

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

Petition By Global NAPs, Inc. for)
Arbitration Pursuant to 47 U.S.C. 252(b))
of Interconnection Rates, Terms, and) Docket No. 011666-TP
Conditions with Verizon Florida Inc.)

**SUPPLEMENTAL DIRECT TESTIMONY OF
PETER D'AMICO ON BEHALF OF
VERIZON FLORIDA INC.**

December 18, 2002

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1 **Q. ARE YOU THE SAME PETER D'AMICO THAT OFFERED DIRECT**
2 **TESTIMONY ON BEHALF OF VERIZON FLORIDA INC. ("VERIZON")**
3 **ON MAY 8, 2002?**

4 A. Yes, and my education and background are described in my direct
5 testimony.

6
7 **Q. WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL DIRECT**
8 **TESTIMONY?**

9 A. The purpose of my supplemental direct testimony is to explain a
10 modification to Verizon's interconnection proposal as it affects Issue 1.
11 Specifically, since the time I filed my direct testimony, Verizon prepared
12 and offered to alternative local exchange carriers ("ALECs"), including
13 Global NAPs, Inc. ("Global"), contract language that should resolve the
14 bulk of the parties' dispute associated with Issue 1.

15
16 **Q. WHAT IS THE PRIMARY DIFFERENCE IN VERIZON'S**
17 **INTERCONNECTION PROPOSAL AS IT PERTAINS TO ISSUE 1?**

18 A. Verizon continues to propose contract language that allows Global to
19 select a single point of interconnection ("POI") per LATA within Verizon's
20 network (Issue 1(a)). Verizon, however, now proposes contract
21 language that makes the POI the demarcation for financial responsibility
22 for traffic exchanged at that point (Issue 1(b)). I have attached Verizon's
23 updated interconnection proposal at Attachment A.

24
25 **Q. PLEASE HIGHLIGHT THE DIFFERENCES IN VERIZON'S**

1 **PROPOSED CONTRACT LANGUAGE.**

2 A. In my May 8, 2002 direct testimony, I cited Verizon's proposed Glossary
3 §§ 2.45 (Interconnection Point) and 2.66 (Point of Interconnection) and
4 Interconnection Attachment §§ 2.1 and 7.1 as relevant to Issue 1.

5

6 Verizon now proposes to delete any definition of, or reference to, the
7 term "Interconnection Point," which Verizon previously used to
8 distinguish a physical point of interconnection from a demarcation of
9 financial responsibility. Verizon further proposes to supplement its
10 definition of a POI to make clear that the POI must be on Verizon's
11 network and to provide examples of what is or is not a technically
12 feasible point on Verizon's network:

13 The physical location where the Parties' respective
14 facilities physically interconnect for the purpose of mutually
15 exchanging their traffic. As set forth in the Interconnection
16 Attachment, a Point of Interconnection shall be at (i) a
17 technically feasible point on Verizon's network in a LATA
18 and/or (ii) a fiber meet point to which the Parties mutually
19 agree under the terms of this Agreement. By way of
20 example, a technically feasible Point of Interconnection on
21 Verizon's network in a LATA would include an applicable
22 Verizon Tandem Wire Center or Verizon End Office Wire
23 Center but, notwithstanding any other provision of this
24 Agreement or otherwise, would not include a GNAPs Wire
25 Center, GNAPs switch, or any portion of a transport facility

1 provided by Verizon to GNAPs or another party between
2 (x) a Verizon Wire Center or switch and (y) the Wire
3 Center or switch of GNAPs or another party.

4 See Verizon's proposed Glossary § 2.71 (Attachment A); see also
5 Verizon's proposed Interconnection Attachment § 1 (Attachment A).

6
7 In its updated Interconnection Attachment, § 2.1 (Attachment A),
8 Verizon proposes simply that "Each Party, at its own expense, shall
9 provide transport facilities to the technically feasible Point(s) of
10 Interconnection on Verizon's network in a LATA selected by Global."
11 This division of responsibility is what Global sought in its Petition for
12 Arbitration and is consistent with the Florida Public Service
13 Commission's decision in Docket No. 000075-TP, Order No. PSC-02-
14 1248-FOF-TP (requiring the originating carrier to bear all the cost of
15 transport to a single point of interconnection).

16
17 Verizon also proposes to replace its virtual geographically relevant
18 interconnection point ("VGRIP") as previously contained in
19 Interconnection Attachment § 7.1 with its updated § 7.1 (Attachment A),
20 which recognizes that Global must interconnect on Verizon's network
21 but that each party bears financial responsibility for transport on their
22 respective side of the POI. Verizon's updated contract proposal,
23 moreover, makes it clear that if Verizon performs interconnection-related
24 services for Global (such as collocation, cross-connects or multiplexing),
25 Global will compensate Verizon in accordance with the parties' pricing

1 attachment. Finally, if Global decides to send both toll and reciprocal
2 compensation traffic over a single trunk, Verizon's updated contract
3 proposal expressly recognizes that the applicable access charges will
4 apply to that toll traffic. As shown in context in Attachment A, Verizon's
5 updated § 7.1 provides:

6 The Parties shall exchange Reciprocal Compensation
7 Traffic at the technically feasible Point(s) of
8 Interconnection on Verizon's network in a LATA
9 designated in accordance with the terms of this
10 Agreement. The Party originating Reciprocal
11 Compensation Traffic shall compensate the terminating
12 Party for the transport and termination of such traffic to its
13 Customer in accordance with Section 251(b)(5) of the Act
14 at the equal and symmetrical rates stated in the Pricing
15 Attachment; it being understood and agreed that Verizon
16 shall charge (and GNAPs shall pay Verizon) the End
17 Office Reciprocal Compensation rate set forth in the
18 Pricing Attachment for Reciprocal Compensation Traffic
19 GNAPs physically delivers to a POI at the Verizon Wire
20 Center in which the terminating Verizon End Office is
21 located, and otherwise that Verizon shall charge (and
22 GNAPs shall pay Verizon) the Tandem Reciprocal
23 Compensation rate set forth in the Pricing Attachment for
24 Reciprocal Compensation Traffic GNAPs delivers to
25 Verizon; it also being understood and agreed that GNAPs

1 shall charge (and Verizon shall pay GNAPs) the End
2 Office Reciprocal Compensation rate set forth in the
3 Pricing Attachment for Reciprocal Compensation Traffic
4 Verizon delivers to GNAPs, unless Verizon is required
5 under Applicable Law to pay the Tandem Reciprocal
6 Compensation rate set forth in the Pricing Attachment.
7 These rates are to be applied at the technically feasible
8 Point(s) of Interconnection on Verizon's network in a LATA
9 at which the Parties interconnect, whether such traffic is
10 delivered by Verizon for termination by GNAPs, or
11 delivered by GNAPs for termination by Verizon. No
12 additional charges shall be assessed by the terminating
13 Party for the transport and termination of such traffic from
14 the technically feasible Point(s) of Interconnection on
15 Verizon's network in a LATA to its Customer; provided,
16 however, for the avoidance of any doubt, GNAPs shall
17 also pay Verizon, at the rates set forth in the Pricing
18 Attachment, for any multiplexing, cross connects or other
19 Collocation related Services that GNAPs obtains from
20 Verizon. When such Reciprocal Compensation Traffic is
21 delivered over the same Interconnection Trunks as Toll
22 Traffic, any port, transport or other applicable access
23 charges related to the delivery of Toll Traffic from the
24 technically feasible Point of Interconnection on Verizon's
25 network in a LATA to the terminating Party's Customer

1 shall be prorated so as to apply only to the Toll Traffic.
2 The designation of traffic as Reciprocal Compensation
3 Traffic for purposes of Reciprocal Compensation shall be
4 based on the actual originating and terminating points of
5 the complete end-to-end communication.

6

7 **Q. DOES GLOBAL AGREE THAT IT MUST INTERCONNECT WITH**
8 **VERIZON'S NETWORK?**

9 A. It appears that Global agrees in principle. Since I filed my direct
10 testimony, Verizon and Global have arbitrated this issue in other
11 jurisdictions. It is my understanding from participating in many of those
12 arbitrations that Global agrees that it should interconnect with Verizon's
13 existing network. Despite this understanding, the parties have not yet
14 agreed to specific contract language embodying this principle. As I
15 explained in my May 8, 2002 direct testimony, Global's definition of the
16 POI contains an inappropriate reference to the FCC regulation that
17 defines the network interface device, an unbundled network element
18 ("UNE"). See Global Glossary § 2.66. The network interface device, or
19 NID, is the "gray box" on the customer's premises. The FCC's
20 requirements for unbundling access to this particular UNE do not inform
21 the parties on where and how they will physically interconnect their
22 networks. Global's contract language also does not specify that it
23 should interconnect with Verizon's network. It merely provides that it
24 can interconnect at any technically feasible point in a LATA. See Global
25 Interconnection Attachment § 2.1.

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Q. WHY IS IT IMPORTANT FOR GLOBAL TO INTERCONNECT ON VERIZON'S NETWORK?

A. I defer to legal briefs on the requirements of the Telecommunications Act and the Federal Communications Commission's rules. From my perspective, it is important for Global to interconnect with Verizon's existing network so Verizon will not have to incur the substantial expense associated with building new network facilities to accommodate interconnection with Global. Verizon interconnects with hundreds of ALECs. If it were required to interconnect with an ALEC's network, and build facilities to each ALECs' switch or facility, Verizon would incur substantial expense in addition to the increased LATA-wide transport associated with an ALEC's single POI. Verizon already has deployed multiple switches (tandem and end office), thousands of trunks, and thousands of miles of transport. Verizon's proposal permits Global to choose a POI on Verizon's network at any of the numerous Verizon central office locations that is most appropriate for Global's network design.

Q. DOES VERIZON'S PROPOSAL LIMIT THE PARTIES TO JUST ONE POI?

A. No. The parties are free to choose more than one point at which they exchange traffic for reciprocal compensation purposes.

Q. DOES THIS CONCLUDE YOUR SUPPLEMENTAL TESTIMONY?

1 A. Yes it does.

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ATTACHMENT A¹

GLOSSARY

POI (Point of Interconnection).

The physical location where the one Party's Parties' respective facilities physically interconnect with the other Party's facilities for the purpose of mutually exchanging their traffic. As set forth in the Interconnection Attachment, a Point of Interconnection shall be at (i) a technically feasible point on Verizon's network in a LATA and/or (ii) a fiber meet point to which the Parties mutually agree under the terms of this Agreement. By way of example, a technically feasible Point of Interconnection on Verizon's network in a LATA would include an applicable Verizon Tandem Wire Center or Verizon End Office Wire Center but, notwithstanding any other provision of this Agreement or otherwise, would not include a GNAPs Wire Center, GNAPs switch or any portion of a transport facility provided by Verizon to GNAPs or another party between (x) a Verizon Wire Center or switch and (y) the Wire Center or switch of GNAPs or another party.

INTERCONNECTION ATTACHMENT

1. General

Each Party (~~Providing Party~~) shall provide to the other Party, in accordance with this Agreement, but only to the extent required the Providing Party's applicable Tariffs, and by Applicable Law, interconnection with the Providing Party's network at (i) any technically feasible Point(s) of Interconnection on Verizon's network in a LATA and/or (ii) a fiber meet point to which the Parties mutually agree under the terms of this Agreement, for the transmission and routing of Telephone Exchange Service and Exchange Access. By way of example, a technically feasible Point of Interconnection on Verizon's network in a LATA would include an applicable Verizon Tandem Wire Center or Verizon End Office Wire Center but, notwithstanding any other provision of this Agreement or otherwise, would not include a GNAPs Wire Center, GNAPs switch or any portion of a transport facility provided by Verizon to GNAPs or another party between (x) a Verizon Wire Center or switch and (y) the Wire Center or switch of GNAPs or another party. For brevity's sake, the foregoing examples of locations that, respectively, are and are not "on Verizon's network" shall apply (and are hereby incorporated by reference) each time the term "on Verizon's network" is used in this Agreement.

2. Points of Interconnection and Trunk Types

2.1 Point(s) of Interconnection.

Each Party, at its own expense, shall provide transport facilities to the technically feasible Point(s) of Interconnection on Verizon's network in a LATA selected by GNAPs.²

¹ Modifications to Verizon's contract proposals are indicated by a double underline if Verizon added new language, and by a ~~strikethrough~~ if Verizon deleted language.

7.1 Reciprocal Compensation.

The Parties shall exchange Reciprocal Compensation Traffic at the technically feasible Point(s) of Interconnection on Verizon's network in a LATA designated in accordance with the terms of this Agreement. The Party originating Reciprocal Compensation Traffic shall compensate each other the terminating Party for the transport and termination of such Reciprocal Compensation Traffic delivered to the Terminating Party traffic to its Customer in accordance with Section 251(b)(5) of the Act at the equal and symmetrical rates stated in the Pricing Attachment; it being understood and agreed that Verizon shall charge (and GNAPs shall pay Verizon) the End Office Reciprocal Compensation rate set forth in the Pricing Attachment for Reciprocal Compensation Traffic GNAPs physically delivers to a POI at the Verizon Wire Center in which the terminating Verizon End Office is located, and otherwise that Verizon shall charge (and GNAPs shall pay Verizon) the Tandem Reciprocal Compensation rate set forth in the Pricing Attachment for Reciprocal Compensation Traffic GNAPs delivers to Verizon; it also being understood and agreed that GNAPs shall charge (and Verizon shall pay GNAPs) the End Office Reciprocal Compensation rate set forth in the Pricing Attachment for Reciprocal Compensation Traffic Verizon delivers to GNAPs, unless Verizon is required under Applicable Law to pay the Tandem Reciprocal Compensation rate set forth in the Pricing Attachment. These rates are to be applied at the GNAPs IP for traffic technically feasible Point(s) of Interconnection on Verizon's network in a LATA at which the Parties interconnect, whether such traffic is delivered by Verizon for termination by GNAPs, and at the Verizon IP for traffic or delivered by GNAPs for termination by Verizon. Except as otherwise provided in this Agreement, No additional charges shall apply for the termination from the IP to the Customer of Reciprocal Compensation Traffic delivered to the Verizon IP by be assessed by the terminating Party for the transport and termination of such traffic from the technically feasible Point(s) of Interconnection on Verizon's network in a LATA to its Customer; provided, however, for the avoidance of any doubt, GNAPs shall also pay Verizon, at the rates set forth in the Pricing Attachment, for any multiplexing, cross connects or other Collocation related Services that GNAPs IP by obtains from Verizon. When such Reciprocal Compensation Traffic is delivered over the same trunks Interconnection Trunks as Toll Traffic, any port, transport or other applicable access charges related to the delivery of Toll Traffic from the IP to an end-user technically feasible Point of Interconnection on Verizon's network in a LATA to the terminating Party's Customer shall be prorated so as to apply only to the Toll Traffic. The designation of traffic as Reciprocal Compensation Traffic for purposes of Reciprocal Compensation shall be based on the actual originating and terminating points of the complete end-to-end communication.

² Verizon deleted entirely the former § 2.1 of its Interconnection Attachment and replaced it with the double underlined text above.