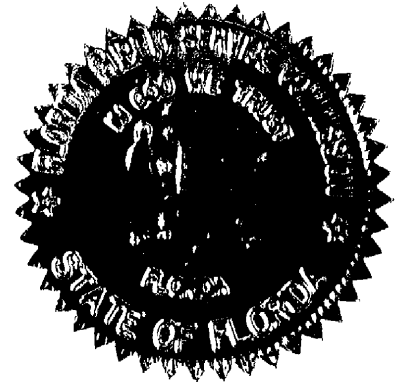


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 030137-TP

In the Matter of

PETITION FOR ARBITRATION OF
UNRESOLVED ISSUES IN NEGOTIATION
OF INTERCONNECTION AGREEMENT WITH
BELLSOUTH TELECOMMUNICATIONS, INC.
BY ITC^DELTACOM COMMUNICATIONS,
INC. d/b/a ITC ^DELTACOM



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VOLUME 4

PAGES 488 THROUGH 673

PROCEEDINGS: HEARING

BEFORE: COMMISSIONER J. TERRY DEASON
COMMISSIONER BRAULIO L. BAEZ
COMMISSIONER CHARLES M. DAVIDSON

DATE: Thursday, September 4, 2003

TIME: Commenced at 9:00 a.m.
Concluded at 10:47 a.m.

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

REPORTED BY: LINDA BOLES, RPR
Official FPSC Reporter
(850) 413-6736

APPEARANCES: (As heretofore noted.)

DOCUMENT NUMBER - DATE

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FLORIDA PUBLIC SERVICE COMMISSION

FPSC-COMMISSION CLERK

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COMMISSIONER DEASON: Call the hearing to order.

I believe we had concluded all of the preliminaries and that Mr. Pate is available for cross-examination.

MS. EDWARDS: Thank you.

RONALD M. PATE

resumed the stand as a witness on behalf of BellSouth Telecommunications, Inc. and, having been previously sworn, testified as follows:

CROSS EXAMINATION

BY MS. EDWARDS:

Q Good morning, Mr. Pate.

A Good morning.

Q Okay. You state in your prefiled testimony that BellSouth has scheduled Change Request 896 for implementation in May 2204; correct?

A That's correct.

Q So BellSouth would be willing then to provide in this new interconnection agreement with DeltaCom that this functionality will be available as of May 2004.

A I really see no need to put that in language. This is following the change control process and, frankly, I don't ever recall you requesting specific language to that functionality. So if you have language you'd like me to look

1 at, please, please share it and we'll take a look at it. But
2 as I sit here today, I don't understand the logic of why you
3 would want specific language on something that follows the
4 change control process being implemented.

5 Q So just to make sure I understand your answer to the
6 question, your position is you would agree to put language in
7 the parties' interconnection agreement that this functionality
8 will be provided sometime May 2004/June 2004 time frame?

9 A No, I didn't say that. What I said was it's not a
10 yes/no answer. I said if you would like for me to look at
11 something, I'd be glad to look at something. But I don't
12 understand as I sit here today why that would be necessary at
13 all in a contractual language to deal with operational issues.
14 I've stated in my testimony, made it clear in my summary that
15 operational issues in an interconnection agreement I don't feel
16 is necessary, and that's the type of situation that we're
17 talking about here.

18 Also as the way you just described it, you're asking
19 for a level of specificity that makes a commitment for May of
20 2004. And it is targeted and scheduled for that, but there are
21 things that could disrupt that timing even though that is not
22 our intent. So I could not enter into an interconnection
23 agreement contractual language that obligates that.

24 MS. EDWARDS: That's all I have.

25 COMMISSIONER DEASON: Staff.

CROSS EXAMINATION

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BY MR. TEITZMAN:

Q Good morning, Mr. Pate.

A Good morning.

Q What is the current status of Change Request 0897, which is expand CAVE to support increased CLEC testing through multiple simultaneous version of TAG API and EDI/LSOG versions as well as Encore releases?

A Well, let's make sure we're talking first about 897, because you said some things really that has been split out of 897 into 1258 as well. So there may be some confusion. Let me make sure I understand your question and get that clarity first.

897 deals with supporting two versions of industry standards, and that will be implemented with the release in November of this year. That's release 14.0. That will allow us to have the current-most version. I'm talking about a standard version like ELMS6, E-L-M-S-6, that you've heard referred to. That's what will be implemented in November. So that will be in the testing environment as well as the previous version because some of the competitive carriers may have not made that transition. That's what's being implemented in 897.

Now there was a piece of 897 that was split out and put in Change Request 1258, and we said we would not be implementing that. That had an \$8 million cost. It was cost

1 prohibitive. That was where the request was to be able to, to
2 test various release, Encore release versions.

3 Now let me define what I mean by Encore. Encore is
4 all the systems that supports the wholesale carriers. So when
5 you have a release, for example, I just said in November
6 Release 14.0, the next major release is going to be, I think
7 it's February, 15.0. The request was being asked for you to be
8 able to have each individual release versions for testing
9 purposes. That's what would be \$8 million. And that is not
10 being implemented.

11 Q Is it technically feasible for BellSouth to open up
12 its end-to-end testing system for CLEC use?

13 A I don't know of any technical issues. It could be
14 technically feasible. But let me make sure you understand the,
15 the impacts of that. It would be a very costly process and,
16 frankly, in my opinion a process that's not needed because that
17 end-to-end testing is being done. It's being done on behalf of
18 BellSouth's retail units and the wholesale community. The
19 end-to-end testing deals with that system request, excuse me,
20 service request being accepted and processed and provisioned.
21 Those are all the common systems: The common systems to a
22 retail service request or order, common systems to wholesale.

23 That's done, all that testing is done by a group
24 that's what we refer to as a shared resource unit in the
25 network organization of BellSouth. The retail units, what I

1 mean by the retail, that's the marketing arm, the individuals
2 that's actually taking those orders and requests from end user
3 customers on behalf of BellSouth, they do not do end-to-end
4 testing. Their responsibility is to be able to deliver to that
5 common entry point, and I describe it in my testimony as well
6 as if you go back and look at the discovery request, Item
7 31 and 32, it's discussed with the staff. And that point, that
8 service order communication system is a common entry point.
9 And what the retail units have to do is deliver a service
10 request that that system can accept. That CAVE environment on
11 behalf of the units for the wholesale community, that's what
12 that's about as well. They need to deliver a local service
13 request that SOCS can accept.

14 So in answer to your question, while there may be --
15 you can do it from a technical standpoint. It would be very,
16 very costly to put something like that in place. And it's not
17 necessary and it's definitely not an issue of the wholesale
18 community not having something that the retail community has.
19 That is not the case. And hopefully that further explanation I
20 just gave you makes that clear. If it helps, I'll even be glad
21 to draw it on this chart up here to further illustrate it.

22 Q That will be okay.

23 Are you familiar with the FCC's recent Triennial
24 Review Order as it relates to CLEC testing?

25 A I've read excerpts, so ask me a specific question. I

1 may or may not know that specifically, but I'll be glad to
2 answer what I can.

3 Q Well, my question is does that order support
4 BellSouth's position on CLEC end-to-end testing?

5 A From everything I read, yes. I heard Ms. Conquest
6 make a reference that she thought there was something in the
7 order that would impact that and we might have to visit that.
8 I am not aware of anything in that order, and I have read
9 everything that dealt with operation support systems. I assure
10 you I haven't read all, what it is, 583 pages, but I looked at
11 my area that would impact me.

12 And essentially all that does from an operation
13 support system standpoint in my opinion, as well as members of
14 my staff that's read it, is it reconfirmed what we already
15 know. It defined once again what they are and made it clear
16 they're an unbundled network element, made it clear we have to
17 provide nondiscriminatory access, and it even recognized the
18 states' involvements with that in the past and going forward.

19 And as we sit here today, BellSouth has not found
20 anything in that order that would impact us doing anything
21 different with regard to operation support systems from what
22 we're doing today.

23 MR. TEITZMAN: Commissioner, permission to approach
24 the witness. We'd like to hand out an exhibit.

25 COMMISSIONER DEASON: Yes. Is this an exhibit you

1 wish to have identified?

2 MR. TEITZMAN: Yes.

3 COMMISSIONER DEASON: Okay. It will be identified as
4 hearing Exhibit 20.

5 MR. TEITZMAN: It will actually be a composite
6 exhibit. There's two documents.

7 COMMISSIONER DEASON: Okay. Very well. Composite
8 Exhibit 20.

9 (Exhibit 20 marked for identification.)

10 BY MR. TEITZMAN:

11 Q Mr. Pate, in response to staff Interrogatory Number
12 34 you refer to BellSouth's interconnection web site and the
13 "Maintaining your Company Testing Profile" tab in the CLEC
14 testing area and the "Defect Management" tab. The pages you
15 were just handed were printed out from that web page.

16 My question, just, we just wanted to make sure, is
17 this the current version of the information concerning
18 maintaining your company's testing profile and defect
19 management?

20 A Yes. You indicated you printed these from our web
21 site, and I assume that print was done here recently. That
22 would be the current version.

23 MR. TEITZMAN: No further questions.

24 COMMISSIONER DEASON: Commissioners? Commissioner
25 Davidson.

1 COMMISSIONER DAVIDSON: Thank you, Chairman. A
2 couple of questions for staff and then a couple of questions
3 for the witness.

4 For staff, have you reviewed the CCP language
5 referred to by Mr. Pate?

6 MR. TEITZMAN: Staff has reviewed that language.

7 COMMISSIONER DAVIDSON: Have you reviewed
8 specifically the dispute resolution language in that CCP
9 language referred to by Mr. Pate?

10 MR. TEITZMAN: Staff would need to take another look
11 at that language. As far as review of it, it was cursory.

12 COMMISSIONER DAVIDSON: What do you mean? Your
13 review was cursory?

14 MR. TEITZMAN: Correct.

15 COMMISSIONER DAVIDSON: So it's fair at this point to
16 say that you haven't reviewed that language to determine if
17 that -- to determine whether it encompasses the OSS issues
18 raised in Issue 66 and 67.

19 MR. TEITZMAN: No, Commissioner.

20 COMMISSIONER DAVIDSON: Okay. Thank you. I do think
21 that's an important exercise to determine the scope of the
22 dispute resolution process there and whether issues raised here
23 are encompassed there. That would be a useful determination to
24 make.

25 For Mr. Pate, has ITC^DeltaCom sought to have issues

1 raised, the substance of the issues raised in Issue 66 and 67
2 in the change and control dispute resolution process?

3 THE WITNESS: No, sir. They have not used it
4 specifically for those issues to my knowledge. I think even
5 Ms. Conquest stated so yesterday. She's aware of it, but
6 they've chosen to take this path to deal with those issues.

7 COMMISSIONER DAVIDSON: If you could -- you heard my
8 questions to staff. Can you summarize for us the operative
9 dispute resolution language and process?

10 THE WITNESS: Most definitely. There's one step
11 before you get to dispute resolution which deals with internal
12 escalation. And this is -- it's in my Exhibit 1, which is a
13 copy of the change control process. If you have that in front
14 of you and you will go with me to Page 77, there's Section
15 8.0 that's the escalation process.

16 And within this process it's broken down for two
17 types of escalation. We have change request types 1 through
18 6 defined in the change control process, and I won't go through
19 the detail of that. But the first chart when you flip the page
20 over to 78 shows the escalation process to deal with change
21 request type 1s. Those are system outages. These are very
22 critical. The system is down, it's not working, and it has
23 individuals that you would escalate, and there's a time frame
24 stipulated here in these pages where we have to turn around
25 those escalations.

1 Now to more of the issues that we're talking about
2 with respect to 66 and 67 you'd flip to Page 80 and you would
3 use this escalation group. And there's specific times to turn
4 around these based on the severity of the change request if
5 it's a defect, or you have other time stipulations if it's just
6 a change request like we're referring to here initiated by a
7 competitive carrier. And they don't like the first response,
8 the normal response of the change control process, then they
9 would escalate to the next levels, the senior manager. Her
10 name, as you can see here, is Janet Miller Fields. And it goes
11 all the way up to three levels to our vice president of
12 BellSouth wholesale operations, Mr. Russell. That gives a
13 detailed internal review all the way up to a high level, senior
14 level management on our position as to why we've rejected that
15 change request.

16 If we get to that point, then that's when the dispute
17 resolution process, which is on Page 81, that's the next course
18 of action that a competitive carrier would have. So we're
19 saying you've taken it all the way through senior management
20 and everybody has looked at it within BellSouth and the
21 position has not changed and you're still unhappy. Now the
22 dispute resolution process gives an avenue to that competitive
23 carrier to bring it before a commission. And it specifically
24 states in here you can take it to mediation first if that's
25 offered by a state regulatory authority. If not, you can go

1 straight to a commission in the form of a complaint.

2 This is the process that was put in place that the
3 FCC emphasized was important. They wanted in the change
4 management process a dispute resolution process that could
5 handle such issues that we're dealing with here today and
6 hopefully be handled in a fair manner, expedited manner.
7 That's the intent of this. And this was built in a
8 collaborative process with all the competitive carriers. All
9 this language is detailed. This Commission looked at in detail
10 as part of third-party testing as well as to the evaluation of
11 our 271 application. That's the summation of it and that's
12 what we're saying. We'd like to see the competitive carriers
13 use this process. That's why it was built. And that's what
14 we'd like to see, not specifically for these, but the
15 community as a whole.

16 COMMISSIONER DAVIDSON: Does this process contemplate
17 the involvement of other CLECs if a particular CLEC raises an
18 issue?

19 THE WITNESS: Well, that's the intent. They
20 obviously would have to enjoin in that complaint if they wanted
21 to participate before a commission. But the fact that it's
22 gone through this process, they should be aware. And I say
23 should be because when you file a complaint, there's not a
24 requirement to make them aware, but in the escalation process
25 usually that gets communicated that someone's escalated it and

1 they're aware that there's discussions that could come up in
2 the monthly meetings. So our focus here is to involve the
3 community as a whole and not be just between two individual
4 parties.

5 COMMISSIONER DAVIDSON: I have no further questions,
6 Chairman.

7 COMMISSIONER DEASON: Redirect?

8 MR. SHORE: No, sir.

9 COMMISSIONER DEASON: Okay. Exhibits. We have 19
10 and 20 identified.

11 MR. SHORE: I'd move for the admission of Exhibit 19.

12 COMMISSIONER DEASON: Without objection, show Exhibit
13 19 admitted.

14 (Exhibit 19 admitted into the record.)

15 MR. TEITZMAN: Staff would move for Exhibit 20 to be
16 moved in as well.

17 COMMISSIONER DEASON: Without objection, show
18 composite Exhibit 20 is admitted.

19 (Exhibit 20 admitted into the record.)

20 COMMISSIONER DEASON: Thank you, Mr. Pate. You may
21 be excused.

22 (Witness excused.)

23 COMMISSIONER DEASON: BellSouth, you may call your
24 next witness.

25 MS. WHITE: BellSouth calls Keith Milner.

1 W. KEITH MILNER
2 was called as a witness on behalf of BellSouth
3 Telecommunications, Inc. and, having been duly sworn, testified
4 as follows:

5 DIRECT EXAMINATION

6 BY MS. WHITE:

7 Q Mr. Milner, you've been sworn, haven't you?

8 A Yes, I was.

9 Q Have you caused -- excuse me.

10 Please state your name and address for the record.

11 A Yes. My name is W. Keith Milner.

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

13 A I'm employed by BellSouth Telecommunications,
14 Incorporated, as assistant vice president, interconnection
15 operations.16 Q Have you caused to be prefiled in this case direct
17 testimony consisting of 27 pages?

18 A Yes.

19 Q Do you have any changes to that testimony?

20 A No.

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

24 A Yes, they would.

25 MS. WHITE: I would ask that Mr. Milner's direct

1 testimony be entered into the record.

2 COMMISSIONER DEASON: Without objection, show that
3 testimony inserted.

4 BY MS. WHITE:

5 Q And, Mr. Milner, you have one exhibit labeled WKM-1
6 to your direct testimony.

7 A Yes, that's correct.

8 Q Do you have any changes to that exhibit?

9 A No.

10 MS. WHITE: I would ask that Mr. Milner's exhibit to
11 his direct testimony be listed with the next exhibit number.

12 COMMISSIONER DEASON: Exhibit 21.

13 (Exhibit 21 marked for identification.)

14 BY MS. WHITE:

15 Q Mr. Milner, you also filed rebuttal testimony in this
16 case consisting of 11 pages?

17 A That's correct.

18 Q Do you have any changes to that testimony?

19 A No, I don't.

20 Q If I were to ask you the questions contained in your
21 rebuttal testimony today, would your answers be the same?

22 A Yes, they would.

23 MS. WHITE: I would ask that Mr. Milner's rebuttal
24 testimony be entered into the record as though read.

25 COMMISSIONER DEASON: Without objection, it shall be

1 so inserted.

2 BY MS. WHITE:

3 Q And, Mr. Milner, you had no exhibits to your rebuttal
4 testimony; is that right?

5 A That's correct.

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1 BELL SOUTH TELECOMMUNICATIONS, INC.
2 DIRECT TESTIMONY OF W. KEITH MILNER
3 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
4 DOCKET NO. 030137-TP
5 May 19, 2003
6

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

10
11 A. My name is W. Keith Milner. My business address is 675 West
12 Peachtree Street, Atlanta, Georgia 30375. I am Assistant Vice
13 President - Interconnection Operations for BellSouth. I have served in
14 my present position since February 1996.

15
16 Q. PLEASE SUMMARIZE YOUR BACKGROUND AND EXPERIENCE.

17
18 A. My business career spans over 32 years and includes responsibilities
19 in the areas of network planning, engineering, training, administration,
20 and operations. I have held positions of responsibility with a local
21 exchange telephone company, a long distance company, and a
22 research and development company. I have extensive experience in
23 all phases of telecommunications network planning, deployment, and
24 operations in both the domestic and international arenas.

25

1 I graduated from Fayetteville Technical Institute in Fayetteville, North
2 Carolina, in 1970, with an Associate of Applied Science in Business
3 Administration degree. I obtained a Master of Business Administration
4 degree from Georgia State University in 1992.

5
6 Q. HAVE YOU TESTIFIED PREVIOUSLY BEFORE ANY STATE PUBLIC
7 SERVICE COMMISSION?

8
9 A. I have previously testified before the state Public Service Commissions
10 in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, and
11 South Carolina, the Tennessee Regulatory Authority, and the North
12 Carolina Utilities Commission on the issues of technical capabilities of
13 the switching and facilities network regarding the introduction of new
14 service offerings, expanded calling areas, unbundling, and network
15 interconnection.

16
17 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY TODAY?

18
19 A. In my testimony, I will address the technical aspects of network related
20 issues that have been raised in this docket. Specifically, I will address
21 the following issues, in whole or in part: Issues 8, 18, 20, 21, 23, 29,
22 and 50.

23
24 **Issue 8: Universal or Integrated Digital Loop Carrier (“UDLC/IDLC”)**
25 **Technology**

1 **(a) Should BellSouth be required to provide an unbundled loop using**
2 **IDLC technology to DeltaCom which will allow Deltacom to**
3 **provide consumers the same quality of service (i.e., no additional**
4 **analog to digital conversions) as that offered by BellSouth to its**
5 **customers? If so, under what rates, terms and conditions should**
6 **it be provided?**

7
8 Q. WHAT IS BELLSOUTH'S POSITION ON USING INTEGRATED
9 DIGITAL LOOP CARRIER ("IDLC") TECHNOLOGY?

10
11 A. When an Alternative Local Exchange Carrier ("ALEC") such as
12 Deltacom orders a voice grade unbundled loop from BellSouth,
13 BellSouth provides a loop with technical characteristics suitable for
14 voice grade services. Loops provided over IDLC are integrated into
15 BellSouth's switch rather than being run through de-multiplexing
16 equipment referred to as Central Office Terminals ("COTs").
17 Therefore, when an ALEC obtains a customer currently served by
18 IDLC, it is necessary to provide a non-integrated facility (for example, a
19 copper loop or a loop served by Universal Digital Loop Carrier
20 ("UDLC")) to serve the customer. Because IDLC loops are integrated
21 directly into the central office switch, BellSouth must take special
22 measures to remove the switching functionality in order to provision the
23 desired loop to the requesting ALEC. BellSouth has eight (8)
24 alternatives for providing this non-integrated unbundled loop facility
25 that are currently used by BellSouth when it is necessary to convert an

1 IDLC loop to an unbundled loop facility. All eight (8) alternatives
2 provide unbundled loops suitable for voice grade services. If Deltacom
3 wants a loop with particular transmission standards (that is, different
4 from or higher than voice grade), Deltacom should order such a loop.
5 If BellSouth is unable to offer a loop that meets Deltacom's
6 requirements, Deltacom should place a New Business Request
7 ("NBR") with BellSouth for the development of such a loop.

8

9 Q. PLEASE DESCRIBE THE ROLE OF DIGITAL LOOP CARRIER AS A
10 MEANS OF PROVIDING CUSTOMER LOOPS.

11

12 A. In many cases, instead of using only simple copper facilities all the way
13 to the customer's premises, other equipment is added to improve the
14 transmission quality on very long loops, as well as minimize the overall
15 cost of serving customers who are located a great distance from the
16 central office ("CO"). Electrical signals deteriorate over distance and
17 such deterioration, at some point, becomes noticeable to the customer
18 as noise or low volume. Generally, the smaller the gauge of wire used
19 for the pairs within the cable, the higher the resistance and thus, the
20 greater the loss. One way to overcome these transmission problems is
21 to use larger gauge cables when long loops are required and smaller
22 gauge cables when shorter loops are required. Obviously, this would
23 complicate both the process of designing and constructing loop
24 facilities, as well as the inventorying, assignment, and activation
25 processes used to actually provide service to a given customer.

1 Instead, standard gauge cables are used and equipment called "loop
2 electronics" is added to compensate for long loops by digitizing the
3 voice signals and adding any amplification required to ensure high
4 quality service. In the context we are discussing, this digitization is
5 referred to as the "analog to digital conversion." This digitization is
6 important from a quality standpoint. Analog amplifiers have one
7 significant disadvantage which digitization overcomes. The analog
8 amplifier boosts a deteriorating signal; however, it also boosts the
9 noise along with the signal (in this case, the voice). Digital amplifiers
10 boost the signal, but also "clean up" the signal using various
11 mathematical formulae such that the signal is returned to its original
12 quality. The most common form of these "loop electronics" is
13 equipment referred to as Digital Loop Carrier ("DLC"). The DLC
14 equipment is housed in the same type of cabinet, which is placed at
15 the junction of the loop feeder cable and the loop distribution cable.

16
17 The loop feeder cable (copper or fiber) is connected to the DLC
18 equipment located at the junction of the loop feeder cable and loop
19 distribution cable. Because this DLC equipment is located outside the
20 CO, it is referred to as the Remote Terminal ("RT") equipment (i.e., it is
21 located remotely from the CO). From the DLC RT equipment to the
22 end user, BellSouth typically will use individual copper pairs to the
23 customer's home or business. These copper pairs will terminate in the
24 Network Interface Device ("NID") at the end user's premises. What is
25 different about the use of DLC equipment is what occurs on the loop

1 feeder part of the loop.

2

3 Q. PLEASE DISCUSS THE CONCENTRATION FUNCTION
4 PERFORMED BY DLC EQUIPMENT.

5

6 A. The DLC unit (at the RT) performs a concentration function, whereby
7 the feeder system provides fewer "talk-paths" (back to the CO) than
8 there are distribution pairs. As an example, the DLC may concentrate
9 96 distribution pairs onto 48 feeder circuits. This would be referred to
10 as having a concentration ratio of two to one (2:1) in that for every two
11 loop distribution pairs to customers' premises, there is only one path to
12 the CO over the loop feeder facilities. This means that not all 96 end
13 users can receive dial-tone at the same time, so careful monitoring of
14 service is essential to balance the number of distribution pairs to
15 feeder "paths" dependent on the calling characteristics of the served
16 customers. Generally, the higher the calling rate, the lower the
17 concentration. While customers with very low calling rates might be
18 concentrated at a ratio of 4:1, customers with very high calling rates
19 might not be concentrated at all (that is, a ratio of one loop distribution
20 pair to one loop feeder path for a ratio of 1:1).

21

22 Q. PLEASE DISCUSS THE MULTIPLEXING FUNCTION PERFORMED
23 BY DLC EQUIPMENT.

24

25 A. The second function performed by the DLC equipment is called

1 multiplexing. Multiplexing is a technique, which allows many individual
2 customer lines (in the loop distribution portion) to share high capacity
3 digital lines to the CO (in the loop feeder portion). For example, a
4 common high capacity transmission system called the DS-1 allows 24
5 separate calls to share a single transmission facility. Each path or
6 "channel" can carry a single conversation. Some simple mathematics
7 shows that the 24 paths, each operating at 64 kilobits per second
8 ("Kb/s"), would require a higher speed transmission facility of about 1.5
9 million bits per second (1.5 Mb/s). Thus, the basic functions provided
10 by DLC equipment are digitization, concentration, and multiplexing.
11 These functions are provided regardless of which style DLC equipment
12 (integrated or non-integrated) is used.

13

14 Q. PLEASE DISCUSS THE DIFFERENCES BETWEEN INTEGRATED
15 DIGITAL LOOP CARRIER AND NON-INTEGRATED OR
16 "UNIVERSAL" DIGITAL LOOP CARRIER.

17

18 A. Essentially, there are two varieties of DLC. One form is often referred
19 to as "universal" DLC. For this discussion, however, a more
20 appropriate name is non-integrated DLC. The other form of DLC is
21 referred to as "integrated DLC" or IDLC. A newer form of integrated
22 DLC is referred to as Next Generation Digital Loop Carrier ("NGDLC").

23

24 The DLC equipment at the RT converts the voice signals from analog
25 to digital through the process referred to as digitization. These digital

1 signals are then sent to the CO over the loop feeder facilities. At the
2 CO, non-integrated DLC equipment is terminated into equipment
3 referred to as the COT. The COT takes the many signals carried by
4 the single transmission facility and converts them back to individual
5 signals (one per customer loop) for connection to the switching
6 equipment within the CO. This process is referred to as de-
7 multiplexing. Thus, from the COT, the individual loop circuits can be
8 terminated onto the dial-tone providing switch within the CO, or they
9 can be routed to some other location (e.g., collocation space, etc.).
10 Within the BellSouth CO, loops served by non-integrated DLC may be
11 connected directly to the BellSouth switch in that CO office (through
12 the COT), or the loop may be extended into the ALEC's collocation
13 space on an unbundled basis.

14

15 Q. PLEASE DISCUSS THE EQUIPMENT ARRANGEMENTS IN THE
16 BELLSOUTH CENTRAL OFFICE FOR INTEGRATED DIGITAL LOOP
17 CARRIER.

18

19 A. IDLC does not terminate in a COT. Instead, the IDLC terminates
20 directly into the modern digital switch, which provides dial-tone and
21 other switching functions to the customer.

22

23 Q. PLEASE DESCRIBE THE EIGHT (8) ALTERNATIVES FOR GIVING
24 AN ALEC ACCESS TO LOOPS SERVED BY IDLC.

25

1 A. IDLC is a special version of DLC that does not require a host terminal
2 in the central office, sometimes referred to as the COT, but instead
3 terminates the digital transmission facilities directly into the central
4 office switch. In its Texas Decision, the Federal Communications
5 Commission ("FCC") found that "the BOC must provide competitors
6 with access to unbundled loops regardless of whether the BOC uses
7 integrated digital loop carrier (IDLC) technology or similar remote
8 concentration devices for the particular loops sought by the
9 competitor." Memorandum Opinion and Order, *Application by SBC*
10 *Communications Inc., et al., Pursuant to Section 271 of*
11 *Telecommunications Act of 1996 to Provide In-Region, InterLATA*
12 *Services in Texas*, 15 FCC Rcd 18354, ¶ 248 (2000) ("*Texas Order*").
13 BellSouth provides access to such IDLC loops via the following
14 methods:

- 15 • Alternative 1: If sufficient physical copper pairs are available,
16 BellSouth will reassign the loop from the IDLC system to a
17 physical copper pair.
- 18 • Alternative 2: Where the loops are served by NGDLC systems,
19 BellSouth will "groom" the integrated loops to form a virtual
20 Remote Terminal RT arranged for universal service (that is, a
21 terminal which can accommodate both switched and private line
22 circuits). "Grooming" is the process of arranging certain loops
23 (in the input stage of the NGDLC) in such a way that discrete
24 groups of multiplexed loops may be assigned to transmission
25 facilities (in the output stage of the NGDLC). Both of the

1 NGDLC systems currently approved for use in BellSouth's
2 network have "grooming" capabilities.

- 3 ● Alternative 3: BellSouth will remove the loop distribution pair
4 from the IDLC and re-terminate the pair to either a spare
5 metallic loop feeder pair (copper pair) or to spare universal
6 digital loop carrier equipment in the loop feeder route or Carrier
7 Serving Area ("CSA"). For two-wire ISDN loops, the universal
8 digital loop carrier facilities will be made available through the
9 use of Conklin BRITEmux or Fite-PMX 8uMux equipment.
- 10 ● Alternative 4: BellSouth will remove the loop distribution pair
11 from the IDLC and re-terminate the pair to utilize spare capacity
12 of existing Integrated Network Access ("INA") systems or other
13 existing IDLC that terminates on Digital Cross-connect System
14 ("DCS") equipment. BellSouth will thereby route the requested
15 unbundled loop channel to a channel bank where it can be de-
16 multiplexed for delivery to the requesting ALEC or for
17 termination in a DLC channel bank in the central office for
18 concentration and subsequent delivery to the requesting ALEC.
- 19 ● Alternative 5: When IDLC terminates at a switch peripheral that
20 is capable of serving "side-door/hairpin" capabilities, BellSouth
21 will utilize this switch functionality. The loop will remain
22 terminated directly into the switch while the "side-door/hairpin"
23 capabilities allow the loop to be provided individually to the
24 requesting ALEC.
- 25 ● Alternative 6: If a given IDLC system is not served by a switch

1 peripheral that is capable of side-door/hairpin functionality,
2 BellSouth will move the IDLC system to switch peripheral
3 equipment that is side-door capable.

- 4 • Alternative 7: BellSouth will install and activate new UDLC
5 facilities or NGDLC facilities and then move the requested loop
6 from the IDLC to these new facilities. In the case of UDLC, if
7 growth will trigger activation of additional capacity within two
8 years, BellSouth will activate new UDLC capacity to the
9 distribution area. In the case of NGDLC, if channel banks are
10 available for growth in the CSA, BellSouth will activate NGDLC
11 unless the DLC enclosure is a cabinet already wired for older
12 vintage DLC systems.
- 13 • Alternative 8: When it is expected that growth will not create the
14 need for additional capacity within the next two years, BellSouth
15 will convert some existing IDLC capacity to UDLC.

16
17 The sufficiency of these eight (8) alternatives was an issue in
18 BellSouth's Section 271 proceedings before the nine State
19 Commissions in BellSouth's region as well as the Section 271
20 proceedings before the Federal Communications Commission ("FCC")
21 as BellSouth sought in-region interLATA long distance authority. All
22 nine states and the FCC affirmed that BellSouth provides unbundled
23 loops to ALECs on a nondiscriminatory basis, including those loops
24 served by IDLC equipment. The Florida Public Service Commission
25 made such a finding in Docket No. 960786-TL.

1 The eight (8) alternatives for giving an ALEC access to loops served by
2 IDLC listed above are listed in order of complexity, time, and cost to
3 implement. The simplest is listed first and the most complex, lengthy,
4 and costly to implement listed last. Also, Alternative 1 and the copper
5 loop solution of Alternative 3 do not add additional Analog to Digital
6 conversions; which would appear to alleviate Deltacom's primary
7 concern. When an ALEC orders a loop, BellSouth delivers that loop to
8 the specifications ordered by the ALEC. Thus, ordinarily BellSouth
9 chooses the method for delivering the loop meeting the ordered
10 specification without involving the ALEC. BellSouth does not ordinarily
11 consult the ALEC as to which alternative will be used in a given
12 instance. If, however, BellSouth concludes that only Alternatives 7 or 8
13 can give the ALEC a loop meeting the specifications it ordered and
14 because the application of these Alternatives may require the
15 requesting ALEC to pay special construction charges, BellSouth would
16 proceed with implementation only if the ALEC agrees.

17

18 Q. HAS THERE BEEN ANY EFFORT ON BEHALF OF BELLSOUTH
19 AND DELTACOM TO ADDRESS ATTEMPTS TO MINIMIZE OR
20 ELIMINATE THE NEED FOR ADDITIONAL ANALOG TO DIGITAL
21 CONVERSIONS?

22

23 A. Yes. BellSouth agreed to work cooperatively with Deltacom to explore
24 some technical possibilities in an attempt to minimize or eliminate the
25 need for additional Analog to Digital conversions. Unfortunately, those

1 efforts were unsuccessful owing to no shortcoming on either
2 BellSouth's or Deltacom's part. To my knowledge, there simply is no
3 technically feasible way to accomplish what Deltacom is asking.
4 Further, Deltacom has proposed no technical alternative beyond those
5 that have already been tested.

6
7 BellSouth provides Deltacom with unbundled loops (whether on so-
8 called UDLC or other technology) that meet the technical transmission
9 requirements for voice grade loops. If Deltacom wishes a loop with
10 different or more stringent technical characteristics than the loops
11 BellSouth currently offers, Deltacom should request such a loop via the
12 New Business Request process.

13

14 Q. PLEASE BRIEFLY DESCRIBE THE GOALS OF THE IDLC
15 TECHNICAL TRIAL THAT BELLSOUTH CONDUCTED.

16

17 A. On January 13, 2003, BellSouth met with Deltacom in Anniston,
18 Alabama to discuss the benefits and goals of BellSouth engaging in a
19 technical trial of some technical alternatives that, if successful, might
20 be useful in addressing Deltacom's concerns regarding analog to
21 digital conversions that are inherent when loops are provided over
22 certain technology. Several other conference calls between
23 BellSouth's and Deltacom's technical experts ensued. In a spirit of
24 cooperation, BellSouth agreed to shoulder the expense of this trial
25 even though ordinarily an ALEC would detail the type loop it desired

1 and, if that loop type is not currently offered, use the New Business
2 Request process to have BellSouth analyze the feasibility of such a
3 development. Mr. Gary Tennyson, a Director in BellSouth's Science
4 and Technology organization, was chosen to coordinate the trial and
5 Mr. Tennyson marshalled appropriate resources within BellSouth to
6 conduct the technical trial and to document the findings of that trial.
7 Essentially, the trial was meant to determine if loops provided over
8 IDLC could be provisioned without any additional analog to digital
9 conversions (compared to the quantity of analog to digital conversions
10 when the end user was a BellSouth retail customer) using functionality
11 referred to as "side door" or "hair pin" arrangements within the
12 BellSouth switch and additional equipment referred to as Digital Cross-
13 connect System ("DCS") to aggregate unbundled loops for a given
14 ALEC. For the trial, Deltacom furnished a list of telephone numbers of
15 'friendly customers' who had BellSouth service. From this list, two (2)
16 lines were selected. These customers were served via a Nortel
17 DMS100 office in BellSouth's network, and DCS equipment was
18 already installed in that building.

19
20 DMS100 switch peripheral (SMS) assignments were obtained for the
21 loops in question. The availability of vacant DS1 terminations on the
22 associated SMS was verified. DS1 terminations in the DCS were
23 obtained, and BellSouth built circuits from the DCS to the SMS's. The
24 DS1 facilities between Deltacom's collocation arrangement and the
25 DCS were also built.

1 Q. WHAT WAS THE OUTCOME OF THE TECHNICAL TRIAL?

2

3 A. The trial was unsuccessful. Unfortunately, two (2) unforeseen issues
4 arose. It turns out that the loops to be converted were working in
5 Mode II, i.e., concentrated mode. Concentration, in this setting, is the
6 sharing of transmission paths between the DLC Remote Terminal and
7 the switch. For example, two (2) end users might share a single path
8 and this is referred to as 2:1 concentration. In the DMS100 switch, a
9 Mode II channel must be in the four (4) right-most line card slots, i.e.,
10 channels 17-24, of the digital transmission facility in order to be
11 'hairpinned' in the switch.

12

13 BellSouth also learned during the trial that only one (1) customer may
14 be assigned to the Remote Terminal card (which normally
15 accommodates two lines) serving the loop to be unbundled. This
16 limitation arises due to the fact that the DMS100 'nails up' both
17 channels on the line card. Because it's extremely unlikely that both
18 end-users would be converting simultaneously to the same ALEC, this
19 effectively means that the other channel must be vacant, resulting in
20 stranded investment. To overcome these limitations, the end-users to
21 be converted would have to be re-assigned to other DLC cards or
22 other facilities. This would involve, among other things, a transfer at
23 the crossbox.

24

25 Q. WHAT DOCUMENTATION OF THE TECHNICAL TRIAL DID

1 BELL SOUTH PROVIDE TO DELTACOM?

2

3 A. The best description of the trial outcomes is documented in the "white
4 paper" that Mr. Tennyson produced at the end of the trial. A copy of
5 that "white paper" was furnished to Deltacom at the end of the trial and
6 a copy is attached to my testimony as Exhibit WKM-1. BellSouth and
7 Deltacom had discussed before the trial began that, even if successful,
8 providing loops via DCS equipment might be prohibitively expensive
9 for both parties. Anticipated costs included the following:

- 10 ● Determining the availability of spare switch peripheral ports,
- 11 ● Determining the availability of a Digital Cross-connect
12 System and spare ports
- 13 ● The provisioning of DS1 links between the switch peripherals
14 and the Digital Cross-connect ports
- 15 ● The use of the Digital Cross-connect system

16 When the unanticipated cost of the line rearrangements (necessary to
17 'hairpin' a mode II IDLC channel in a DMS100 office) became known,
18 the process was viewed to be even less viable. No effort was made to
19 transfer the end-users or continue the trial. Finally, when BellSouth
20 better understood the effect of multiple links of robbed-bit signaling on
21 V.90 modem performance, there was simply no point in continuing the
22 work. BellSouth removed the temporary arrangements it had made
23 and informed Deltacom, in a conference call of both parties' technical
24 subject matter experts participating, that the trial was unsuccessful.

25

1 Q. HAS DELTACOM RESPONDED FORMALLY TO BELLSOUTH'S
2 "WHITE PAPER" DISCUSSING THE OUTCOME OF THE
3 TECHNICAL TRIAL?

4

5 A. No. I was on the conference call I mentioned earlier and I believe
6 Deltacom's representative appreciated the candor with which
7 BellSouth explained its findings. From BellSouth's viewpoint, I believe
8 the technical trial demonstrates that the technical solutions attempted
9 are not technically feasible. At the conclusion of the conference call,
10 BellSouth invited Deltacom to suggest other technical solutions but so
11 far, Deltacom has made no such suggestion. To summarize, it is my
12 belief that BellSouth and Deltacom worked together in good faith to
13 solve a technical problem for which at present there is no technically
14 feasible solution.

15

16 **Issue 18: Testing of NXXs, Call Forwarding Variable and Remote Access**
17 **to Call Forwarding Variable**

18 **(a) Should DeltaCom be allowed to use call forwarding, call**
19 **forwarding variable, and remote access to call forwarding variable**
20 **for testing whether NXXs are being correctly translated in the**
21 **Bellsouth network?**

22 **(b) If so, what rates should apply?**

23

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

25

1 A. The real issue here is that while Deltacom wants to continue to use the
2 call forwarding feature to test NXXs, Deltacom wants to pay a cost-
3 based rate instead of the tariff rate. BellSouth should not be required
4 to fund Deltacom's choice of testing methodology by being required to
5 provide Remote Call Forwarding ("RCF") at cost-based rates. RCF is
6 a tariffed service whose rates, terms, and conditions are fully set forth
7 in the tariff. In the past, BellSouth agreed to provide this service for
8 Interim Number Portability ("INP"). However, INP no longer exists and
9 BellSouth is not required to offer RCF at Total Element Long-Run
10 Incremental Cost ("TELRIC") rates for testing purposes. BellSouth
11 does have a process by which ALECs may request BellSouth to
12 develop services through a New Business Request.

13
14 BellSouth established a special operations center in Birmingham,
15 Alabama to handle the types of problems that Deltacom insists it can
16 only resolve by having RCF at cost-based rates. BellSouth has borne
17 the entirety of the cost of its NXX Code Single Point of Contact
18 ("SPOC") and that center has been very successful in resolving routing
19 problems. BellSouth provides its NPA/NXX code activation SPOC,
20 which resides in BellSouth's Local Interconnection Switching Center
21 ("LISC") Project Management Group, to address ALEC inquiries about
22 NPA/NXX codes. Among other functions, the NPA/NXX code SPOC
23 coordinates the activation of ALECs' NPA/NXX codes within
24 BellSouth's network and provides assistance on trouble conditions
25 related to ALEC NPA/NXX code activation.

1 Since its establishment, the NPA/NXX code activation SPOC has
2 successfully facilitated the NPA/NXX code activation process. The
3 NPA/NXX code activation SPOC provides ALECs with a positive report
4 on the activation of all of the ALEC's NPA/NXX codes that are
5 activated in BellSouth's network. If requested by an ALEC, a written
6 response is provided to the ALEC when BellSouth's Complex
7 Translations Group has provisioned the NPA/NXX code in the
8 appropriate BellSouth switches and BellSouth has completed
9 mechanized Automatic Message Accounting ("AMA") testing and
10 validation. Since it began operation through March 2003, the
11 NPA/NXX code activation SPOC has tracked the provisioning and
12 testing of approximately 5,600 NPA/NXX codes for facilities-based
13 ALECs and independent Local Exchange Carriers and has been
14 involved in the resolution of over 500 customer related routing trouble
15 conditions. I am unaware of any correspondence between Deltacom
16 and BellSouth alleging any operational deficiency in BellSouth's
17 SPOC.

18
19 Given the above, BellSouth should not have to finance its own
20 operations centers and then subsidize Deltacom's financing of its
21 operation center. If Deltacom wants to use RCF in analyzing routing
22 problems, it is free to do so and BellSouth has no objection. BellSouth
23 does object, however, to providing functionality to Deltacom, which, in
24 BellSouth's view, is not needed. BellSouth certainly should not have
25 to provide that functionality at cost-based rates.

1 **Issue 20: SS7**

2 **(b): Where should the parties' interconnection point be for the**
3 **exchange of SS7 traffic?**

4

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

6

7 A. BellSouth will meet Deltacom at established Signaling System 7
8 ("SS7") gateways consistent with the manner BellSouth does for all
9 other carrier customers. BellSouth should not be required to absorb
10 Deltacom's transport costs which, in my view, are costs of being a
11 facilities-based carrier, a choice Deltacom has made for itself.

12

13 Q. WHY IS IT IMPORTANT FOR CARRIERS SUCH AS DELTACOM TO
14 MEET AT SS7 GATEWAYS?

15

16 A. By meeting at established SS7 gateways in the BellSouth region,
17 BellSouth can maintain the level of route or facility diversity required on
18 the signaling links to prevent catastrophic outages on the signaling
19 network. Should processing of signaling be interrupted by a service
20 outage, BellSouth as well as other switch operators, could experience
21 massive failures of call completions and originations, known as traffic
22 congestion. This congestion could lead to switch overloads and further
23 network failures. Thus, ensuring redundancy and diversity is critical to
24 maintaining network reliability and security.

25

1 BellSouth monitors the signaling links in its network 24 hours a day, 7
2 days per week. BellSouth also monitors utilization of the links and has
3 definitive plans for augmentation to prevent congestion. BellSouth
4 believes Deltacom should interconnect its signaling network with
5 BellSouth's signaling networks at the signaling gateways, as do all
6 other carriers. If Deltacom wants some other arrangement, Deltacom
7 should pay for such an arrangement.

8

9 **Issue 21: Dark Fiber Availability**

10 **Does BellSouth have to make available to DeltaCom dark fiber loops**
11 **and transport at any technically feasible point?**

12

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

14

15 A. BellSouth's definitions of dark fiber comport with the definitions of
16 loops and transport under the FCC's rules. 47 C.F.R. 51.319 (a)(1); 47
17 C.F.R. 51.319 (d)(1). Accordingly, BellSouth will make dark fiber loops
18 available at the demarcation point associated with Deltacom's
19 collocation arrangements within BellSouth central offices. Deltacom
20 apparently wishes to access dark fiber at points other than those end
21 points of the loop and transport UNEs as defined by the FCC.
22 Deltacom's position that it can access dark fiber loop and dark fiber
23 transport at any technically feasible point completely ignores the
24 definitions of those UNEs established by the FCC and would result in
25 the creation of a new UNE *from* whatever point Deltacom wants to

1 access it to whatever point Deltacom wants to access it. BellSouth has
2 no requirement to create new UNEs – BellSouth's obligation being to
3 provide access to UNEs as they exist within its network. The parties
4 may mutually agree to some other interconnection point; however,
5 Deltacom apparently wants to be in the position that it can dictate
6 when and where the interconnection will take place between
7 Deltacom's network and BellSouth's network despite careful FCC
8 rulemaking that standardizes how and where such network
9 interconnection takes place.

10
11 Q. DOES BELLSOUTH HAVE ANY DARK FIBER ARRANGEMENTS
12 AVAILABLE AT COLLOCATION SITES?

13
14 A. Yes. As of April 2003, across BellSouth's nine-state region there were
15 43 unbundled fiber arrangements for 12 different customers, all of
16 which were delivered to an ALEC collocation arrangement within a
17 BellSouth serving wire center.

18

19 **Issue 23: Dark Fiber Holding Period**

20 **Should BellSouth hold the dark fiber for DeltaCom after receiving a**
21 **valid, error-free LSR from DeltaCom? If so, for how long?**

22

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

24

25 A. Some time back, BellSouth volunteered to reserve dark fiber for a

1 requesting ALEC were BellSouth not able to deliver that same ALEC's
2 collocation arrangement in a timely manner. Deltacom now wants to
3 expand the situations in which BellSouth must hold dark fiber once
4 Deltacom requests it. If Deltacom requests dark fiber to a collocation
5 space that is awaiting its completion, BellSouth holds the dark fiber for
6 45-days after BellSouth receives a valid error free Local Service
7 Request ("LSR"). Deltacom should not be permitted to have fiber held
8 for 45-days absent these circumstances. Deltacom should request
9 dark fiber when it has a need for the dark fiber and should not be
10 permitted to warehouse fiber to the exclusion of other ALECs or
11 BellSouth.

12

13 Q. IS THERE MERIT TO DELTACOM'S BELIEF THAT SOMEHOW IT IS
14 DISADVANTAGED IF BELLSOUTH HOLDS DARK FIBER FOR
15 OTHER CARRIERS?

16

17 A. No. Deltacom may "pick and choose" some other interconnection
18 agreement language if it likes that agreement's terms and conditions
19 regarding reservation periods for dark fiber and thus Deltacom would
20 have exactly the same privileges enjoyed by other ALECs. However,
21 BellSouth initially agreed to hold dark fiber for a carrier only in
22 instances where BellSouth was not able to complete the requesting
23 carrier's collocation arrangement in time. Now, Deltacom apparently
24 seeks to expand BellSouth's initial offer to include situations other than
25 collocation and even to situations outside BellSouth's control.

1 Deltacom is in no way disadvantaged compared to other ALECs and
2 indeed, if Deltacom's proposal were adopted, other ALECs would be
3 disadvantaged compared to Deltacom.

4

5 **Issue 29: AIN Triggers**

6 **Should BellSouth be required to offer AIN triggers on a stand-alone**
7 **basis via DeltaCom's STPs?**

8

9 Q. PLEASE DESCRIBE BELLSOUTH'S POSITION.

10

11 A. Advanced Intelligent Network ("AIN") was designed to operate as a
12 closed system with stringent internal controls preventing intentional or
13 unintentional disruption of call processing. Telecommunications
14 networks must be protected against such disruptions and one means
15 of protection is to limit the application of AIN triggers. BellSouth has
16 not requested access to AIN triggers in Deltacom's network and
17 believes there is no need to do so. Likewise, BellSouth is unwilling to
18 allow the level of control over BellSouth's network that providing
19 access to AIN triggers would entail. Further, no effective "firewall"
20 device exists between BellSouth's AIN and other carriers' networks to
21 ensure that inappropriate interaction does not occur if BellSouth were
22 to open its AIN platform to other carriers. AIN triggers by definition
23 give carriers the ability to manipulate various aspects of customer lines
24 and the services provided; thus, extreme caution in how AIN triggers
25 are made available is a reasonable prerequisite. One look at today's

1 newspaper headlines should provide ample reasons as to why
2 BellSouth should preserve the integrity of its network. BellSouth takes
3 its obligations to ensure network reliability and security very seriously.
4 While I am in no way suggesting that Deltacom would intentionally
5 disrupt BellSouth's network, the reality is that a requirement that
6 BellSouth open its AIN to Deltacom could be quickly and easily
7 adopted by any other ALEC including those ALECs that fall short of
8 Deltacom's technical and managerial capabilities.

9
10 Q. WHAT IS THE APPROPRIATE VENUE FOR DELTACOM'S
11 REQUEST TO BE MADE?

12
13 A. BellSouth participates, and will continue to participate, in national
14 forums where these issues are discussed and explored. BellSouth
15 should not be required to provide this type of service today due to the
16 many unanswered questions concerning security of the BellSouth
17 network that would be opened were this type of arrangement allowed.
18 Two (2) of the national forums are the National Security
19 Telecommunications Advisory Committee ("NSTAC") and the National
20 Reliability and Interoperability Council ("NRIC"). The NSTAC was
21 established by President Ronald Reagan and supports the national
22 security and emergency preparedness mandates as they relate to the
23 overall security of the national telecommunications infrastructure. The
24 NRIC is chartered by the FCC and provides support to the FCC related
25 to issues of reliability and interoperability of the national

1 telecommunications infrastructure.

2

3 BellSouth suggests that, to the extent Deltacom wishes unbundled AIN
4 triggers, that Deltacom present its issue to those national standards
5 setting bodies for consideration.

6

7 **Issue 50: Subsequent Application Fee and Application Modification**

8 **Can BellSouth charge a Subsequent Application Fee and/or other**
9 **charges when no work is actually required?**

10

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

12

13 A. The appropriate Subsequent Application Fee rate element is currently
14 being considered by the Florida Public Service Commission in Phase II
15 of the Generic Collocation Docket Nos. 981834-TP/990321-TP.

16 BellSouth should be able to charge Deltacom a Subsequent
17 Application Fee when Deltacom submits a subsequent application to
18 BellSouth for an existing collocation arrangement. The Subsequent
19 Application Fee recovers the costs associated with the administrative
20 and processing work required to evaluate the ALEC's application and
21 to assess whether or not BellSouth must perform specific work
22 activities, including space preparation activities. This fee does not
23 recover any costs associated with the additional administrative and
24 physical work that may ultimately be required to provision the space.
25 Obviously, for any type of application submitted by an ALEC, some

1 degree of evaluation and assessment is required, whether physical
2 work will eventually be performed or not.

3

4 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

5

6 A. Yes.

7

1 BELLSOUTH TELECOMMUNICATIONS, INC.
2 REBUTTAL TESTIMONY OF W. KEITH MILNER
3 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
4 DOCKET NO. 030137-TP
5 June 25, 2003
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 W. Keith Milner. My business address is 675 West
12 Peachtree Street, Atlanta, Georgia 30375. I am Assistant Vice
13 President - Interconnection Operations for BellSouth. I have served in
14 my present position since February 1996.
15

16 Q. ARE YOU THE SAME W. KEITH MILNER 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. I respond to portions of the direct testimony of Mr. Steve Brownworth
25 on behalf of ITC^Deltacom Communications, Inc. ("Deltacom") with

1 respect to Issues 8, 20, and 21. It is BellSouth's understanding that
2 the parties have reached agreement as to Issues 8(b), 20(a), 23, 29,
3 and 50. Should these issues not be resolved, BellSouth reserves its
4 right to file supplemental testimony on those issues.

5
6 **Issue 8: Universal or Integrated Digital Loop Carrier ("UDLC/IDLC")**

7 **Technology**

8 **(a) Should BellSouth be required to provide an unbundled loop using**
9 **IDLC technology to DeltaCom which will allow Deltacom to**
10 **provide consumers the same quality of service (i.e., no additional**
11 **analog to digital conversions) as that offered by BellSouth to its**
12 **customers? If so, under what rates, terms and conditions should**
13 **it be provided?**

14
15 Q. BEFORE ADDRESSING THIS ISSUE IN MORE DETAIL, COULD
16 YOU PUT IT INTO CONTEXT FOR THE COMMISSION?

17
18 A. Yes. BellSouth uses integrated digital loop carrier ("IDLC") equipment
19 to serve some of its end user customers. This IDLC equipment allows
20 a single transmission facility to carry multiple voice messages at once
21 through a process known as multiplexing. Rather than
22 "demultiplexing" the various voice multiplexed lines into separate lines
23 prior to running them through a circuit switch at the central office,
24 BellSouth runs transmission facilities carrying these multiple voice lines
25 directly into a circuit switch, and the switch separates the various voice

1 lines out and sends them on the way to their appropriate destinations.
2 This is what is meant when it is said that IDLC equipment allows the
3 'integration' of loop facilities with switch facilities by eliminating
4 equipment in the central office referred to as Central Office Terminals
5 ("COTs").

6
7 Issue No. 8 arises when an Alternative Local Exchange Carrier
8 ("ALEC") like Deltacom wins the local exchange business of an end
9 user that BellSouth is serving over an IDLC loop, and that ALEC wants
10 to use a non-BellSouth switch¹ to serve that end user. In that situation,
11 the ALEC cannot use the IDLC loop to serve the end user because the
12 IDLC transmission facility carries voice lines not only from the ALEC's
13 end user customer, but also from various other end users (including
14 BellSouth's end user customers). Instead, a separate loop facility that
15 carries only that end user's voice messages has to be provided and
16 connected to Deltacom's voice switch.

17

18 Q. HAS THIS COMMISSION PREVIOUSLY RULED ON THIS ISSUE?

19

20 A. Yes. In the first Deltacom-BellSouth arbitration proceeding, Deltacom
21 argued that "BellSouth uses either excessively long copper loops,
22 outdated Universal Digital Loop Carrier (UDLC), or in rare instances,
23 provides the 'side-door' IDLC, but does so via a voice-grade interface,
24 which will not always provide the same quality and features of

¹ The ALEC may want to use its own switch, or it may be purchasing switching functionality from another entity.

1 BellSouth provisioned IDLC."² In response, BellSouth stated that "the
2 inherent capabilities of the various types of loops (copper loops, IDLC
3 loops, and UDLC loops) are the same whether used for a BellSouth
4 retail customer or an ALEC's customer."³ After considering the record,
5 the Commission ruled that

6 Based upon the foregoing, we find that the record supports
7 that BellSouth has met its obligation under Section 251 of
8 the Act to provide non-discriminatory access to UNE loops.
9 We believe that BellSouth provides the avenue of choice to
10 ITC^DeltaCom, and there is little, if any, evidence in this
11 record to support that ITC^DeltaCom has requested loops
12 with specific transmission characteristics from BellSouth.
13 BellSouth states that if ITC^DeltaCom, or any other ALEC,
14 desires a loop which was provisioned by it via an IDLC and
15 having certain capabilities, the ALEC may order it, and
16 where technically feasible, BellSouth will provide the service,
17 as requested.⁴

18
19 Q. IS THERE ANY REASON FOR THE COMMISSION TO DEVIATE
20 FROM THIS PRIOR RULING?

21
22 A. No. Nothing related to IDLC technology or UDLC technology has
23 changed since the Commission entered this prior ruling. The

² Order on Arbitration, *In Re Petition of ITC^DeltaCom Communications, Inc. for Arbitration with BellSouth Telecommunications, Inc. Pursuant to the Telecommunications Act of 1996*, Order No. PSC-00-0537-FOF-TP in Docket No. 990750-TP at p. 19 (March 15, 2000).

³ *Id.* at 21.

⁴ *Id.* at 24.

1 Commission, therefore, should reach the same ruling in this arbitration
2 by adopting BellSouth's position on this issue.

3
4 Q. MR. BROWNORTH, ON PAGE 3 OF HIS TESTIMONY, STATES
5 THAT IDLC IS VERY IMPORTANT SUCH "THAT ITC^DELTACOM BE
6 ABLE TO ORDER A LOCAL LOOP ON BEHALF OF THE END USER
7 CUSTOMER AND THAT LOCAL LOOP SHOULD RECEIVE THE
8 SAME QUALITY OF SERVICE THAT BELLSOUTH CURRENTLY
9 OFFERS THAT SAME CUSTOMER. IN OTHER WORDS,
10 BELLSOUTH SHOULD NOT PROVIDE A DEGRADED LOCAL LOOP
11 TO ITC^DELTACOM." PLEASE COMMENT.

12
13 A. When an ALEC such as Deltacom orders a voice grade unbundled
14 loop from BellSouth, BellSouth provides a loop with technical
15 characteristics suitable for voice grade services. Loops provided over
16 IDLC are integrated into BellSouth's switch rather than being run
17 through de-multiplexing equipment referred to as COTs. Therefore,
18 when an ALEC obtains a customer currently served by IDLC, it is
19 necessary to provide a non-integrated facility (for example, a copper
20 loop or a loop served by Universal Digital Loop Carrier ("UDLC")) to
21 serve the customer. Because IDLC loops are integrated directly into
22 the central office switch, BellSouth must take special measures to
23 remove the switching functionality in order to provision the desired loop
24 to the requesting ALEC. As I stated in my direct testimony, BellSouth
25 has eight (8) alternatives for providing this non-integrated unbundled

1 loop facility that are currently used by BellSouth when it is necessary to
2 convert an IDLC loop to an unbundled loop facility. All eight (8)
3 alternatives provide unbundled loops suitable for voice grade services.
4 If Deltacom wants a loop with particular transmission standards (that
5 is, different from or higher than voice grade), Deltacom should order
6 such a loop. If BellSouth is unable to offer a loop that meets
7 Deltacom's requirements, Deltacom should place a New Business
8 Request ("NBR") with BellSouth for the development of such a loop.

9
10 The eight (8) alternatives for giving an ALEC access to loops served by
11 IDLC as listed in my direct testimony are listed in order of complexity,
12 time, and cost to implement. The simplest is listed first and the most
13 complex, lengthy, and costly to implement listed last. Also, Alternative
14 1 and the copper loop solution of Alternative 3 do not add additional
15 Analog to Digital conversions; which would appear to alleviate
16 Deltacom's primary concern. When an ALEC orders a loop, BellSouth
17 delivers that loop to the specifications ordered by the ALEC.

18
19 Q. HAS THE FCC ADDRESSED THESE EIGHT (8) ALTERNATIVES?

20
21 A. Yes. To reiterate from my direct testimony, the sufficiency of these
22 eight (8) alternatives was an issue in BellSouth's Section 271
23 proceedings before the nine State Commissions in BellSouth's region
24 as well as the Section 271 proceedings before the Federal
25 Communications Commission ("FCC") as BellSouth sought in-region

1 interLATA long distance authority. All nine states and the FCC
2 affirmed that BellSouth provides unbundled loops to ALECs on a
3 nondiscriminatory basis, including those loops served by IDLC
4 equipment. The Florida Public Service Commission made such a
5 finding in Docket No. 960786-TL.

6
7 Q. ON PAGE 4 OF HIS TESTIMONY, MR. BROWNORTH STATES
8 THAT NO NEW BUSINESS REQUEST SHOULD BE REQUIRED
9 BECAUSE OF DELTACOM'S WORKING WITH BELLSOUTH ON
10 IMPLEMENTATION OF LANGUAGE INTO LOCAL SERVICE
11 ORDERS CONCERNING "NO ADDITIONAL A TO D
12 CONVERSIONS." PLEASE RESPOND.

13
14 A. I disagree with Mr. Brownworth's conclusion. It appears to me that Mr.
15 Brownworth has overlooked the technical issues involved in
16 accomplishing what Deltacom wants. As I discussed in detail in my
17 direct testimony, BellSouth agreed to work cooperatively with Deltacom
18 to explore some technical possibilities in an attempt to minimize or
19 eliminate the need for additional Analog to Digital conversions.
20 Unfortunately, those efforts were unsuccessful owing to no
21 shortcoming on either BellSouth's or Deltacom's part. To my
22 knowledge, there simply is no technically feasible way to accomplish
23 what Deltacom is asking. Further, Deltacom has proposed no
24 technical alternative beyond those that BellSouth offers to ALECs and
25 which have already been tested. Mr. Brownworth seems to suggest

1 that by agreeing to make good faith efforts to explore other alternatives
2 in those technical trials, BellSouth has somehow waived the New
3 Business Request process. BellSouth denies that it told or implied to
4 Deltacom that BellSouth's participation in technical trials would be
5 used in lieu of the New Business Request process.

6
7 BellSouth provides Deltacom with unbundled loops (whether on so-
8 called UDLC or other technology) that meet the technical transmission
9 requirements for voice grade loops. If Deltacom wishes a loop with
10 different or more stringent technical characteristics than the loops
11 BellSouth currently offers, Deltacom should request such a loop via the
12 New Business Request process.

13

14 Q. HOW DOES THE NEW BUSINESS REQUEST PROCESS DIFFER
15 FROM THE TECHNICAL TRIALS YOU JUST DESCRIBED, AND
16 WHY SHOULD DELTACOM GO THROUGH THIS PROCESS AFTER
17 IT HAS PARTICIPATED IN THOSE TRIALS?

18

19 A. The New Business Request process is available should Deltacom
20 discover some new way of provisioning loops that does not impose
21 additional Analog to Digital conversions.

22

23 **Issue 20: SS7**

24 **(b) Where should the parties' interconnection point be for the**
25 **exchange of SS7 traffic?**

1 Q. MR. BROWNORTH, ON PAGES 16-17 OF HIS TESTIMONY,
2 STATES THAT THE LOCATION OF THE SIGNALING SYSTEM 7
3 ("SS7") SIGNALING POINT OF INTERCONNECTION ("SPOI")
4 SHOULD BE THE SERVING WIRE CENTER OF THE CARRIER
5 POINT OF PRESENCE ("POP") FROM WHICH DELTACOM HANDS
6 THE SS7 LINKS TO BELLSOUTH AND FURTHER THAT
7 BELLSOUTH SHOULD PAY FOR A FAIR PORTION OF THE
8 CONNECTIONS BETWEEN THE SIGNAL TRANSFER POINTS
9 ("STPs"). WHAT IS BELLSOUTH'S POSITION?

10

11 A. BellSouth will meet Deltacom at established SS7 gateways consistent
12 with the manner BellSouth does for all other carrier customers thereby
13 ensuring redundancy and diversity, which is critical to maintaining
14 network reliability and security. BellSouth should not be required to
15 absorb Deltacom's transport costs by acceding to Deltacom's request.
16 I would note that Mr. Brownworth makes no offer to absorb any part of
17 BellSouth's costs for its signaling network but instead seeks to be
18 unilaterally reimbursed for a cost that, in my view, is a cost of being a
19 facilities-based carrier, a choice Deltacom has made for itself.

20

21 As stated in my direct testimony, BellSouth monitors the signaling links
22 in its network 24 hours a day, 7 days per week. BellSouth also
23 monitors utilization of the links and has definitive plans for
24 augmentation to prevent congestion. BellSouth believes Deltacom
25 should interconnect its signaling network with BellSouth's signaling

1 networks at the signaling gateways, as do all other carriers. If
2 Deltacom wants some other arrangement, Deltacom should pay for
3 such an arrangement.

4

5 **Issue 21: Dark Fiber Availability**

6 **Does BellSouth have to make available to DeltaCom dark fiber loops**
7 **and transport at any technically feasible point?**

8

9 Q. MR. BROWNORTH CONTENDS, ON PAGE 17 OF HIS
10 TESTIMONY, THAT DELTACOM SHOULD BE ABLE TO ACCESS
11 DARK FIBER AT AREAS OTHER THAN THE COLLOCATION SITE,
12 AND HE CONTENDS THAT THIS IS CONSISTENT WITH ANY
13 TECHNICALLY FEASIBLE POINT. PLEASE RESPOND.

14

15 A. Deltacom's proposal to be able to access dark fiber at areas other than
16 the collocation site completely ignores the definitions of loops and
17 transport established under the FCC's rules and would result in
18 creation of a new UNE *from* whatever point Deltacom wants to access
19 it *to* whatever point Deltacom wants to access it. BellSouth has no
20 requirement to create new UNEs. Instead, BellSouth's obligation is to
21 provide access to UNEs as they exist within its network. The parties
22 may mutually agree to some other interconnection point; however,
23 Deltacom apparently wants to be in the position that it can dictate
24 when and where the interconnection will take place between
25 Deltacom's network and BellSouth's network despite careful FCC

1 rulemaking that standardizes how and where such network
2 interconnection takes place.

3

4 Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

5

6 A. Yes.

1 BY MS. WHITE:

2 Q Mr. Milner, would you just please give your summary.

3 A Yes. Thank you.

4 Good morning, Commissioners. I filed testimony in
5 this proceeding that addresses the technical aspects of some
6 network-related issues. I also responded to portions of the
7 testimony of Mr. Steve Brownworth on behalf of DeltaCom.

8 Specifically I addressed Issue 21. Issue 21 asks the
9 question, "Does BellSouth have to make available to DeltaCom
10 dark fiber loops and transport at any technically feasible
11 point?" This question -- this issue asks the question as to
12 whether any good deed should go unpunished.

13 In the past where it were not possible for DeltaCom
14 to extend its own facilities into BellSouth's central office
15 building in order to use BellSouth's so-called dark fibers,
16 BellSouth offered to interconnect to the manhole outside the
17 central office. BellSouth did so even though there was no
18 legal or contractual requirement for it to do so. Now DeltaCom
19 wants the right to unilaterally determine when BellSouth will
20 do what BellSouth is not required to do.

21 BellSouth's definitions of dark fiber comport with
22 the definitions of dark fiber loops and dark fiber transport
23 under the FCC's rules. Accordingly, BellSouth will make dark
24 fiber available at the demarcation point associated with
25 DeltaCom's collocation arrangements within BellSouth's central

1 offices.

2 DeltaCom wishes to access dark fiber at points other
3 than the end points of the dark fiber loop and transport as
4 defined by the FCC. DeltaCom's position that it cannot -- that
5 it can access dark fiber at any technically feasible point
6 ignores the definitions of the UNEs established by the FCC and
7 would result in the creation of a new UNE from whatever point
8 DeltaCom wants to access it to whatever point DeltaCom wants to
9 access it.

10 BellSouth has no requirement to create new UNEs;
11 BellSouth's obligation being to provide access to UNEs as they
12 exist within its network. The parties may mutually agree to
13 some other interconnection point; however, DeltaCom apparently
14 wants to be in the position that it can dictate when and where
15 the interconnection will take place between DeltaCom's network
16 and BellSouth's network despite careful FCC rulemaking.

17 I would also note that other ALECs use dark fiber
18 acquired from BellSouth and do so on the terms BellSouth has
19 offered DeltaCom. Indeed as of April of this year across
20 BellSouth's nine-state region there were 43 unbundled dark
21 fiber arrangements for 12 different ALEC customers. Thank you.
22 That concludes my summary.

23 MS. WHITE: Mr. Milner is available for cross.

24 COMMISSIONER DEASON: DeltaCom.

25 MS. EDWARDS: Thank you.

CROSS EXAMINATION

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BY MS. EDWARDS:

Q Good morning, Mr. Milner.

A Good morning, Ms. Edwards.

Q Now you would agree with me that it is technically feasible for BellSouth to provide DeltaCom what we seek with regard to dark fiber?

A Yes. And, in fact, we do that in our special access tariff. In that tariff we refer to it as dry fiber rather than as dark fiber, but essentially it's the same thing.

Q Now isn't it true that you did not identify any specific legal prohibition on this Commission that would prevent this Commission from ordering BellSouth to provide dark fiber as requested by DeltaCom?

A That's correct. What DeltaCom is asking is that it have the, the dry fiber arrangements that are available in our special access tariff, but to have those arrangements available at TELRIC rates rather than at special access rates. So it's an issue of money.

MS. EDWARDS: That's all I have.

COMMISSIONER DEASON: Staff.

CROSS EXAMINATION

BY MS. CHRISTENSEN:

Q Good morning, Mr. Milner. Staff has just a few questions.

1 A Good morning.

2 Q Is it technically feasible for BellSouth to provide
3 the dark fiber, dry fiber, I guess, is BellSouth's technical
4 term, to a CLEC at an established fiber break point in
5 BellSouth's network?

6 A That is possible, and we're willing to do that under
7 our special access tariff. What, what DeltaCom is asking for,
8 in my opinion, is not a UNE when they request us to do that.
9 It's not a loop. It's not transport. It's something else.
10 And the, and the drawing that Mr. Shore and, and Mr. Brownworth
11 used yesterday, it's much more analogous to a point-to-point
12 special access circuit. In fact, in my opinion that's what it
13 is.

14 Q Does BellSouth routinely prepare dark fiber, dry
15 fiber for its own use?

16 A Well, you said routinely, so I can't answer yes or
17 no. Let me explain what we do.

18 We forecast our needs and, where we know them, we
19 include in those forecasts CLECs' needs or ALECs' needs rather,
20 and then we build fiber cables with, with that number of
21 strands. Often the big cost is in opening the trench or
22 whatever, not so much in the material cost of the, of the
23 fiber. But we try to figure out, you know, what's, what's a
24 reasonable amount of fiber optic cable to place, you know, in
25 the planning horizon. So when we do that, some of those fibers

1 are left unconnected. They don't really run from anyplace to
2 anyplace. So that, I think that's what Mr. Brownworth referred
3 to as the planned break points. The fiber itself, the cable
4 only comes in, you know, spools that are not of infinite
5 length, so there are naturally breaks along the way. So I'm
6 not sure if that answers your question. But, yes, when we
7 place the fiber, some of it we use immediately. Other of those
8 are left unconnected, you know, until some time later in the
9 planning horizon.

10 Q Let me make sure I understand, I think, your previous
11 testimony. Is it BellSouth's position that it would be willing
12 to make that dry fiber available to the CLEC if the CLEC is
13 willing to pay the cost of preparing the dry fiber for the
14 CLEC's use?

15 A You used the term "dry fiber."

16 Q Well, dark fiber, whichever way.

17 A Well, let me answer, let me answer both ways. In the
18 context of dry fiber in our special access tariff, yes, we're
19 willing to do that. In the context of dark fiber, which is
20 limited really to two applications, that is dark fiber loops,
21 that is that run from our central office to an end user's
22 premises or dark fiber transport which runs between two central
23 offices, yes, we're willing to connect those fibers when the
24 dark fiber is used for loops or for transport. We're not
25 willing to do it to replace special access, as DeltaCom has

1 suggested we have a requirement to do.

2 Q Would BellSouth be willing to place unspliced dark
3 fiber into service for a CLEC if the CLEC was willing to assume
4 any liabilities associated with preparing the dark fiber for
5 the CLEC use?

6 A Yes, so long as the dark fiber was being used for
7 unbundled loops or unbundled transport.

8 Q Okay. Have you had an opportunity to review the
9 FCC's recent Triennial Review Order?

10 A I've looked at it briefly. I cannot say that I've
11 studied it in depth in preparing for this hearing. I looked
12 for sections that I thought weighed on this issue of dark
13 fiber.

14 Q Okay. In your, I guess, review of the Triennial
15 Review Order as it applies to the dark fiber, does that order
16 change BellSouth's position on the availability of dark fiber?

17 A No, it doesn't, and I'll explain why.

18 Beginning at Paragraph 311 in the order it talks
19 about dark fiber in the context of unbundled loops, and I
20 didn't read anything in that that really made me change my
21 opinion.

22 Starting at Paragraph 381 the discussion begins
23 regarding dark fiber when used for transport. There's a lot
24 of, there's a lot of talk about, about when ILECs such as
25 BellSouth must splice fiber, but it always talked about those

1 things in those two contexts, either as loops or as transport.

2 And then finally at Paragraph 645 it began a
3 discussion of what network modifications an ILEC must make on
4 behalf of a CLEC and -- well, that's not the beginning of that.
5 But in Paragraph 645 the FCC stated or the order states that
6 ILECs have no obligation to build new routes to meet
7 point-to-point demand.

8 Now in my opinion forming a facility that runs from,
9 from one customer's premises to another customer's premises, as
10 the example that Mr. Shore used with Mr. Brownworth yesterday,
11 in my opinion is a creation of a point-to-point route. That's,
12 you know, that's not a loop because it does not originate in
13 the central office. It's also not dedicated transport because
14 it doesn't run between two central offices.

15 So my read of those, of those parts of the order, and
16 there certainly may be other parts of the order that I've not
17 read that might change my opinion, but at least my reading of
18 those sections makes me believe that, that our, that my opinion
19 has not changed.

20 Q Okay. And you would -- would you disagree with
21 DeltaCom's position yesterday that that's a subloop or just a
22 portion of the loop?

23 A I would, I would certainly disagree that that is some
24 new form of a subloop. In fact, I've got the definition of
25 subloop here. If you'll indulge me, I'll, I'll find it and

1 read it.

2 It says, and this is in Section -- in Title 47, Part
3 51.319, and then Part 2 of that talks about subloops. And it
4 says, "The subloop network element is defined as any portion of
5 the loop that is technically feasible to access at terminals in
6 the incumbent LEC's outside plant including inside wire."

7 And then it goes on to talk about what an accessible
8 terminal is. "An accessible terminal is any point on the loop
9 where technicians can access the wire or fiber within the cable
10 without removing a splice case to reach the wire or fiber
11 within."

12 So on -- my first point is that, that what was drawn
13 on the board yesterday can't be a subloop because it's not part
14 of a loop. The loop runs from the central office to the
15 customer's premises. What was drawn doesn't do that. In fact,
16 it doesn't even touch the central office. It runs from, let's
17 say, your business to mine directly. It doesn't go through the
18 central office anymore. So, first of all, it can't be a
19 subloop since it's not part of a loop. And, second, BellSouth
20 is not required to do that under Section 319 because to do so
21 would require the opening of a splice case.

22 MS. CHRISTENSEN: Thank you. Staff has no further
23 questions.

24 COMMISSIONER DEASON: Redirect?

25 MS. WHITE: No redirect. Thank you.

1 COMMISSIONER DEASON: Exhibit 21.

2 MS. WHITE: Yes. BellSouth moves Exhibit 21, and
3 asks that Mr. Milner be excused.

4 COMMISSIONER DEASON: Without objection, show Exhibit
5 21 is admitted.

6 (Exhibit 21 admitted into the record.)

7 COMMISSIONER DEASON: Mr. Milner, you may be excused.

8 THE WITNESS: Thank you, sir.

9 (Witness excused.)

10 MS. WHITE: BellSouth calls John Ruscilli.

11 JOHN RUSCILLI

12 was called as a witness on behalf of BellSouth
13 Telecommunications, Inc. and, having been duly sworn, testified
14 as follows:

15 DIRECT EXAMINATION

16 BY MS. WHITE:

17 Q Mr. Ruscilli, you've been sworn, haven't you?

18 A Yes.

19 Q Could you please state your name and address for the
20 record?

21 A My name is John Ruscilli. I work at 675 West
22 Peachtree Street, Atlanta, Georgia.

23 Q By whom are you employed and in what capacity?

24 A I'm employed by BellSouth Telecommunications. I'm
25 senior director of policy implementation and regulatory

1 compliance.

2 Q And have you caused to be prefiled in this testimony
3 direct testimony -- I'm sorry. Have you caused to be prefiled
4 in this docket direct testimony consisting of 46 pages?

5 A Yes.

6 Q Do you have any changes to that testimony?

7 A Yes, I do.

8 Q Could you please tell us about those?

9 A Yes, please.

10 And these are just the numbering changes. On Page 2,
11 Lines 20 through 22, I need to add to the following issues
12 settled: 1; 6; 8(a), as in apple; 11(b), as in boy; 13(b), as
13 in boy; 18; 20(b), as in boy; 23 through 24; 27; 29; 39 through
14 42; 45; 50 through 51; 53 through 55; 65(b), as in boy; and 69
15 through 70.

16 Also on Page 2, Lines 24 through 25, if you'll
17 substitute for the last sentence, and this is the substitution,
18 my testimony addresses Issues 2; 11(a), as in apple; 25; 44; 46
19 through 47; 56; 58 through 60; and 62 through 64. That's the
20 only changes.

21 Q With those changes, if I were to ask you the
22 questions contained in your direct testimony today, would your
23 answers be the same?

24 A Yes, they would.

25 MS. WHITE: I would ask that Mr. Ruscilli's direct

1 testimony as corrected be entered into the record.

2 COMMISSIONER DEASON: Without objection, it shall be
3 so inserted.

4 BY MS. WHITE:

5 Q And, Mr. Ruscilli, you did not have any exhibits to
6 your direct testimony, did you?

7 A I had three exhibits, but they're no longer
8 applicable because those issues have been settled. There are
9 no exhibits.

10 Q Okay. So you're not going to include those three
11 exhibits -- we're not going to move those three exhibits into
12 the, or have them marked as an exhibit.

13 Mr. Ruscilli, you also filed rebuttal testimony
14 consisting of 21 pages, did you not?

15 A Yes.

16 Q Do you have any changes to that testimony?

17 A No.

18 Q If I were to ask you the questions contained in your
19 direct testimony, I mean, your rebuttal testimony today, would
20 your answers be the same?

21 A Yes.

22 Q And did you have any exhibits -- I'm sorry. I would
23 ask that the rebuttal testimony be entered into the record.

24 COMMISSIONER DEASON: Without objection, it shall be
25 so inserted.

1 BY THE WITNESS:

2 Q And, Mr. Ruscilli, did you have any exhibits attached
3 to your rebuttal testimony?

4 A No.

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1 BELLSOUTH TELECOMMUNICATIONS, INC.
2 DIRECT TESTIMONY OF JOHN A. RUSCILLI
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 BELLSOUTH
8 TELECOMMUNICATIONS, INC. ("BELLSOUTH") AND YOUR
9 BUSINESS ADDRESS.

10

11 A. My name is John A. Ruscilli. I am employed by BellSouth as Senior Director
12 – Policy Implementation and Regulatory Compliance for the nine-state
13 BellSouth region. My business address is 675 West Peachtree Street, Atlanta,
14 Georgia 30375.

15

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

18

19 A. I attended the University of Alabama in Birmingham where I earned a
20 Bachelor of Science Degree in 1979 and a Master of Business Administration
21 in 1982. After graduation I began employment with South Central Bell as an
22 Account Executive in Marketing, transferring to AT&T in 1983. I joined
23 BellSouth in late 1984 as an analyst in Market Research, and in late 1985
24 moved into the Pricing and Economics organization with various
25 responsibilities for business case analysis, tariffing, demand analysis and price

1 regulation. In July 1997, I became Director of Regulatory and Legislative
2 Affairs for BellSouth Long Distance, Inc., with responsibilities that included
3 obtaining the necessary certificates of public convenience and necessity,
4 testifying, Federal Communications Commission ("FCC") and state regulatory
5 support, federal and state compliance reporting and tariffing for all 50 states
6 and the FCC. I assumed my current position in July 2000.

7
8 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

9
10 A. The purpose of my testimony is to present BellSouth's position on the
11 unresolved policy issues in the arbitration between BellSouth and
12 ITC^DeltaCom Communications, Inc. ("DeltaCom") and to explain why the
13 Florida Public Service Commission ("Commission") should rule in BellSouth's
14 favor on these issues. BellSouth formally requested negotiations regarding an
15 interconnection agreement with DeltaCom on April 12, 2002. BellSouth and
16 DeltaCom negotiated in good faith and resolved many of the issues raised
17 during the negotiations. DeltaCom raised 71 issues with multiple sub-issues in
18 its Petition for Arbitration (the "Petition") filed with the Commission on
19 February 7, 2003. Since the DeltaCom Petition was filed, it is BellSouth's
20 understanding that the parties have reached agreement as to Issues 3, 4, 5, 7,

21 8(b), 10, 11(c), 12, 13(a), 14, 15, 16, 17, 19, 20(a), 22, 28, 32, 35, 38, 43, 48,
22 49, 52, 53(a), 61, 65(a), 68 and 71. (Should these issues not be resolved,
23 BellSouth reserves its right to file supplemental testimony on those issues.)

24 My testimony addresses Issues ~~1-2, 11(a-b), 24-25, 27, 39-42, 44-47, 51, 53(b),~~
25 ~~54-56, and 58-60, 62-64, and 65(b).~~

4thru
23, 24, 27,
29, 39 thru
42, 45,
50 thru 51,
53 thru 55,
65(b), 69
thru 70.
2, 11(a), 25, 44, 46 thru 47, 56,
58 thru 60, 62 thru 64.

1 **Issue 1: Term of the Agreement (GTC – Section 2.1; 2.3-2.6)**

2 (a) *Should the new interconnection agreement provide that the parties*
3 *continue to operate under that Agreement or under BellSouth's Standard*
4 *Interconnection Agreement pending the determination of the*
5 *Commission's ruling in any future arbitration?*

6 (b) *What should be the length of the term of the agreement resulting from*
7 *this arbitration?*

8

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

10

11 A. (a) BellSouth's position is that it is not appropriate for the parties to continue
12 to operate under the expired Agreement indefinitely. The parties should
13 operate under the provisions of the expired Agreement for no more than 12
14 months after the expiration date. Combined with the re-negotiation interval that
15 can begin as early as 270 days prior to the expiration of the agreement, this
16 gives the parties approximately 21 months to enter into a new Agreement,
17 either through negotiation or arbitration. Following expiration of the 12-month
18 period, the parties should default to BellSouth's Standard Interconnection
19 Agreement, which is updated regularly to reflect all changes in the legal
20 requirements imposed on BellSouth. It is unreasonable to require the rates,
21 terms and conditions of the expired Agreement to continue to apply
22 indefinitely after the expiration of the agreement because doing so stifles
23 BellSouth's ability to implement new processes or, alternatively, forces
24 BellSouth to maintain old processes to be performed manually. Hundreds of
25 Alternative Local Exchange Carriers ("ALECs") operating under expired

1 agreements that contain antiquated processes and procedures for an extended
2 period of time would be unmanageable and would inhibit BellSouth's ability to
3 offer interconnection, UNEs and other services in an efficient and timely
4 manner.

5
6 (b) The term of the new Agreement should be no more than three years. The
7 fact that the effective date of the new DeltaCom agreement is after the date the
8 parties execute the new agreement, and not retroactive to the expiration date of
9 the old agreement, eliminates the situation that occurred in the past (where the
10 term of the agreement was retroactive) which resulted in the prospective term
11 of the agreement being much reduced. Under BellSouth's proposal, the entire
12 three-year term would be prospective. BellSouth's proposal for a three-year
13 term is also consistent with the three-year timeframe set by the FCC in the past
14 for review of its rules under Section 251, and is actually longer than the two-
15 year timeframe more recently identified by the FCC for review of the rules
16 enacted pursuant to its Triennial Review.

17

18 ***Issue 2: Directory Listings (GTC – Section 4; Attachment 6 – Section 2.2.2):***

19 ***(a) Should BellSouth provide DeltaCom, for the term of this Agreement, the***
20 ***same directory listing language found in the BellSouth/AT&T***
21 ***Interconnection Agreement?***

22 ***(b) Should BellSouth be required to provide an electronic feed of the***
23 ***directory listings of DeltaCom customers?***

24 ***(c) Should DeltaCom have the right to review and edit its customers'***
25 ***directory listings?***

1 *(d) Should there be a credit or PMAP measure for accuracy of directory*
2 *listings and, if so, what should be the credit or PMAP measure?*

3
4 Q. WHAT IS BELLSOUTH'S POSITION ON THESE ISSUES?

5
6 A. (a) Pursuant to 47 USC § 252(i), DeltaCom can adopt rates, terms and
7 conditions for network elements, services, and interconnection from any
8 interconnection agreement filed and approved pursuant to 47 USC § 252,
9 under the same terms and conditions as the original Interconnection
10 Agreement. DeltaCom has requested of BellSouth to adopt language for
11 directory listings from the AT&T agreement filed and approved by the Florida
12 Commission, and BellSouth will agree to this as follows. To the extent
13 DeltaCom adopts rates, terms and conditions for directory listings from an
14 agreement filed and approved by this Commission, such an adoption would be
15 incorporated into DeltaCom's agreement for the original term of the adopted
16 agreement (i.e., for the term of the AT&T agreement). Section 252(i) clearly
17 requires such an adoption to be "upon the same terms and conditions as those
18 provided in the [approved] agreement". In such case, BellSouth proposes that
19 the language included in its proposal replace the adopted language when it
20 expires, to ensure that there are applicable rates, terms and conditions for
21 directory listings for the full term of that agreement.

22
23 (b) BellSouth is required to provide access to its directory assistance database
24 and charges fees to do so pursuant to its Interconnection Agreement and its
25 tariff. BellSouth Advertising & Publishing Company (BAPCO) will provide a

1 manual directory listing of an ALEC's customers upon request. BellSouth is
2 not required to provide (and does not have the system capabilities to provide)
3 an electronic feed of directory listings for DeltaCom customers.

4
5 (c) DeltaCom has the right to review and edit its customers' directory listings
6 through access to DeltaCom's own customer service records. BellSouth
7 Telecommunications, Inc. does not have a database through which review and
8 edits of directory listings may be made. In accordance with the agreement
9 between BAPCO and the ALEC, BAPCO provides "review pages" of all
10 listings prior to the book closing, if requested by the ALEC. The ALEC may
11 provide edits to the "review pages."

12
13 (d) If an error occurs in a Directory Listing, DeltaCom can request a credit for
14 any monies billed that are associated with the charge for said listing pursuant
15 to BellSouth's General Subscriber Service Tariff (GSST). This is consistent
16 with BellSouth's treatment of its retail customers. Further, an arbitration
17 proceeding with an individual ALEC is not the appropriate forum in which to
18 address the issue of PMAP measurements.

19

20 ***Issue 11: Access to UNEs (Attachment 2 – Sections 1.1, 1.4 and 1.10):***

21 ***(a) Should the interconnection agreement specify that the rates, terms and***
22 ***conditions of the network elements and combinations of network elements***
23 ***are compliant with state and federal rules and regulations?***

24 ***(b) Should all network elements be delivered to DeltaCom's collocation***
25 ***arrangement?***

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

2

3 A. (a) The Interconnection Agreement should specify that the rates, terms and
4 conditions of network elements and combinations of network elements should
5 be compliant with federal and state rules promulgated pursuant to Section 251
6 of the Telecommunications Act of 1996 ("Act"). The Interconnection
7 Agreement is an agreement required under Sections 251 and 252 of the Act
8 and should be limited to those interconnection, network elements and services
9 required pursuant to Section 251 of the Act.

10

11 If a state commission orders BellSouth to provide access to network elements
12 pursuant to its authority under Section 251 of the Act, then such requirements
13 should be incorporated into the interconnection agreement. By contrast, if a
14 state commission orders BellSouth to provide access to network elements
15 pursuant to any authority other than Section 251 (for example under a separate
16 state statutory authority), those elements should not be required to be included
17 in a Section 251 agreement. Since such additional state requirements would
18 not be ordered pursuant to Section 251 of the Act, BellSouth should not be
19 required to incorporate them into an agreement that is entered into under
20 Section 252 of the Act and that is subject to all of the requirements of Section
21 252 – such requirements could be tariffed or offered pursuant to a separate
22 agreement between the parties.

23

24 (b) Not all UNEs terminate to an ALEC's collocation space, such as databases.
25 BellSouth's proposed language does not require that all elements terminate to a

1 central office collocation space and expressly excludes those elements that do
2 not have to terminate at a collocation space. For instance, under certain
3 provisions, carriers (ALECs, IXCs, or CMRS providers) may connect UNE
4 loops, UNE local channels, or tariffed local channels to another carrier's
5 collocation arrangement. Similarly, carriers may connect UNE or tariffed
6 transport from the ordering carrier's collocation space to another carrier's
7 collocation arrangement.

8

9 ***Issue 24: Rate and Provision of Performance Data (Attachment 2 – Sections***
10 ***9.1.4.15 and 11.3.2.3):***

11 ***a) Should BellSouth be required to provide performance data for end-user***
12 ***customer line, traffic characteristics and common (shared) transport? If so,***
13 ***should BellSouth be required to provide performance data on BellSouth's***
14 ***common (shared) transport when DeltaCom traffic is routed through it?***

15 ***b) If required to provide such performance data, what rate should BellSouth***
16 ***charge DeltaCom for the performance data?***

17

18 Q. WHAT IS BELL SOUTH'S POSITION ON THESE ISSUES?

19

20 A. (a) Performance Data is not an issue subject to regulation under either Section
21 251 or 271. BellSouth offered to provide performance data through a
22 professional services agreement or New Business Request (NBR). The NBR
23 process, which is designed to address these types of requests, is included in the
24 interconnection agreement.

25

1 (b) The rates for Performance Data are not subject to the pricing requirements
2 of Section 252. The rates will be determined by agreement of the parties or
3 through the NBR process.

4

5 *Issue 25: Provision of ADSL where DeltaCom is the UNE-P Local Provider*
6 *(Attachment 2 – Section 8.4): Should BellSouth continue providing the end-*
7 *user ADSL service where DeltaCom provides UNE-P local service to that*
8 *same end-user on the same line?*

9

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

11

12 A. BellSouth's policy is that it provides DSL and FastAccess® ("FastAccess") on
13 BellSouth provided exchange line facilities. A UNE-P line is not a BellSouth-
14 provided facility (i.e., the ALEC owns the entire loop); thus, BellSouth does
15 not have access to the high frequency portion of the loop ("HFPL") and lacks
16 permission to provision DSL over this portion of the ALEC loop.
17 Furthermore, many databases would need to be created to track which ALECs
18 are allowing BellSouth to use their HFPL, for which states, at what cost, and
19 for which end users. Additionally, many system enhancements would need to
20 be designed and implemented to ensure BellSouth's current systems would be
21 able to interface with these databases. To continue to provide DSL service to
22 migrating customers would be inconsistent with the manner in which
23 BellSouth designed its DSL service. In order for BellSouth to recover its
24 development costs for DSL over UNE-P, it would either have to charge the
25 ALEC, or the network services provider ("NSP"), or its shareholders. Other

1 DSL providers are not subject to these additional regulatory requirements and
2 costs, which would ultimately result in a higher price for the end user, and
3 would most likely make BellSouth's DSL less competitive compared to service
4 of other DSL providers and broadband technologies.

5
6 Q. HAS THE COMMISSION PREVIOUSLY ADDRESSED THIS ISSUE?

7
8 A. Yes. The Commission has issued two orders. In the Florida FDN Arbitration
9 (Docket No. 010098-TP) the FPSC required BellSouth to continue providing
10 its retail BellSouth FastAccess® Service ("Fast Access") for customers who
11 migrate to FDN for voice service over UNE loops.¹ BellSouth's Agreement
12 Language, accepted by FDN, allows BellSouth to provide FastAccess over a
13 separate stand-alone loop, installed on the customer's premises.² In the Supra
14 Arbitration (Docket No. 001305-TP), the Commission ordered BellSouth to
15 continue to provide its FastAccess service to a customer migrating to Supra's
16 voice service over UNE-P.³ On August 22, 2002, the FPSC issued an Order
17 Approving the Final Interconnection Agreement. On September 19, 2002,
18 BellSouth appealed the Commission's Supra Arbitration decision to the United
19 States District Court for the Northern District of Florida. In addition, Supra
20 has filed a Complaint with the Commission regarding BellSouth's compliance

¹ Final Order on Arbitration, Order No. PSC-02-0765-FOF-TP, dated 6/5/02 ("*FDN Arbitration Order*"), Order Denying Motions for Reconsideration, Cross-Motion for Reconsideration and Motion to Strike, Order No. PSC-02-1453-FOF-TP, dated 10/21/02 ("*FDN Reconsideration Order*"), and Order Resolving Parties' Disputed Language, Order No. PSC-03-0395-FOF-TP, dated 3/21/03.

² Pursuant to Order No. PSC-03-0395-FOF-TP, on 4/17/03, the parties submitted an executed Amendment to the Interconnection Agreement, adding new Section 2.10 to Attachment 2 of the Agreement, titled *Continued Provision of FastAccess to FDN End User*.

³ FPSC Order No. PSC-02-0878-FOF-TP (dated 7/1/02), imputing its ruling in the FDN Arbitration Order regarding BellSouth's FastAccess service to the Supra/BellSouth arbitration proceeding, as clarified by the *FDN Reconsideration Order*. ("*Supra Arbitration Order*").

1 with the Commission orders using a separate stand-alone loop (as in FDN);
2 that complaint is pending before the Commission (Docket 021249-TP).

3

4 Further, issues surrounding BellSouth's obligations to provide DSL service to
5 customers receiving voice service from another carrier (both migrating
6 BellSouth customers and customers who have never received service from
7 BellSouth) are currently being addressed in Commission Docket No. 020507-
8 TL, ("*FCCA Complaint*").⁴

9

10 Q. WHY IS BELLSOUTH PRESENTING ITS CASE ON THIS ISSUE AGAIN?

11

12 A. The *FDN Arbitration Order* and the *Supra Arbitration Order* decisions
13 regarding BellSouth's provision of DSL service to customers migrating to
14 ALECs for voice service are decisions rendered based on the specifics of
15 individual ALEC cases. Further, each case puts different requirements on
16 BellSouth: (1) BellSouth is required to provide its retail FastAccess DSL
17 service for customers who migrate to FDN for voice service over UNE loops;
18 (2) BellSouth is required to provide its retail FastAccess DSL service for
19 customers who migrate to Supra for voice service over UNE-P. The *FCCA*
20 *Complaint* case addresses broader applicability, but has not yet been heard by
21 the Commission. Therefore, for purposes of determining language for the
22 DeltaCom interconnection agreement, BellSouth states its case as follows.

23

⁴ *Complaint of the Florida Competitive Carriers Association Against BellSouth Telecommunications, Inc. and Request for Expedited Relief*, filed June 12, 2002 ("*FCCA Complaint*").

1 Q. SHOULD BELLSOUTH BE REQUIRED TO CONTINUE TO PROVIDE
2 DSL SERVICES FOR CUSTOMERS TO WHOM DELTACOM PROVIDES
3 VOICE SERVICES USING UNE-P?
4

5 A. No. The FCC addressed this issue in its *Line Sharing Order*⁵ and concluded
6 that incumbent carriers are not required to provide line sharing to requesting
7 carriers that are purchasing UNE-P combinations. The FCC reiterated this
8 determination in its *Line Sharing Reconsideration Order*.⁶ It stated: “We deny,
9 however, AT&T’s request that the Commission clarify that incumbent LECs
10 must continue to provide xDSL service in the event customers choose to obtain
11 service from a competing carrier on the same line because we find that the
12 Line Sharing Order contained no such requirement.” *Id.* at ¶26. The FCC then
13 expressly stated that the *Line Sharing Order* “does not require that they
14 [LECs] provide xDSL service when they are not [sic] longer the voice
15 provider.” *Id.* The FCC explained: “We note that in the event that the
16 customer terminates its incumbent LEC provided voice service, for whatever
17 reason, the competitive data LEC is required to purchase the full stand-alone
18 loop network element if it wishes to continue providing xDSL service.” (*Line*
19 *Sharing Order*, at ¶ 72).
20

21 If DeltaCom purchases the UNE-P, DeltaCom becomes the voice provider over
22 that loop/port combination, and it owns the entire loop, including the high

⁵ *In Re: Deployment of Wireline Services Offering Advanced Telecommunications Capability*, Order No. FCC 99-355 in CC Docket Nos. 98-147, 96-98 (Released December 9, 1999) (*Line Sharing Order*).

⁶ *Third Report and Order on Reconsideration* in CC Docket No. 98-147 and *Fourth Report and Order on Reconsideration* in CC Docket No. 96-98, Order No. FCC 01-26 (Released January 19, 2001) (*Line Sharing Reconsideration Order*).

1 frequency spectrum. The Commission should find, consistent with the FCC's
2 rulings, that BellSouth is not obligated to provide DSL services for customers
3 who switch to DeltaCom's UNE-P based voice services. Nothing precludes
4 DeltaCom from entering into a line splitting arrangement with another carrier
5 to provide DSL services to DeltaCom's voice customers or from providing its
6 own DSL service over the UNE loop.

7
8 Q. ARE THERE OTHER REASONS THAT BELLSOUTH SHOULD NOT BE
9 REQUIRED TO CONTINUE TO PROVIDE ITS DSL SERVICE TO
10 CUSTOMERS SERVED BY DELTACOM OVER UNE-P?

11
12 A. Yes. There are significant operational issues that would make it extremely
13 burdensome for BellSouth to provide DSL service over a UNE loop purchased
14 by an ALEC to provide voice service. As mentioned previously, when an
15 ALEC purchases a UNE-P, that ALEC controls the entire loop, including both
16 the low frequency spectrum and the high frequency portion of the loop
17 ("HFPL") that is used to provision DSL service. The ALEC can choose to use
18 either portion of the loop as it wishes. Not all ALECs want BellSouth's DSL
19 service to be provided when serving the customer via UNE-P: (1) some
20 ALECs do not want BellSouth to continue its DSL service; (2) some ALECs
21 want BellSouth to provide DSL service and will not charge BellSouth; or (3)
22 some ALECs want BellSouth to provide DSL, but want BellSouth to pay the
23 ALEC for leasing back the high frequency spectrum. Most importantly,
24 BellSouth's systems are not capable of tracking different arrangements with

1 different ALECs, nor should BellSouth be forced to pay the ALEC to provide a
2 service BellSouth does not choose to provide.

3

4 Q. ARE THERE INSTANCES IN WHICH AN ALEC'S VOICE CUSTOMER
5 CAN CONTINUE TO RECEIVE BELLSOUTH'S DSL SERVICE?

6

7 A. Yes. Where an ALEC resells BellSouth voice service to an end user who
8 already subscribes to FastAccess, BellSouth will continue to provide the retail
9 FastAccess ADSL service and the wholesale interstate DSL transport service.
10 Unlike the above situation with UNE-P, an ALEC reselling BellSouth's service
11 does not have control of the loop. Specifically, the ALEC does not have
12 access to the HFPL, which is required to provide DSL services. BellSouth
13 retains access to the HFPL and, therefore, can continue to provide BellSouth's
14 DSL service. Consequently, the operational issues mentioned earlier are not
15 concerns in a resale scenario.

16

17 Q. WHAT STATES HAVE RULED IN FAVOR OF BELLSOUTH ON THIS
18 ISSUE?

19

20 A. There are two states that have addressed this issue and have ruled that
21 BellSouth is not required to provide DSL service to an end user receiving voice
22 service from a ALEC: (1) The North Carolina Utilities Commission
23 ("NCUC") considered this issue in BellSouth's 271 case. In the NCUC's
24 Consultative Opinion to the FCC in BellSouth's 271 Application for Alabama,

1 Kentucky, Mississippi, North Carolina and South Carolina, WC Docket No.
2 01-150, filed July 9, 2002, at p. 204, it found:

3 *“[T]he incumbent LEC has no obligation to provide DSL service over*
4 *the competitive LEC’s leased facilities.”*

5 (2) The South Carolina Public Service Commission (“SCPSC”) issued an
6 Order in Docket No. 2001-19-C on April 3, 2001 in the IDS Arbitration case,
7 which stated,

8 *“Clearly, the FCC has not required an incumbent LEC to provide xDSL*
9 *service to a particular end user when the incumbent LEC is no longer*
10 *providing voice service to that end user. IDS’s contention that this*
11 *practice is anticompetitive is therefore not persuasive when BellSouth*
12 *is acting in accordance with the express language of the FCC’s most*
13 *recent Order on the subject.” (page 29)*

14

15 Q. WHAT DOES BELLSOUTH REQUEST OF THIS COMMISSION?

16

17 A. BellSouth requests that this Commission reconsider its rulings in the FDN and
18 Supra Arbitration cases and rule consistent with the FCC and the North
19 Carolina and South Carolina Commissions that BellSouth is not required to
20 provide its DSL service in instances where the end user’s voice
21 telecommunications service is provided by an ALEC using an unbundled loop,
22 or by UNE-P.

23

24 ***Issue 27: Treatment of Traffic Associated with Unbundled Local Switching but***
25 ***Using DeltaCom’s CIC (Attachment 2 – Section 10.1.7): Should calls***

1 *originated by a DeltaCom end-user or BellSouth end-user and terminated to*
2 *either DeltaCom or BellSouth be treated as local if the call originates and*
3 *terminates within the LATA?*

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

6
7 A. BellSouth's position is that traffic that originates through the use of a carrier
8 identification code ("CIC") are access calls and would result in such calls
9 being billed as toll calls.

10
11 Q. IS IT YOUR UNDERSTANDING THAT DELTACOM'S POSITION ON
12 THIS ISSUE IS ACTUALLY A REQUEST FOR LATA-WIDE LOCAL
13 TREATMENT?

14
15 A. Yes. Based on testimony DeltaCom filed in another state, DeltaCom
16 apparently considers this issue a request for LATA-wide local treatment.
17 However, this issue is part of Attachment 2 of the Interconnection Agreement,
18 which deals with Network Elements and Other Services. Issue 39, related to
19 language in Attachment 3 of the Interconnection Agreement, deals with the
20 definition of local traffic, and whether that definition should include all calls
21 within the LATA. Issue 27 is requesting that calls using DeltaCom's CIC be
22 treated as local calls. BellSouth does not agree to this request. Calls using
23 DeltaCom's CIC (i.e., calls which cross BellSouth's local calling area
24 boundaries) are appropriately treated as toll calls. If these calls are within the

1 LATA, they are treated as intraLATA toll calls; otherwise, they are treated as
2 interLATA toll calls.

3

4 However, BellSouth has proposed, in Attachment 2, Section 10.1.6, for
5 DeltaCom originated calls and for BellSouth originated calls where DeltaCom
6 designates BellSouth as the presubscribed intraLATA carrier (LPIC), the
7 Parties will consider as local any calls originated by a DeltaCom local end
8 user, or originated by a BellSouth local end user and terminated to a DeltaCom
9 local end user, where such calls originate and terminate in the same LATA,
10 except for those calls originated and terminated through switched access
11 arrangements (i.e., calls that are transported by a Party other than BellSouth).
12 For such calls not using switched access arrangements, BellSouth will charge
13 DeltaCom the UNE elements for the BellSouth facilities utilized. Neither
14 Party shall bill the other originating or terminating switched access charges for
15 such calls.

16

17 ***Issue 39: Definition and Treatment of Local Traffic and Tandem Switching***
18 ***(Attachment 3):***

19 ***(a) Should local traffic be defined as any call that originates and***
20 ***terminates within the LATA, is originated by either a DeltaCom or***
21 ***BellSouth end-user, and is terminated to a DeltaCom or BellSouth***
22 ***end-user?***

23 ***(b) Does DeltaCom's switch perform tandem switching?***

24

25 Q. WHAT IS BELL SOUTH'S POSITION ON THESE ISSUES?

1 A. (a) BellSouth's position is that compensation should be determined by the end
2 points of the call. Calls should be treated as local traffic (and subject to
3 reciprocal compensation) or intraLATA toll traffic (and subject to switched
4 access compensation) as defined by BellSouth's retail local calling area.
5 DeltaCom, or any other ALEC, is free to utilize its own defined local calling
6 area for purposes of marketing services to its customers. However, utilizing
7 BellSouth's retail local calling areas, as established by the Commission, is
8 necessary for inter-carrier compensation in order to prevent an inappropriate
9 arbitrage through avoidance of paying access charges.

10

11 (b) DeltaCom must demonstrate, based on its deployment in each state,
12 whether its switch(s) in that state serves "a geographic area comparable to that
13 served by the incumbent LEC's tandem switch"⁷ to be entitled to the tandem
14 interconnection rate to terminate local telecommunications traffic on its
15 network.

16

17 Q. HAS DELTACOM DEMONSTRATED THAT ITS TANDEM SWITCHES
18 IN FLORIDA SERVE A GEOGRAPHIC AREA COMPARABLE TO THAT
19 SERVED BY BELLSOUTH?

20

21 A. No. In its Order (PSC-02-1248-FOF-TP) in Docket No. 000075-TP, Phases II
22 and IIA, dated September 10, 2002, the Commission determined that,

23

⁷ *In re: Developing a Unified Inter-Carrier Compensation Regime*, FCC 01-132, CC Docket No. 01-92, 2001 WL 455872 ¶105 (April 27, 2001) (Notice of Proposed Rulemaking).

1 “an ALEC is entitled to be compensated at the ILEC’s tandem
2 interconnection rate when its switch either serves a comparable
3 geographic area to that served by an ILEC tandem switch, or
4 performs functions similar to those performed by an ILEC
5 tandem switch. We find that [FCC] Rule 51.711 establishes
6 that an ALEC need only show geographic comparability to be
7 entitled to the tandem rate. However, we also find that ¶1090
8 of FC 96-235 establishes similar functionality as a second
9 scenario by which a ALEC may receive the tandem rate.”

10 (Order at p. 9)

11
12
13 DeltaCom has not yet demonstrated that its switches either serve a geographic
14 area comparable to BellSouth’s tandem switch or that its switches perform
15 functions similar to those performed by BellSouth’s tandem switch. Provided
16 DeltaCom demonstrates to the Commission in this case that its Florida
17 switches meet the geographic or functionality test, DeltaCom will be entitled
18 to receive reciprocal compensation at the tandem interconnection rate.

19
20 ***Issue 40: Point of Interconnection (“POI”) (Attachment 3):***

21 ***(a) Can DeltaCom select a single POI per LATA?***

22 ***(b) If so, should each party pay its costs to reach that POI within the***
23 ***LATA?***

24 ***(c) Should DeltaCom’s existing POIs be grandfathered (i.e., not moved***
25 ***to an end office)?***

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

2

3 A. (a) BellSouth will abide by the Commission's decision in Docket No. 000075-
4 TP in which the Commission allows the ALEC to designate its point of
5 interconnection in each LATA.

6

7 (b) BellSouth will abide by the Commission's decision in Docket No. 000075-
8 TP which requires the originating carrier to compensate the terminating carrier
9 for transport and termination of traffic through intercarrier compensation.

10

11 (c) BellSouth's position is that the existing IPs should be transitioned to be in
12 congruence with the new Agreement language.

13

14 ***Issue 41: Percent Local Facilities ("PLF") (Attachment 3): Should DeltaCom be***
15 ***required to report a PLF to BellSouth?***

16

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

18

19 A. The Percent Local Facility Factor, or "PLF", is similar to the Percent Local
20 Use ("PLU") factor that is utilized by telecom providers in the industry. The
21 PLF tells BellSouth what portion of the intraLATA facilities purchased by
22 DeltaCom are "Local" (versus intraLATA toll) pursuant to the terms of the
23 interconnection agreement. This determination is necessary for calls to be
24 properly rated as either local or toll. It is DeltaCom's responsibility to advise
25 BellSouth of DeltaCom's PLF.

1 ***Issue 42: Audits of PIU/PLU (Attachment 3): Should a party have to pay for an***
2 ***audit when their reported factors are more than 20 percentage points***
3 ***overstated?***

4
5 Q. WHAT IS BELL SOUTH'S POSITION ON THIS ISSUE?

6
7 A. Consistent with provisions of BellSouth's FCC Tariff for Percent Interstate
8 Usage ("PIU"), BellSouth's position is that the party requesting an audit
9 should be responsible for the costs of the audit, except in the event the audit
10 reveals that either party is found to have overstated the PLU or PIU factors by
11 20 percentage points or more, in which case the party overstating the PLU/PIU
12 should be required to reimburse the other party for the costs of the audit. The
13 ALEC should bear the responsibility of ensuring that the factors it reports are
14 accurate and BellSouth should not bear the cost of ensuring accurate reporting
15 through the expense of audits, especially when the error is in the magnitude of
16 20 percent or more. In that case, the party being audited should pay the costs
17 of the audit. Any other result would remove the incentive for ALECs to report
18 accurately and to ensure that inaccuracies are discovered timely and remedied
19 immediately.

20
21 ***Issue 44: Establishment of Trunk Groups for Operator Services, Emergency***
22 ***Services, and Intercept (Attachment 3): Should the interconnection***
23 ***agreement set forth the rates, terms and conditions for the establishment of***
24 ***trunk groups for operator services, emergency services, and intercept?***

25

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

2

3 A. The rates, terms and conditions for the establishment of trunk groups for
4 operator services, emergency services, and intercept should not be included in
5 the Interconnection Agreement. These services are no longer UNEs and
6 therefore, are provided pursuant to the rates, terms and conditions in applicable
7 BellSouth tariffs. Absent DeltaCom's agreement to accept BellSouth's
8 proposed language (Section 6.1 of Attachment 3), BellSouth proposes that all
9 rates, terms and conditions relevant to the establishment of trunk groups for
10 Operator Services, Emergency Services and Intercept be removed from the
11 Interconnection Agreement.

12

13 ***Issue 45: Switched Access Charges Applicable to BellSouth (Attachment 3 –***
14 ***Section 9.2): Should DeltaCom be able to charge BellSouth switched access***
15 ***charges where BellSouth is the interexchange carrier?***

16

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

18

19 A. BellSouth Long Distance (BSLD), not BellSouth Telecommunications, Inc., is
20 the authorized interexchange carrier. Therefore, BellSouth
21 Telecommunications should not be required to pay switched access charges to
22 DeltaCom. Instead, DeltaCom and BSLD should negotiate the appropriate
23 terms and conditions for the payment of switched access charges.

24

1 **Issue 46: BLV/BLVI (Attachment 3): Does BellSouth have to provide BLV/BLVI**
2 **to DeltaCom? If so, what should be the rates, terms and conditions?**

3

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

5

6 A. BellSouth provides Busy Line Verification ("BLV") and Busy Line
7 Verification Interrupt ("BLVI") in a nondiscriminatory manner and at parity
8 with how it provides such functionality to its retail customers. Should
9 DeltaCom wish to avail itself of this offering, it can obtain BLV and BLVI
10 pursuant to the rates, terms and conditions in BellSouth's applicable tariff.

11

12 **Issue 47: Should BellSouth be required to Compensate ITC^DeltaCom when**
13 **BellSouth collocates in ITC^DeltaCom collocation space? If so, should the**
14 **same rates, terms and conditions apply to BellSouth that BellSouth applies to**
15 **DeltaCom?**

16

17

18 Q. HOW IS THE TERM "COLLOCATION" DEFINED IN THE
19 TELECOMMUNICATIONS ACT OF 1996?

20

21 A. The Telecommunications Act of 1996 defines the term "collocation" in Section
22 251, Interconnection, Section (c) (6) as: "The duty to provide, on rates, terms,
23 and conditions that are just, reasonable, and nondiscriminatory, for physical
24 collocation of equipment necessary for interconnection or access to unbundled
25 network elements *at the premises of the local exchange carrier, ...* (emphasis

1 added).”

2

3 Q. DOES THE ACT REQUIRE DELTACOM TO PERMIT COLLOCATION
4 OF BELLSOUTH’S EQUIPMENT IN ITS POP LOCATIONS OR ANY
5 OTHER LOCATIONS (SUCH AS A CENTRAL OFFICE)?

6

7 A. No. The Act does not include a requirement that DeltaCom permit collocation
8 of BellSouth's equipment in a DeltaCom POP location or any other location
9 (such as a central office). Consequently, the rates, terms and conditions under
10 which BellSouth would elect to collocate in a DeltaCom POP location or any
11 other location (including a central office) should not be the subject of a Section
12 252 arbitration. Additionally, any such rates, terms and conditions should not
13 be included in an Interconnection Agreement between the Parties under
14 Section 251, nor made public record, just as DeltaCom is not required to
15 publicly file any other agreement that it has negotiated with another carrier for
16 collocation. If BellSouth is required to file in the public record a commercial
17 real estate arrangement between the parties, BellSouth could be negatively
18 impacted in its future commercial real estate transactions with other entities.

19

20 Q. FOR WHAT PURPOSES HAS BELLSOUTH LOCATED EQUIPMENT IN
21 A DELTACOM POINT OF PRESENCE (“POP”)?

22

23 A. BellSouth has installed equipment that is being used for the purpose of
24 provisioning Special and Switched Access Services ordered by DeltaCom at
25 various POP locations in Florida. This equipment provides DeltaCom with

1 dedicated SmartRing services and base-line services (access services and
2 associated facilities, usually at optical high capacity interface bit rates) at these
3 POP locations, which are then used by DeltaCom to provide its end users with
4 specific services. At some locations, BellSouth has installed additional
5 equipment that uses some of the excess capacity to exchange local traffic with
6 DeltaCom. BellSouth has not originally located its equipment at a DeltaCom
7 POP location or any other location for the sole purpose of interconnecting with
8 DeltaCom's network or accessing Unbundled Network Elements ("UNEs") in
9 the provision of a telecommunications service to the end users located in
10 DeltaCom's serving area, nor does BellSouth intend to.

11

12 Q. APART FROM AN ARRANGEMENT THAT WAS ORIGINALLY
13 INTENDED FOR ACCESS SERVICES AS DESCRIBED ABOVE, HAS
14 BELLSOUTH SPECIFICALLY REQUESTED SPACE IN A DELTACOM
15 POP OR CENTRAL OFFICE FOR THE DELIVERY OF ITS ORIGINATED
16 LOCAL INTERCONNECTION TRAFFIC?

17

18 A. No. BellSouth has not specifically requested space in a DeltaCom POP or
19 Central Office for the delivery of its originated local interconnection traffic.

20

21 Q. WOULD THE PLACEMENT BY BELLSOUTH OF ITS EQUIPMENT IN A
22 DELTACOM POP CONSTITUTE COLLOCATION?

23

24 A. That depends. If the only equipment BellSouth has installed at a DeltaCom
25 POP or other location is used for local interconnection, then BellSouth would,

1 in effect, be “collocating” (albeit not as that term is defined by the Act) at that
2 particular DeltaCom location. However, if the equipment installed by
3 BellSouth in a DeltaCom POP or other location is being used for the purpose
4 of provisioning a Special or Switched Access Service, then BellSouth is not
5 “collocating” at the DeltaCom location.

6
7 Currently, BellSouth has a small amount of equipment that is located within
8 the excess capacity at several of DeltaCom’s POPs to provide for the hand-off
9 of local interconnection traffic. The parties have mutually agreed to this type
10 of arrangement over the years. Obviously, BellSouth would not have placed
11 any of this type of equipment if such an arrangement had not benefited
12 DeltaCom. To my knowledge, there has never been any discussion between
13 the Parties about this equipment being considered “collocated” equipment, nor
14 the space utilized by this equipment in the DeltaCom POP or any other
15 location as being considered “collocation space.”

16

17 Q. HAS DELTACOM EVER BILLED BELLSOUTH FOR THE EQUIPMENT
18 PLACED IN ITS POPS USED FOR LOCAL INTERCONNECTION?

19

20 A. Not to my knowledge.

21

22 Q. PLEASE EXPLAIN WHY BELLSOUTH IS USING POP LOCATIONS TO
23 EXCHANGE LOCAL TRAFFIC.

24

25 A. When a telecommunications carrier (“carrier”), such as DeltaCom, orders

1 access services from BellSouth, pursuant to the tariff, the carrier must furnish,
2 at no charge to BellSouth, the necessary equipment, space and electrical power
3 at the point(s) of termination of such services. Furthermore, the
4 telecommunications carrier must also make necessary arrangements for
5 BellSouth to have access to such space at reasonable times for installing,
6 testing, repairing or removing BellSouth services. (See BellSouth Tariff FCC
7 No. 1, Section 2.3.3 and BellSouth Florida Access Services Tariff, Section
8 E2.3.3)

9
10 Typically, when carriers, such as DeltaCom, and BellSouth negotiate the hand-
11 off of local traffic to a specified Point of Interconnection ("POI"), the Parties
12 would look at available capacity to determine if there is any existing capacity
13 that could be used. If sufficient capacity exists to the Carrier's POP, the carrier
14 and BellSouth would, in most cases, mutually agree to use that excess capacity
15 for the local traffic. Obviously, this decision would be reached after much
16 discussion through network planning meetings held by the Parties.

17

18 Q. WHY DOES IT MAKE SENSE TO USE AVAILABLE EXISTING
19 CAPACITY AT DELTACOM'S POP?

20

21 A. The use of available existing capacity to DeltaCom's POP makes sense,
22 because both Parties already have an established demarcation point at
23 DeltaCom's location and the establishment of a separate POI would not be cost
24 effective for either DeltaCom or BellSouth. If DeltaCom has sufficient
25 existing capacity, then it would be much cheaper to use that excess capacity.

1 Q. BASED ON THE DISCUSSION ABOVE, IT APPEARS THAT
2 DELTACOM'S POP IS BEING USED FOR MULTIPLE PURPOSES? IS
3 THAT CORRECT?

4

5 A. Yes. DeltaCom's POP is being used as the point of termination for access
6 services ordered by DeltaCom, as well as, in some cases, for the exchange of
7 local traffic.

8

9 Q. HAS BELLSOUTH PLACED EQUIPMENT IN ANY DELTACOM POP IN
10 FLORIDA FOR THE PURPOSE OF PROVIDING LOCAL
11 INTERCONNECTION?

12

13 A. Yes, but only because DeltaCom requested it or it was to the parties' mutual
14 benefit and only in those POPs that had excess capacity. In all of these POPs,
15 the equipment installed for the exchange of traffic is incidental to the existing
16 Special and/or Switched Access equipment installed by BellSouth at these
17 POPs. BellSouth has no intention of establishing any stand-alone local
18 interconnection arrangements.

19

20 Q. PLEASE EXPLAIN BELLSOUTH'S PROPOSED RESOLUTION TO THIS
21 ISSUE.

22

23 A. It is BellSouth's position that all of the existing POPs and any other locations
24 in which BellSouth has placed equipment, including any augments to the
25 equipment placed at these sites should be exempted from any future

1 collocation agreement. This is because these locations have never been the
2 subject of a collocation agreement in the past and were established to the
3 mutual benefit of the parties at the time, without any expectation, at least on
4 BellSouth's part, that they would be subject to a collocation agreement in the
5 future. The prior collocation agreement was not used as the basis for
6 establishing those arrangements and the lack of any billing under the
7 collocation agreement on DeltaCom's part for those arrangements is evidence
8 that DeltaCom did not intend for those types of arrangements to be governed
9 by a collocation agreement either. For any POPs or other DeltaCom locations
10 that are established after the effective date of the new collocation agreement
11 ("future sites"), BellSouth would agree to pay mutually negotiated collocation
12 charges for BellSouth equipment located and used solely for the purposes of
13 delivery of BellSouth's originated local interconnection traffic, and only if
14 BellSouth voluntarily requests to place a POI for BellSouth's originated local
15 interconnection traffic in a particular POP or other DeltaCom location.

16

17 In those instances in which DeltaCom requests that the DeltaCom POP or other
18 location be designated as the POI for DeltaCom's originating traffic and where
19 BellSouth must place equipment in order to receive this traffic, the POP or
20 other location will NOT be deemed to be a location at which BellSouth has
21 voluntarily chosen to place a POI for BellSouth's originated local
22 interconnection traffic. Further, if DeltaCom has the right under the new
23 Interconnection Agreement to choose the POI for both Parties' originated
24 traffic and DeltaCom chooses to have the POI for BellSouth's originated traffic
25 at a DeltaCom POP or other location, then such POP or other location will

1 NOT be deemed as a location at which BellSouth has voluntarily chosen to
2 place a POI for BellSouth's originated local interconnection traffic. The
3 provisions of BellSouth's tariffs would control if BellSouth locates equipment
4 in DeltaCom's premises pursuant to such tariffs.

5
6 Q. IF ACCEPTED BY DELTACOM, WOULD THIS PROPOSAL BE
7 INCORPORATED INTO THE NEW INTERCONNECTION AGREEMENT
8 THAT IS THE SUBJECT OF THIS PROCEEDING?

9
10 A. No. This proposal would not be included in the new Interconnection
11 Agreement that is the subject of this proceeding, because, as discussed earlier
12 in my testimony, it is not a Section 251 requirement. Instead, the proposal
13 would be included in a separate agreement and have the same expiration date
14 as the new Interconnection Agreement.

15
16 ***Issue 51: Reciprocity of Charges (OSS Charges, Expedite Charges, "Change in***
17 ***Service Provider or Disconnect Charges", and any other Charges)***
18 ***(Attachments 1, 5 and 6):***

19 ***(a) Is DeltaCom entitled to assess charges to BellSouth for work***
20 ***performed on LSRs sent from BellSouth to DeltaCom (i.e., an OSS***
21 ***charge)?***

22 ***(b) Should DeltaCom be able to assess against BellSouth a "Change in***
23 ***Service Provider" charge?***

24 ***(c) Should DeltaCom be able to assess charges for work or performance***
25 ***for BellSouth?***

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

2

3 A. (a) DeltaCom is not entitled to recover charges for the development of
4 Operational Support Systems (OSS) as BellSouth does not send DeltaCom
5 LSRs via a mechanized system. BellSouth is required by the Act to provide
6 access to OSS for all ALECs, and is entitled to recover its costs for developing
7 OSS systems and interfaces. DeltaCom does not have the same obligation.

8

9 (b) BellSouth does not have a "Change in Service Provider Charge."
10 BellSouth charges a Secondary Service Charge ("SSC"), also labeled "Charge
11 for Processing Change in Service." The SSC is a charge for establishing the
12 end user's account as an ALEC's customer for billing and provisioning
13 records.

14

15 (c) This issue refers to DeltaCom's desire to charge BellSouth the disconnect
16 charge. In a change of provider environment, DeltaCom does not perform any
17 work for BellSouth. DeltaCom is simply disconnecting its own customer.

18

19 Q. PLEASE EXPLAIN THE SSC FURTHER.

20

21 A. The SSC is a tariffed service pursuant to Section A.4.1 of the GSST, which
22 states that the SSC "[a]pplies per customer request for the receiving, recording,
23 and processing of customer requests to change services or add new or
24 additional services." The SSC compensates BellSouth for the receiving,
25 recording and processing of a customer's request to change services, or add

1 new or additional services, which includes the process of transferring the
2 responsible party of record to an ALEC. There is work that must occur in
3 order for BellSouth to affect the transfer of service to an ALEC, or for
4 BellSouth to establish an account for an ALEC when the ALEC acquires a new
5 customer that desires to be added to BellSouth's white pages and directory
6 assistance databases. The Secondary Service Charge is the appropriate charge
7 for such work and is applied equally to BellSouth's own retail users when they
8 make a change in responsibility for an account (e.g. change the responsible
9 billed party from a mother to a son).

10
11 When an ALEC wins an end-user from BellSouth, that ALEC becomes the
12 customer on BellSouth's records. BellSouth will render the former end user a
13 final bill and then BellSouth will begin billing the ALEC. From that point
14 forward, it is the ALEC that will order changes to its end user's service and
15 will request maintenance on behalf of its end user. From BellSouth's
16 perspective, responsibility for the account has been transferred from the end
17 user to the ALEC, and BellSouth has no further relationship with that end user.

18
19 The SSC is not a charge imposed by BellSouth to disconnect the end-user.
20 BellSouth recovers costs related to service disconnection from the end-user
21 customer requesting disconnection. When DeltaCom disconnects a customer,
22 whether that customer is migrating to BellSouth or to another ALEC,
23 DeltaCom's disconnect activities are on behalf of its customer, not on behalf of
24 BellSouth. DeltaCom should recover its costs from its customer and not from
25 BellSouth.

1 DeltaCom does not establish BellSouth as DeltaCom's customer of record and
 2 does not perform the same functions of receiving, recording and processing the
 3 order that BellSouth does. Therefore, Deltacom is not entitled to recover this
 4 same charge.

5
 6 ***Issue 53: Rates and Charges not Ordered by the Commission (All Rate Sheets;
 7 Attachment 6 – Section 6: Attachment 2 – Section 22.3.3):***

8 ***(a) Should BellSouth be permitted to impose charges related to UNEs that have
 9 not been ordered by the Commission in its recent Order in the generic docket
 10 for setting UNE rates? [CLOSED]***

11 ***(b) Should BellSouth provide rate sheets for its contracts that specifically and
 12 separately identify those rates that have been approved by a Commission
 13 from those rates that BellSouth is proposing?***

14
 15 Q. WHAT IS BELLSOUTH'S POSITION ON ISSUE 53(b)?

16
 17 A. BellSouth has provided DeltaCom with its rate sheets. DeltaCom is equally
 18 capable of comparing BellSouth's rate sheets with the Commission ordered
 19 rates, which are public record. DeltaCom has, in fact, provided BellSouth a
 20 copy of such a comparison.

21
 22 ***Issue 54: Reimburse Costs to Accommodate Modifications (Attachment 2 – Section
 23 2.2.2.8): Can BellSouth impose a charge that has not been approved by the
 24 Commission for changes to an order after an FOC has been issued?***

25

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

2

3 A. BellSouth should be entitled to impose order modification charges for designed
4 and non-designed services pursuant to BellSouth's FCC tariff. The charge for
5 order issuance is based on placing the order correctly and completely. Any
6 changes after issuance of an FOC create additional costs for BellSouth and
7 BellSouth should be entitled to recover those costs. DeltaCom's position on
8 this issue is based on its assertion that the rate for Order Modification Charges
9 is not a commission-approved rate. This is not true – the rate is approved as
10 part of BellSouth's FCC tariff.

11

12 *Issue 55: Resend of CFA Fee: Should DeltaCom pay for BellSouth having to*
13 *resend a CFA? If so, how much?*

14

15 Q. WHAT IS THE "RESEND OF CFA FEE"?

16

17 A. This fee permits BellSouth to recover its costs to *resend* CFA (Circuit Facility
18 Assignment) information that BellSouth has previously provided to an ALEC,
19 such as DeltaCom. (BellSouth recovers the cost of providing initial CFA
20 information to ALECs through the Cable Records charge.) BellSouth is not
21 legally obligated to resend this information to any ALEC, including DeltaCom;
22 therefore, this rate does not have to be TELRIC-based. BellSouth's proposed
23 rate is reasonable and is used to recover only the costs associated with
24 resending the CFA information, at an ALEC's request.

25

1 Q. WHY DOES BELLSOUTH HAVE TO RESEND CFA INFORMATION TO
2 THE ALECS?

3

4 A. Apparently, some ALECs are not keeping accurate records of the circuit
5 facility assignment information they initially received from BellSouth.
6 Instead, they are relying on BellSouth to be their backup file provider, when
7 they cannot locate their original copy of their CFA data.

8

9 Q. WHY WOULD AN ALEC NEED ITS CFA INFORMATION?

10

11 A. An ALEC would need this information in order to submit service orders and/or
12 collocation modifications that would include a request for additional services.
13 An ALEC would also need its CFA data if it desired to give authorization to
14 another telecommunications carrier to connect to its collocation space, because
15 the CFA would be the means by which the terminating service would be
16 connected to the ALEC's space.

17

18 Q. IF DELTACOM REQUESTS A RESEND OF ITS CFA INFORMATION
19 BECAUSE THERE IS AN ERROR IN THE INITIAL DATA THAT WAS
20 SENT TO DELTACOM, WOULD BELLSOUTH CHARGE DELTACOM
21 THE "RESEND OF CFA FEE"?

22

23 A. No. If there were an error in the initial CFA information sent by BellSouth to
24 DeltaCom, then BellSouth would not charge DeltaCom the Resend of CFA
25 Fee.

1 Q. WHY SHOULD BELLSOUTH BE PERMITTED TO RECOVER THE
2 “RESEND OF CFA FEE”?

3

4 A. BellSouth should be permitted to recover the Resend of CFA Fee, because it is
5 a service that BellSouth is providing to those ALECs that have requested an
6 additional copy of CFA information that has already been sent by BellSouth.

7

8 As I stated above, BellSouth is under no legal obligation to provide a resend of
9 CFA information to ALECs. However, since BellSouth receives many
10 requests for this service, BellSouth made a business decision to develop and
11 offer this product to those ALECs that request CFA information be resent.
12 Therefore, BellSouth should be permitted by this Commission to recover the
13 Resend of CFA Fee, based on a market-based pricing structure.

14

15 ***Issue 56: Cancellation Charges:***

16 ***a) May BellSouth charge a cancellation charge which has not been approved***
17 ***by the Commission?***

18 ***b) Are these cancellation costs already captured in the existing UNE approved***
19 ***rates?***

20

21 Q. WHAT IS BELLSOUTH’S POSITION ON THESE ISSUES?

22

23 A. a) The rates applicable when an ALEC cancels an LSR are based on
24 Commission-approved rates. When an ALEC cancels an LSR, cancellation
25 charges apply on a prorated basis and are based upon the point within the

1 provisioning process that the ALEC cancels the LSR. The applicable
2 percentages at different points in the provisioning process are included in
3 BellSouth's FCC No. 1 Tariff. Any costs incurred by BellSouth in conjunction
4 with the provisioning of that request will be recovered in accordance with
5 BellSouth's Private Line Tariff, Section B2.4.4 (applicable for UNEs that are
6 billed by BellSouth's CRIS system) or BellSouth's FCC No. 1 Tariff, Section
7 5.4 (applicable for UNEs that are billed by BellSouth's CABS system). The
8 Cancellation charge equals a percentage of the applicable installation
9 nonrecurring charge. Since the Commission has approved the nonrecurring
10 rates BellSouth charges for UNE installation and provisioning, BellSouth's
11 recovery of its cost incurred prior to the cancellation of the LSR is appropriate
12 and cost-based.

13

14 b) The rates used to calculate applicable Cancellation charges are based upon
15 Commission-approved rates and are not already recovered in the existing UNE
16 approved rates.

17

18 ***Issue 58: Unilateral Amendments to the Interconnection Agreement (Attachment 6***
19 ***– Sections 1.8 and 1.13.2; Attachment 3):***

20 ***(a) Should the Interconnection Agreement refer to BellSouth's website address***
21 ***to Guides such as the Jurisdictional Factor Guide?***

22 ***(b) Should BellSouth be required to post rates that impact UNE services on its***
23 ***website?***

24

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

1 A. a) Certain provisions of the Agreement should incorporate by reference various
2 BellSouth documents and publications. BellSouth may, from time to time
3 during the term of the agreement, change or alter such documents and
4 publications as necessary to update processes, technical publications, etc.
5 These documents are typically guides that affect processes and procedures, and
6 are for use by all ALECs. This is the most efficient means of providing current
7 documentation in a timely manner to all ALECs. To require that all of
8 BellSouth's guides be included in the agreement as they exist as of a particular
9 date, or not be referenced at all, would result in BellSouth not being able to
10 update or change processes, mechanize systems or have a uniform approach to
11 anything. BellSouth deals with nearly 150 ALECs just in Florida and must be
12 able to exercise flexibility in enhancing its processes. In the event that
13 BellSouth implements a change that the ALEC community does not agree
14 with, that rare instance should be addressed to BellSouth, or to the
15 Commission, at that time. Those rare exceptions should not be used to justify
16 impeding BellSouth's ability to make the necessary changes and to apply those
17 changes to all ALECs. The alternative would be to require BellSouth to amend
18 every agreement any time it desired to improve a process – a costly and time-
19 consuming requirement for both ALECs and BellSouth. Until all ALECs
20 agreed upon the change, BellSouth would be required to continue to offer
21 multiple processes, dating back to the earliest version incorporated into the
22 oldest agreement. BellSouth's desire to offer interconnection, access to UNEs
23 and other services in an efficient manner would be drastically impeded by such
24 a requirement.

25

1 b) BellSouth notifies ALECs via Carrier Notification Letters in advance of
 2 changes impacting UNE services. The Carrier Notification Letters are posted
 3 on BellSouth's website as soon as possible, and serve as proper notification to
 4 DeltaCom, as well as other ALECs of such changes. To require rates to have
 5 been established and USOCs to have been assigned prior to BellSouth posting
 6 new offerings would unnecessarily delay the posting of the notices until after
 7 rates are developed – BellSouth strives to provide these notices as quickly as
 8 possible so that the ALECs are aware of the changes as soon as possible. New
 9 rates are provided to individual ALECs upon amendment of their agreement,
 10 and BellSouth has agreed to provide DeltaCom with an amendment within 30
 11 days of receipt of such a request.

12

13 ***Issue 59: Payment Due Date (Attachment 7 – Sections 1.4 and 1.4.1): Should the***
 14 ***payment due date begin when BellSouth issues the bill or when DeltaCom***
 15 ***receives the bill? How many days should DeltaCom have to pay the bill?***

16

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

18

19 A. Payment should be due by the next bill date. There is no legitimate reason to
 20 allow DeltaCom a full thirty (30) days after receiving its bill to make payment.
 21 BellSouth invoices DeltaCom every 30 days, just as it does for every customer.
 22 The bill date is the same each month, and DeltaCom knows the date its bill will
 23 be due each month. Moreover, it can elect to receive its bills electronically so
 24 as to minimize any delay in bill printing and receipt. To the extent DeltaCom
 25 has questions about its bills, BellSouth cooperates with DeltaCom to provide

1 responses in a prompt manner and resolve any issue. It is reasonable for
 2 payment to be due before the next bill date. Furthermore, in a given month, if
 3 special circumstances warrant, DeltaCom may request an extension of the due
 4 date and BellSouth does not unreasonably refuse to grant such a request.
 5 DeltaCom should have from the date it receives its bill until the bill's due date
 6 to pay its bill.

7

8 ***Issue 60: Deposits (Attachment 7 - Section 1.11):***

9 ***(a) Should the deposit language be reciprocal?***

10 ***(b) Must a party return a deposit after generating a good payment history?***

11

12 Q. WHAT IS BELL SOUTH'S POSITION REGARDING SUBPART (a) OF
 13 THIS ISSUE?

14

15 A. The deposit language should not be reciprocal. BellSouth is not similarly
 16 situated with an ALEC provider and, therefore should not be subject to the
 17 same creditworthiness and deposit requirements/standards. If BellSouth is
 18 buying services from an ALEC provider's tariff, the terms and conditions of
 19 such tariff will govern whether BellSouth must pay a deposit. Thus, the
 20 interconnection agreement is not an appropriate location for a deposit
 21 requirement to be placed upon BellSouth.

22

23 Q. DOES DELTACOM HAVE DEPOSIT LANGUAGE IN ITS FLORIDA
 24 LOCAL SERVICES TARIFF?

25

1 A. Yes, it does. Section 2.8.6 of DeltaCom's Florida Local Price List – Section 2,
2 states in part that:

3

4 The Company, upon initiation or reinitiation of service,
5 may require a cash deposit from a prospective customer, a
6 presently disconnected customer, or a former customer for
7 the purpose of guaranteeing final payment for service when
8 in the judgment of the Company, such deposit is necessary.

9 ...The Company reserves the right to cease accepting and
10 processing Service Orders after it has requested a security
11 deposit and prior to the Customer's compliance with this
12 request. ...An additional deposit may be required from a
13 telephone customer when excessive toll occurs and there is
14 a known credit risk....

15

16 Q. IS DELTACOM'S DEPOSIT LANGUAGE SIMILAR TO BELLSOUTH'S
17 DEPOSIT LANGUAGE?

18

19 A. Yes, although the deposit language in DeltaCom's Florida Local Price List is
20 more rigid than BellSouth's tariff language since any applicant for service may
21 be required to provide a security deposit to DeltaCom under its tariff language,
22 and it can cease to accept or process orders if the deposit is not paid upon
23 request.

24

1 Q. WHAT IS BELLSOUTH'S POSITION REGARDING SUBPART (b) OF
2 THIS ISSUE?

3

4 A. BellSouth should not be required to return a deposit solely because an ALEC
5 generates a good payment history. Payment history alone is not a measure of
6 credit risk. BellSouth should be able to base a deposit requirement on an
7 analysis of DeltaCom's credit worthiness, not just payment history. Timely
8 payment alone is not enough to protect BellSouth in the event DeltaCom
9 ceases making timely payments. BellSouth's proposed language includes, as
10 part of Attachment 7, Section 1.11, the following:

11

12 BellSouth seeks adequate assurance of payment in the form
13 of a deposit or other means of security for:

- 14 1. All new customers, excluding a new customer
15 rated as 5A1 with Dun & Bradstreet (D&B).
- 16 2. Existing customers under the following
17 circumstances:
- 18 (a) Poor pay history with BellSouth, defined as one
19 time payment in excess of 30 days from bill date
20 in a 12 month period (excluding legitimate
21 disputes);
- 22 (b) Liquidity issues that create uncertainty of future
23 payment as defined by objective criteria (i.e.,
24 financial indices from last fiscal year end and

1 most recent quarter, bond ratings, and D&B
2 ratings).

3 (c) If BellSouth experiences a pre-petition
4 bankruptcy loss, customer reverts to new
5 customer status, and Bellsouth can seek adequate
6 assurance of payment in the form of a deposit or
7 other means of security.

8

9 ***Issue 62: Limitation on Back Billing (Attachment 7 – Section 3.5): Should there be***
10 ***a limit on the parties’ ability to back-bill for undercharges? If so, what***
11 ***should be the time limit?***

12

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

14

15 A. BellSouth’s position is that limitations for back billing are pursuant to the
16 applicable Rules of the Florida Public Service Commission, specifically
17 Chapter 25-4.110(10).

18

19 Q. WHAT DOES CHAPTER 25-4.110(10) REQUIRE WITH RESPECT TO
20 BACKBILLING OF CHARGES?

21

22 A. Chapter 25-4.110(10) states, “Where any undercharge in billing of a customer
23 is the result of a company mistake, the company may not backbill in excess of
24 12 months.”

25

1 ***Issue 63: Audits (Attachment 7): Should the Agreement include language for***
2 ***audits of the parties' billing for services under the interconnection***
3 ***agreement? If so, what should be the terms and conditions?***

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

6
7 A. Audits of BellSouth's billing for services under the interconnection agreement
8 are not necessary. Performance measurements addressing the accuracy and
9 timeliness of BellSouth's billing provide sufficient mechanisms for monitoring
10 BellSouth's billing. Inclusion of audit language for billing in the agreement
11 would be duplicative and an unnecessary use of resources. In response to
12 DeltaCom's request to adopt AT&T's language on this issue, adoptions
13 pursuant to 47 USC § 252(i) are limited to network elements, services, and
14 interconnection rates, terms and conditions and do not apply to other aspects of
15 the Interconnection Agreement that are not required pursuant to Section 251.
16 47 USC § 252(i) only requires an ILEC to make available "any
17 interconnection, service, or network element" under the same terms and
18 conditions as the original Interconnection Agreement.

19

20 ***Issue 64: ADUF: What terms and conditions should apply to the provision of***
21 ***ADUF records?***

22

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

24

1 A. BellSouth's position is that the terms and conditions for the provision of
2 ADUF service to DeltaCom should be pursuant Attachment 7, Section 5.7 of
3 BellSouth's proposed Interconnection Agreement. It appears that DeltaCom is
4 asking BellSouth to isolate and provide to them only certain ADUF records.
5 BellSouth is not required to do this. Consistent with the FCC's 271 Orders in
6 BellSouth's states, BellSouth provides competing carriers with complete,
7 accurate, and timely reports on the service usage of their customers in
8 substantially the same manner that BellSouth provides such information to
9 itself. If DeltaCom wants a customized report, it should submit a New
10 Business Request to BellSouth.

11

12 ***Issue 65: Notification of Changes to OSS and Changes of Business Rules/Practices***
13 ***(Attachment 6 – Sections 1 and 1.13.2):***

14 ***b) Should BellSouth be required to provide notice 60 days in advance of***
15 ***deployment of OSS changes that would impact DeltaCom?***

16

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

18

19 A. (b) BellSouth's position is that 30-days notice is appropriate. BellSouth will
20 notify DeltaCom of changes to ordering and pre-ordering interfaces and
21 business rules via the appropriate BellSouth website 30-days prior to such
22 changes. In the spirit of cooperation, BellSouth has agreed to provide
23 DeltaCom with a list of postings to the website on a daily basis.

24

25 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

1 A. Yes.

2

1 BELLSOUTH TELECOMMUNICATIONS, INC.
2 REBUTTAL TESTIMONY OF JOHN A. RUSCILLI
3 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
4 DOCKET NO. 030137-TP
5 JUNE 25, 2003
6
7 Q. PLEASE STATE YOUR NAME, YOUR POSITION WITH BELLSOUTH
8 TELECOMMUNICATIONS, INC. ("BELLSOUTH") AND YOUR
9 BUSINESS ADDRESS.
10
11 A. My name is John A. Ruscilli. I am employed by BellSouth as Senior Director
12 – Policy Implementation and Regulatory Compliance for the nine-state
13 BellSouth region. My business address is 675 West Peachtree Street, Atlanta,
14 Georgia 30375.
15
16 Q. HAVE YOU PREVIOUSLY FILED TESTIMONY IN THIS PROCEEDING?
17
18 A. Yes, I filed direct testimony in this proceeding on May 19, 2003.
19
20 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?
21
22 A. The purpose of my testimony is to rebut portions of the direct testimony of
23 ITC^DeltaCom ("DeltaCom") witnesses Mary Conquest, Steve Brownworth,
24 Jerry Watts and Don Wood filed in this proceeding on May 19, 2003. Due to
25 continued negotiations between the parties, DeltaCom and BellSouth have

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1 reached agreement on several additional issues. Issues resolved since my
 2 direct testimony was filed on May 19, 2003 are Issue Nos. 24, 27, 39-42, 51,
 3 53(b), 54-55 and 65(b). Should these issues not be resolved, BellSouth
 4 reserves its right to file supplemental testimony.

5

6 ***Issue 1: Term of the Agreement (GTC – Section 2.1; 2.3-2.6)***

7 ***(a) Should the new interconnection agreement provide that the parties***
 8 ***continue to operate under that Agreement or under BellSouth’s Standard***
 9 ***Interconnection Agreement pending the determination of the***
 10 ***Commission’s ruling in any future arbitration?***

11 ***(b) What should be the length of the term of the agreement resulting from***
 12 ***this arbitration?***

13

14 Q. DOES THE FACT THAT THE NEW AGREEMENT BECOMES
 15 EFFECTIVE ON THE DATE THAT IT IS SIGNED BY THE PARTIES
 16 ALLEVIATE MR. WATTS’ CLAIMS (PAGES 9-11) THAT A THREE-
 17 YEAR CONTRACT IS INEFFICIENT?

18

19 A. Yes. Mr. Watts’ concern that “the timing of regulatory orders and on-going
 20 disputes between the parties” (page 10) would cause the term of the agreement
 21 to be shorted is without merit. As discussed above, under BellSouth’s
 22 proposed language, the three-year term would not begin until *after* the new
 23 agreement is executed by the parties, which would be after the issuance of the
 24 Commission’s ruling in this proceeding. Any delays in the issuance of the
 25 final ruling would not impact the term of the agreement.

1

2 ***Issue 25: Provision of ADSL where DeltaCom is the UNE-P Local Provider***
3 ***(Attachment 2 – Section 8.4): Should BellSouth continue providing the end-***
4 ***user ADSL service where DeltaCom provides UNE-P local service to that***
5 ***same end-user on the same line?***

6

7 Q. DELTACOM'S WITNESS MARY CONQUEST ALLEGES THAT
8 BELLSOUTH'S DSL POLICY CONSTITUTES AN ANTI-COMPETITIVE
9 TYING ARRANGEMENT (PAGES 6-8). PLEASE RESPOND.

10

11 A. First, as I explained in my direct testimony, the FCC has rejected arguments
12 that BellSouth's DSL policy is anticompetitive, including the argument that
13 BellSouth's DSL policy constitutes an unlawful tying arrangement. Beyond
14 that, DeltaCom's claim that BellSouth's policy of discontinuing its ADSL
15 service to customers who migrate to CLECs for voice service constitutes a
16 tying arrangement makes no sense. As I understand it, tying is a form of
17 monopoly leveraging in which market power in one market (A) is leveraged to
18 give competitive advantage in a more competitive market (B). Generally, a
19 tying arrangement is an agreement by a party to sell one product but only on
20 the condition that the buyer also purchases a different (or tied) product, or at
21 least agrees that he will not purchase that product from any other supplier. The
22 mechanics are simple: a monopoly supplier of a less competitive service,
23 service A, refuses to supply that service by itself and requires customers to also
24 purchase service B, for which it faces more competition.

25

1 What DeltaCom is arguing is just the opposite: it is arguing that BellSouth is
2 requiring customers of its more competitive service (DSL) to also purchase its
3 less competitive service (basic exchange voice service). This is the opposite of
4 an anti-competitive tying arrangement. Given the definition of tying and the
5 realities of the broadband market (that customers have multiple choices for
6 broadband service providers), a tying argument makes no sense in this
7 instance.

8

9 Q. YOU MENTIONED THAT CUSTOMERS HAVE MULTIPLE CHOICES
10 FOR BROADBAND SERVICE PROVIDERS. CAN YOU PROVIDE ANY
11 SUPPORT FOR THAT STATEMENT?

12

13 A. Yes. In addition to BellSouth, customers have a choice among DSL providers.
14 For example, MCI recently began offering DSL service to its UNE-P
15 customers. As reflected on its website (mci.com), MCI offers customers
16 “Neighborhood HiSpeed,” which utilizes DSL technology and is designed for
17 customers “who want unlimited local, long distance calling and high speed
18 Internet access, plus 5 features – for one low monthly price on one bill.”

19

20 Furthermore, DSL technology is *not* the only technology that supports the
21 provision of broadband data services to consumers. Instead, it is merely one
22 such technology. Other technologies that support the provision of broadband

1 data services to end users include wireless, cable modem, and satellite.¹
 2 Moreover, DSL is not even the leading technology that supports the provision
 3 of broadband data services to consumers. As the FCC has noted, cable modem
 4 technology -- not DSL -- is leading the way in the provision of broadband
 5 service to consumers. In February 2002, for instance, the FCC stated that "[i]n
 6 the broadband arena, the competition between cable and telephone companies
 7 is particularly pronounced, *with cable modem platforms enjoying an early lead*
 8 *in deployment.*"² An end user who wants broadband services, therefore, can
 9 choose among many different technologies and many different service
 10 providers.

11

12 Q. MS. CONQUEST ALLEGES ON PAGE 6 THAT BELLSOUTH'S DSL
 13 POLICY FORCES A COMPETITOR TO ENTER TWO MARKETS. IS
 14 THAT A VALID COMPLAINT?

15

16 A. No. BellSouth is not forcing DeltaCom to provide its own service for DSL and
 17 voice service. If DeltaCom wants to serve voice customers who desire DSL
 18 service, it can resell BellSouth's voice service with BellSouth FastAccess
 19 service, it can purchase DSL from another data provider, or it can provide DSL

¹ See *In the Matter of Inquiry concerning High-Speed access to the Internet over Cable and Other Facilities*, FCC Order No. 0-355 at ¶43 (September 28, 2000) ("High-speed services are provided using a variety of public and private networks that rely on different network architectures and transmission paths including wireline, wireless, satellite, broadcast, and unlicensed spectrum technologies.").

² Third Report, *In the Matter of Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, and Possible Steps to Accelerate Such Deployment Pursuant to Section 706 of the Telecommunications Act of 1996*, FCC Order No. 02-33 at ¶37 (February 6, 2002)(emphasis added).

1 service itself. Thus, DeltaCom has several options available from which to
2 choose.

3

4 Q. MS. CONQUEST STATES AT P. 7 THAT "TYING ARRANGEMENTS
5 ALLOW A MONOPOLY TO "CHERRY PICK" THE MOST ATTRACTIVE
6 CUSTOMERS FROM THE MASS MARKET." IS THAT TRUE?

7

8 A. No. First, as explained above, BellSouth's DSL policy is not an anti-
9 competitive tying arrangement. Second, as of April 2003, BellSouth makes its
10 DSL service available in 191 central offices out of a total of 197 central offices
11 in Florida, or available in 97 percent of BellSouth's Florida central offices.
12 However, to date, approximately 6 percent of BellSouth Florida residential and
13 business customers subscribe to BellSouth FastAccess service. If anyone is to
14 be accused of "cherry picking", it should be DeltaCom. There are 94 percent
15 of BellSouth's Florida customers who do not currently subscribe to
16 BellSouth's FastAccess service; however, DeltaCom insists that it is
17 disadvantaged if it cannot target the small percent of BellSouth's customers
18 who are current DSL subscribers.

19

20 Q. ON PAGE 7, MS. CONQUEST STATES THAT BELLSOUTH'S DSL
21 POLICY "PREVENTS CONSUMERS FROM OBTAINING THE VOICE
22 PROVIDER OF THEIR OWN CHOOSING." DO YOU AGREE?

23

24 A. Certainly not. There are nearly 150 CLECs providing service to approximately
25 1,433,000 lines, or 20 percent of the total lines in Florida (nearly 13 percent

1 residential and 33 percent business). As this Commission and the FCC found
2 in BellSouth's 271 proceedings, there is undisputed evidence of local service
3 competition in Florida. Further, if DeltaCom chooses not to provide DSL
4 service itself, by reselling BellSouth's DSL service, or by purchasing DSL
5 service from a data provider, the customer can purchase DSL service from a
6 number of cable providers. To state that BellSouth's policy prevents a
7 customer's choice of local service provider is definitely not true.

8

9 Q. ON PAGE 8, MS. CONQUEST CITES TWO COMMISSIONS (LOUISIANA
10 AND KENTUCKY) THAT HAVE RULED AGAINST BELLSOUTH ON
11 THIS ISSUE. PLEASE RESPOND.

12

13 A. In Docket No. R-26173, the Louisiana Public Service Commission ("LPSC")
14 issued its order on April 4, 2003, clarifying its January 24, 2003 Order. The
15 LPSC orders require BellSouth to continue to provide wholesale and retail
16 DSL service to customers who migrate to a CLEC for voice service over UNE-
17 P. Where a customer of a CLEC subsequently chooses to receive BellSouth's
18 wholesale or retail DSL service, BellSouth must provide the service.
19 However, pursuant to the order, BellSouth filed a proposal on May 1, 2003 to
20 offer BellSouth's DSL service in such an instance over a separate line. On
21 May 16, 2003, BellSouth filed an appeal of the LPSC's order in the U.S.
22 District Court.

23

24 The Kentucky Public Service Commission ("KPSC") issued orders in the
25 Cinergy Arbitration Case No. 2001-432 as follows: July 12, 2002 (Arbitration

1 Decision) and April 28, 2003 (Order Approving Agreement Language).
2 BellSouth is required to provide wholesale DSL transport service (*not retail*
3 *FastAccess*) to a Network Service Provider (“NSP”) who serves, or desires to
4 serve, an end-user that receives UNE-P based voice services from Cinergy.
5 This requirement is not limited to migrating customers. On May 9, 2003,
6 BellSouth filed an appeal of the KPSC’s Cinergy orders in the U.S. District
7 Court.

8

9 Further, this Commission has issued two orders, both different from the
10 Kentucky and Louisiana orders discussed above. In the Florida FDN
11 Arbitration (Docket No. 010098-TP) the FPSC required BellSouth to continue
12 providing its retail BellSouth FastAccess® Service (“Fast Access”) for
13 customers who migrate to CLECs for voice service over UNE loops.
14 BellSouth’s Agreement Language, accepted by FDN, allows BellSouth to
15 provide FastAccess over a separate stand-alone loop, installed on the
16 customer’s premises. In the Supra Arbitration (Docket No. 001305-TP), the
17 FPSC ordered BellSouth to continue to provide its FastAccess service to a
18 customer migrating to Supra’s voice service over UNE-P. BellSouth has
19 appealed that order to the United States District Court. In addition, Supra has
20 filed a Complaint with the FPSC regarding BellSouth’s compliance with the
21 FPSC orders using a separate stand-alone loop (as in FDN); that complaint is
22 pending before the FPSC.

23

24 Q. HAVE ANY COMMISSIONS IN BELLSOUTH’S REGION FOUND IN
25 FAVOR OF BELLSOUTH ON THIS ISSUE?

1

2 A. Yes. There are two states that have addressed this issue and have ruled that
3 BellSouth is not required to provide DSL service to an end user receiving voice
4 service from a CLEC: (1) The North Carolina Utilities Commission
5 (“NCUC”) considered this issue in BellSouth’s 271 case. In the NCUC’s
6 Consultative Opinion to the FCC in BellSouth’s 271 Application for Alabama,
7 Kentucky, Mississippi, North Carolina and South Carolina, WC Docket No.
8 01-150, filed July 9, 2002, at p. 204, it found: “[T]he incumbent LEC has no
9 obligation to provide DSL service over the competitive LEC’s leased
10 facilities.” (2) The South Carolina Public Service Commission (“SCPSC”)
11 issued an Order in Docket No. 2001-19-C on April 3, 2001 in the IDS
12 Arbitration case, which stated (at page 29):

13

14

15

16

17

18

19

20

Clearly, the FCC has not required an incumbent LEC to provide xDSL service to a particular end user when the incumbent LEC is no longer providing voice service to that end user. IDS’s contention that this practice is anticompetitive is therefore not persuasive when BellSouth is acting in accordance with the express language of the FCC’s most recent Order on the subject.

21

22 Q. ON PAGE 9, MS. CONQUEST STATES THAT BELLSOUTH’S POLICY
23 HAS IMPACTED DELTACOM’S CUSTOMERS. PLEASE RESPOND.

24

25 A. First, the evidence that Ms. Conquest provides is a letter sent from BellSouth
26 to DeltaCom in June 2001, regarding the accidental provisioning of DSL on
27 DeltaCom’s UNE-P lines. It is interesting to note that there were only 14
28 DeltaCom customers throughout BellSouth’s region in 2001 who were

1 impacted by BellSouth's notice to disconnect DSL service, and none of those
2 DeltaCom customers were in Florida.

3

4 Secondly, it is not solely BellSouth's policy that results in customer impact.
5 Indeed, it is DeltaCom's policy of not providing DSL service (either its own or
6 from another DSL provider), in spite of the variety of choices available that
7 results in this type of customer impact.

8

9 BellSouth's approach is simply to offer a customer an overlay DSL service to
10 meet that customer's voice and broadband needs. Customers choose products
11 and providers based on the best fit for their needs. It seems that Ms. Conquest
12 feels that any competitor that offers a better product is trying to keep the
13 market for itself. A more appropriate view is that providers of products in a
14 free marketplace should be able to differentiate their offerings to encourage
15 customers to buy them.

16

17 As an example, Cadillac is known for its luxury. Mercedes-Benz is known for
18 its reliability and durability. Volkswagen is known for its lower price and fuel
19 efficiency. Customers would probably prefer to have a car built with the
20 durability of a Benz, the luxurious appointments of a Cadillac, at a
21 Volkswagen price and fuel economy. However, to my knowledge, such a
22 vehicle does not exist; so customers must make choices that best fit their
23 needs. The same is true in the telecommunications market in Florida.
24 DeltaCom offers its own variety of local, long distance, and enhanced services.
25 DeltaCom's service area includes service in at least three states beyond

1 BellSouth's territory. BellSouth and DeltaCom both differentiate their service
2 offerings to appeal to the customer markets in their targeted territories.
3 BellSouth currently offers its customers the opportunity to purchase
4 FastAccess as an overlay to voice service (regardless of whether the voice
5 provider is BellSouth or a CLEC reselling BellSouth's local exchange service).

6
7 Consumers can choose which arrangement best suits their needs. For some
8 consumers, it appears that DeltaCom's packages of services are more
9 attractive. For other customers, BellSouth's FastAccess may be more
10 important. This is consistent with free market choice, and there is nothing evil
11 in allowing customers to have different choices. In DeltaCom's world of
12 competition, if BellSouth develops a better product or service for consumers,
13 BellSouth must make that choice available for all consumers, including those
14 served by BellSouth's competitors. In a sense, DeltaCom is recommending
15 that all telecommunications services are commodity products provided by and
16 subsidized by BellSouth that should be available to all players, except that
17 DeltaCom gets to provide the product only to the customers it chooses to serve
18 at the most profitable levels.

19
20 *Issue 47: Should BellSouth be required to Compensate ITC^DeltaCom when*
21 *BellSouth collocates in ITC^DeltaCom collocation space? If so, should the*
22 *same rates, terms and conditions apply to BellSouth that BellSouth applies to*
23 *DeltaCom?*

24
25 Q. ON PAGES 40-41 OF DELTACOM WITNESS BROWNORTH'S

1 PREFILED TESTIMONY, MR. BROWNORTH STATES THAT THIS
2 WAS AN ISSUE IN DELTACOM'S LAST ARBITRATION WITH
3 BELLSOUTH AND THAT "BELLSOUTH AGREED TO OPERATE
4 UNDER THE SAME RATES, TERMS AND CONDITIONS WHEN
5 BELLSOUTH USED ITC^DELTACOM SPACE." IS THIS STATEMENT
6 CORRECT?

7
8 A. Yes. In Florida Docket No. 990750-TP, which was the last arbitration between
9 BellSouth and DeltaCom, BellSouth did sign a collocation agreement with
10 DeltaCom to settle this issue. BellSouth did so because it believed there to be
11 no harm in signing an agreement, since BellSouth had no intention of electing
12 to collocate its equipment, as this term is defined by the Act, in a DeltaCom
13 central office for the purposes of interconnection or access to UNEs.³
14 Therefore, BellSouth believed that it would suffer no harm in its signing of this
15 agreement.

16
17 BellSouth has not collocated its equipment at a DeltaCom Point of Presence
18 ("POP") location or any other location for the sole purpose of interconnecting
19 with DeltaCom's network or accessing Unbundled Network Elements
20 ("UNEs") in the provision of a telecommunications service to the end users
21 located in DeltaCom's franchised serving area; nor does BellSouth intend to do

³ The Telecommunications Act of 1996 defines the term "collocation" in Section 251, Interconnection, Section (c) (6) as: "The duty to provide, on rates, terms, and conditions that are just, reasonable, and nondiscriminatory, for physical collocation of equipment necessary for interconnection or access to unbundled network elements at the premises of the local exchange carrier, except that the carrier may provide for virtual collocation if the local exchange carrier demonstrates to the State Commission that physical collocation is not practical for technical reasons or because of space limitations."

1 so.

2

3 What BellSouth has actually installed at various POPs in Florida is equipment
4 that is being used to provision Special and Switched Access Services ordered
5 by DeltaCom and/or DeltaCom's end user customers at various POP locations.
6 This equipment provides DeltaCom with dedicated LightGate® services and
7 base-line services at these POP locations, which are then used by DeltaCom to
8 provide its end users with particular services. This equipment is not being
9 used for collocation purposes. In addition to this equipment, BellSouth has
10 installed additional equipment in certain locations which utilize excess
11 capacity on existing BellSouth terminals to exchange local traffic with
12 DeltaCom.

13

14 Q. WHAT IS BELLSOUTH'S PROPOSAL TO DELTACOM ON THIS ISSUE?

15

16 A. For any POPs or other DeltaCom locations that are established after the
17 effective date of the new interconnection agreement ("future sites"), BellSouth
18 will agree to pay mutually negotiated collocation charges for BellSouth
19 equipment located and used solely for the purposes of delivery of BellSouth's
20 originated local interconnection traffic if BellSouth voluntarily requests to
21 place a POI for BellSouth's originated local interconnection traffic (reciprocal
22 traffic) in a particular POP or other DeltaCom location. However, currently
23 existing POPs and any other locations in which BellSouth has placed
24 equipment, including any augments to the equipment already placed at these
25 sites, would continue to be grandfathered and exempt from any present and

1 future collocation charges and other requirements.

2

3 If DeltaCom requests that the DeltaCom POP or another location be designated
 4 as the POI for DeltaCom's originating traffic and where BellSouth must place
 5 equipment in order to receive this traffic, the POP or other location will NOT
 6 be deemed to be a location at which BellSouth has voluntarily chosen to place
 7 a POI for BellSouth's originated local interconnection traffic and BellSouth
 8 will not agree to compensate DeltaCom for such collocation. Further, if
 9 DeltaCom chooses the POI for both Parties' originated traffic and DeltaCom
 10 chooses to have the POI for BellSouth's originated traffic at a DeltaCom POP
 11 or other location, then such POP or other location will NOT be deemed as a
 12 location at which BellSouth has voluntarily chosen to place a POI for
 13 BellSouth's originated local interconnection traffic and BellSouth will not
 14 agree to compensate DeltaCom for such collocation.

15

16 ***Issue 60: Deposits (Attachment 7 - Section 1.11):***

17 ***(a) Should the deposit language be reciprocal?***

18 ***(b) Must a party return a deposit after generating a good payment history?***

19

20 Q. MR. WATTS, ON PAGES 32-36, ARGUES THAT BELLSOUTH IS
 21 UNJUSTIFIED IN MAINTAINING DELTACOM'S DEPOSIT IN THE
 22 EVENT OF GOOD PAYMENT HISTORY BECAUSE "BELLSOUTH
 23 FACES VERY LOW AGGREGATE FINANCIAL RISK FROM ITS
 24 OBLIGATION TO PROVIDE WHOLESALE SERVICES – ESPECIALLY
 25 WHEN COMPARED WITH TELECOMMUNICATIONS SERVICE

1 PROVIDERS WITH LESS MARKET POWER.” WHAT IS YOUR
2 RESPONSE?

3

4 A. Over the last 2 years BellSouth has had a number of very large customers that
5 were paying current up until the day they filed bankruptcy. Payment history is
6 an indication of how a customer performed in the past and not how it will
7 perform in the future. A compilation of data including how the debtor pays
8 other suppliers, management history, company history, financial information,
9 bond rating, (indicates the companies ability to obtain financing), all help paint
10 a picture of how a company will perform in the future. In the event a CLEC
11 fails to pay (after maintaining a good payment history or otherwise) BellSouth
12 is faced with a lengthy process prior to disconnection of the service. In
13 addition to the month for which the CLEC did not pay, BellSouth may be
14 required to provide an additional month (or more) of service while notices are
15 being given and the disconnection process is taking place, resulting in more
16 than two months of outstanding debt, even if the CLEC has paid timely prior to
17 that point.

18

19 Q. ON PAGE 33, MR. WATTS DESCRIBES BELLSOUTH'S
20 UNCOLLECTIBLE PERCENTS FOR 2000 AND 2001 AS "EXTREMELY
21 LOW." PLEASE COMMENT.

22

23 A. Mr. Watts uses the year 2000 and 2001 ARMIS data from BellSouth
24 Telecommunications' (BST's) 43-04 Report to argue that BellSouth has
25 "exaggerated its exposure from its obligation to wholesale services as a

1 common carrier.” However, the 2000 and 2001 data do not display the full
 2 extent of the economic downturn. When the 2002 ARMIS data is added to the
 3 comparison, it shows a dramatic increase over the 2001 uncollectibles levels,
 4 as shown in the table below:

5
 6 **BST Interstate Special Access Uncollectibles Ratios**
 7 **ARMIS Report 43-04**

(\$000)	2002	2001	2000
Interstate Special Access Revenue	\$2,005,943	\$1,831,143	\$1,217,326
Interstate Special Access Uncollectibles	\$52,025	\$11,416	\$1,578
Uncollectible Ratio	2.59%	0.62%	0.13%

8
 9 **BST Total Interstate Access Uncollectibles Ratios**
 10 **ARMIS Report 43-04**

(\$000)	2002	2001	2000
Interstate Network Access Revenue	\$4,537,767	\$4,491,131	\$4,086,188
Interstate Access Uncollectibles	\$ 107,623	\$67,982	\$31,189
Uncollectible Ratio	2.37%	1.51%	0.76%

11
 12 **BST Total Regulated Uncollectibles Ratios**
 13 **ARMIS Report 43-03**

(\$000)	2002	2001	2000
Total Regulated Revenue	\$16,888,867	\$17,616,004	\$16,965,995
Total Regulated Uncollectibles	\$377,812	\$322,578	\$159,381
Uncollectible Ratio	2.24%	1.83%	0.94%

14

1 Furthermore, even looking at an additional year of uncollectibles does not
2 show the whole picture. In addition to uncollectibles reported in ARMIS for
3 2002, BellSouth recognized as revenue reductions \$231.8 million related to
4 certain customer specific receivables for which collectibility was not
5 reasonably assured.

6

7 Q. FURTHER, ON PAGE 36, MR. WATTS STATES, "IT IS COMPELLING
8 THAT THE FCC CONSIDERED AND REJECTED SIMILAR REQUESTS
9 FROM BELL SOUTH ONLY FIVE MONTHS AGO." PLEASE COMMENT.

10

11 A. Mr. Watts cites the FCC's Policy Statement *In the Matter of Verizon Petition*
12 *for Emergency Declaratory and Other Relief*, WC Docket No. 02-202, *Policy*
13 *Statement*, Rel. December 23, 2002. Verizon filed specific revisions to its
14 interstate access tariffs seeking to broaden its discretion to require security
15 deposits and advance payments, and to shorten the notice period required
16 before it may take action against customers who are not paying their interstate
17 access bills on time. The FCC concluded (p. 14),

18

19 *We do not believe that broadly crafted measures applicable*
20 *to all customers, such as additional deposits, are necessary*
21 *to strike the balance between the interests of incumbent*
22 *LECs and their customers. ... We believe that narrower*
23 *protections such as accelerated and advanced billing*
24 *would be more likely to satisfy statutory standards.*

25

26 Therefore, although the FCC did not agree to the "broadly crafted" tariff
27 changes requested by Verizon and other ILECs, it recognized that narrower

1 protections, including shortened intervals for discontinuance of service may be
2 appropriate. The problem is that, from experience negotiating with CLECs,
3 they want more time, not less time; so, that would not help protect the ILECs,
4 even though the FCC may approve such a provision in an FCC tariff.

5

6 ***Issue 62: Limitation on Back Billing (Attachment 7 – Section 3.5): Should there be***
7 ***a limit on the parties' ability to back-bill for undercharges? If so, what***
8 ***should be the time limit?***

9

10 Q. PLEASE COMMENT ON DELTACOM'S PROPOSAL ON PAGE 39 OF
11 MR. WATTS' TESTIMONY THAT BACK BILLING BE LIMITED TO 90
12 DAYS.

13

14 A. DeltaCom's proposal is nonsensical and impractical. Due to the complexity of
15 BellSouth's billing systems, 90 days is not a sufficient amount of time for the
16 retrieval of billing data and records and any system programming to
17 substantiate and support the back billing of under billed charges. While
18 BellSouth strives to bill incurred charges in a timely manner, it should not be
19 forced to limit back billing to 90 days.

20

21 Q. MR. WATTS, AT PAGES 39-40, CLAIMS THAT BELLSOUTH'S
22 BACKBILLING OF DUF RECORDS UP TO THREE YEARS HAS
23 JEOPARDIZED DELTACOM'S ABILITY TO COMPETE. WHAT IS
24 YOUR RESPONSE?

25

1 A. In the case of DUF records, BellSouth has been providing DeltaCom with
2 ADUF records for the last three years, but did not bill the per ADUF record
3 charge as set forth in their Interconnection Agreement for the period February
4 2000 to November 2001. DeltaCom, therefore, has had the records necessary
5 to bill other carriers for the originating and terminating messages reported by
6 ADUF. If DeltaCom has not billed the other carriers, that is not BellSouth's
7 fault. As a matter of fact, DeltaCom has either billed, or has had the
8 opportunity to bill, the other carriers for three years without having to pay
9 BellSouth for providing the ADUF records.

10

11 *Issue 64: ADUF: What terms and conditions should apply to the provision of*
12 *ADUF records?*

13

14 Q. WHAT IS ADUF?

15

16 A. ADUF stands for Access Daily Usage File.

17

18 Q. HOW DOES A CLEC USE AN ADUF?

19

20 A. ADUF provides the CLEC with records for billing interstate and intrastate
21 access charges. ADUF records enable DeltaCom to bill other carriers for
22 originating and terminating IXC messages and terminating messages from
23 facility-based CLECs, ICOs and wireless carriers.

24

1 Q. ON PAGE 9, MS. CONQUEST CONTENDS THAT DELTACOM SHOULD
2 NOT BE BILLED FOR ADUF RECORDS ASSOCIATED WITH LOCAL
3 CALLS. PLEASE DESCRIBE UNDER WHAT CIRCUMSTANCES
4 LOCAL CALLS WOULD BE INCLUDED IN ADUF RECORDS.

5
6 A. ADUF records will be generated in those circumstances when a DeltaCom end
7 user served by an unbundled port places a call using an access code (i.e.,
8 1010XXX) to an end user within the designated local calling area. In this
9 situation, the call is recorded as an access call - the location of the terminating
10 end user has no bearing on the generation of the record. Another example of
11 an ADUF record being generated is when a facility-based CLEC (or ICO or
12 wireless carrier) end user calls a DeltaCom end user served by an unbundled
13 port within the designated local calling area. Again, in this situation, the call is
14 recorded as an access call – the location of the terminating end user has no
15 bearing on the generation of the record. DeltaCom is asking BellSouth to
16 generate a custom report for it, excluding local calls and/or duplicate calls.
17 BellSouth does not agree to provide custom reports for each CLEC. The
18 reports are generated on the same basis for all CLECs, and are consistent with
19 such reports provided by other ILECs.

20
21 Q. DOES DELTACOM CLAIM THAT BELLSOUTH’S ADUF CONTAINS
22 RECORDS THAT ARE NOT BILLABLE?

23
24 A. Yes. BellSouth’s understanding is that DeltaCom contends the ADUF records
25 that BellSouth is sending DeltaCom are not “billable”. The ADUF records that

1 BellSouth provides are capable of being billed, provided DeltaCom has
2 established billing arrangements with these other carriers.

3

4 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

5

6 A. Yes.

7

8 DOCs # 490015

1 BY MS. WHITE:

2 Q Thank you. Mr. Ruscilli, would you please give your
3 summary?

4 A Yes. Good morning. My testimony as filed on
5 May 19th contained 26 issues. Since that time 13 of those
6 issues have been resolved. My summary addresses the remaining
7 13 issues.

8 Issue 2A, directory listings. DeltaCom wants to
9 adopt directory listing languages in the AT&T agreement for the
10 complete term of DeltaCom's new agreement. BellSouth agrees
11 that the AT&T language may be adopted, but only for the
12 remaining term of the AT&T agreement. After that for the
13 remainder of the new DeltaCom agreement BellSouth's standard
14 language would apply.

15 Issues 2B and 2C. These issues relate to directory
16 publishing, not nondiscriminatory access to directory listings.
17 Directory publishing is not a Section 251 obligation. DeltaCom
18 wants BellSouth to provide access to a database of directory
19 listings for DeltaCom customers only that is capable of being
20 sorted and searched. BellSouth does not maintain a database
21 with such capabilities and would have to create such a file
22 specifically for DeltaCom.

23 Access to UNEs, Issue 11A. DeltaCom's proposal would
24 specify that the rates, terms and conditions of network
25 elements or combinations of network elements should be

1 compliant with federal and state rules. However, BellSouth
2 objects because such language would broaden applicability
3 beyond Section 251 requirements to include state commission
4 orders pursuant to any authority other than Section 251.

5 Issue 25, DSL over UNE-P. DeltaCom is requesting
6 that BellSouth continue to provide its nonregulated,
7 nontelecommunications retail FastAccess DSL Internet access
8 service to customers migrating to DeltaCom for voice service
9 over UNE-P. BellSouth is currently in compliance with this
10 Commission's orders on this issue in the FDN arbitration and
11 the Supra arbitration. In fact, DeltaCom amended its current
12 agreement on December 3rd, 2002, to adopt the Supra language on
13 this issue. Further, this issue was heard by the Commission in
14 the FCC ADSL complaint case in July of 2003. BellSouth has
15 appealed the Commission's decisions in the FDN and Supra
16 arbitrations. Subject to appeal rights and change of law
17 provisions of the new agreement, BellSouth agrees to comply
18 with the Commission's rulings.

19 Issue 44, trunk group for operator services. In
20 Issue 44 DeltaCom asks for rates, terms and conditions for the
21 establishment of trunk groups for operator services, emergency
22 services and intercept to be included in the interconnection
23 agreement. Provision of operator services, emergency services
24 and intercept are not UNEs and are not appropriately included
25 in the local services interconnection agreement.

1 Issue 46, busy line verification and busy line
2 verification interrupt. DeltaCom has asked that BellSouth's
3 operators provide busy line verification and busy line
4 verification interrupt to BellSouth end users attempting to
5 contact a DeltaCom customer. BellSouth does not provide the
6 requested functionality to its retail customers and has not
7 made the business decision to offer such functionality related
8 to DeltaCom's customers. DeltaCom may purchase from
9 BellSouth's tariff such services for DeltaCom customers
10 attempting to reach BellSouth customers.

11 Issue 47, reverse collocation. Should BellSouth be
12 required to compensate DeltaCom when BellSouth collocates in
13 DeltaCom's collocation space? The Act does not include a
14 requirement that DeltaCom permit collocation of BellSouth's
15 equipment in a DeltaCom POP location or any other location such
16 as a central office. Consequently, the rates, terms and
17 conditions under which BellSouth would elect to collocate in a
18 DeltaCom POP location or any other location should not be the
19 subject of a 252 arbitration.

20 Issue 56, cancellation charges. DeltaCom contends
21 that BellSouth's cancellation charges are not approved by the
22 Commission and that it should not be required to pay those
23 charges. BellSouth disagrees. When a CLEC cancels an order
24 for local service or an LSR, BellSouth is entitled to recover
25 the cost it has incurred to date. Cancellation charges apply

1 on a prorated basis based on the point within the provisioning
2 process that the CLEC cancels the LSR. The percentages are
3 applied, are appropriate. The Commission approved -- excuse
4 me. The percentages are applied to the appropriate
5 Commission-approved UNE rates for the services ordered.

6 Issue 58, unilateral amendments to the agreement.
7 DeltaCom objects to the language referring to BellSouth's
8 guides in various publications. It is unreasonable for
9 BellSouth to have to change every interconnection agreement or
10 have to forego updating and changing processes or mechanization
11 systems when, during the term of the agreement, changes are
12 needed to update processes or technical publications, et
13 cetera. These documents are typically guides that affect
14 processes and procedures and are for use by all CLECs. This is
15 the most efficient means of providing current documentation in
16 a timely manner to all CLECs.

17 Issue 59, payment due date. DeltaCom is asking for
18 payment due within 30 days of receipt of the bill, not the
19 standard 30 days from the bill date.

20 Issue 60, deposits. The deposit language should not
21 be reciprocal. BellSouth is not similarly situated with the
22 CLEC provider and, therefore, should not be subject to the same
23 creditworthiness and deposit requirements or standards. If
24 BellSouth is buying services from a CLEC provider's tariff, the
25 terms and conditions of such tariff will govern whether

1 BellSouth must pay a deposit. BellSouth should not be required
2 to return a deposit solely because the CLEC generates good
3 payment history. Creditworthiness should be the primary
4 measure of credit risk, not payment history alone.

5 Issue 62, backbilling. BellSouth's position is that
6 backbilling limitations should be governed by the state
7 statutes and/or its rules. In Florida the general statute of
8 limitations, which is 559.9241, provides that the statute of
9 limitations is five years. However, Florida rule in Chapter
10 25-4.110, Section 10, provides that where backbilling is to
11 correct a company mistake, 12 months is the maximum backbilling
12 period. DeltaCom's proposal of a 90-day limitation is totally
13 unreasonable.

14 Issue 63, audits of billing. Interconnection
15 agreement language governing audits of BellSouth's billing
16 services are not necessary. Performance measures addressing
17 the accuracy and the timeliness of BellSouth's billing provides
18 sufficient mechanisms for monitoring BellSouth's billing.

19 Issue 64, ADUF reports. DeltaCom is requesting
20 custom ADUF reports to exclude local traffic and/or duplicate
21 items. If it wants custom reports, DeltaCom should submit a
22 new business request and pay for BellSouth's cost to provide
23 such a report. This concludes my summary.

24 MS. WHITE: Mr. Ruscilli is available for cross.

25 MR. ADELMAN: Thank you, Commissioner.

CROSS EXAMINATION

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BY MR. ADELMAN:

Q Good morning, Mr. Ruscilli. I'm David Adelman representing ITC^DeltaCom.

A Good morning, sir.

Q Well, we've settled half your issues, but you're still the witness, I think, that has the most issues still open in this case.

A Yes, sir. I think my summary was probably longer than the cross of the previous two witnesses.

Q And I'm sorry to report your cross will also be longer than the cross of the other witnesses.

A That's quite all right. Thank you.

Q Issue 2 is the directory listing issue; correct?

A Yes, sir.

Q And you don't assert that it is technically infeasible for BellSouth to provide the electronic galley of directory listings in the manner sought by ITC^DeltaCom, do you?

A It's probably technically feasible to provide access to those numbers. I don't know whether or not it's technically feasible to provide access to a visual galley like Ms. Conquest had suggested yesterday.

Q Okay. But you can't state with certainty that it is technically infeasible, can you?

1 A No, I cannot.

2 Q And you don't offer any, in your testimony, any
3 prohibition in the law that would prohibit BellSouth from
4 providing the electronic galley in a manner described by
5 Ms. Conquest, can you?

6 A No. There's no prohibition. There's equally no
7 requirement. This is something that I think the parties should
8 voluntarily negotiate.

9 Q Issue 11A, this is the one where we're talking about
10 whether there should be a reference to state law or rules in
11 the interconnection agreement; correct?

12 A Yes.

13 Q And you -- BellSouth simply does not want there to be
14 any reference to state law or rules in the contract. It's as
15 simple as that; right?

16 A Well, not quite so simple. It doesn't want the
17 contract expanded unnecessarily beyond the requirements of a
18 252 arbitration.

19 Q But I listened closely to your summary with regard to
20 Issue 62, and you cited very specifically to the Florida rules
21 with regard to backbilling, didn't you?

22 A Yes. The telecom rules. Yes, I did.

23 Q So in that case you're very glad to have the Florida
24 PSC's rules control an issue between these parties --

25 A Yes.

1 Q -- that would be addressed in the contract; correct?

2 A Yes. I'm sorry. I answered too quickly. But both
3 of them, I think, are equally applicable. We look to this
4 Commission for the rules and we will abide by all the rules of
5 this Commission and the statutes of the state.

6 Q Sure. Issue 25, this is the ADSL issue that's
7 received so much attention around here; correct?

8 A Yes, it is.

9 Q Would you agree with the statement that Florida
10 consumers like BellSouth's FastAccess service?

11 A Yes. A certain percentage of them certainly do.

12 Q You think it's a good product; right?

13 A Oh, I think it's the best product, sir.

14 Q And you would agree with me that BellSouth prices its
15 FastAccess service offering in Florida above the cost to
16 BellSouth to provide the service; correct?

17 A Yes. It's above the cost to BellSouth to provide the
18 service.

19 Q Thank you. Issues 44 and 46, I'd like to talk about
20 those together. That's the busy line interrupt, busy line
21 verification issue.

22 A Yes, sir.

23 Q If at any point you want to separate those issues for
24 your answer, please do so.

25 A Okay. Thank you.

1 Q I don't want to force you to talk about them
2 together.

3 Now for the busy line interrupt, busy line
4 verification and trunking issue, BellSouth does not assert that
5 it is technically infeasible for BellSouth to provide the
6 services that ITC^DeltaCom seeks in the manner that
7 ITC^DeltaCom seeks, does it?

8 A It's, it's not technically infeasible. It requires a
9 significant manual process. When BellSouth provides busy line
10 verification interrupt inside its own network where it's
11 technically capable to do so, the operators electrically
12 camp-on a line to see if it's busy and actually can break into
13 that line, if they need to.

14 We do not have the technical capability to
15 electronically go into a DeltaCom switch and do the same thing.
16 Only a DeltaCom operator can do that.

17 Q But you do have the technical capability to have your
18 operators through existing trunks communicate with ITC^DeltaCom
19 operators so that the ITC^DeltaCom operator can check the line
20 to determine whether there's trouble on the line or whether
21 there's conversation on the line or the reason the line might
22 be busy for an extended period of time. You would agree that's
23 technically feasible; correct?

24 A Yes. There are trunks between your operator position
25 and ours that our operators could talk to your operators. And

1 also we use those trunks for a variety of other services
2 between the two companies.

3 Q Okay. And you've cited no prohibition in the law
4 that would prohibit BellSouth from offering the service that
5 ITC^DeltaCom seeks in the manner it seeks. In fact, in your
6 summary you described it as a business decision; correct?

7 A That's correct. It is a business decision. There's
8 no prohibition; likewise, there's no requirement in the law.
9 It's something that should be voluntarily negotiated. It's a
10 business decision similar to the business decisions DeltaCom
11 makes about not offering mass market customers under their own
12 switch. Sure.

13 Q Issue 47, this is the collocation or reverse
14 collocation issue; correct?

15 A Yes.

16 Q And you would agree with me that BellSouth today has
17 some equipment located on ITC^DeltaCom's premises in the State
18 of Florida; correct?

19 A Yes. We -- I think there are seven or ten locations,
20 depending on how you want to count them. There's one where we
21 have three or four sets of equipment placed there, and I think
22 that's counted twice, where we've been over the years providing
23 special access services to either DeltaCom directly or to
24 customers of DeltaCom.

25 Q And BellSouth uses that equipment or has the

1 potential to use that equipment to provide services to
2 telecommunications companies who compete with ITC^DeltaCom, you
3 would agree with that; correct?

4 A Yes. The potential is there.

5 Q And BellSouth would charge those competitors of
6 ITC^DeltaCom and thus realize revenue from that equipment that
7 is BellSouth's equipment located on the premises of
8 ITC^DeltaCom in Florida; correct?

9 A Yes. If it did that, it would.

10 Q Issue 56, this is the cancellation charge issue;
11 correct?

12 A Yes, sir.

13 Q And I listened closely to your summary, and what you
14 said was the percentages applied to the appropriate Florida
15 Public Service Commission-approved rates should be charged to
16 compensate BellSouth for costs incurred in connection with the
17 cancellation; correct?

18 A Yes.

19 Q And you understand ITC^DeltaCom does not take issue
20 with BellSouth's assertion that the Florida Public Service
21 Commission has approved UNE rates, but rather we take issue
22 with the percentages that you are applying to those rates;
23 correct?

24 A Yes. That's DeltaCom's issue.

25 Q And I think in your testimony you don't say

1 percentages. You call them factors; correct?

2 A Yes.

3 Q And you would agree with me that those factors or
4 percentages have not been approved for the, by the Florida
5 Public Service Commission for purposes of applying them to the
6 UNE rates; correct?

7 A That's correct. Those factors were approved by this
8 Commission for providing the services in either the private
9 line tariff in the State of Florida or with the FCC for those
10 services that are interstate in nature, and those factors were
11 approved by both commissions. And what they represent is at a
12 point in time what work has been accomplished to facilitate
13 DeltaCom's request.

14 As an example, if our engineer has to do a design
15 layout on a particular item, then we've incurred that engineer
16 doing some work. And then what we want is a percentage of the
17 UNE approved, excuse me, the approved UNE rate that this
18 Commission has done for that particular item for the
19 nonrecurring costs.

20 Q Do you have a copy of the BellSouth private line
21 tariff with you today?

22 A No, I do not.

23 Q Do you agree with me that private line services and
24 UNE services are different?

25 A They are different as far as how they're marketed,

1 but the subservices that are being provided, you know, like the
2 transport and the local channel, et cetera, are the same.

3 Q Issue 59 is the payment due date issue; correct?

4 A Yes.

5 Q When a bill is mailed by regular mail by BellSouth to
6 ITC^DeltaCom there is some uncertainty as to when it is
7 received by ITC^DeltaCom; correct?

8 A Yes. Once you drop it in the mail, it's up to when
9 the mail delivers it. The mail -- post office, excuse me.

10 Q Much of that uncertainty is removed when BellSouth
11 bills ITC^DeltaCom electronically; correct?

12 A Yes.

13 Q And you don't take issue with the statement yesterday
14 of Mr. Watts that 94 percent or more of BellSouth's bills to
15 ITC^DeltaCom are transmitted electronically, do you?

16 A No. And I heard also that after you make a system
17 change, I think the majority of them will be billed
18 electronically.

19 Q Well, 94 plus percent is already a majority, so.

20 A I stand corrected.

21 Q It'll be close to 100 percent.

22 A Yes.

23 Q So we will have a great deal of certainty with regard
24 to the date on which ITC^DeltaCom receives virtually all of its
25 bills from BellSouth; correct?

1 A Yes.

2 Q Okay. Issue 60 is the deposit issue; isn't that
3 right?

4 A Yes.

5 Q Do you agree with the statement that ITC^DeltaCom has
6 a very good payment history with BellSouth?

7 A Well, they have paid all their bills. I learned for
8 the first time, and it was provided in a data request that
9 BellSouth provided back to a staff request, that ITC^DeltaCom
10 is actually a slow pay. They pay 15 to 30 days late and have
11 done so for the last two and a half years. And that's of
12 undisputed charges.

13 But my understanding is that they have generally paid
14 their bills. They're not withholding payment other than that
15 that was associated with a disputed charge.

16 Q Did you also read the discovery response related to,
17 to that same issue that states that ITC^DeltaCom pays on an
18 average nine days early?

19 A That's what -- I didn't read the response, but
20 Mr. Watts said that yesterday. And so I think it's two
21 different opinions of when you pay.

22 Q But you don't have any reason to dispute Mr. Watts'
23 reading of the discovery response, do you?

24 A I don't understand that, "reading of the discovery
25 response."

1 Q You don't have any reason to dispute Mr. Watts'
2 statement that on average ITC^DeltaCom pays BellSouth nine days
3 early, do you?

4 A Well, Mr. Watts states what he states. Our people
5 who handle the billing that replied -- provided that response
6 indicate otherwise.

7 Q Well, actually your statement went to the last two
8 years; right?

9 A Two and a half years, yes.

10 Q Issue 63 deals with the audits; correct?

11 A Yes.

12 Q Would you agree that BellSouth sends ITC^DeltaCom
13 approximately 1,700 billing invoices a month?

14 A Yes.

15 Q And BellSouth has 21 or more billing cycles per
16 month; correct?

17 A Yes.

18 Q And would you agree with me generally that in those
19 1,700 invoices there are tens of thousands, maybe hundreds of
20 thousands of bits of information contained in those invoices?

21 A There certainly is a lot of information. Yes, sir.
22 I'll agree.

23 Q They're quite voluminous; correct?

24 A Could be, yes.

25 Q Now BellSouth wants, wants included in this

1 interconnection agreement the right to audit for PIU, PLU or
2 PLF; correct?

3 A Yes. I think that issue has been resolved though,
4 has it not?

5 Q We settled that issue.

6 A Yes. Okay.

7 Q ITC^DeltaCom has agreed to allow those audits;
8 correct?

9 A Yes.

10 Q And similarly ITC^DeltaCom has agreed to allow
11 BellSouth audit rights with regard to EELs; correct?

12 A Yes.

13 Q And AT&T and Sprint have in their existing
14 interconnection agreement language that allows audits of their
15 bills; correct?

16 A Yes. DeltaCom had pointed that out, I think, with
17 AT&T in their testimony. But, I mean, BellSouth feels that the
18 audit now is sort of redundant because we have performance
19 measures set forth by this Commission that looks at things like
20 our billing accuracy, our billing timeliness, and it's
21 duplicative.

22 Q But you understand that it's -- that ITC^DeltaCom
23 wants to audit so that we can for ourselves verify just how
24 accurate BellSouth's bills are, you understand that's the
25 issue; correct?

1 A Yes. And DeltaCom certainly is within its right to
2 examine its bills and come back and make a billing adjustment
3 request to BellSouth if it feels it's been overcharged. And
4 equally if it feels it's been undercharged and wants to write
5 us a check, we'll accept that, too.

6 Q But the right to examine the bills that you transmit
7 to us is different from the right to audit the bills as they
8 are developed at BellSouth, isn't it?

9 A It is different. But it's also duplicative of
10 another process that's already put in place by this Commission.

11 MR. ADELMAN: Mr. Ruscilli, that concludes my cross.
12 Thank you. Thank you, Mr. Chairman.

13 THE WITNESS: Thank you, sir.

14 COMMISSIONER DEASON: Staff.

15 CROSS EXAMINATION

16 BY MS. CHRISTENSEN:

17 Q Good morning, Mr. Ruscilli. We have a few questions
18 for you. We're not exactly sure that we'll be going in any
19 issue order, so you'll have to bear with me. I'll try and
20 indicate which issue I'm referring to.

21 A If you would, that would help me because I have a lot
22 and it's hard to keep them framed in my mind where I'm at.

23 Q Regarding Issue 2, the directory listings, my
24 understanding is you had said that it's BellSouth's position
25 that ITC^DeltaCom could adopt AT&T's language for the period of

1 the AT&T agreement; is that correct?

2 A That's correct.

3 Q Why would not -- why would not ITC^DeltaCom be able
4 to, to utilize the AT&T language in this agreement for the full
5 term of this agreement?

6 A Well, two reasons. One, when you adopt any language
7 as far as a part of an interconnection agreement, you adopt it
8 subject to the terms of that interconnection agreement. So if
9 that language is set to expire at date certain, then that
10 language expires. And as Ms. Conquest, I think, pointed out
11 yesterday, and, in fact, she's correct, the language that
12 DeltaCom initially believed in the AT&T agreement would cure
13 their problem, in fact, will not.

14 Q Okay. Let me refer you to Issue 11A.

15 A Yes.

16 Q Have -- I believe you testified earlier that you have
17 had an opportunity to look at the Triennial Review Order in
18 limited, in limited scope.

19 A If I did, I do not remember testifying so. But I
20 will say today I have looked at it in limited scope.

21 Q Okay. Regarding Issue 11, have you had an
22 opportunity to look at the Triennial Review Order as it relates
23 to the establishment of UNEs by the states?

24 A Just in a very general fashion. I'm not sure I see
25 the applicability to 11, but go ahead.

1 Q Does that recent Triennial Review Order support
2 BellSouth's position on this issue in your opinion?

3 A Well, yes, it does. I mean, we're not wanting to do
4 anything that's inconsistent with the obligations or the
5 requirements that the FCC has given to the states as far as
6 determining which UNEs would be applicable based on the
7 standards that are being set forth by the Triennial Review.

8 BellSouth's concern on Issue 11A is that if there are
9 items that are put forth by this Commission that are outside of
10 Section 251 or 252 requirements, we don't want those becoming
11 part of an interconnection agreement simply for what we just
12 talked about earlier is that then you've got something outside
13 the scope of the requirements of 251 that can now be adopted by
14 the other CLECs in the state and then it goes on in perpetuity.

15 Q Let me focus your attention on Issue, I think it's
16 25, the ADSL issue.

17 A Yes, ma'am.

18 Q BellSouth in its prehearing statement stated that you
19 should not be required to provide DSL service to end users who
20 receive voice services from a UNE-P provider. In that case
21 would BellSouth allow any competing carrier such as
22 ITC^DeltaCom to collocate at the DSLAM equipment in BellSouth's
23 remote terminals?

24 A Yes. I mean, we've had that offer here before this
25 Commission in at least one or two arbitrations I participated

1 in and in a couple of generic proceedings, that if a CLEC
2 chooses to put a DSLAM in a remote terminal, if we have space,
3 they can do it. If we do not have space, we will make space
4 available the best way that we can. So charge them for the
5 space, but, I mean, we'd make it available one way or the other
6 so that they could do so.

7 Q Do you know how many remote terminals BellSouth has?

8 A Oh, I want to say that the number is somewhere in the
9 9,000s. Those are remote terminals. That's not necessarily
10 DSLAMs.

11 Q Okay. And of these remote terminals how many have
12 space available to accommodate a CLEC's DSLAM?

13 A I don't know that number. But it's inconsequential.
14 I mean, if there's not space, we'll make it available, at least
15 as we understand our requirements right now.

16 I would point out I have read the TRO on that issue
17 and it's been fairly definitive that the ability to deploy
18 DSLAMs, there's no impairment there, and that the CLECs can
19 certainly do that even to the extent that I believe the TRO
20 speaks to removing the requirement of us having to allow
21 collocation in an RT.

22 Q Can you tell me what terms and conditions BellSouth
23 requires of competing carriers if the competing carriers were
24 to locate their DSLAM in BellSouth's remote terminals?

25 A Well, we treat collocation in a remote terminal the

1 same way we treat collocation in the central office. And so it
2 would be provided under the regulations and the collocation
3 guides and then under the rates associated with collocation
4 that's in their interconnection agreement.

5 Q Let me ask you this: In following up on the
6 availability of space in the remote terminals, you had said you
7 weren't sure how many had actual space available for
8 collocation of a CLEC remote terminal. Can you approximate
9 a -- would you think that it's more than 50 percent or less
10 than 50 percent of those remote terminals would have space
11 available for CLEC collocation of DSLAMs?

12 A I would like to, but I would be offering just a mere
13 guess. I have no knowledge to give even an approximation.

14 Q Let me ask you this: If a remote terminal does not
15 have available space to collocate a CLEC's DSLAM and a new
16 remote terminal had to be built next to that remote terminal,
17 who would bear the cost of building that additional remote
18 terminal site?

19 A Well, BellSouth has testified before, we would build,
20 we'd put the pad down and we would build-out that site. Now we
21 would still charge the CLEC the appropriate collocation rates,
22 but we would, you know, we would lay the concrete pad, we would
23 do the wiring and the setups in the terminals, but we would
24 still charge them then for their use of whatever space they
25 required for their rack of equipment.

1 Q Let me follow up. When providing ADSL service, is
2 BellSouth providing the DSLAM for that service?

3 A Well, yes. You'll need, you'll need a DSLAM to do
4 that service, and it could either be in the remote or it could
5 be in the central office. But that's just part of the
6 technical equipment that's in place to provide that.

7 Q And if a customer were to switch their voice service,
8 and let's assume that BellSouth makes available the high
9 frequency portion of the loop, is that DSLAM still available
10 for a CLEC to provide its own version of ADSL service? In
11 other words, is BellSouth's DSLAM available for a CLEC to rent
12 or purchase so that they can provide their own ADSL service?

13 A Well, I think there will be two scenarios, and let me
14 address it this way. If the customer switches voice, they
15 could very well be switching to another voice switch
16 altogether, in which place BellSouth's DSLAM would not come
17 into play there because that DSLAM would be in our central
18 office and you're going to the CLEC switch.

19 If you're referring to the UNE loop or the UNE-P
20 scenario, we will be compliant with this Commission's orders to
21 date which say that we have to continue to allow the ADSL
22 service. Although we're providing it in Florida on a separate
23 loop, we're not providing it on the same loop. So the high
24 frequency is sort of out of the question. We would just do it
25 on a separate loop.

1 Q Okay. So let me see if I understand your answer,
2 which is basically if they switch voice service over UNE-P,
3 BellSouth would not make available its DSLAM.

4 A We, we would continue to provide DSL service to the
5 customer. It would be on a separate loop. We would be using
6 our DSLAM to provide that service.

7 Q All right. So let me see --

8 A So I want to make sure I'm answering you correctly.

9 Q Well, I'm just trying to make sure I understand.
10 Okay. The DSLAM would be available if it was over a second
11 line, but it would not be available to provide service, ADSL
12 service on the same UNE-P line.

13 A Correct.

14 Q Okay. And if the Triennial Review Order removes any
15 obligation of the LECs to permit CLECs to install a DSLAM and
16 BellSouth no longer allows collocation, how could a customer
17 obtain DSL service if BellSouth refuses to continue to provide
18 its FastAccess?

19 A Well, again, the CLECs can put a DSLAM in their
20 central office or they could put a DSLAM in their collocation
21 space and they can lease loop from us and provide the service.
22 Or if BellSouth chooses not to continue to allow collocation of
23 a DSLAM in an RT, there could be space available that the CLEC
24 could buy and/or rent or lease, build their own pad and put one
25 up there and still get the same thing accomplished. The key to

1 it is, as you're noting, is the DSLAM. What the FCC has, at
2 least it appears to me on my review of the TRO, said that
3 there's no impairment, everybody is equal, there's no
4 requirement to unbundle the DSLAM or to provide the DSLAM
5 because each of us, CLEC and BellSouth alike, can go out and
6 buy our own and put them in.

7 Q I just want to clarify something in my, for my own
8 sake. Would it be true to say that BellSouth locates their
9 DSLAMs in the remote terminal because for certain technical
10 reasons you may not be able to have your DSLAM located back at
11 the central office if it's greater than 18, what is it,
12 thousand feet?

13 A It is 18 kilofeet. We may have a DSLAM in a remote
14 terminal and still have the DSLAM in the central office because
15 we may have loops coming out of that central office that are
16 less than 18 kilofeet that we could serve. But it is based on
17 the carrier serving arrangement design that we've used for
18 years where we've put remote terminals so we could put longer
19 loops out there. And, in fact, then you'll have to have a
20 DSLAM in that remote terminal to serve those loops that are
21 longer than 18 kilofeet.

22 Q Okay. Have you had the opportunity -- let me refer
23 you to Paragraph 199 of the FCC's order, the Triennial Review
24 Order. I have a copy of that paragraph that will help you.

25 A I'll need one. I don't have it in front of me.

1 MS. CHRISTENSEN: Permission to approach the witness.

2 COMMISSIONER DEASON: Yes.

3 BY MS. CHRISTENSEN:

4 Q Have you had time to review that?

5 A Yes.

6 Q Okay. The FCC states that it directs the incumbent
7 local exchange companies to unbundle stand-alone copper loops
8 and subloops for the provision of broadband service. If the
9 Commission were to require BellSouth to provide its ADSL
10 service in the context of either a stand-alone unbundled loop
11 or as part of a UNE-P, what difficulties, if any, would
12 BellSouth have in implementing this?

13 A Well, I think the key phrase here is when they talk
14 about a narrow band voice service in 199. And if you look down
15 at footnote 626, it goes on and expands on that.

16 What the FCC -- and again this is just my cursory
17 review. I haven't studied this in the kind of detail I need to
18 be definitive. But what the FCC is saying is that you've got
19 to be able to provide 64 kilobytes of transmission for a narrow
20 band voice, and that's basically using TDM or time division
21 multiplexing. That is not what you'll be using if you're
22 providing ADSL because you're separating the high frequency
23 portion of the loop. That's a different technology. Now
24 you're moving into the packet technology, which the FCC will
25 speak to later in like the 200, the mid-200 paragraphs that

1 there's no requirement for us to unbundle any part of our
2 packet network or to provide that. So what they're basically
3 doing is ensuring that you can still continue to provide voice
4 over these hybrid loops, but that's all.

5 Q Is it true that Section 6.1 of the current
6 BellSouth/ITC^DeltaCom interconnection agreement provides
7 guidance concerning the terms, rates and conditions for the
8 establishment of trunk groups for operator services and
9 emergency services and intercept?

10 A I think, and I remember seeing a data request on
11 this, I think it was in 6 whatever, and then I think it's been
12 moved to Section 32 or something like that. But there is
13 information on how we set up one-way trunk groups, two-way
14 trunk groups, super groups, et cetera, in those sections.

15 Q Are the trunk groups available as UNE?

16 A Operator services trunk groups are not UNEs. It's --
17 operator services and DA has been delisted as a UNE by all the
18 commissions in BellSouth states except for Tennessee.

19 Q Does BellSouth's access tariff contain, only contain
20 BellSouth operator service products?

21 A It contains -- well, no, that's incorrect. I mean,
22 our access tariffs contain special access, switched access
23 billing services, but there's also an operator services section
24 in that tariff.

25 Q And are those all the other products that are

1 contained in that access tariff?

2 A I didn't hear your question.

3 Q The ones you just briefly reviewed, are those the
4 only other ones that are covered by the access tariff?

5 A Oh, no. It's a large tariff. I wouldn't begin to
6 try to name all the products that are in there.

7 Q Are you familiar with Paragraph 23 of the Triennial
8 Review Order?

9 A No, ma'am.

10 MS. CHRISTENSEN: Permission to approach the witness.

11 COMMISSIONER DEASON: Yes.

12 THE WITNESS: I don't have my paragraphs memorized
13 yet, and I don't think I will on this order.

14 MS. CHRISTENSEN: I don't think any of us do yet.

15 BY MS. CHRISTENSEN:

16 Q Please let me know when you've had a chance to review
17 it.

18 A I've scanned it. I don't remember reading this one
19 up-front, but go ahead.

20 Q Okay. The FCC states that signaling and call-related
21 databases in that paragraph are network elements that should be
22 unbundled. The FCC further states that these databases
23 include, but not limited to, unbundled access to signaling
24 links and signaling transfer points in conjunction with
25 unbundled switching and on a stand-alone basis as well as a

1 bundled access to call-related databases.

2 In the context of the FCC's Triennial Review Order is
3 it true that interconnection agreements should include the
4 rates, terms and conditions for establishment of trunk groups
5 for operator services, emergency services and intercepts?

6 A I don't know enough of it to say that I could agree
7 with you because, if I remember correctly, this is the
8 executive summary. When you get back into the gut of this
9 section, it seems to me that there's no impairment with access
10 to anything except for E911 and 911 databases, that there are a
11 variety of providers of operator services in the other one. So
12 this really isn't sort of my area to study, this TRO for this
13 case, so I didn't really go into detail. But I think I
14 remember when you get back into the OSS section that Mr. Pate
15 talked about earlier that the only impairment that was found
16 was actually with 911 databases.

17 Q Let me draw your attention to Issue 47. Is BellSouth
18 required to collocate in a CLEC's point of presence?

19 A Are we required to collocate in a CLEC's point of
20 presence, was that your question?

21 Q Correct. That was the question.

22 A No. There's no requirement that's been placed by the
23 Act on BellSouth to collocate in any CLEC point of presence or
24 central office in the term of -- as collocation is used in the
25 Act. We have the duty to interconnect either directly or

1 indirectly, but there's no requirement to collocate placed on
2 BellSouth.

3 Q Could you please describe what type of equipment
4 BellSouth has installed in ITC^DeltaCom's POPs?

5 A Sure. In the State of Florida what we have provided
6 over the years, and, again, we've had a relationship with
7 DeltaCom for I believe close to 20 years as they were an
8 interexchange carrier, is we've provided special access
9 services. And so what we would put out there would be
10 electronic equipment associated with things like SONET rings,
11 those are fiber rings that we have out to their location, or
12 perhaps large trunks like DS-3s, which can be dechannelized
13 into a multiple number of trunks. So we have some, some
14 terminal equipment out there that's electronic that this, this
15 piece of fiber or glass will plug into.

16 Q Does Bell -- is this equipment that you discussed
17 previously strictly used for ITC^DeltaCom's purposes?

18 A Well, they were ordered for ITC^DeltaCom either for
19 them as a company or for them to offer what's called baseline
20 services, which means they're turning around and providing
21 special access to their customers in those locations.

22 Q Does BellSouth use any of its equipment located in
23 ITC's POPs for other carriers?

24 A I'm not aware and I can't say one way or the other.
25 I've not finished my research in Florida.

1 Q Does BellSouth currently have an agreement with ITC
2 to place equipment in ITC's facilities?

3 A We had a, a collocation agreement which would, I
4 would characterize as outside of the requirements of the Act
5 with ITC^DeltaCom at one point. I believe that agreement
6 expired a year or so ago.

7 Q Let me refer you to ITC^DeltaCom's response to staff
8 interrogatory or Production of Document Number 9. If you don't
9 have that --

10 A I do not.

11 Q -- we have copies to provide.

12 MS. CHRISTENSEN: Permission to approach the witness?

13 COMMISSIONER DEASON: Yes.

14 MS. CHRISTENSEN: Thank you.

15 BY MS. CHRISTENSEN:

16 Q If you can refer to the tab section.

17 A Yes, ma'am.

18 Q Is this the agreement that you were referring to
19 earlier? Is this the agreement that we were talking about with
20 the --

21 A I believe it is.

22 Q Okay. Does this -- does the appendix give the rates
23 and charges for BellSouth to utilize the space in
24 ITC^DeltaCom's point of presence?

25 A Yes, that's what it appears to represent. I haven't

1 studied this agreement, but I'll take that subject to check.

2 Q Okay. To your knowledge has BellSouth ever been
3 billed these charges for placing its equipment in
4 ITC^DeltaCom's point of presence?

5 A No.

6 Q Okay. Okay. Let me refer you to Issue 58, the
7 unilateral amendments to the interconnection agreement issue.

8 A Yes, ma'am.

9 Q Is it BellSouth's position that making changes to the
10 documents, publications or guides referred to in an
11 interconnection agreement constitutes a contract modification
12 which requires no additional amendments to the interconnection
13 agreement?

14 A I can't speak as a lawyer, but generally yes. We
15 have a lot of guides and publications that are out there that,
16 in fact, the whole industry contributes and collaborates on
17 when we develop these things. And it can be things from
18 technical specifications to how you do routing for E911, as an
19 example. And those will change from time to time, and it's
20 BellSouth's position that these are reference documents that
21 are used by the contract. And the references may change, they
22 may be improved, efficiency may be gained and we have to do it
23 a different way, and it's better for the CLEC community and
24 BellSouth. And so it's the most efficient way to implement
25 that.

1 Q Let me refer you to Issue 60, the deposit issue.

2 A Yes, ma'am.

3 Q Is it correct that BellSouth does not have a
4 reciprocal deposit language in an interconnection agreement
5 with any other CLEC provider or with any CLEC provider?

6 A I can't say it with certainty. I haven't looked at
7 every single agreement. So my understanding is that we do not
8 have -- generally our position is that we do not have a
9 requirement to put reciprocal deposit language out there. We
10 will be subject to the deposit requirements from the tariffs of
11 the CLECs when we buy from them for services that we need.

12 Q BellSouth states its position to Issue 60B that the
13 company should not be required to return a deposit after a CLEC
14 generates a good payment history. That's BellSouth's stated
15 position; correct?

16 A Yes. Just based on the payment history alone, that's
17 not a necessary -- we think there's more involved than just the
18 payment history alone.

19 Q What other criteria would BellSouth use to determine
20 whether or not it would return such a deposit?

21 A There's a variety. You know, the first one we say is
22 if their finances improve and they get a Dunn & Bradstreet
23 rating of 5A1, that basically means they're like a
24 \$50-million-a-year corporation and they've got the highest
25 rating in the credit world, then we see our risk being reduced

1 and we can return the deposit.

2 Likewise, if we see things that are changing for that
3 company, they're going into bankruptcy as an example, and we
4 only have, say, a month's deposit, we may ask them to increase
5 that to two months. And this is an issue that I think has
6 indirectly been before this Commission before in that if you
7 have a CLEC that is going out of business and they're buying
8 UNEs from you, when they close up shop, there's a period of
9 time when BellSouth is still there providing services to those
10 customers that were abandoned by that CLEC and we have no
11 revenue coming either from the CLEC or those customers, and
12 that's where that deposit would come in. And so we see a need
13 for that, especially if the financial troubles or financial
14 condition of a CLEC become dire.

15 Q Let me ask you this: Has BellSouth to your knowledge
16 ever returned a deposit to a CLEC?

17 A I don't know. I know that we will reduce it. I
18 don't know if we've returned it to a specific CLEC or not. But
19 we certainly have it within our guidelines to do so.

20 Q And one final question regarding this issue.
21 ITC^DeltaCom's witness made assertions that BellSouth has not
22 or would not collect a deposit from any other customer who was
23 worth approximately \$1 million worth of business per month. Do
24 you know of any other customer that's worth \$8 million or
25 approximately \$8 million a month worth of business that

1 BellSouth collects a deposit from?

2 A I don't know specific customers that we collect
3 deposits from. I don't know if I should reveal that
4 information if I did know it.

5 Our average large customer is only around \$400,000 in
6 monthly billing, not \$8 million. Most of the larger customers
7 I think the CLECs have.

8 Q Well, let me -- I'm not sure you answered the
9 question. And I'm not asking you to reveal whether or not, you
10 know, specific customers. I'm just asking for those large
11 customers do you generally collect a deposit, if you know?

12 A We -- yeah. I don't know if we generally do or not.
13 We place all of our customers, retail and wholesale, under the
14 same credit guidelines. And so if there are large customers
15 that are \$8 million a year that we still have and they have the
16 same financial conditions as a CLEC customer that would require
17 us to collect that deposit, we would collect it.

18 The only exclusion to not being required to put up
19 some sort of deposit is if you already come into the door as a
20 Dunn and Bradstreet rating 5A1 as a new customer.

21 Q Let me turn your attention to Issue 62.

22 A Yes, ma'am.

23 Q In your testimony you cite the Commission's
24 Rule 25-4.11(10), Florida Administrative Code, as justification
25 for the 12-month period, 12-month backbilling period for

1 undercharges; is that correct?

2 A Well, yes. Actually the statute of limitations is
3 five years, but this Commission has issued a rule and we feel
4 that our backbilling should comport with the 12-month rule
5 rather than the 5-year. We'd prefer to have the 5-year, if we
6 could.

7 Q Wouldn't you agree that, that that rule was designed
8 to apply to billing arrangements between customers and the
9 ILECs, not necessarily between CLECs and the ILECs?

10 A Well, as it reads, it says customers of the ILECs.
11 But the CLECs are our customers, too.

12 Q Can you tell us what is BellSouth's current
13 backbilling period for the CLECs?

14 A In the State of Florida it is 12 months. We abide by
15 either a Commission rule or the state statute if a Commission
16 rule has not spoken to it.

17 Q Okay. Let me refer you to Issue 46, which addresses
18 the busy line verification and busy line verification
19 interruption or interrupt.

20 A Yes, ma'am.

21 Q Does BellSouth provide AT&T with busy line
22 verification and busy line verification interrupt service?

23 A If they call our operators and want to interrupt one
24 of our customers, yes, we'll do that.

25 Q Is BellSouth willing to provide busy line

1 verification and busy line verification interrupt service to
2 ITC^DeltaCom under similar conditions to AT&T?

3 A If ITC^DeltaCom calls and wants us to interrupt one
4 of our customers, we will do that. We don't do it the other
5 direction where we go and interrupt their customers because we
6 technically cannot go into their switch, whether it's AT&T's or
7 DeltaCom's or any other provider's switch, and electronically
8 camp-on to see if that circuit is busy.

9 Q Okay. In response to staff's Interrogatory 17B which
10 addresses busy line verification interrupt services, BellSouth
11 states that it does not currently provide this service to any
12 facility-based CLEC and has no plans to do so in the future.

13 Why doesn't BellSouth provide or have any plans to
14 provide busy line verification interrupt service to
15 facility-based providers?

16 A Okay. Sure. Again, in order to provide busy line
17 verification interrupt -- first I'm going to set this up for
18 you.

19 If I'm a BellSouth operator and I get such a request
20 to do busy line verification, I can electronically go into my
21 switch where that customer's line has been terminated and, if
22 that switch is technically capable, I can look to see, yeah,
23 it's busy, and I can even break in on the line and listen or I
24 can interrupt and say, hey, there's an emergency call, because
25 I can technically electronically go in and do that.

1 I do not have those kinds of facilities at my
2 operator position to go into any other CLEC switch that they
3 own. Only their operator positions can go in and do that. I
4 cannot do that. So since I can't do it electronically, that
5 leaves me with a business decision. And the business decision
6 is this: Do I want to have my operator place a call over to
7 DeltaCom's operator position and say, hey, can you check this
8 line; wait for that operator to answer the phone; then wait for
9 that operator to check the line; then wait for the line to come
10 back and tell the operator what it's doing; and then wait for
11 that operator to tell my operator what it's doing so that my
12 operator could then tell the person that made the original
13 call? That takes my operator service person that's in my
14 operator center a long time doing nothing but sitting there
15 idle. So we've made a business decision not to do that, as
16 most of the other carriers don't do this today now. They don't
17 go into other people's switches and do that.

18 Now if DeltaCom wants to pay us to do that, we will
19 do it. We've decided we don't want to pay to provide that
20 service. We don't see it.

21 Q Let me ask you this: Do you face the same technical
22 difficulty for the switches that a CLEC buys from you as part
23 of a UNE-P product?

24 A No, we don't. And actually in DeltaCom's case that's
25 a good point because they represented yesterday that most of

1 their residential service they buy under UNE-P because they've
2 made a business decision to do so. And if it's a UNE-P, in
3 other words, the port is on my switch, then my operator can, in
4 fact, go in and look at that port and do that for them. So
5 it's really not that big of an issue.

6 Q Okay. So the technical difficulty comes only when
7 they're running off of their own port or their own switches.
8 Excuse me.

9 A Yes, ma'am. Over their own physical switch. Because
10 I don't have access into that switch.

11 COMMISSIONER DEASON: Let me ask a question at this
12 point. If a BellSouth retail customer calls a BellSouth
13 operator seeking busy line verification and the number that
14 they're wanting to have verified that it's busy is a retail
15 customer of DeltaCom, what happens? What does the operator
16 tell that customer?

17 THE WITNESS: If the operator can technically go in
18 and do it, they'll do the busy line verification. If they do
19 not have the facilities, and I don't know exactly what appears
20 on the operator's position screen to tell them that it won't do
21 that, but if we don't have the facilities to go into that
22 switch, we'll just say we cannot verify that number.

23 COMMISSIONER DEASON: Is there any way that the
24 BellSouth operator can transfer that customer to a DeltaCom
25 operator?

1 THE WITNESS: I don't know. There probably
2 technically could be a way to do that, but I don't know.

3 COMMISSIONER DEASON: Okay.

4 BY MS. CHRISTENSEN:

5 Q Let me focus our attention on Issue 59. And
6 Mr. Watts in his rebuttal testimony stated that approximately
7 93 percent of BellSouth's billing to ITC^DeltaCom is by way of
8 electronic invoice. Although these bills are delivered
9 electronically, they're not sent to ITC^DeltaCom for up to
10 seven days after the billing date. Why can't BellSouth deliver
11 the electronic invoices on the same day as the billing date?

12 A Okay. The billing date is when we close out the
13 billing cycle for the previous month. There is a lot of
14 information that has to be collected. Some of it is readily
15 available. We know how many lines that they have, as an
16 example, UNE lines, we know how many UNE ports they have. But
17 there's other information that's not readily available, and
18 that's the information that's associated with usage type
19 charges from calls from other carriers that have come into
20 DeltaCom, and these are the DUF records that were in our
21 testimonies, the minutes of use associated with that. Access
22 calls, these will be long distance type calls that will be
23 coming in. So we have to spend some time compiling that
24 information, getting it in the appropriate electronic format so
25 that we can send it to them. That generally takes two, three,

1 four days, maybe five days to get ready from the time that we
2 render a bill.

3 Q If BellSouth sends an invoice to ITC^DeltaCom
4 electronically on September 1st, when should the bill be due?

5 A Well, the bill should be due -- it's actually due 20
6 days after the bill date. The bill date would have occurred
7 sometime before September 1st when we send it electronically.
8 It could be a couple of days before, say, August the 30th. The
9 bill will be due 20 days from that August the 30th time. There
10 will not be any late charges due until ten days after that
11 date. So you have 30 days net from the time that we've
12 rendered the bill.

13 Q Regarding Issue 56, which addresses LSR cancellation
14 charges --

15 A Yes, ma'am.

16 Q And I think you answered this before. I'm going to
17 ask it again. Has the Florida Public Service Commission
18 provided the cancellation rate charges to ITC^DeltaCom by
19 BellSouth?

20 A Can you -- I'm not sure I --

21 Q Yeah. I'll repeat the question. Sure.

22 A Yeah. I got lost in it somewhere. I'm sorry.

23 Q Okay. Regarding Issue 56 which addresses LSR
24 cancellation charges, has the Florida Public Service Commission
25 approved the cancellation rates charged to ITC^DeltaCom by

1 BellSouth?

2 A Yes. They've approved the rates. That's the
3 nonrecurring UNE rates for whatever service Deltacom is
4 providing. And then as an example, the factors that we're
5 using, those were approved in the private line tariffs by this
6 Commission. There are some UNE rates that are associated with
7 carriers like interstate carriers, and those were approved by
8 the FCC. Those factors. Excuse me. I said rates.

9 Q The factors, the percentages?

10 A Right. It's -- and quite literally it's just a
11 percentage of the total rate you've already approved based on
12 the work that we have completed at that point in time.

13 Q And those factors were developed specifically for
14 those nonrecurring charges that were approved?

15 A They were developed for the services in those private
16 line tariffs and those FCC tariffs, and those services are --
17 and, again, transport is basically transport. That's the
18 connection between two central offices in the example. We
19 offer a retail product in our private line tariff. We offer a
20 retail product in our wholesale tariff. We also offer it as a
21 UNE. The factors associated with us putting up a transport
22 link, it's the same work processes are going on. That's what
23 we apply.

24 Q Okay. Let me turn your attention to Issue 60. In
25 response to Interrogatory Number 20 of staff's second set of

1 interrogatories ITC^DeltaCom stated that BellSouth in an
2 arbitration with ITC^DeltaCom in Georgia acknowledged that
3 ITC^DeltaCom has a good payment history with BellSouth. Is
4 that your opinion here today?

5 A Well, at the time we did the Georgia hearing that was
6 certainly my opinion. I was taking that on what I had found
7 out at that time. And then I would say upfront ITC^DeltaCom
8 has paid its bills. It's not holding bills out in an
9 unbusinesslike manner. If it's got a legitimate dispute, it
10 has a legitimate dispute and we're working through that
11 process. If it owes its money, it pays its money.

12 What we've learned recently through the data request
13 of staff is that they pay about 15 to 30 days late. So that's
14 sort of like a slow pay, but they do pay. So my Georgia
15 testimony is certainly correct based on what I knew at that
16 time, and I would still stand here today and say that DeltaCom
17 pays its bills. And if it's got a legitimate dispute, it
18 disputes it. But, in fact, when it does pay, for the last
19 couple of years it's paid a little bit on the slow side.

20 Q Let me ask, given that, why is BellSouth still
21 requesting a deposit from ITC^DeltaCom?

22 A A number of factors. It's not just based on payment
23 history. It's based on what the bond rating would be. It's
24 based on the fact that they just emerged from bankruptcy.
25 They're in the process of a merger with BTI, and that may, in

1 fact, change their whole financial picture so that the deposit
2 requirements may, in fact, improve or change because their
3 creditworthiness is improved.

4 Q In response to Interrogatory Number 20 of staff's
5 second set of interrogatories ITC^DeltaCom stated that
6 BellSouth requested that it be given a full 30 days from
7 receipt of ITC's invoice for payment and ITC has agreed to it.
8 Why can't BellSouth be reciprocal and allow 30 days from the
9 receipt of its invoices to ITC for payment?

10 A I haven't been able to verify what DeltaCom said in
11 that and check with my people what, in fact, we actually did.
12 I've made a request. I haven't gotten any information back.

13 As far as reciprocal of it, we treat all of our
14 customers the same way. We bill everybody on the standard
15 billing cycles that we have in place, whether they're retail
16 customers or they're wholesale customers. In order to do what
17 DeltaCom wants to do, we now would have to change our systems
18 and create new programming just for DeltaCom. And so we want
19 to maintain consistency with how we treat all of our other
20 customers, both retail and wholesale alike.

21 MS. CHRISTENSEN: Staff has no further questions.

22 COMMISSIONER DEASON: Commissioners?

23 COMMISSIONER DAVIDSON: Thank you, Chairman.

24 Mr. Ruscilli, if you would turn to Page 6 of your
25 direct testimony, please.

1 THE WITNESS: Yes, sir.

2 COMMISSIONER DAVIDSON: You state at the top, the
3 first complete sentence beginning at Line 1, "BellSouth is not
4 required to provide (and does not have the system capabilities
5 to provide) an electronic feed of directory listings for
6 DeltaCom customers."

7 THE WITNESS: Yes, sir.

8 COMMISSIONER DAVIDSON: Does BellSouth have the
9 system capabilities to provide an electronic feed of directory
10 listings for anyone?

11 THE WITNESS: Yes. And if I could sort of set this
12 up. The specific request from DeltaCom is for DeltaCom's
13 customers only. And we don't identify our customers in the
14 database, the directory assistance database by who their
15 provider is. There was actually a big concern whether or not
16 we should do that when we first passed the Act because there
17 was a feeling that we could discriminate if we treated
18 somebody, the CLEC's customers differently.

19 So we stripped away all the identifying information
20 in our database as far as who is the provider for that
21 customer. So what DeltaCom wanted, we would have to go back
22 and manually create a database separate from this one here from
23 an electronic feed and just give it to them and say these are
24 your customers. And, in fact, we offered to do that at
25 settlements for them. But they cannot go in and just look at

1 their customers on electronic feed. They don't have that
2 capability. We don't have that capability.

3 Now there is -- to the specific part of the last part
4 of your question, there is the ability to go in with directory
5 assistance database access service and just get access to
6 everybody's data. And then there's also a service that was, I
7 think Ms. Conquest discussed yesterday in response to staff,
8 which is a directory publisher service that would give you
9 access to everybody's number. But directory publisher services
10 is actually designed for a publishing company, not for a CLEC.

11 COMMISSIONER DAVIDSON: My next and last question
12 relates to provisioning of DSL.

13 THE WITNESS: Yes, sir.

14 COMMISSIONER DAVIDSON: If BellSouth could provision
15 DSL over a second line to customers who wanted such DSL and if
16 BellSouth could recover from the UNE-P ALEC any development
17 costs associated with provisioning DSL over UNE-P, would
18 BellSouth as a business policy, not so much as a regulatory
19 matter, continue to offer DSL to such customers? Basically if
20 BellSouth could be made whole.

21 THE WITNESS: Yes. It's something that we would
22 consider. I think we testified before this Commission back in
23 July pretty much that same thing. Mr. Bill Smith, who's in
24 charge of the DSL, he's our officer, he pretty much said that
25 that is something that we would consider.

1 You know, our first concern obviously is that we want
2 the right to do with our discretionary investments what we want
3 to do. If we're required to do that by this, excuse me,
4 Commission or another commission, if we do it on the second
5 line, that's best for us. And we would want to recover those
6 costs. So it's something we would certainly consider.

7 COMMISSIONER DAVIDSON: All right. Thank you.

8 THE WITNESS: Yes, sir.

9 COMMISSIONER DEASON: Redirect.

10 MS. WHITE: No redirect.

11 COMMISSIONER DEASON: We have no exhibits.

12 MS. WHITE: No exhibits. And I would ask that
13 Mr. Ruscilli be excused.

14 COMMISSIONER DEASON: Yes. He may be excused.

15 (Witness excused.)

16 COMMISSIONER DEASON: That concludes the witnesses?

17 MS. WHITE: It does.

18 COMMISSIONER DEASON: Okay. Do we have any final
19 matters to discuss? Staff.

20 MS. CHRISTENSEN: Staff is not aware of any
21 additional matters.

22 COMMISSIONER DEASON: Okay. BellSouth.

23 MS. WHITE: Nothing.

24 COMMISSIONER DEASON: DeltaCom.

25 MR. SELF: Yes, Commissioner, I have one question or

1 one issue. The briefs are currently scheduled to be filed on
2 Friday, October 10th. And we've heard a lot of testimony, I
3 think, the last two days by virtually everyone with respect to
4 the Triennial Review Order and, you know, how no one has really
5 had an opportunity to fully read and analyze and understand
6 that issue.

7 What I'd like to suggest to the parties and obviously
8 with the Commission's approval would be to push the briefs out
9 a couple, three, maybe even four weeks to give the parties an
10 opportunity to fully read and review that order. No matter
11 what happens with that order, clearly there's at least some
12 potential impact on some of the issues in this case. And I
13 think that even if a motion for reconsideration of the order is
14 filed or an appeal, that it would be important for the
15 Commission to have the fully informed opinions at least of
16 BellSouth and of DeltaCom on what the impact of that order is
17 on, on these issues or is not as appropriate. So I'd like to
18 suggest that the briefing schedule be pushed out. I recognize
19 that that would also impact the staff recommendation date and
20 the agenda conference date. You know, to the extent that it's
21 necessary, DeltaCom would be willing to further waive the
22 statute in terms of a decision process for the case.

23 COMMISSIONER DEASON: BellSouth.

24 MS. WHITE: We are not willing to waive the current
25 schedule for a staff rec and a decision by this Commission. I

1 mean, October 10th when the briefs are due, that's almost five
2 or six weeks away. We believe that's plenty of time, and we're
3 ready for a decision to be made in this case as it's scheduled
4 now. We don't believe that it needs to be put off.

5 COMMISSIONER DEASON: Staff.

6 MS. CHRISTENSEN: Staff has no objection to giving
7 additional time to incorporate looking at the Triennial Review
8 and providing a fully informed interpretation of how that
9 impacts this arbitration.

10 Staff would only note and agree with DeltaCom's
11 earlier position that to the extent that briefing, the briefing
12 schedule would be pushed out, that the recommendation and the
13 agenda conference which would be addressed would also be moved
14 out an appropriate amount.

15 COMMISSIONER DEASON: What is the current, current
16 schedule for a recommendation date and agenda date?

17 MS. CHRISTENSEN: Currently the recommendation is
18 scheduled to be filed November 13th, to be heard at the
19 November 25th agenda.

20 COMMISSIONER DEASON: Commissioners, do you have any
21 preference?

22 COMMISSIONER DAVIDSON: No, no strong preference. I
23 would note that the Triennial has been out for a couple of
24 weeks now, and really the only thing that's going to occur is
25 the effective date. I mean, it becomes effective October 2nd

1 unless there's a successful challenge. And it's either --
2 unless it's somehow stayed, it's either going to be in effect
3 or not, but the substance of the order, unless I'm missing
4 something, is not going to change.

5 COMMISSIONER BAEZ: I don't have a preference.

6 COMMISSIONER DEASON: Okay. I do note that if the
7 briefs are due on October 10th, that is a sizable amount of
8 time from now until then, so I'm going to keep the schedule as
9 it is.

10 But as always, Mr. Self, if during the course you
11 feel that it's absolutely necessary, you're free to make such a
12 motion to the prehearing officer, which I guess at that time
13 would be acting as the posthearing officer. And I believe
14 that's Commissioner Baez. So if it reaches that point, you can
15 certainly file for that at some, at some time, and I'm sure the
16 Commission would give that adequate consideration. But as of
17 now we're going to leave the schedule as is.

18 MR. SELF: I appreciate that. Thank you.

19 COMMISSIONER DEASON: Any other final matters?

20 MS. CHRISTENSEN: No final matters that staff is
21 aware of.

22 COMMISSIONER DEASON: Well, just let me express my
23 appreciation for the parties' preparation and the efficiency
24 with which we have heard this case. I think you're all to be
25 congratulated for that. And staff, also.

1 Commissioners, anything? Hearing nothing, this
2 hearing is adjourned.

3 (Hearing adjourned at 10:47 a.m..)

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1 STATE OF FLORIDA)
2 COUNTY OF LEON)

CERTIFICATE OF REPORTER

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4 I, LINDA BOLES, RPR, Official Commission
5 Reporter, do hereby certify that the foregoing proceeding was
6 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
9 transcribed under my direct supervision; and that this
10 transcript constitutes a true transcription of my notes of said
11 proceedings.

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

17 DATED THIS 19th day of September, 2003.

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