BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Complaint of the Florida Competitive Carriers Association Against BellSouth Telecommunications, Inc. Regarding BellSouth's Practice of Refusing to Provide FastAccess Internet Service to Customers who Receive Voice Service from a Competitive Voice Provider, and Request for Expedited Relief

Docket No. 020507-TP

Filed: December 23, 2002

REBUTTAL TESTIMONY

OF

SHERRY LICHTENBERG

ON BEHALF OF

THE FLORIDA COMPETITIVE CARRIERS ASSOCIATION

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FPSC-COMMISSION CLERK

1		REBUTTAL TESTIMONY OF SHERRY LICHTENBERG
2 3 4 5 6 7		ON BEHALF OF FLORIDA COMPETITIVE CARRIERS ASSOCIATION BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION DOCKET NO. 020507-TL
8 9 10 11 12		December 23, 2002
13	Q.	PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND POSITION.
14	A.	My name is Sherry Lichtenberg. My business address is 1133 19 th St., N.W.,
15		Washington, DC 20036. I am employed by WorldCom, Inc. in the Mass Markets
16		local services team as Senior Manager, Operational Support Systems and
17		Facilities Development. I will refer to the division of the company that provides
18		local service as "MCI."
19		
20	Q.	ON WHOSE BEHALF ARE YOU TESTIFYING?
21	A.	I am testifying on behalf of the Florida Competitive Carriers Association.
22		
23	Q.	PLEASE DESCRIBE YOUR EMPLOYMENT BACKGROUND.
24	A.	My job involves getting MCI into the local residential and small business markets
25		across the United States. My duties include designing, managing, and
26		implementing MCI's local telecommunications services to residential customers
27		on a mass-market basis nationwide, including Operations Support Systems
28		("OSS") testing in BellSouth's region and elsewhere. I have been involved in
29		OSS proceedings and testified as an expert witness throughout the country.

O. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to describe the anticompetitive impact of BellSouth's policy of refusing to permit its DSL customers to obtain UNE-P voice service over the same line as their DSL service and to address certain operational issues raised in BellSouth's testimony as they relate to Issues 2, 4, 5 and 6 in this docket. Because my experience has involved MCI's UNE-P voice service, my testimony will focus on these issues as they relate to UNE-P.

A.

Q. WHAT IS THE COMPETITIVE IMPACT OF BELLSOUTH'S DSL POLICY?

Speaking from MCI's perspective, as MCI's residential service launch in Florida has progressed, it has encountered a large number of BellSouth customers who receive voice and FastAccess service over the same line. While many of these customers want to migrate to MCI in order to take advantage of The Neighborhood "all distance" voice package, BellSouth's policy of forcing customers to stay with BellSouth for voice service in order to keep their DSL service effectively precludes these consumers from selecting alternative local voice providers. When customers have the option of migrating to a competitive provider for voice service and losing FastAccess, or staying with BellSouth for voice service and keeping their DSL service, customers decide to retain FastAccess.

1 Q. WHAT INCENTIVES DO FASTACCESS CUSTOMERS HAVE TO KEEP

THEIR FASTACCESS SERVICE?

A. Obviously, FastAccess customers signed up for service because they wanted a high speed data service, and presumably those customers wish to continue receiving this service even when they decide that they want to switch their voice traffic to a competitive provider. Even if these customers had another broadband provider to choose from, changing broadband providers would involve disconnecting the FastAccess service, obtaining a different DSL modem, and possibly having to pay early termination fees to BellSouth. The customer also would have to arrange to hook up the new broadband service and pay any connection fees the new provider requires. In addition, the customer would need to change his or her e-mail address and notify his or her contacts of that change. Given these hurdles, it is hardly surprising that FastAccess customers stay with BellSouth for voice service rather than migrating their voice service to an ALEC.

A.

Q. CAN YOU QUANTIFY THE COMPETITIVE IMPACT OF BELLSOUTH'S DSL POLICY?

I can to some extent. From the beginning of this year to December 13, 2002, in Florida, MCI alone received 5,233 rejects because the customer had FastAccess service. This figure understates the actual number of customers who were not able to (or chose not to) migrate to MCI as a result of BellSouth's DSL policy. MCI customer representatives are trained to ask prospective customers whether they have FastAccess service, and, when customers respond that they have

FastAccess service, to inform the customers that they must disconnect their FastAccess service if they wish to sign up for the Neighborhood. The 5,233 rejects MCI has received for customers that had FastAccess service, and that BellSouth therefore refused to provision, only reflects those instances in which the MCI representative presumably was not informed by the customer that the customer had FastAccess, not the instances in which the MCI representative did not submit a local service request at all because the customer decided not to migrate because he or she had FastAccess.

Q.

A.

BELLSOUTH WITNESS RUSCILLI STATES THAT BELLSOUTH IS WILLING TO PERMIT ALECS TO PROVIDE VOICE SERVICE TO FASTACCESS CUSTOMERS VIA RESALE. IS THIS AN ACCEPTABLE ALTERNATIVE?

No. BellSouth should not be allowed to dictate ALECs' business plans by preventing them from using the UNE-P service delivery method (or the delivery method of their choice) authorized by this Commission for a given segment of BellSouth's retail customer base. Moreover, resale undermines UNE-P providers' ability to design and price their own packages of services because ALECs are limited by whatever retail packages and prices BellSouth chooses to offer. Additionally, as Mr. Gillan explains in his testimony, resale is not an economically viable strategy for selling voice service to consumers on a mass-market basis.

1	Q.	BELLSOUTH WITNESSES RAISE A NUMBER OF "OPERATIONAL"
2		ISSUES THAT THEY SAY ARE BARRIERS TO THE RELIEF THE
3		FCCA SEEKS. HOW DO YOU RESPOND?
4	Α.	I will specifically address some of the BellSouth "operational" issues below, and
5		they are also discussed in Mr. Bradbury's testimony. However, in general, these
6		"barriers" are nothing more than excuses BellSouth uses to continue its
7		anticompetitive behavior.
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9	Q.	AT PAGES 5 AND 6 OF HIS DIRECT TESTIMONY, MR. FOGLE
10		STATES THAT IF BELLSOUTH WERE REQUIRED TO PROVIDE
11		FASTACCESS OVER AN ALEC LINE, IT WOULD HAVE TO DEVELOP
12	•	AN ALTERNATIVE METHOD OF BILLING. IS THIS A VALID
13		CONCERN?
14	A.	No. BellSouth states that it will provide FastAccess over a resold line, which
15		involves precisely the same billing issue. In the situation where the ALEC
16		provides resale service, BellSouth either must arrange to bill the customer directly
17		for FastAccess (such as by credit card) or make arrangements for the ALEC to bill
18		the customer on behalf of BellSouth. BellSouth can make the same arrangements
19		when FastAccess is carried over a UNE-P line.
20		
21	Q.	MR. MILNER STATES AT PAGE 6 OF HIS DIRECT TESTIMONY THAT
22		BELLSOUTH HAS NO AUTHORITY TO USE THE HIGH FREQUENCY
23		PORTION OF A UNE-P LOOP. MR. RUSCILLI MAKES A SIMILAR

1		STATEMENT AT PAGE 12 OF HIS DIRECT TESTIMONY. IS THIS A
2		VALID CONCERN?
3	A.	No. ALECs are willing grant BellSouth authority to use the High Frequency
4		Portion of the loops for the purpose of providing DSL service to their voice
5		customers, so lack of authority is no excuse for refusing to provide service the
6		FastAccess service.
7		
8	Q.	AT PAGE 7 OF HIS DIRECT TESTIMONY, MR. MILNER ALSO RAISES
9		CONCERNS ABOUT NEGOTIATING PRICING FOR PROVIDING
10		BELLSOUTH'S DSL SERVICE OVER A UNE-P LINE. IS THIS
11		CONCERN JUSTIFIED?
12	A.	No. ALECs are willing to permit BellSouth to provide its DSL service over UNE
13		loops at no cost to BellSouth.
14		
15	Q.	HOW DO YOU RESPOND TO MR. MILNER'S STATEMENT AT PAGE 7
16		OF HIS DIRECT TESTIMONY THAT BELLSOUTH HAS NO WAY TO
17		DETERMINE IF A PARTICULAR ALEC HAS AUTHORIZED
18		BELLSOUTH TO USE THE HIGH FREQUENCY PORTION OF THE
19		ALEC'S LOOP?
20	A.	Mr. Milner attempts to make this issue much bigger than it really is. I already
21		have stated that ALEC voice providers will authorize BellSouth to provide DSL
22		service over their UNE loops. In most cases, they will be placing an order to
23		migrate a BellSouth voice customer who also has DSL service. To handle these

migrations. BellSouth simply can add an edit to its tables to check the status of the ALEC's agreement based on the OCN submitted on the order. BellSouth already does this when it announces new UNE-P products or services, such as the change in calling areas in Florida implemented in BellSouth OSS release 10.5. Even with respect to the much smaller number of cases in which BellSouth adds its DSL service to an ALEC voice customer's UNE-P loop, it is difficult to see why performing a check (presumably by looking at the customer's service record in BellSouth's CSR data base) to determine the ALEC involved would require the "massive undertaking" that Mr. Milner suggests.

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AT PAGES 7 AND 8 OF HIS DIRECT TESTIMONY, MR. MILNER TESTIFIES THAT BECAUSE BELLSOUTH HAS CHOSEN TO USE THE NUMBER TO DSL CUSTOMER'S TELEPHONE DRIVE ITS PROVISIONING, MAINTENANCE, BILLING AND RECORD-KEEPING, OPERATIONAL PROBLEMS WILL ARISE IF DSL SERVICE IS PROVIDED TO ALEC END-USER CUSTOMERS. MR. FOGLE OFFERS SIMILAR TESTIMONY AT PAGES 2-5 OF HIS DIRECT TESTIMONY.

DO YOU AGREE?

No. If the customer already has BellSouth's DSL service, and is being migrated to a UNE-P voice provider, the splitter already is in place, and there is no need for BellSouth to disconnect or change anything for the DSL service to continue Because BellSouth has implemented the single C order process for working. UNE-P migrations (and because BellSouth is doing nothing to change the physical configuration of the circuit), there is no D order generated, no loop to be disconnected at the frame, and only translations required to change features, long distance carriers and possibly blocking options, as with any other UNE-P order. Indeed, BellSouth has acknowledged that in early 2001 it provisioned DSL service to 718 UNE-P customers – presumably in most cases involving a DSL customer being migrated to an ALEC's voice service. This experience demonstrates that DSL customers may be migrated to an ALEC UNE-P voice service with no difficulty.

Although Mr. Milner states that when an ALEC acquires a customer it serves via UNE-P, "there no longer is a working BellSouth telephone number in some of BellSouth's systems," he does not specify what systems those would be for a UNE-P customer. This statement is quite surprising, since, for example, ALECs order UNE-P by name, house number and telephone number. While telephone number is often used as an identifier (and is present in all BellSouth systems for UNE-P users), service address and the circuit identification number can also be used as identifiers.

In the case where a competitive provider's voice customer is requesting to add BellSouth DSL service, there is no reason for BellSouth to treat the customer any differently than if he or she were a BellSouth voice customer when the DSL service is being provisioned. After DSL provisioning is complete, the customer is in the same position with respect to maintenance, billing and record keeping as the customer who has DSL service first and then migrates his or her voice service to a competitive provider.

1	Q.	MR. MILNER RAISES CONCERNS ABOUT LOOP QUALIFICATION
2		AT PAGES 8 AND 9 OF HIS DIRECT TESTIMONY. DO THOSE
3		CONCERNS APPLY TO AN ALEC PROVIDING SERVICE VIA UNE-P?
4	A.	No. If the customer already has DSL service, and is being migrated to an ALEC
5		for voice service, the loop already has been qualified for DSL. In cases where an
6		ALEC UNE-P voice customer is ordering BellSouth DSL, BellSouth's loop
7		qualification process should be no different than if the loop qualification were
8		being done for a BellSouth voice customer.
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10	Q.	DO YOU HAVE ANY CONCLUDING REMARKS REGARDING
11		BELLSOUTH'S OPERATIONAL CONCERNS?
12	A.	Yes. It appears that BellSouth has created "operational" issues where none exist
13		so as to enable it to continue to hold voice customers who want BellSouth DSL
14		service hostage. BellSouth's claims that granting the relief the FCCA seeks is
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		not "feasible" does not bear up under scrutiny.
16		not "feasible" does not bear up under scrutiny.
16 17	Q.	DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Rebuttal Testimony of Sherry Lichtenberg on behalf of the Florida Competitive Carriers Association has been furnished by (*) hand delivery, (**) electronic mail or by U. S. Mail this 23rd day of December, 2002, to the following:

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