

1 BELL SOUTH TELECOMMUNICATIONS, INC.
2 DIRECT TESTIMONY OF KATHY K. BLAKE
3 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
4 DOCKET NO. 030137-TP
5 MAY 19, 2003
6

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

10

11 A. My name is Kathy K. Blake. I am employed by BellSouth as Manager –
12 Policy Implementation for the nine-state BellSouth region. My business
13 address is 675 West Peachtree Street, Atlanta, Georgia 30375.

14

15 Q. PLEASE PROVIDE A BRIEF DESCRIPTION OF YOUR BACKGROUND
16 AND EXPERIENCE.

17

18 A. I graduated from Florida State University in 1981 with a Bachelor of Science
19 degree in Business Management. After graduation I began employment with
20 Southern Bell as a Supervisor in the Customer Services Organization in
21 Miami, Florida. In 1982, I moved to Atlanta where I held various positions
22 involving Staff Support, Product Management, Negotiations, and Market
23 Management within the BellSouth Customer Services and Interconnection
24 Services Organizations. In 1997, I moved into the State Regulatory
25

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1 Organization with various responsibilities for testimony preparation, witness
2 support and issues management.

3

4 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

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6 A. The purpose of my testimony is to present BellSouth's position on several
7 unresolved policy issues included in the arbitration between BellSouth and
8 ITC^DeltaCom ("DeltaCom") that will likely be impacted by the Federal
9 Communications Commission's ("FCC's") Triennial Review decision. My
10 testimony specifically addresses Issues 26, 28, 30-34, 36-37, and 57.

11

12 Q. HOW DOES BELL SOUTH PROPOSE THE FLORIDA PUBLIC SERVICE
13 COMMISSION ("COMMISSION") PROCEED IN ADDRESSING THOSE
14 ISSUES THAT ARE LIKELY TO BE IMPACTED BY THE FCC'S
15 TRIENNIAL REVIEW DECISION?

16

17 A. Several of the unresolved issues being addressed in this arbitration proceeding
18 likely will be impacted by the FCC's impending written decision in the
19 Triennial Review. BellSouth's position is that the Commission should
20 consider the evidence put forth in this proceeding and render its determination
21 of the issues based on the **current** statutory and regulatory requirements, and
22 not by any party's speculation of what the FCC may ultimately reflect in its
23 written Triennial Review Order. In fact, it is unclear which issues will be
24 addressed and resolved solely by the FCC and which issues will be relegated or
25 delegated to state commissions to resolve. At the time the ruling body's (FCC

1 or state commission) order becomes effective, the change of law provisions in
2 the interconnection agreement will allow the interconnection agreement to be
3 revised accordingly.

4

5 ***Issue 26: Local Switching – Line Cap and Other Restrictions***

6 ***(a) Is the line cap on local switching in certain designated MSAs only for a
7 particular customer at a particular location?***

8 ***(b) Should the Agreement include language that prevents BellSouth from
9 imposing restrictions on DeltaCom's use of local switching?***

10 ***(c) Is BellSouth required to provide local switching at market rates where
11 BellSouth is not required to provide local switching as a UNE? Does the
12 Florida Public Service Commission have the authority to set market rates for
13 local switching? If so, what should be the market rate?***

14

15 Q. WHAT IS BELLSOUTH'S POSITION ON THESE ISSUES?

16

17 A. (a) When a particular customer has four or more lines within a specific
18 geographic area, even if those lines are spread over multiple locations,
19 BellSouth is not obligated to provide unbundled local circuit switching as long
20 as the other criteria in FCC Rule 51.319(c)(2) are met.

21

22 (b) BellSouth is only required to provide local switching as set forth in the
23 FCC's rules. These rules set forth any restrictions on DeltaCom's use of local
24 switching.

25

1 (c) BellSouth will provide local switching at market-based rates where
2 BellSouth is not required to unbundle local switching. The appropriateness
3 of BellSouth's rates for providing local switching where it is not required by
4 the Telecommunications Act of 1996 ("the Act") or the FCC's Rules
5 implementing the Act are not governed by § 251 of the Act and, accordingly, it
6 is not appropriate to resolve this matter in an arbitration proceeding. The
7 Commission therefore does not have the authority to set market rates where
8 BellSouth is not required to provide local switching as a unbundled network
9 element ("UNE").

10

11 Q. HAS THE COMMISSION PREVIOUSLY ADDRESSED THE
12 APPLICATION OF THE LINE CAP ON LOCAL SWITCHING?

13

14 A. Yes. In Order No. PSC-01-1951-FOF-TP in Docket No. 000731-TP (AT&T
15 Arbitration) dated September 28, 2001, the Commission clarified its previous
16 ruling in Order No. PSC-01-1402-FOF-TP dated June 28, 2001 regarding the
17 application of the line cap. The Commission clarified that the concluding
18 paragraph of the June 28, 2001 order should actually have read: "Therefore,
19 we find that BellSouth will not be allowed to aggregate lines provided to
20 multiple locations of a single customer, within the same MSA, to restrict
21 AT&T's ability to purchase local circuit switching at UNE rates to serve any of
22 the lines of that customer." Order at page 7. Since DeltaCom's request
23 appears to be the same as AT&T's, BellSouth is willing to incorporate
24 language into the parties' interconnection agreement that reflects the

25

1 Commission's previous ruling regarding the application of the line cap
2 restriction.

3

4 ***Issue 28: Local Switching***

5 ***What local switching provisions should be in the interconnection agreement?***

6

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

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9 A. It is BellSouth's understanding that this issue has been resolved. However,
10 should that not be the case, BellSouth reserves its right to file supplemental
11 testimony.

12

13 ***Issue 30: Provision of Combinations***

14 ***(a) What terms and conditions should apply to the provision of UNE***
15 ***combinations?***

16 ***(b) Should BellSouth be required to provide DeltaCom the same conditions for***
17 ***network elements and combinations that BellSouth has provided to other***
18 ***carriers?***

19

20 Q. WHAT IS BELLSOUTH'S POSITION ON THESE ISSUES?

21

22 A. (a) BellSouth offers combinations consistent with state and federal rules and
23 regulations. At DeltaCom's request and subject to the terms and conditions set
24 forth below, BellSouth provides access to Currently Combined and Ordinarily
25 Combined combinations of port and loop UNEs and loop and transport UNEs

1 (hereinafter referred to as Enhanced Extended Links or “EELs”). BellSouth
2 also provides access to Not Typically Combined combinations. Currently
3 Combined, Ordinarily Combined, and Not Typically Combined have the
4 meaning set forth below:

- 5 • Currently Combined network element combinations means that such
6 UNEs are in fact already combined by BellSouth in the BellSouth
7 network to provide telecommunications service to a particular location.
- 8 • Ordinarily Combined network element combinations means that such
9 UNEs are combined by BellSouth in the BellSouth network in the
10 manner in which they are typically combined even if the particular
11 elements being ordered are not actually physically connected at the
12 time the order is placed.
- 13 • Not Typically Combined network element combinations means that
14 such UNEs are neither Currently Combined nor Ordinarily Combined
15 as these terms are defined above. In compliance with FCC Rule
16 51.315(d), requests for combinations of Not Typically Combined UNEs
17 are available through the bona fide request process.

18 BellSouth’s proposed language incorporates the FCC’s and the Supreme
19 Court’s rulings with respect to what combinations BellSouth is required to
20 offer to DeltaCom.

21
22 (b) Pursuant to 47 USC § 252(i), DeltaCom can adopt rates, terms and
23 conditions for network elements, services, and interconnection from any
24 interconnection agreement filed and approved pursuant to 47 USC § 252,
25 under the same terms and conditions as the original Interconnection

1 Agreement. To the extent DeltaCom requests to adopt rates, terms and
2 conditions for UNE Combinations from an agreement filed and approved by
3 this Commission, such an adoption would be incorporated into DeltaCom's
4 agreement for the original term of the adopted agreement (i.e., for the term of
5 the AT&T agreement). Section 252(i) clearly requires such an adoption to be
6 "upon the same terms and conditions as those provided in the [approved]
7 agreement". In such case, BellSouth proposes that the language included in its
8 proposal replace the adopted language when it expires.

9

10 ***Issue 31: EELS***

11 ***Are new EELs ordered by DeltaCom subject to local use restrictions?***

12

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

14

15 A. BellSouth's position is that the local use restrictions set forth by the FCC in its
16 Supplemental Order Clarification¹ are applicable to all UNE loop-transport
17 combinations (EELs). The Supplemental Order Clarification is not limited in
18 its applicability to only existing EELs. The policy behind these restrictions
19 was to avoid the supplanting of special access by EELs, which is equally
20 applicable to newly requested EELs.

21

22

23

24

25 ¹ *In the Matter of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, Supplemental Order Clarification, CC Docket No. 96-98, FCC 00-183, 15 FCC Rcd 9587 (rel. June 2, 2000) ("Supplemental Order Clarification")

1 ***Issue 32: Availability of EELs***

2 ***Should BellSouth be required to make EELs available everywhere?***

3

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

5

6 A. It is BellSouth's understanding that this issue has been resolved. However,
7 should that not be the case, BellSouth reserves its right to file supplemental
8 testimony.

9

10 ***Issue 33: Special Access Conversions to EELs***

11 ***Can DeltaCom provide a blanket certification that refers to all three safe harbors
12 for special access conversions?***

13

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

15

16 A. Current FCC rules allow Alternative Local Exchange Carriers ("ALECs") to
17 self-certify that they are providing a significant amount of local exchange
18 service over combinations of UNEs. The Supplemental Order Clarification
19 requires that a requesting carrier provide certification of which circumstance it
20 meets to provide local exchange service to a particular end user. Paragraph 29
21 of the Supplemental Order Clarification clearly states: "the letter should
22 indicate under *what local usage option* the requesting carrier seeks to qualify".
23 (Emphasis added.) This language obviously demonstrates that the FCC
24 intended for the ALEC to advise the incumbent local exchange carrier

25

1 (“ILEC”) which one of the three local use options the ALEC was relying upon
2 in each instance in which it certifies the use of facilities.

3

4 ***Issue 34: Audits***

5 ***Under what circumstances should DeltaCom be required to reimburse BellSouth for***
6 ***the full cost of an audit?***

7

8 Q. WHAT IS BELL SOUTH’S POSITION ON THIS ISSUE?

9

10 A. The audits in question are audits that BellSouth may request if BellSouth has a
11 concern that DeltaCom has not met the criteria for providing a significant
12 amount of local exchange service required in order for DeltaCom to obtain
13 unbundled loop-transport combinations. Paragraph 31 of the Supplemental
14 Order Clarification provides that: “the competitive LEC should reimburse the
15 incumbent if the audit uncovers non-compliance with the local usage options.”
16 The Commission should find consistent with the FCC that DeltaCom is
17 responsible for the costs of the audit if it is in non-compliance with the current
18 rules.

19

20 ***Issue 36: UNE/Special Access Combinations***

21 ***(a) Should DeltaCom be able to connect UNE loops to special access transport?***

22 ***(b) Does BellSouth combine special access services with UNEs for other***
23 ***ALECs?***

24

25

1 Q. WHAT IS BELLSOUTH'S POSITION ON THESE ISSUES?

2

3 A. (a) Nothing in the Act or the FCC rules requires BellSouth to provide
4 combinations of UNEs and tariffed services. The FCC Rules regarding
5 combinations (47 C.F.R. 51.315) relate to combinations of UNEs. It contains
6 no requirements for an ILEC to combine UNEs with tariffed services. Further,
7 paragraph 28 of the June 2, 2000 Supplemental Order Clarification addressed
8 this issue in rejecting MCI's request to eliminate the prohibition on co-
9 mingling. The FCC is addressing this issue in its Triennial Review
10 proceeding.

11

12 (b) BellSouth has no agreements with other ALECs that require UNE/special
13 access services combinations.

14

15 ***Issue 37: Conversion of a Special Access Loop to a UNE Loop that Terminates to***
16 ***DeltaCom's Collocation***

17 ***Where DeltaCom has a special access loop that goes to DeltaCom's collocation***
18 ***space, can that special access loop be converted to a UNE loop?***

19

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

21

22 A. BellSouth's position is that ALECs may order standalone UNEs in accordance
23 with their interconnection agreements and may chose to roll traffic currently
24 routed over an existing special access circuit to those UNEs. The conversion
25 requirements specified by the FCC in the Supplemental Order Clarification

1 apply only to conversions of special access circuits to loop and transport (EEL)
2 UNE combinations. Neither the FCC's Rules regarding combinations or any
3 FCC order addresses, either directly or indirectly, conversions of stand-alone
4 elements, which are, by definition, not combinations, but individual elements
5 that terminate in a collocation arrangement. BellSouth is not obligated under
6 current FCC rules to convert a special access service to a standalone UNE.

7

8 Q. PLEASE EXPLAIN HOW DELTACOM CAN REPLACE SPECIAL
9 ACCESS CIRCUITS WITH STAND-ALONE UNES.

10

11 A. The process for DeltaCom, or any ALEC, to use to replace existing special
12 access circuits with stand-alone UNES is for DeltaCom to order the UNE loops
13 pursuant to its Interconnection Agreement. When the UNE loops are
14 provisioned, the end users' service will be rolled to the new UNE circuits and
15 the special access circuits can be disconnected.

16

17 **Issue 57: Rates and Charges for Conversion of Customers from Special Access to**
18 **UNE-based Service**

19 a) ***Should BellSouth be permitted to charge DeltaCom for converting customers***
20 ***from a special access loop to a UNE loop?***

21 b) ***Should the Agreement address the manner in which the conversion will take***
22 ***place? If so, must the conversion be completed such that there is no***
23 ***disconnect and reconnect (i.e., no outage to the customer)?***

24

25

1 Q. WHAT IS BELLSOUTH'S POSITION ON THESE ISSUES?

2

3 A. (a) As I discussed above in regards to Issue 37, BellSouth is not obligated to
4 "convert" special access circuits to stand-alone UNEs. As such, it is
5 appropriate for BellSouth to charge DeltaCom for installation and provisioning
6 of the stand-alone UNEs ordered by DeltaCom to replace existing special
7 access circuits. The rates BellSouth proposes to charge DeltaCom are the
8 Commission-approved nonrecurring rates for the stand-alone UNEs.

9

10 (b) BellSouth has no process to "convert" stand-alone special access services
11 to stand-alone UNEs. Replacing special access services with stand-alone
12 UNEs requires two separate orders involving two different basic classes of
13 services. Any request from DeltaCom for BellSouth to develop a process to
14 assist DeltaCom with the replacement of special access services to stand-alone
15 UNEs should be made pursuant to the New Business Request ("NBR")
16 process. If DeltaCom is not willing to pursue a NBR and pay BellSouth for
17 the process, DeltaCom has other options to minimize service outage for the end
18 user. It may order a new UNE circuit, roll the traffic and then disconnect the
19 special access service. Alternatively, DeltaCom may chose to issue the
20 disconnect ("D") and new connect ("N") orders itself and attempt to time the
21 orders to minimize downtime.

22

23 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

24

25 A. Yes.