on BellSouth and better able to self  
17 provision some of the collocation elements.

18

19

20 **Q. WHAT SOLUTION TO THIS ISSUE DOES BELLSOUTH PROPOSE?**

21

22 **A.** This Commission should affirm that BellSouth has the right to  
23 determine the location of the demarcation point at any point within its  
24 network. If the ALECs were allowed to choose their own demarcation  
25 points, they would each have different desires and the result would be

1 multiple demarcation points that would make it very difficult for  
2 BellSouth to administer. BellSouth will select the demarcation points at  
3 locations where it is technically feasible as well as administratively  
4 possible. There may be special cases where intervention by the  
5 commission is required to determine an appropriate demarcation point,  
6 but on whole BellSouth must have the right to make that decision.

7

8 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

9

10 A. Yes.

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 BY MS. WHITE:

2 Q Did you have three exhibits attached to your direct  
3 testimony, JK-1 to JK-3?

4 A Yes.

5 Q Do you have any changes to those exhibits?

6 A No.

7 Q Commissioner Jaber -- I'm sorry, were those exhibits  
8 prepared by you or under your supervision and direction?

9 A Yes.

10 MS. WHITE: I'd like to have the exhibits attached to  
11 the witness' direct testimony marked for identification. I'm  
12 going to avoid saying it now.

13 COMMISSIONER JABER: JK-1 through JK-3 shall be  
14 identified as Exhibit 14, composite Exhibit 14.

15 MS. WHITE: Okay.

16 (Exhibit 14 marked for identification.)

17 BY MS. WHITE:

18 Q Did you also cause to be prefiled in this case  
19 rebuttal testimony consisting of 10 pages?

20 A Yes, I did.

21 Q Do you have any changes to that testimony?

22 A No, I don't.

23 Q If I were to ask you the questions contained in your  
24 rebuttal testimony would your answers be the same?

25 A Yes, they would.

1 MS. WHITE: I'd like to have the rebuttal testimony  
2 of the witness inserted into the record as if read.

3 COMMISSIONER JABER: Prefiled rebuttal testimony of  
4 Jerry Kephart shall be inserted into the record as though read.

5

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- 1                   BELLSOUTH TELECOMMUNICATIONS, INC.  
2                   REBUTTAL TESTIMONY OF JERRY KEPHART  
3                   BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION  
4                   DOCKET NO. 001305-TP  
5                   AUGUST 15, 2001  
6
- 7    Q.    PLEASE STATE YOUR NAME, YOUR BUSINESS ADDRESS, AND  
8           YOUR POSITION WITH BELLSOUTH TELECOMMUNICATIONS,  
9           INC. (BELLSOUTH).
- 10
- 11   A.    My name is Jerry Kephart. My business address is 675 West  
12           Peachtree Street, Atlanta, Georgia 30375. I am Senior Director -  
13           Regulatory for BellSouth. I have served in my present position since  
14           October 1997.
- 15
- 16   Q.    ARE YOU THE SAME JERRY KEPHART WHO EARLIER FILED  
17           DIRECT TESTIMONY IN THIS DOCKET?.
- 18
- 19   A.    Yes.
- 20
- 21   Q.    WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY BEING  
22           FILED TODAY?
- 23
- 24   A.    In my testimony, I will address the technical aspects of network related  
25           issues which have been raised in the Direct Testimony of David A.

1 Nilson in this docket. Specifically, I will address the following issues, in  
2 whole or in part: Issues 10, 28, 34, 40 and 53. Also, I will address the  
3 Direct Testimony of Olukayode A. Ramos with respect to issue 35.

4  
5 Q. HAVE THE PARTIES DISCUSSED EACH OF THESE ISSUES IN AN  
6 INTERCOMPANY REVIEW BOARD MEETING AS ORDERED BY  
7 THE FLORIDA PUBLIC SERVICE COMMISSION?

8  
9 A. No. Although BellSouth attempted to engage Supra Telecom on all  
10 issues, Supra refused to negotiate the following issues during the  
11 Intercompany Review Board: 28, 33, 34, 40, and 53

12  
13 **Issue 10: Should the rate for a loop be reduced when the loop utilizes**  
14 **Digitally Added Main Line (DAML) equipment?**

15  
16 Q. IN WHAT CIRCUMSTANCES DOES BELL SOUTH DEPLOY DAML  
17 EQUIPMENT?

18  
19 A. BellSouth deploys DAML equipment on a very limited basis to expand  
20 a single loop to derive additional digital channels, each of which may  
21 be used to provide voice grade service. The deployment is limited to  
22 those situations where loop facilities are not currently available for the  
23 additional voice grade loop(s). DAML systems are generally not an  
24 economical long-term facility relief alternative except possibly in slow  
25 growth areas.

1 Q. IN HIS TESTIMONY, MR. NILSON STATES THAT BELLSOUTH  
2 OFTEN ADDS DAML TO THE FIRST LINE OF A CLEC CUSTOMER,  
3 WITH TWO PERFECTLY GOOD WORKING TELEPHONE CIRCUITS,  
4 IN ORDER TO PROVIDE A CLEC CUSTOMER TWO DAML  
5 PROVISIONED LINES. THIS THEN FREES UP A LOOP FOR A NEW  
6 BELLSOUTH CUSTOMER AND BELLSOUTH IS GETTING THE  
7 NEWLY DERIVED LOOP FOR FREE. IS THIS A TRUE  
8 STATEMENT?

9  
10 A. No. This is not a true statement. DAML equipment is provided by  
11 BellSouth as discussed above. It is not BellSouth's policy to utilize  
12 DAML equipment on CLEC customers in order to free up a loop for a  
13 BellSouth customer. If Supra Telecom thinks it has examples of such  
14 occurrences and wishes to furnish the specific examples to BellSouth,  
15 we will be glad to investigate and respond on a case by case basis.  
16 Regarding the statement that by adding a DAML, to either a BellSouth  
17 or Supra Telecom customer, BellSouth is getting a newly derived loop  
18 for free, this is also not true. The current in-plant equipment cost of  
19 standard 2:1 DAML systems is approximately \$581. The current  
20 Florida Commission approved non-recurring rate for a 2-wire analog  
21 voice grade unbundled non-designed loop is \$44.68. It is quite evident  
22 that BellSouth is not getting DAML derived loops for free.

23

24 Q. SHOULD THE RATE FOR THE UNBUNDLED LOOP BE REDUCED  
25 WHEN DAML EQUIPMENT IS USED?

1 A. No. The use of DAML equipment is a means to meet a request for  
2 service in a timely manner. As discussed above, it is not generally a  
3 more economic means of meeting demand on a broad basis than  
4 using individual loop pairs. Supra apparently believes that loops  
5 utilizing DAML equipment should be offered at a lower cost than other  
6 loops. However, costs for unbundled loops have been calculated in  
7 compliance with Federal Communications Commission rules on a  
8 forward-looking basis without regard to the manner in which the  
9 customer is served (e.g., copper or digital loop carrier). Indeed,  
10 because DAML-derived loops are more costly than DLC-derived loops,  
11 including DAML into the technology mix would raise rather than lower  
12 the rates on unbundled loops. Thus, the unbundled loop rates the  
13 Florida Public Service Commission has approved in the current UNE  
14 cost docket are appropriate and do not require any adjustment to  
15 recognize the use of DAML equipment.

16

17 Q. IN HIS TESTIMONY, MR. NILSON STATES THAT WITH DAML  
18 ADDED IN TO A STANDARD GR-303 INTERFACE A 56k MODEM  
19 CAN FALL TO A TRANSMISSION SPEED AS LOW AS 4.8K. IS THIS  
20 A TRUE STATEMENT.

21

22

23 A. It is true that the original Terayon DAML COT cards applied to some  
24 loops (all copper or integrated SLC96 circuits in particular) resulted in  
25 decreases in modem performance and a risk for customer

1 dissatisfaction and complaints. However, BellSouth has worked with  
2 Terayon to support a new card that will not produce a significant  
3 impairment to the signal. This card has undergone final testing and is  
4 currently being deployed in BellSouth.

5

6 **Issue 28: What terms and conditions, and what separate rates if any,**  
7 **should apply for Supra Telecom to gain access to and use BellSouth**  
8 **facilities to serve multi-unit installations?**

9

10 Q. IN HIS TESTIMONY, MR. NILSON REQUESTS THAT THE PARTIES'  
11 FOLLOW-ON AGREEMENT FOLLOW THE CURRENT STATE OF  
12 THE LAW IN ALL MATTERS. DO YOU AGREE?

13

14 A. Yes I agree. It is BellSouth's intention to follow the law. In fact, Supra  
15 offers no specific case in its testimony that attempts to show otherwise.  
16 It is difficult to understand from Mr. Nilson's testimony what, if any,  
17 problem Supra has with BellSouth on this issue. Regarding the issue of  
18 access to BellSouth facilities in multitenant environments, the  
19 Commission has ruled in dockets 000731-TP and 990149-TP that the  
20 appropriate method is to require BellSouth to construct an access  
21 terminal for access to NTW or INC pairs as may be requested by an  
22 ALEC. Supra (or another ALEC) would interconnect its network to  
23 these constructed access terminals. Such a methodology would  
24 permit Supra appropriate access to end users while providing both  
25 companies the ability to maintain appropriate records on an on-going

1 basis. These Florida rulings are fully consistent with all the FCC  
2 requirements outlined in Mr. Nilson's testimony.

3

4 **Issue 34: What coordinated cutover process should be implemented to**  
5 **ensure accurate, reliable, and timely cutovers when a customer changes**  
6 **local service from BellSouth to Supra?**

7

8 Q. IN HIS TESTIMONY, MR. NILSON DISCUSSES BELLSOUTH'S USE  
9 OF A "N" AND "D" (NEW AND DISCONNECT) ORDER INSTEAD OF  
10 A SINGLE "C" (CHANGE) ORDER WHEN CHANGING LOCAL  
11 SERVICE FROM BELLSOUTH TO SUPRA. HE ALSO CLAIMS THIS  
12 IS NOTHING MORE THAN A BILLING CHANGE. IS THERE ANY  
13 MERIT IN THIS POSITION?

14

15 A. No, there is not. This issue arose from the AT&T/BellSouth arbitration  
16 and specifically dealt with the case when AT&T wanted us to use its  
17 own switch to serve the end user. In such a case a coordinated cutover  
18 process results in a transfer of service from a BellSouth switch to a  
19 CLEC switch and is much more than a simple billing change. It  
20 requires a disconnect from a BellSouth switch and a reconnect to a  
21 CLEC switch as discussed in my previous testimony. The process  
22 requires high levels of coordination between BellSouth and the CLEC  
23 to which the unbundled loop is being provided to be successful. The  
24 same high level of coordination is required if a CLEC customer  
25 switches back to BellSouth. What Supra seems to be addressing is

1           when they are using a combination of network elements known as  
2           “une-p” to serve the customer, and not when they are using their own  
3           switch.

4

5       Q.    MR. NILSON ALSO DISCUSSES THE NEED FOR REPORTING THE  
6           TRUE CAUSE OF CUSTOMER LOSS OF DIALTONE SHORTLY  
7           AFTER CONVERSION. DO YOU AGREE?

8

9       A.    In a coordinated cutover process both parties are subject to failures  
10           that could result in loss of customer dialtone. BellSouth should not be  
11           held to a higher standard than Supra for reporting their difficulties.

12

13       **Issue 35: Is conducting a statewide investigation of criminal history**  
14       **records for each Supra employee or agent being considered to work on**  
15       **a BellSouth premises a security measure that BellSouth may impose on**  
16       **Supra?**

17

18       Q.    WHAT CONCERNS DOES SUPRA HAVE ABOUT CONDUCTING A  
19           CRIMINAL INVESTIGATION ON THEIR EMPLOYEES?

20

21       A.    It appears that Supra objects to the breath and scope of BellSouth's  
22           criminal background requirements. According to Mr. Ramos' testimony,  
23           Supra does conduct an open-ended, county-by-county criminal  
24           background search for each and every Supra employee. Anyone found  
25           to have been convicted of a felony or non-traffic related misdemeanor

1 is terminated from or not offered employment.

2

3 Q. IS SUCH A CHECK SUFFICIENT FOR BELLSOUTH?

4

5 A. Yes, provided Supra's check will also cover counties outside of Florida  
6 for employees that worked and/or lived outside the state in the past  
7 five years. All BellSouth asks is that Supra agree in the new contract  
8 that they will continue with this policy and that it also cover any agents  
9 of Supra that seek access to BellSouth central office locations. In fact,  
10 BellSouth would even be agreeable to the less stringent requirement  
11 as ordered by this Commission in the AT&T Arbitration Order, Docket  
12 000731-TP. This order requires a criminal background check on  
13 employees and agents who have been in their company for less than  
14 two years, and that may work on BellSouth's premises. BellSouth does  
15 not feel that either of these requirements are excessive, as stated by  
16 Mr. Ramos in his testimony, since they represent essentially no more  
17 than what Supra is already doing. BellSouth does not require any  
18 additional checks after the pre-employment review is completed.  
19 BellSouth still believes these background checks are necessary for the  
20 reasons stated in my testimony.

21

22 **Issue 40: Should Standard Message Desk Interface - Enhanced (SMDI-**  
23 **E) and Inter-switch Voice Messaging Service (IVMS), and any other**  
24 **corresponding signaling associated with voice mail messaging be**  
25 **included within the cost of the UNE switching port?**



1 Q. IN HIS TESTIMONY, MR. NILSON ASKS THAT THE COMMISSION  
2 ORDER THAT SMDI (SMDI-E and ISVM) IS A COMPONENT OF THE  
3 LOCAL SWITCH PORT AND ASSOCIATED SS7 SIGNALING AND  
4 THAT IT BE PROVIDED AT NO COST WHEN SUPRA ORDERS  
5 UNBUNDLED LOCAL SWITCHING. DO YOU AGREE?

6  
7 A. No. I do not agree. As I discussed in my previous testimony, SMDI-E  
8 and IVMS both have capabilities that go beyond the functionality  
9 contained in an unbundled switch port. Both features provide for data  
10 transmission to and from the customer's voicemail platform. BellSouth  
11 will provide these data transmission capabilities to Supra at the same  
12 tariffed rates that it provides SMDI-E and IVMS to other unaffiliated  
13 voice messaging providers. These are also the same tariffed rates  
14 BellSouth charges to its own voice messaging service. As an  
15 alternative, Supra may arrange to provide its own data transmission  
16 links and thus avoid the need to purchase BellSouth's services.

17  
18 **Issue 53: How should the demarcation points for access to UNEs be**  
19 **determined?**

20  
21 Q. WHAT DOES SUPRA WANT WITH RESPECT TO THIS ISSUE?

22  
23 A. Supra's testimony, while engaging in a reiteration of the FCC rules,  
24 offers no outstanding dispute with BellSouth for any specific access  
25 point to UNEs. Despite this lack of any current problem, Supra wants

1 the Commission to require BellSouth to provide access to UNEs at any  
2 technically feasible point desired by Supra, and apparently without any  
3 chance for BellSouth to present its case prior to arranging for such  
4 access. This is clearly contradictory to the very FCC rules which Supra  
5 quotes in its testimony. For example, Rule 51.319(a)(2)(B) states  
6 under *Technical Feasibility: If parties are unable to reach agreement,*  
7 *pursuant to voluntary negotiations, as to whether it is technically*  
8 *feasible, or whether sufficient space is available, to unbundle the*  
9 *subloop at the point where a carrier requests, the incumbent LEC shall*  
10 *have the burden of demonstrating to the state, pursuant to state*  
11 *arbitration proceedings under section 252 of the Act, that there is not*  
12 *sufficient space available, or that it is not technically feasible, to*  
13 *unbundle the subloop at the point requested.* Since Supra has not  
14 even presented a specific point of disagreement for access to UNEs in  
15 this arbitration case, BellSouth is not even in a position to know if it  
16 might have a problem with technical feasibility. This Commission  
17 should not allow Supra to have an unfettered right to determine  
18 demarcation points in BellSouth's network and to have the  
19 Commission penalize BellSouth even before it has the opportunity to  
20 present its case.

21

22 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

23

24 A. Yes.

25

1 BY MS. WHITE:

2 Q And Mr. Kephart, you had no exhibits to your rebuttal  
3 testimony; is that correct?

4 A No, I didn't.

5 Q Okay. Would you please proceed with your summary?

6 A Okay. Good afternoon, everyone. My direct and  
7 rebuttal testimony addresses a total of seven issues that are  
8 still unsettled between Supra and BellSouth, and I'll briefly  
9 address each of them as follows:

10 Issue 10, Digital Access Main Lines, or what I will  
11 refer to as DAMLs, consist of carrier type equipment that  
12 BellSouth periodically adds to a cable pair for the purpose of  
13 deriving one or more additional voice channels.

14 These devices are generally used on an exception  
15 basis in slow-growth areas or where facility shortages are  
16 evident. They may be used on lines serving ALEC or BellSouth  
17 retail customers. Supra is opposed to their use on any of  
18 their customers' lines, but BellSouth believes these are  
19 perfectly acceptable items of network equipment or would not be  
20 using them for its own customers. Oftentimes, the alternative  
21 to their use would be a significant delay in provisioning  
22 service to retail customers.

23 Issue 28, access to BellSouth's network terminating  
24 wire or intra building cable on multi-unit installations is  
25 another issue of concern to Supra. BellSouth has suggested the

1 use of access terminals for purposes of protecting network  
2 security and recordkeeping activities. This Commission has  
3 already affirmed BellSouth's view on this subject in at least  
4 three separate dockets that address this issue. BellSouth  
5 believes there is no reason to change things now and Supra has  
6 offered nothing new to advance their case.

7 Issue 33, Supra has asked for access to unbundled  
8 packet switching from BellSouth in cases where digital loop  
9 carrier facilities are being utilized. As explained in my  
10 testimony, BellSouth will offer Supra the opportunity to  
11 collocate DSLAMS in our remote terminals upon their request for  
12 the provision of their own broadband services. As explained in  
13 Cindy Cox's rebuttal testimony, this offering satisfies the  
14 existing FCC rules negating any requirements upon BellSouth to  
15 offer unbundled packet switching.

16 Issue 34, my testimony explains in detail the  
17 coordinated cutover process that BellSouth uses to change a  
18 customer line from a BellSouth switch to a Supra switch. This  
19 process has evolved and been improved over the years in  
20 collaboration with the ALECs so that it now works quite  
21 effectively the vast majority of the times.

22 It is incumbent upon both parties to perform their  
23 portions of this coordinated process well in order to avoid any  
24 disruptions in customer service. Supra has not specifically  
25 offered any suggestions on how to improve the process and

1 should not be taken seriously unless doing so.

2 Issue 35 was the one mentioned earlier about the  
3 security criminal background checks, and as stated we settled  
4 that issue from my information, so I won't go on on that.

5 Issue 40, BellSouth provides a data transmission  
6 service called Standard Message Desk Interface, SMDI. That is  
7 a telecommunications service used in the provision of an  
8 information service voice mail. All voice mail providers that  
9 utilize this capability, including BellSouth, purchase this  
10 service or its companion service, I-SMDI, from BellSouth's  
11 standard tariffs. BellSouth has offered Supra the same option,  
12 or if they wish to provide a portion of the service themselves  
13 BellSouth will sell them the remaining network elements at UNE  
14 prices. BellSouth believes this is a fair and reasonable  
15 manner in which to offer a communications capability that  
16 underlies a nonregulated information service.

17 And finally, Issue 53, the demarcation point for  
18 access to UNEs has been well established in most cases since  
19 the passage of the Telecommunications Act. Supra has not  
20 offered any specific dispute with BellSouth's current  
21 demarcation point specifications, but would like to have a  
22 blanket requirement for access at any technically feasible  
23 point desired by Supra. BellSouth would simply like to follow  
24 existing determinations by regulators for appropriate  
25 demarcation points and be allowed to present their case for any

1 new ones requested by Supra before such access is affirmed.

2 And that's my summary.

3 MS. WHITE: Thank you, Mr. Kephart. Mr. Kephart is  
4 now available for cross examination.

5 COMMISSIONER JABER: Okay.

6 MR. CHAIKEN: Thank you.

7 CROSS EXAMINATION

8 BY MR. CHAIKEN:

9 Q Good afternoon, Mr. Kephart.

10 A Just call me Jerry, if it would be easier.

11 COMMISSIONER JABER: He made a joke and I missed it.

12 BY MR. CHAIKEN:

13 Q Mr. Kephart, isn't it true that prior to this  
14 proceeding you had no dealings or communications with any  
15 member of Supra Telecom?

16 A That's correct.

17 Q Isn't it true you did not participate in any  
18 negotiations between Supra and BellSouth?

19 A That's correct.

20 Q Isn't it also true that you have no direct knowledge  
21 regarding any of the negotiations between the parties?

22 A I have no personal knowledge as a result of being  
23 there. I've talked to other people about the negotiations.

24 Q Would it be fair to say that you are unfamiliar with  
25 the parties' past relationship?

1           A     Basically, yes. I've heard some things, but nothing  
2 specific.

3           Q     It's not part of your job to negotiate  
4 interconnection agreements with CLECs, is it?

5           A     So far it's not, no.

6           Q     In negotiating a follow-on agreement, as is the case  
7 here, would you agree that the party's current agreement would  
8 be a logical starting point for negotiations?

9           A     Well, again, I don't negotiate contracts, so it might  
10 be or it may not be. I guess, it depends on the circumstances.

11          Q     In negotiating a follow-on agreement, do you think it  
12 would be logical for the parties to incorporate language which  
13 would help prevent disputes which had arisen in the past  
14 between the parties?

15          A     Yes.

16          Q     I'm going to talk to you a little bit about Issue 28.  
17 In your opinion and in BellSouth's proposal in terms of placing  
18 access terminals, should the parties treat all multi-tenant  
19 dwellings the same?

20          A     In terms of placing an access terminal, yes. All  
21 multi-tenant dwellings are not the same in terms of how they  
22 have been wired, so we would have to look at the situation for  
23 each given unit and determine what's the best way to go about  
24 placing an access terminal and pre-wiring that access terminal.  
25 But in general, I think, yes, in terms of placing the access

1 terminal we're proposing they all would be treated the same.

2 Q In your testimony you draw a distinction between,  
3 quote, high-rise, unquote and, quote, garden, unquote,  
4 apartments; do you recall that?

5 A Yes.

6 Q Why do you draw the distinction if you propose to  
7 treat all multi-tenant dwellings the same?

8 A Well, I draw the distinction to clarify that some  
9 multi-tenant units only involve network-terminating wire that  
10 is cross-connected to the distribution facility, usually in a  
11 garden terminal. In large buildings we have intra building  
12 cable or what we call INC that we also have involved that's  
13 between the distribution cable and between the NTW, so we treat  
14 that a little bit different, so again, it depends on the type  
15 of environment that you're in. It's not to say that all office  
16 buildings would have intra building cable, but when you show  
17 the garden apartment situation as contrasted to a multi-tenant  
18 building, it clarifies the distinctions between the two and how  
19 we would treat them.

20 Q How do you define high-rise?

21 A I don't define high-rise. It's a multi-tenant  
22 building that goes up multiple stories.

23 Q Okay.

24 A More than one, anyway.

25 Q So, based on your testimony isn't it true that a



1 three-story building could either be considered a garden or a  
2 high-rise?

3 A Yes, it could be.

4 Q What does it depend on?

5 A There may be cases where we would have intra building  
6 cable in one and not in the other.

7 Q And which one would be the garden and which one would  
8 be the high-rise?

9 A In the garden apartment type situation we just  
10 generally have the network terminating wire involved.

11 Q Now, isn't it true that BellSouth believes keeping  
12 accurate inventory is especially critical regarding access  
13 terminals in multi-tenant buildings?

14 A Yes, particularly where it involves the intra  
15 building cable.

16 Q Now, isn't it true that BellSouth keeps these records  
17 in the LFACS, L-F-A-C-S, database?

18 A Yes.

19 Q Do you know if ALECs have access to that database?

20 A Well, that's an OSS issue. They can -- I know  
21 through doing loop makeup on particular loops that they get  
22 access to LFACS information via that method, so I guess the  
23 answer to the question is yes.

24 Q Do you think it's important that CLECs have access to  
25 that information?

1 A Yes or we wouldn't be providing it.

2 Q Fair enough.

3 Move on to Issue 33. Isn't it true, Mr. Kephart,  
4 that you're not familiar with Supra's past attempts to  
5 collocate equipment with BellSouth?

6 A That's correct.

7 Q Are you familiar with any of the proceedings before  
8 this Commission in which Supra has sought space to collocate  
9 equipment in BellSouth's central offices?

10 A No, I'm not.

11 Q Do you know if Supra ever requested to collocate  
12 equipment at a BellSouth remote terminal?

13 A I don't know for sure. I don't believe that they  
14 have, specifically. We have not had many requests for that. I  
15 don't recall Supra having done it, but you'd know better than I  
16 would.

17 Q In situations where facilities don't exist, I think,  
18 you testified that BellSouth would build a new or an add-on to  
19 a remote terminal upon Supra's request; do you recall that?

20 A Are you talking about cases where Supra would ask for  
21 a collocation of a DSLAM in a remote terminal?

22 Q That's correct.

23 A Yes, we would have to make arrangements to allow for  
24 that collocation of that equipment, and we'd have to look at  
25 the site and determine what work would need to be done to make

1 room for CLEC DSLAMS.

2 Q Do you know how long it takes for BellSouth to build  
3 a new remote terminal?

4 A To build a brand new one?

5 Q Yes.

6 A Boy, that could vary based on -- when you're talking  
7 about a brand new one, you're talking about going into an area  
8 and engineering not only the remote but laying in the cable and  
9 all that other sort of stuff, that could take months. If  
10 you're talking about adding to or making space in an existing  
11 remote, then we're probably looking at something in the  
12 neighborhood of 60 days.

13 Q How long does it take for BellSouth to add on to an  
14 existing remote terminal so as to allow additional CLECs to  
15 collocate DSLAMS?

16 A Well, again, it would depend on the nature of the  
17 location, the type of remote, whether we'd have to get permits  
18 to expand out from where we currently are. It's a case-by-case  
19 basis.

20 Q Do you know whether or not BellSouth would be willing  
21 to sell DSL as a UNE during the time it took to expand or build  
22 a new remote?

23 A That's not our policy.

24 Q So, isn't it true that during the time period in  
25 which BellSouth was building or expanding a new remote Supra

1 would be unable to offer customers in the affected area DSL  
2 services despite the fact that possibly BellSouth could?

3 A Well, that's true, but BellSouth is in the same  
4 situation. When you're -- as any company would be, when you're  
5 determined to move into a particular market area to sell a  
6 particular product, there's always start-up costs involved and  
7 there's time involved in getting established before you can  
8 market your product, and BellSouth faces that same issue prior  
9 to the time they have deployed DSLAMS in remotes, so a CLEC  
10 would face that as well.

11 Q But it's conceivable that BellSouth could be  
12 providing a service in that area where a CLEC, such as Supra,  
13 would have to wait, correct?

14 A For broadband access service, yes, until such time as  
15 you're able to collocate you'd have to wait.

16 Q I'm going to move on to Issue 34. Now, when Supra  
17 converts a customer via UNE-P without having a switch isn't it  
18 true that the cutover process is entirely the responsibility of  
19 BellSouth?

20 A For the most part, ya'll have to submit an order,  
21 but --

22 Q Other than that.

23 A -- we do the work.

24 Q Correct. Now, do you know if BellSouth issues a  
25 disconnect and a reconnect order to accomplish this collo?

1 A Yes.

2 Q Are you familiar with the claims of Supra and IDS  
3 regarding end user service outages?

4 A No, I'm not.

5 Q You never investigated those claims?

6 A No, I've never been personally involved in  
7 investigating these claims.

8 Q Now, isn't it true that a conversion of a customer  
9 from BellSouth to a CLEC via UNE-P is merely a billing change?

10 A Well, no, it's not exactly a billing change. We are  
11 effectively turning over a portion of our plant on the UNE  
12 basis to another company, and there are billing issues that  
13 have to go with that, because that's a different price for  
14 doing that than it is for, say, resale, but -- so we have to  
15 address that within our systems and make sure it's recorded  
16 correctly so that we can handle everything, but it is a case  
17 where now the CLEC has ownership of the physical plant through  
18 leasing it from us versus a resale situation, so there is a  
19 difference from a systems standpoint, in particular.

20 Q Is there a reason why the line would have to be  
21 disconnected in order to effectuate that change?

22 A It only has to be disconnected in the sense that that  
23 is no longer a customer of BellSouth's, that BellSouth has  
24 recorded as a customer, I guess, is the best way to say it.  
25 So, we have to disconnect that information from our databases

1 and record that now that cable pair and switch port feature is  
2 now under the direction of the ALEC.

3 Q Would that require the physical disconnection of the  
4 copper --

5 A Should not, no.

6 Q Okay. And if I could just finish my question for the  
7 record, that would not physically effect the physical  
8 connection between the copper loop and the port?

9 A No, it should not, in most cases anyway.

10 Q Why does BellSouth issue a disconnect and reconnect  
11 order?

12 A It's a way to get it recorded in our systems  
13 correctly.

14 Q When BellSouth switches a resale -- a customer from  
15 BellSouth to a CLEC via resale, BellSouth doesn't need to issue  
16 a disconnect or reconnect, does it?

17 A No. That's a C order process, and it is closer to a  
18 billing change, because we're still providing the service, and  
19 all we're doing is discounting the retail service to the  
20 wholesale price, where with UNEs we're billing a whole  
21 different set of USOCs in order to accomplish that.

22 Q So, you're able to issue an order that doesn't  
23 require a disconnect and a reconnect for resale, but you do  
24 require that for UNE-Ps?

25 A That's correct.

1 Q And that's because UNE-Ps are built differently than  
2 resale?

3 A That's part of the reason.

4 Q What's the other?

5 A I'm not really a real -- you're into an area that's  
6 not even the subject of what I filed testimony on, so I'm  
7 trying to help you the best I can. I'm not a real expert on  
8 all those reasons, but I know that it's a totally separate set  
9 of billing requirements and that we have looked at all the  
10 various ways we might accomplish doing UNE-P conversions and  
11 the best most effective way we came up with was to do the N and  
12 the D order process and that we have done studies of thousands  
13 and thousands of these that we've completed in recent months,  
14 and our error rate is somewhere around 1% or less, so we think  
15 it's a very effective method and it works very well and creates  
16 very few trouble conditions for ALECs.

17 Q Are you familiar with this Commission's Order in FPSC  
18 98-0810, and that's an Order number, wherein this Commission  
19 found that the change from a retail -- BellSouth retail  
20 customer to a CLEC UNE-P customer was nothing more than a  
21 billing change?

22 A I don't think I've read the Order, no.

23 Q In the UNE-P environment, if a customer -- if a  
24 BellSouth customer was changed to a Supra UNE-P customer, what  
25 could Supra do to ensure that its end users were not improperly

1 without service?

2 A What could Supra do? Well, anytime that an ALEC  
3 issues an order to BellSouth they should expect BellSouth to  
4 work that order and do it trouble-free. Now, sometimes that  
5 doesn't always happen, but it doesn't happen with our own  
6 orders as well, and we report lots of information to this  
7 Commission monthly on our success rate at doing that versus our  
8 own retail services, and I know there are proposals for  
9 penalties that we would have to pay if we don't do it at  
10 parity.

11 So, I think that an ALEC has the ability to review  
12 those measurements and decide whether or not they're being  
13 treated at parity. And if not, then they can escalate that  
14 problem from there either to the Commission or to BellSouth, so  
15 I think they have that way to monitor what goes on, but they're  
16 not involved in the work process, for the most part, other than  
17 issuing the order, so it's up to us to do it.

18 Q Now, when BellSouth converts a Supra UNE-P customer  
19 or a Supra resale customer back to BellSouth, is BellSouth  
20 experience-- or does BellSouth's end users experience  
21 disconnections?

22 A I don't know. As I said, this process is relatively  
23 error-free, 1% or less error rate from all the studies we've  
24 done, so I would not think that there would be a problem coming  
25 back anymore frequently than going out to Supra. Hopefully,



1 there wouldn't be, but I haven't seen any statistics on that.

2 Q Now, you've just mentioned you have some studies  
3 which show the error rate to be less than 1%. Do you know what  
4 studies specifically those are?

5 A Well, I haven't been involved in those studies, but I  
6 believe that we have filed testimony in other cases that have  
7 stated that.

8 MR. CHAIKEN: May I ask permission of the Commission  
9 for a late-filed exhibit regarding any studies evidencing that  
10 fact?

11 COMMISSIONER JABER: Let's ask the witness if he can  
12 answer that question in a late-filed exhibit, and then I'll  
13 identify it.

14 BY MR. CHAIKEN:

15 Q Mr. Kephart, could you provide that exhibit as a  
16 late-filed exhibit?

17 A In terms of what we filed before? Yes, I'm sure I  
18 could find that and provide that.

19 Q In terms of a document which evidences the error rate  
20 for switches -- or conversions of BellSouth customers to CLEC  
21 UNE-P customers error rate being less than 1%?

22 A Where we've done UNE-P conversions, I think, is what  
23 the studies -- I'm not familiar in detail with all the studies  
24 that have been done, but I know we filed testimony to that  
25 effect.

1 COMMISSIONER JABER: Mr. Chaiken, I'm not real clear.

2 A And it had to do with UNE-P conversions. Excuse me?

3 COMMISSIONER JABER: I'm not real clear on what  
4 exactly you want in the late-filed exhibit, so tell me once  
5 more.

6 MR. CHAIKEN: Sure. Mr. Kephart just testified that  
7 he was aware of studies which showed that the error rate for  
8 conversions of BellSouth customers to CLEC UNE-P customers was  
9 less than 1%. I just want a copy of that, any studies  
10 evidencing that fact.

11 THE WITNESS: Approximately, 1%. I don't know the  
12 exact number, but it's in that area.

13 COMMISSIONER JABER: Okay. So, you want as a  
14 late-filed exhibit a study or whatever documentation  
15 Mr. Kephart can find that indicates there is an error rate of  
16 nearly 1% for conversions from BellSouth customers to ALEC  
17 customers.

18 MR. CHAIKEN: Correct.

19 COMMISSIONER JABER: Okay. That will be late-filed  
20 Exhibit Number 15.

21 (Late-Filed Exhibit 15 identified for the record.)

22 MR. CHAIKEN: And I don't want to ask too much, but  
23 also any -- similar to the performance measurement booklet, I  
24 believe that we received, the Service Quality Measurement plan  
25 evidencing exactly what the measurements are and a description

1 of those measurements.

2 COMMISSIONER JABER: Now, what issue would that go  
3 to?

4 MS. WHITE: I'm sorry, I'm confused, too, on that.

5 COMMISSIONER JABER: Mr. Chaiken, help me understand  
6 what issue that last request would go to is the first question.  
7 The second question is information similar to what was  
8 previously identified as Issue 10?

9 MR. CHAIKEN: Correct.

10 COMMISSIONER JABER: Okay. Walk me through that, and  
11 then tell me what issue that information would go to.

12 MR. CHAIKEN: Sure. Well, I'll walk you through why  
13 we want it. Because having him give statistics without  
14 explaining what they are or how they're measured would be  
15 virtually useless. And, I think, we'd at least want a  
16 description of their measurement.

17 COMMISSIONER JABER: Okay. So, this would relate to  
18 statistics measurements with regard to the documentation he  
19 would provide in Exhibit 15?

20 MR. CHAIKEN: Correct, and only that.

21 COMMISSIONER JABER: So, it's not necessarily you  
22 want something in Exhibit 10 format.

23 MR. CHAIKEN: No.

24 COMMISSIONER JABER: You want an index of what the  
25 documentation is in Exhibit 15.

1 MR. CHAIKEN: Correct.

2 COMMISSIONER JABER: Mr. Kephart, is that something  
3 you can do? I think, all he's asking for is some sort of index  
4 or table that explains the documentation in late-filed exhibit  
5 15.

6 THE WITNESS: All I know is that we had a witness  
7 file in our 271 case information about those studies. Now, I'm  
8 sure that he's got stuff to back that up, but I have never seen  
9 it personally, so I would commit to try to find it, but I don't  
10 know what he's got. All I know is what he said in his  
11 testimony.

12 COMMISSIONER JABER: Mr. Chaiken, I think, it's  
13 sufficient in the same exhibit to ask that whatever back-up  
14 information or back-up explanation to late-filed Exhibit 15 be  
15 included in late-filed Exhibit 15.

16 MR. CHAIKEN: That's --

17 COMMISSIONER JABER: Is that adequate?

18 MR. CHAIKEN: That's more than adequate. Thank you.

19 COMMISSIONER JABER: Okay. BellSouth are you clear  
20 on --

21 MS. WHITE: That's fine. And, I think, I understand  
22 what he's looking for.

23 BY MR. CHAIKEN:

24 Q Mr. Kephart, you mentioned the fact that somebody  
25 filed on behalf of BellSouth in that 271 proceeding. Do you

1 know the name of that person?

2 A I think, his name was Ainsworth. I can't remember  
3 his first name.

4 Q Okay. Can you spell that?

5 A A-i-n-s-w-o-r-t-h, I believe.

6 Q Thank you.

7 A Ken -- I think, it's Ken Ainsworth.

8 Q Now, we've been discussing a conversion of a  
9 BellSouth customer to a Supra UNE-P customer. Do you know  
10 whether or not there should ever be a loss of customer dial  
11 tone when a Supra resale customer is converted to a Supra UNE-P  
12 customer?

13 A Normally, there should not be. As I said, that's the  
14 kind of stuff that we believe we have a 1% or less error rate  
15 on.

16 Q The same studies show that less than 1% error rate?

17 A I don't know if the studies pick up resale of UNE-P  
18 or just UNE-P by itself or, you know, I don't know the details  
19 of the studies, but the process is virtually the same and  
20 should be virtually error-free.

21 Q So, for Supra to switch its own resale customer to a  
22 UNE-P customer, it would also require BellSouth to submit a  
23 disconnect and a reconnect order?

24 A Yes, I believe so.

25 Q Now, if there were disconnections or other problems

1 resulting from these types of conversions, either from  
2 BellSouth to Supra UNE-P or from Supra resale to Supra UNE-P,  
3 would it be reasonable for Supra to expect BellSouth to report  
4 any such problems and the reasons why such problems occurred?

5 A Well, we report results on service orders that we  
6 complete for the ALEC, so in that sense, we do report lots of  
7 data in our measurement system. If you're talking about on an  
8 individual basis, I think, what we're geared towards is a  
9 completion date whenever we're working an order and we do  
10 everything we can to meet the completion date, and if we don't  
11 meet the completion date there are things that flow through our  
12 systems to ALECs to notify them that there's either a jeopardy  
13 on this order or that the order has a facility problem and will  
14 be completed at a later date, so in that sense we do notify  
15 ALECs.

16 If there's a trouble condition in the process of  
17 working the order, I think, our first objective would be to fix  
18 it as quickly as possible, rather than take the time out to try  
19 to call Supra to tell them there's a trouble condition. We  
20 would just fix it in the process of working the order.

21 COMMISSIONER JABER: Mr. Chaiken, how much longer do  
22 you have with this witness?

23 MR. CHAIKEN: I'm going to say depending on the  
24 witness's answers, maybe 20 minutes. However, I would like to  
25 inform the Commission that BellSouth this afternoon provided us

1 with an exhibit or a document pursuant to our second request  
2 for production, which they had refused to give us until we  
3 signed a protective agreement. We came to terms on that  
4 protective agreement this afternoon, and we were provided with  
5 that exhibit this afternoon. We would like the opportunity to  
6 take it with us home this evening and review it and ask  
7 Mr. Kephart questions in the morning on that.

8 COMMISSIONER JABER: Talk about it with BellSouth and  
9 Staff. The only reason I was asking is I'm going to go ahead  
10 and take a 10-minute break and we'll get back on the record and  
11 finish with this witness, okay?

12 MR. CHAIKEN: Okay.

13 (Recess taken.)

14 COMMISSIONER JABER: Let's get back on the record.  
15 Mr. Chaiken, you were wrapping up your cross examination.

16 MR. CHAIKEN: I believe, Mr. Twomey had a comment he  
17 wanted to make about my last statement.

18 MR. TWOMEY: Go ahead.

19 MS. WHITE: Let's just suffice it to say that while  
20 we disagree strongly with Mr. Chaiken's characterization of the  
21 events that led up to the production of the document that he  
22 wants to cross Mr. Kephart on, I don't think that anybody's in  
23 the mood right now to hear detail on that, so let's just  
24 suffice it to say we do disagree with that.

25 However, we would be happy to try be flexible and

1 bring Mr. Kephart back tomorrow to answer questions on that  
2 particular document. I would like to it be limited to that  
3 document and not just additional cross that wasn't thought of  
4 today.

5 COMMISSIONER JABER: Let's address that at the very  
6 end of your questions; not the questions related to that  
7 exhibit, but just at the very end of your questions tonight.

8 MR. CHAIKEN: Okay.

9 COMMISSIONER JABER: Okay. Go ahead.

10 MR. CHAIKEN: Thank you.

11 COMMISSIONER JABER: Thank you, Ms. White.

12 BY MR. CHAIKEN:

13 Q Before the break, Mr. Kephart, we were discussing  
14 when it would be appropriate for BellSouth, if ever, to report  
15 problems which happened in the conversion process. Now, in the  
16 event that a Supra customer was disconnected during that  
17 process, for whatever reason, do you think it would be  
18 appropriate for BellSouth to report that problem to Supra?

19 A Well, I would think that normally what would be  
20 appropriate if we discovered that we made an error causing a  
21 customer to be out of service that we would fix it, and that's  
22 where we would focus our attentions, not focus our attentions  
23 on trying to contact ALECs to notify them that we know we got  
24 one of your customers out of service and we're working on it.  
25 I think that would only take extra time that would take away



1 from the time that would be necessary to fix it.

2 Now, on the other hand, if it turned out to be  
3 something major like a facility problem where we actually had  
4 to dispatch somebody to the field to clear a defective pair or  
5 something of that nature that would take maybe several days to  
6 complete then, yeah, I think, we should notify you all so you  
7 can keep your customer informed, but normally in this type of  
8 stuff there's not a dispatch involved, it's all inside work,  
9 and if we know we've got a problem we can fix it pretty  
10 quickly.

11 Q Notwithstanding the fact that BellSouth has an  
12 obligation to fix the problem, if Supra's customer is without  
13 service for, say, a period of time greater than a few seconds  
14 or a few minutes, don't you think that Supra has an obligation  
15 to inform or to respond to its customer's complaints?

16 A Well, remember that in most cases a customer wouldn't  
17 even know it. Most of the time, people aren't using their  
18 telephone during the day. Yes, you're right, if they're using  
19 their phone and we're working on the line and it goes out of  
20 service they might know at that point and they might pick up  
21 another phone if they can get access to one and call you, but  
22 still, if we knew that we had a problem, it would seem to me  
23 the smartest thing to do would be to go ahead and fix it.

24 Now, if we did that and then you got the customer  
25 call, you would send a report to us that you have a trouble on

1 this customer's line, and then we would test the trouble. And  
2 if we had fixed it by then, it would test okay and we would  
3 close it back to you as being repaired or being okay.

4 Q Is it BellSouth's present policy to provide reports  
5 of customers line side problems that keep them out of service  
6 for over three days?

7 A To do what now?

8 Q To report problems that result from a customer's side  
9 of the fence, basically a line side -- are you familiar with  
10 the terms line side?

11 A Yes.

12 Q What does that mean to you?

13 A Well, it's something served off the line side of the  
14 switch, which is what most, say, residential customers would  
15 have.

16 Q Does BellSouth have a policy regarding reporting  
17 outages to CLECs regarding line side outages?

18 A If it's a CLEC customer that's served off of the line  
19 side of a switch, we would normally know if it went out of  
20 service. You would know based on your customer reporting it to  
21 you, and then you would give us a report and we would go fix  
22 it. I mean, that's the same process we go through with our own  
23 retail customers. If they go out of service, they call us, and  
24 we test the line and we fix it and repair it, so I'm not sure  
25 why it's any different.

1 Q What about in a situation when a cable is cut?

2 A Well, in the case of a cut cable, you know, you'd  
3 have to determine what lines are out of service and, generally,  
4 you'll dispatch someone out to splice the cable back together  
5 again. Yes, there are cases where when we go out to the field  
6 if it's a major office building or something like that that's  
7 been affected where we can easily get to it we'll notify people  
8 that the line has been cut and we're working on it. And it  
9 wouldn't matter whether those -- we may not even know whether  
10 those are ALEC customers or our customers, we would just know  
11 that that facility serves a particular building or location,  
12 and we would do it indiscriminately.

13 Q Is there a set policy? I mean, will that always  
14 happen? Will BellSouth always provide that notification to a  
15 CLEC?

16 A I don't know of a policy -- I'm not aware of a policy  
17 on that. What we try to do is to correct the troubles as  
18 quickly as we can irrespective of who the customer is, whether  
19 they're our customers or anybody else's.

20 Q Going to move to Issue number 40 and, I think, you  
21 testified earlier and even in your summary you stated that SMDI  
22 service -- I think, I'm going to talk about SMDI-E enhanced  
23 service is a telecom service that is used to facilitate the  
24 provision of an information service; do you recall that?

25 A Yes.

1           Q     Now, in situations where Supra provided its own  
2 transport via unbundled switching, isn't it true that BellSouth  
3 would not seek to charge Supra an additional fee for the  
4 SMDI-E?

5           A     What we've tried to say here, because we're not  
6 really sure what Supra wants to do, but we have this service  
7 capability that is used by people that provide voice mail  
8 service which are information service providers by definition,  
9 and that includes BellSouth as well. We utilize the service as  
10 well.

11                     And what we have said is that sell that communication  
12 service to voice mail providers, information providers, out of  
13 the tariff. We use it for our own memory call service and  
14 purchase it from the tariff at the same rates as unaffiliated  
15 voice message providers would purchase it, and we would also  
16 offer to sell it to Supra for its voice mail service when it's  
17 acting as an information service provider at the same tariff  
18 rate. That's the first option.

19                     The second option is that Supra has indicated, from  
20 what I've been able to gather from some of the testimony, that  
21 they would like to provide some portion of that capability  
22 themselves, and we have said that that's okay. As a CLEC they  
23 can do that, and we will sell them the remaining portion of the  
24 service at unbundled rates for the UNEs that are required to  
25 provide it, and that would take -- this is not something we've

1 done in the past, so it would take an analysis of what it is  
2 that Supra wants to do, what portion they want to provide  
3 themselves, and then we're going to have to look at the rest of  
4 the service and the capability, break it down into the UNEs  
5 that are there, and say we'll charge you the UNE rates for  
6 these additional elements, and that's basically what our  
7 position -- I've tried to espouse on this issue, if that makes  
8 sense.

9 Q Do you recall being deposed in this matter on  
10 September 17th?

11 A Yes.

12 Q And do you recall me asking you the following  
13 questions and you giving the following answers: "Question:  
14 Would BellSouth seek to charge Supra for the SMDI signaling  
15 where Supra provided the transport? Answer: If you were  
16 buying unbundled switching? Question: Sure, in that case.  
17 Answer: No, you would just provide your own link."

18 Is your answer any different today to those  
19 questions?

20 A No, I don't think so. What I said is if you're  
21 providing -- on SMDI, if you're providing your own link, we're  
22 not going to charge you for that link, that's correct.

23 Q And that's because --

24 A Whether or not there are any other unbundled elements  
25 associated with completing that service is an analysis that we

1 would have to do to determine whether or not there were any  
2 additional charges associated with it.

3           For example, if you're only talking about SMDI, you  
4 would have some kind of a link from the central office, the  
5 host office, over to your voice mailbox, which I assume that's  
6 what you're talking about providing, and we would provide you a  
7 connection to the host switch at the demarc point in the  
8 central office in order to complete that circuit. And we would  
9 have to look at whether or not there were any additional  
10 unbundled elements associated with that. I don't know if there  
11 are, because we haven't analyzed that. There may not be, but  
12 that's what we would have to look at given that's what you  
13 wanted to provide.

14           Now, with I-SMDI, it's a different situation, because  
15 it involves multiple offices and there are, obviously, in that  
16 case, in my mind anyway, additional unbundled elements  
17 associated with signaling to get it to all those different  
18 offices, and we'd have to look at that, but we would not expect  
19 you to pay for anything that you were providing yourself.

20           Q     You'd agree that SMDI-E is a feature or function of a  
21 switchboard, correct?

22           A     No. SMDI-E, which we refer to as I-SMDI, involves  
23 multiple switches that get the data information back to a host  
24 switch and then it goes from there to the voice mailbox. It  
25 involves more of a data transport issue than it does of a

1 switching issue.

2 Q Would you agree that ISVN plus SS7 signaling equals  
3 SMDI-E?

4 A I-SMDI, which is what I think you're talking about,  
5 involves switches in the network plus signaling transport, plus  
6 switch software at the host switch, plus a data link from there  
7 out to the voice mailbox, so there's a number of different  
8 elements involved in completing that entire service.

9 Q Did you file an exhibit evidencing this?

10 A Did I file an exhibit on this?

11 Q Yes.

12 A I don't think I did. There is a tariff on this  
13 that's accessible for the tariff service.

14 Q We'll move on to Issue number 10, and that deals with  
15 DAML.

16 A Right.

17 Q What does DAML stand for?

18 A Digital Access Main Line.

19 Q Now, how could a CLEC determine if a customer -- if  
20 one of its customers were served via DAML or via a copper loop?

21 A You could do a loop makeup.

22 Q And how does a CLEC do a loop makeup?

23 A Well, Mr. Pate can describe that process better than  
24 I can, but it -- I've seen it done. You have to have access  
25 through a LENS or TAG or ROBOTAG, I believe, are the systems.

1 And given that you have such access, you input a telephone  
2 number or a circuit ID and you get back information about the  
3 cabling pair or pairs that serve that address location you're  
4 looking at.

5 Q Is that the same process a CLEC would use to  
6 determine if multiple customers' lines were served via the same  
7 DAML?

8 A If multiple customer lines -- well, remember, a DAML  
9 is a device that's put on a single copper pair to provide  
10 multiple voice channels digitally derived for an individual  
11 customer, so because it's simply a piece of carrier equipment  
12 it would be part of the loop makeup information, and by doing a  
13 loop makeup, you could find that information out.

14 Q You mentioned circuit IDs. What's a circuit ID?

15 A Well, in cases where you would get unbundled loops  
16 from BellSouth, you can use them for whatever you want and you  
17 would assign your own telephone number, so we would give you a  
18 circuit number associated with that particular loop.

19 Q That's something that BellSouth assigns and provides  
20 to CLECs?

21 A In providing the loop, yes, you would get that  
22 information.

23 Q Is that information contained in a database similar  
24 to LFACS or would it be LFACS?

25 A I believe, it's in LFACS, yes.



1 Q Now, I believe, you testified to the fact that  
2 BellSouth has become aware that the use of DAML lines resulted  
3 in substandard modem performance; is that correct?

4 A That's correct.

5 Q And when did BellSouth first learn of this?

6 A I don't know the exact time, but we've already got a  
7 fix for it, so it's probably been awhile. We've gone to the  
8 vendor and asked them to fix it, and they've come up with a new  
9 card to resolve the problem.

10 Q So, BellSouth's vendor has provided a new DAML card.  
11 Are these cards being used to replace old cards?

12 A They are in those cases where we have customer  
13 complaints. You know, not all customers are using modems, but  
14 if we get a customer complaint about access to the Internet we  
15 would go out and replace it with a newer card.

16 Q Now, there are different types of DAML. Are you  
17 familiar with that?

18 A Yes.

19 Q 2 to 1, 4 to 1, 6 to 1 and 8 to 1?

20 A Correct.

21 Q Okay. I believe, in your testimony you claim that  
22 implant equipment cost for a 2-to-1 DAML system is \$581,  
23 correct?

24 A That's correct, that's one associated with a DLC  
25 remote.

1 Q And you were given that number from a consultant of  
2 BellSouth, correct?

3 A Yes.

4 Q Now, you don't know what the implant equipment cost  
5 is for a copper loop, do you?

6 A The implant equipment cost for a copper loop? I  
7 don't know off-hand. I don't do those cost studies.

8 Q All right. But you wouldn't use that to compare to a  
9 2-to-1 DAML, would you?

10 A For what purpose?

11 Q To see which one was the least expensive?

12 A No, because we don't provide DAMLs as a first choice  
13 engineering solution to configure our outside plant. It's  
14 used, more or less, on an exception basis when we're short of  
15 facilities or we're in very low-growth areas where we don't  
16 expect the need to add additional facilities. It's not the  
17 most economical engineering solution to beef up the outside  
18 plant.

19 Q And it's your contention that although you don't know  
20 the cost of the copper loop, DAML is more expensive than the  
21 copper loop, correct?

22 A From an engineering standpoint in designing the  
23 outside plant, it would be a more expensive alternative than  
24 simply putting in a bigger cable.

25 Q And how do you know that if you don't know the price

1 of the copper loop?

2 A Well, just to try to think about it logically, if an  
3 engineer is having to build a cable out to a particular  
4 development; let's say that, say, 25 homes went up in that  
5 development, and he expected that there'd be at least 25 lines  
6 that would be required, well, he has a choice. He could put in  
7 a 25-pair cable or he could go to the next increment, which  
8 would be a 50-pair cable. You can't buy a 30-pair cable or a  
9 35-pair cable; they go in different increments.

10 If his forecast said that the most of whatever would  
11 be required would be 25 lines, then he'd probably save the  
12 material cost and use a 25-pair cable. But if he was wrong and  
13 somebody wanted two lines, then he'd have to back that up with  
14 a DAML, so to speak, which would cost him over \$500 to do that.

15 On the other hand, if he decided to put in a 50-pair  
16 cable, I think, the cost of the 50-pair cable is something like  
17 8 cents a foot more than a 25-pair cable. And let's say this  
18 was a 10,000-foot cable run, that's only an additional \$800.  
19 And so, for an additional \$800 -- now, there's no real  
20 significant additional cost to placing the cable.

21 Both cables come in a single sheath, both cables can  
22 be placed on pole lines or buried in the ground. The amount of  
23 labor to do that is very much the same. There may be a little  
24 additional cost for splicing, but for the most part, the added  
25 25 pairs that he would get with a 50-pair cable would be

1 virtually only the additional 8 cents a foot that he would pay  
2 for the additional 25 pairs of bigger cable.

3           And so, if it's a 10,000-foot run, that's \$800.  
4 Well, if he just places two DAMLs instead of that, he's already  
5 spent over \$1,000, so his engineering choice, first choice, is  
6 to engineer enough cable out there in order to serve the  
7 forecasted demand for lines that he would expect in that area,  
8 because that is the cheapest way to go.

9           Now, in those cases -- in those few cases, and it's  
10 not many, where he misses his forecast and the demand for lines  
11 increases or perhaps there's a huge amount of defective pairs  
12 that occurs and it's uneconomical to clear, then he may resort  
13 to DAMLs, but it is not the engineering first choice. It's too  
14 expensive to do that. I hope I didn't confuse people, but  
15 that's the way it would work.

16           Q     Now, when using 4-to-1 or 6-to-1 or 8-to-1 DAML, that  
17 just means you can serve 4 lines or 6 lines or 8 lines from one  
18 DAML; is that correct?

19           A     On a single copper pair, that's correct, but that's  
20 very similar to our carrier systems that we use up in the DLC  
21 sites where we'll put a much greater concentration of channels  
22 from the central office to the remote site, so it's not unusual  
23 for us to do that kind of stuff.

24           Q     When serving eight lines via one DAML, would that not  
25 reduce the cost?

1           A     It would reduce -- well, when you say reduce the  
2 cost, certainly the more concentration that you can get,  
3 generally, the better. But you have to remember this is  
4 concentration that you're using on one pair, copper pair, that  
5 is going to one residential unit. Not many people ask for  
6 eight lines. A lot of people ask for two, but usually one or  
7 two is the most common. So, you don't have a large need for  
8 that kind of stuff, but there may be a few instances where you  
9 could use it.

10          Q     Now, does BellSouth inform a CLEC if it's using a  
11 DAML on a CLEC customer line?

12          A     We don't have a specific process for informing CLECs  
13 of the type of plant that we use to serve their customers.  
14 They can, again, do a loop makeup and find out for themselves.  
15 We consider a DAML just another way to provide service to a  
16 customer on an exception basis, as I had indicated, and we do  
17 it for our own customers, just like we do it for ALEC  
18 customers.

19          Q     Now, if BellSouth was serving a CLEC customer on an  
20 8-to-1 DAML that would, obviously, reduce the cost to  
21 BellSouth. Would that savings be passed on to Supra?

22          A     In terms of what?

23          Q     I mean, would Supra be charged for eight lines even  
24 though it was being served by only one DAML?

25          A     Supra would be charged for eight lines in those rare

1 cases where you'd have a customer that would ask for eight  
2 circuits into their homes, say. But remember, our structure  
3 for UNE loops is not based on actual cost, it's based on a  
4 forward-looking most efficient network design Telric cost,  
5 which is -- I mean, BellSouth would be happy if the Commission  
6 would allow us to use actual cost, I'm sure, for UNEs, but we  
7 can't. And it's all based on the theoretical best network  
8 design, as I described in the little example I gave, where we  
9 wouldn't make any mistakes and we would always put the right  
10 size cable in there.

11           And what you seem to be arguing is that actual cost  
12 and Telric costs should be compared in some way, and I don't  
13 think they can be. The other thing I'd like to mention is that  
14 we also charge the average rate for a loop. It would be  
15 impractical for us to come up with a theoretical Telric cost  
16 for millions of loops that we have out there, so we charge you  
17 an average rate.

18           And that would mean that a loop that's 30,000 feet  
19 long would be charged the same price for one that's 5,000 feet  
20 long, but we know that, obviously, it costs more money to put  
21 in a 30,000-foot loop. So to say that, well, we want to look  
22 at the short loops or we want to look at those instances where  
23 you've provided us a loop where it might have cost you less and  
24 charge us that price, but leave the average alone for all the  
25 rest would be a filaceous assumption, in my view.

1           COMMISSIONER JABER: Mr. Kephart, you need to stick  
2 to the question that's been asked of you.

3           THE WITNESS: Sorry.

4           COMMISSIONER JABER: Mr. Chaiken, how much more do  
5 you have with this witness, aside from the exhibit that you  
6 wanted to ask about?

7           MR. CHAIKEN: About three or four more follow-up  
8 questions.

9           COMMISSIONER JABER: Okay. Let's do that.  
10 Mr. Kephart, the day has been long --

11          THE WITNESS: Okay.

12          COMMISSIONER JABER: -- so you need to make sure you  
13 are responsive to the questions that are asked.

14 BY MR. CHAIKEN:

15          Q    Are you familiar with digital loop carrier base  
16 loops?

17          A    Yes.

18          Q    Do you know what the implant equipment cost for those  
19 are?

20          A    No.

21          Q    Thanks for following the Commissioner's instructions  
22 there.

23                If a customer is being served eight lines on one  
24 DAML, are you aware as to whether there's any degradation in  
25 the quality of the voice or information service?

1           A     I have not been able to find any evidence that  
2 DAML-equipped loops are less -- of a lesser quality than  
3 nonDAML-equipped loops in terms of service.

4           MR. CHAIKEN:  If I could just have a couple minutes,  
5 I think, I'm done.

6           COMMISSIONER JABER:  Yes.

7 BY MR. CHAIKEN:

8           Q     I've just got a couple more questions.

9           A     Okay.

10          Q     Mr. Kephart, do you know if DAML is ever an  
11 economically-attractive model as compared to digital loop  
12 carrier?

13          A     I don't know that for sure.  I would not think it  
14 would be generally, because it doesn't provide the same level  
15 of concentration.

16          Q     Just one more follow-up question to something you  
17 said earlier about loop qualification information.  Do you know  
18 how BellSouth accesses that information?

19          A     I believe, we use the same system that we provide to  
20 ALECs, but I'm not positive about that.  Mr. Pate would know  
21 that for sure.

22          MR. CHAIKEN:  Okay.  I've got nothing further.  Thank  
23 you.

24          COMMISSIONER JABER:  All right.  Now, tell me about  
25 the exhibit that you want to cross Mr. Kephart on tomorrow.  Is



1 this the exhibit BellSouth said this morning they thought they  
2 gave you and did not?

3 MR. CHAIKEN: No, ma'am, it's a different exhibit.  
4 It's late-filed Exhibit JK-2 to Mr. Kephart's deposition and  
5 it's entitled, "Written Guidelines for Use of DAML Equipment in  
6 the Network," consisting of 16 pages, and it's marked as  
7 proprietary.

8 COMMISSIONER JABER: So, it's a late-filed exhibit  
9 that you asked for in deposing Mr. Kephart, and you didn't get  
10 it until when?

11 MR. CHAIKEN: This afternoon.

12 COMMISSIONER JABER: All right. And you'd like to  
13 use that exhibit to cross -- to, what, impeach Mr. Kephart?

14 MR. CHAIKEN: Well, we'd like to, A, make enough  
15 copies so that Staff and the Commission can have copies, so we  
16 could ask him questions regarding it as well as to impeach, and  
17 we would like to submit it into the record as well.

18 COMMISSIONER JABER: Okay. Now, BellSouth, is there  
19 a remote possibility you all could reach agreement on that  
20 exhibit coming into the record without cross examination?

21 MS. WHITE: I'm sorry, without cross examination? I  
22 don't think we'd have a problem with it. It's proprietary, so  
23 I think we can only copy the Staff. We might have to file a  
24 notice of intent, I'm not sure, I'd have to check that out.

25 MR. TWOMEY: We did.

1 MS. WHITE: We did. We did file it, so yes, I  
2 wouldn't have any problem as it coming in as a confidential  
3 exhibit to the --

4 COMMISSIONER JABER: Mr. Chaiken, is it that you want  
5 the exhibit in the record or that you want to do cross  
6 examination?

7 MR. CHAIKEN: It's both. I think, we're going to be  
8 able to impeach the witness on some of the things he stated  
9 today.

10 COMMISSIONER JABER: BellSouth and Staff agree that  
11 the exhibit can come into the record without cross examination.  
12 You want to cross examine? You can, I mean, that's your  
13 choice. I'm just trying to get clarification.

14 MR. CHAIKEN: A would like to do both.

15 COMMISSIONER JABER: Okay. Here's what we will do.  
16 We are going to adjourn in just a few minutes, but Mr. Kephart  
17 will come back for the sole purpose of answering questions  
18 related to that deposition exhibit only for that purpose,  
19 Mr. Chaiken.

20 MR. CHAIKEN: Yes, ma'am.

21 COMMISSIONER JABER: And then, we will allow Staff to  
22 conduct cross examination on all of Mr. Kephart's testimony.  
23 And BellSouth, you will be able to redirect on all of  
24 Mr. Kephart's testimony.

25 Mr. Kephart, for tonight, you're excused.

1 THE WITNESS: Great.

2 COMMISSIONER JABER: Now, let's talk logistics.  
3 Exhibit 4, Supra you were going to make copies of that. Have  
4 you done that yet?

5 MR. MEDACIER: Let me double check.

6 COMMISSIONER JABER: All right.

7 MR. TWOMEY: Commissioner Jaber, we had one issue  
8 that came up during the course of the day. There were some  
9 questions that Supra had about one of the exhibits that had  
10 USOC rates on it.

11 COMMISSIONER JABER: Exhibit 9?

12 MR. TWOMEY: I believe that's exactly right. And I  
13 have talked to Mr. Chaiken and I've offered to handle this any  
14 number of ways to be flexible and Mr. Chaiken has accepted one  
15 of my offers which was we have Mr. Follensbee here today.  
16 He'll be here for the rest of the week as well, and he can  
17 answer the questions about the USOCs. We have a response, it's  
18 very simple. I could give it myself, but I know he probably  
19 wants testimony and questions.

20 So, Mr. Follensbee is here and we're willing to have  
21 him sworn in either right now -- I don't think it'll take very  
22 long -- or in the morning, whatever you want to do, to answer  
23 questions on that, but my only concern is that Mr. Follensbee's  
24 name has come up a couple of times on some other issues, and  
25 I'm not offering him as a witness on any other issue. And I

1 would only make him available to answer questions about that  
2 exhibit. And if it can't be limited in that way, then I would  
3 propose to handling the explanation a different way, but I  
4 think Mr. Chaiken is agreeable to doing it that way.

5 COMMISSIONER JABER: Mr. Chaiken, Mr. Follensbee has  
6 not prefiled testimony and, I think, BellSouth is acting at my  
7 direction to try to accommodate your desire to ask questions  
8 about this exhibit. Sounds reasonable to me.

9 MR. CHAIKEN: I actually have already agreed with  
10 Mr. Twomey on that, and we've accepted that proposal.

11 COMMISSIONER JABER: Staff, do you have any problems  
12 with that?

13 MR. KNIGHT: No.

14 COMMISSIONER JABER: Commissioners, do you want to go  
15 a little bit longer and have Mr. Follensbee testify tonight?

16 MR. CHAIKEN: I'm sorry, I would ask for just a  
17 little time to prepare my questions on that exhibit, and I  
18 apologize for that. I didn't know I was going to have that  
19 opportunity.

20 COMMISSIONER JABER: You were ready earlier today to  
21 ask Mr. -- that's fine. It's late. That's fine.

22 MR. TWOMEY: We can do it first thing in the morning.  
23 He'll be here tomorrow.

24 COMMISSIONER JABER: Okay. Yeah, he said for the  
25 rest of the week. All right. Let's wrap up Exhibit 4,

1 Mr. Chaiken, and then we'll talk about the order of witnesses.

2 MR. MEDACIER: We would have to produce it in the  
3 morning, because it's still being worked on, but we have  
4 produced Exhibit Number 12. We give copies to the Staff and  
5 the Commissioners.

6 COMMISSIONER JABER: Okay. Remind me, Staff, to take  
7 up Exhibit 4 before we conclude the hearing. Here's the order  
8 of witnesses I intend to follow. We'll bring Mr. Kephart back  
9 on the stand in the morning to address the late-filed  
10 deposition exhibit only. We will then take up Mr. Follensbee  
11 for the sole purpose of addressing questions that you have on  
12 USOCs related to Exhibit 9. And I propose to skip Witness Pate  
13 and leave him until the very end since so many witnesses  
14 referred to him, and that means we'll take up Mr. Ramos after  
15 Mr. Follensbee, okay?

16 Now, I'd also note in the prehearing order the  
17 prehearing officer had indicated that there were some issues  
18 that the parties were still negotiating on, and those issues  
19 are reflected by an asterisk. I would strongly encourage  
20 you -- since we were generous enough to quit at close to 6:00,  
21 I would encourage you all to have dinner together or a long  
22 meeting tonight so that you could resolve those issues that  
23 have the asterisks by them.

24 And let's see, Staff, is there anything else we need  
25 to talk about tonight?

1 MR. KNIGHT: The parties had suggested the  
2 possibility of starting at a different time tomorrow. I didn't  
3 know what your feelings were on that.

4 COMMISSIONER JABER: No, I can't. We have to start  
5 at 9:30 tomorrow.

6 MR. KNIGHT: Okay.

7 COMMISSIONER JABER: But parties and Staff should be  
8 on notice that we will conclude this hearing tomorrow.

9 Anything else, Staff?

10 MR. KNIGHT: No, that's all.

11 COMMISSIONER JABER: Commissioners? Okay. This  
12 hearing's concluded for the evening. Thank you.

13 MR. KNIGHT: Thank you.

14 (Transcript continues in Sequence in Volume 3.)

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1 STATE OF FLORIDA     )  
2                             :     CERTIFICATE OF REPORTER  
3 COUNTY OF LEON     )

4  
5             I, KORETTA E. FLEMING, RPR, Official Commission  
6 Reporter, do hereby certify that the foregoing proceeding was  
heard at the time and place herein stated.

7             IT IS FURTHER CERTIFIED that I stenographically  
8 reported the said proceedings; that the same has been  
transcribed under my direct supervision; and that this  
9 transcript, constitutes a true transcription of my notes of said  
proceedings.

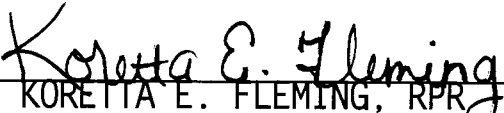
10            I FURTHER CERTIFY that I am not a relative, employee,  
11 attorney or counsel of any of the parties, nor am I a relative  
or employee of any of the parties' attorneys or counsel  
12 connected with the action, nor am I financially interested in  
the action.

13                         DATED THIS 2ND DAY OCTOBER, 2001.

14

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KORETTA E. FLEMING, RPR  
FPSC Official Commissioner Reporter  
(850) 413-6734

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