



April 15, 2004

Ms. Blanca S. Bayo
Director, Division of the Commission
Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

via Overnight Mail

Re: Docket No. 030829-TP Complaint of FDN Communications for Resolution of
Certain Billing Disputes and Enforcement of UNE Orders and Interconnection
Agreements with BellSouth Telecommunications, Inc.

Dear Ms. Bayo:

Please find enclosed for filing in the above docket an original and fifteen (15) copies of
the Pre-filed Direct Testimony and Exhibits of August H. Ankum, Ph.D., submitted by
Florida Digital Network, Inc. d/b/a FDN Communications ("FDN").

If you have any questions regarding the enclosed, please call me at 407-835-0460.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Feil", is written over the typed name.

Matthew Feil
FDN Communications
General Counsel

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**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

In the Matter of Complaint of FDN)
Communications for Resolution of)
Certain Billing Disputes and)
Enforcement of UNE Orders and) Docket No. 030829-TP
Interconnection Agreements with)
BellSouth Telecommunications, Inc.) Filed: August 15, 2003
)

TESTIMONY OF DR. AUGUST H. ANKUM

**On behalf of
Florida Digital Network, Inc. d/b/a FDN Communications**

April 16, 2004

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ATTACHMENT 1

CV of Dr. August H. Ankum

1 INTRODUCTION

2 **Q. PLEASE STATE YOUR NAME, OCCUPATION AND BUSINESS**
3 **ADDRESS.**

4 A. My name is Dr. August H. Ankum. I am a Senior Vice President at QSI
5 Consulting, Inc., a consulting firm specializing in economics and
6 telecommunications issues. My business address is 1261 North Paulina,
7 Suite #8, Chicago, IL 60622.

8 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND**
9 **AND WORK EXPERIENCE.**

10 A. I received a Ph.D. in Economics from the University of Texas at Austin in
11 1992, an M.A. in Economics from the University of Texas at Austin in
12 1987, and a B.A. in Economics from Quincy College, Illinois, in 1982.

13 My professional background covers work experiences in private
14 industry and at state regulatory agencies. As a consultant, I have worked
15 with large companies, such as AT&T, AT&T Wireless and MCI
16 WorldCom ("MCIW"), as well as with smaller carriers, including a variety
17 of competitive local exchange carriers ("CLECs") and wireless carriers. I
18 have worked on many of the arbitration proceedings between new entrants
19 and incumbent local exchange carriers ("ILECs"). Specifically, I have
20 been involved in arbitrations between new entrants and NYNEX, Bell
21 Atlantic, U S WEST, BellSouth, Ameritech, VZ, GTE and Puerto Rico
22 Telephone. Prior to practicing as a telecommunications consultant, I

1 worked for MCI Telecommunications Corporation ("MCI") as a senior
2 economist. At MCI, I provided expert witness testimony and conducted
3 economic analyses for internal purposes. Before I joined MCI in early
4 1995, I worked for Teleport Communications Group, Inc. ("TCG"), as a
5 Manager in the Regulatory and External Affairs Division. In this capacity,
6 I testified on behalf of TCG in proceedings concerning local exchange
7 competition issues, such as Ameritech's Customer First proceeding in
8 Illinois. From 1986 until early 1994, I was employed as an economist by
9 the Public Utility Commission of Texas ("PUCT") where I worked on a
10 variety of electric power and telecommunications issues. During my last
11 year at the PUCT, I held the position of chief economist. Prior to joining
12 the PUCT, I taught undergraduate courses in economics as an Assistant
13 Instructor at the University of Texas from 1984 to 1986.

14 Of particular importance to the current proceeding is my extensive
15 background in and experience with cost models, such as those of
16 BellSouth, filed in TELRIC proceedings. A list of proceedings in which I
17 have filed testimony is attached hereto as Attachment AA-1.

18 **Q. PLEASE STATE THE PURPOSE OF THIS TESTIMONY.**

19 **A.** The purpose of this testimony is to show that, based upon cost-causation,
20 economic, and competitive principles, as well as the parties'
21 interconnection agreements, FDN should not be required to pay BellSouth
22 disconnect non-recurring charges ("NRCs") when BellSouth initiates
23 activity for a customer to be ported back to BellSouth or to a carrier

1 ordering through BellSouth, *i.e.*, a UNE-P or resale provider. The reasons
2 BellSouth should not be allowed to assess these charges are simple: (1)
3 FDN is not the cost causer of the disconnect activities, and (2) application
4 of the service provisioning disconnect charges, in situations in which the
5 customer is simultaneously being disconnected from FDN and re-
6 connected to another switch/network (either as a BellSouth winback
7 customer or as another CLEC's customer), potentially results in over-
8 recovery for BellSouth.

9 It is important to note that, in principle, FDN is only disputing the
10 application of BellSouth's non recurring charges and that FDN is *not*
11 disputing or seeking to re-litigate *the level* of BellSouth's charges as they
12 have been approved by this Commission in Docket 990649A-TP. The
13 testimony does point out, however, that if BellSouth is permitted to
14 continue its current practice of applying inappropriate disconnect charges,
15 then the possibility exists that BellSouth is over-recovering its costs. To
16 rectify this inappropriate over-recovery under BellSouth's current
17 practices, an adjustment in BellSouth's non-recurring charges may be in
18 order.

19 The testimony will separately discuss service ordering and service
20 provisioning charges and activities.

21 The second purpose of this testimony is to show that BellSouth
22 cannot legally separate UNE rates from their associated density zones, as

1 such action is inconsistent with TELRIC principles, the parties'
2 interconnection agreements, and the Commission's orders.

3 **DISCONNECT NRCS**

4 *A. Overview*

5 **Q. BRIEFLY EXPLAIN THE ISSUE AND SUMMARIZE FDN'S**
6 **POSITION.**

7 A. FDN contends that BellSouth's application of disconnect NRCs to
8 winback situations and losses to UNE-P/resale providers is contrary to
9 TELRIC cost-causation principles, anticompetitive, and generally unfair.
10 FDN further argues that BellSouth's practice is unsupported by any
11 Commission order, rule or regulation, or by the parties' interconnection
12 agreement(s).

13 BellSouth appears to believe that CLECs, like FDN, are always the
14 cost causers who must bear the cost of disconnecting a loop in all cases
15 and that BellSouth is never the cost causer and should never bear that cost.
16 In keeping with that apparent belief, BellSouth charges FDN disconnect
17 NRCs when BellSouth wins back a customer or initiates activity for a
18 customer to be ported to a carrier ordering through BellSouth, *i.e.*, a UNE-
19 P or resale provider. FDN's position is that it is not the cost-causer in
20 either scenario and, as such, should not be required to bear the costs of
21 those disconnect activities. Rather, the cost-causer should bear the costs of
22 disconnecting the loop from FDN's network. Thus, when BellSouth wins

1 back a customer, BellSouth should bear the costs of disconnecting the loop
2 from FDN by imputing those disconnect charges to itself; when a CLEC
3 ordering through BellSouth wins an FDN customer, that CLEC or
4 BellSouth should bear the cost.

5 The activities associated with the disconnection of a loop from one
6 carrier and a connection of the loop to another carrier, *i.e.*, a "hot-cut", is
7 essentially a single, synchronous event, which another carrier, not FDN,
8 sets into motion. Moreover, BellSouth may well be over-recovering when
9 FDN loses a customer either to BellSouth or to another carrier, since
10 BellSouth charges FDN and its retail customer in the former instance, and
11 FDN and the other CLEC in the latter situation, for costs associated with
12 what essentially is a single, synchronous event.

13 **Q. PLEASE DESCRIBE FDN'S PROCESS FOR EXECUTING A**
14 **PORT-OUT REQUEST FROM BELLSOUTH.**

15 A. BellSouth initiates the process by e-mailing FDN a request for a Customer
16 Service Record ("CSR") and subsequently sends FDN a Local Service
17 Request ("LSR") for the disconnection. FDN verifies the information on
18 the LSR and if it does not clarify or reject it, FDN processes the LSR and
19 sends BellSouth a Firm Order Confirmation ("FOC"), which tells
20 BellSouth that FDN has received the LSR and confirms a due date for the
21 port-out. FDN then builds a subscription in the NPAC database to concur
22 with BellSouth's release subscription. BellSouth performs the physical
23 work necessary to effectuate the hot-cut, FDN verifies with BellSouth that

1 the disconnection has been completed, FDN makes sure FDN's channel
2 pairs are freed-up, and FDN removes the customer's telephone number
3 from its switch.

4 **Q. HOW DOES BELLSOUTH PERFORM A HOT-CUT OF THE**
5 **CUSTOMER FROM FDN TO BELLSOUTH?**

6 A. The core activity that takes place is simply the disconnection of the cross-
7 connect jumper on the Main Distribution Frame that connects the loop to
8 FDN's network, and the connection of a jumper connecting the loop to the
9 BellSouth switch. FDN contends the disconnection of the loop from FDN
10 and the re-connection of a loop with BellSouth is essentially a single,
11 synchronous event.

12 **Q. IS IT YOUR UNDERSTANDING THAT THE ORDERING**
13 **ACTIVITY FDN SEES IS THE SAME WHEN BELLSOUTH**
14 **SUBMITS AN LSR TO FDN ON BEHALF OF A RESALE OR UNE-**
15 **P PROVIDER?**

16 A. Yes.

17 **Q. IS FDN ABLE TO DETERMINE WHETHER CUSTOMERS THAT**
18 **PORT-OUT ULTIMATELY TAKE SERVICE FROM BELLSOUTH**
19 **OR WHETHER THEY TAKE SERVICE FROM A RESALE/UNE-P**
20 **PROVIDER ORDERING THROUGH BELLSOUTH?**

21 A. No. FDN has *no* visibility into BellSouth's systems that would enable it to
22 know whether the customer chose to take service from BellSouth or from

1 a CLEC ordering through BellSouth. FDN believes, however, that a large
2 percentage of those port-outs are BellSouth winbacks and that a small
3 percentage of those losses are to resale and UNE-P providers ordering
4 through BellSouth. FDN maintains that it should not pay disconnect NRCs
5 in either situation because FDN is not the cost causer in either case. FDN
6 contends that when a customer ports-out to a CLEC ordering through
7 BellSouth, the cost of disconnecting the loop from FDN's switch should
8 be borne by that CLEC or BellSouth because FDN is not the cost causer.
9 Another carrier initiates the porting activity (BellSouth or the CLEC
10 ordering through Bell), and BellSouth is in the best position to know to
11 whom FDN loses the customer. And regardless of whether it's a
12 BellSouth winback or a customer migrating to a reseller or UNE-P
13 provider, FDN performs the same activities.

14 **Q. IS THE PROCESS DIFFERENT FROM WHEN FDN INITIATES**
15 **THE DISCONNECT?**

16 A. Yes. For example, when an FDN customer wants to disconnect one line
17 but keep service on several other lines, FDN submits the request to
18 BellSouth through the standard service ordering process. And, in those
19 cases, FDN pays the appropriate disconnect NRCs.

1 **Q. WHAT DOES BELLSOUTH CHARGE FDN FOR PHYSICALLY**
2 **DISCONNECTING A LOOP FROM FDN'S FACILITIES WHEN**
3 **BELLSOUTH WINS BACK A CUSTOMER OR WHEN A UNE-**
4 **P/RESALE CARRIER WINS AN FDN CUSTOMER?**

5 A. BellSouth charges, and FDN disputes, the following NRCs associated with
6 physically disconnecting a customer from FDN's facilities: UEAL2
7 \$63.53 (SL2 loop) and \$25.62 (SL1 loop); PE1P2 (cross-connect) \$5.74;
8 SOMAN (service order - manual) \$1.83. FDN believes that BellSouth
9 assesses the same NRCs regardless of whether it's a BellSouth winback or
10 a loss to a UNE-P/resale CLEC because FDN sees only the loop, cross-
11 connect, and service order NRCs described above reflected on its bills.

12 As will be discussed below, the application of BellSouth's service
13 ordering and service provisioning charges are inappropriate where it
14 concerns BellSouth initiated activities.

15 *B. Service Ordering Disconnect Charges—FDN Never*
16 *Submits A Service Order*

17 **Q. PER BELLSOUTH'S COST STUDY FILED WITH THE**
18 **COMMISSION IN DOCKET NO. 990649A-TP, WHAT COSTS ARE**
19 **THE SERVICE ORDERING CHARGES DESIGNED TO**
20 **RECOVER?**

21 A. The non-recurring service ordering charges are designed to recover the
22 costs incurred by BellSouth when a CLEC places a service order to
23 BellSouth with a request for disconnecting a loop or loops for a customer.

1 Q. WHERE IT CONCERNS A BELLSOUTH INITIATED
2 DISCONNECT FOR A WINBACK, DOES FDN PLACE A
3 DISCONNECT ORDER WITH BELLSOUTH?

4 A. No. FDN does not place a disconnect order with BellSouth.

5 Q. WHERE IT CONCERNS A BELLSOUTH INITIATED
6 DISCONNECT FOR ANOTHER CLEC, DOES FDN PLACE A
7 DISCONNECT ORDER WITH BELLSOUTH?

8 A. No. FDN does not place a disconnect order with BellSouth.

9 Q. GIVEN THAT FDN DOES NOT PLACE A SERVICE ORDER
10 WITH BELLSOUTH, ARE THE COMMISSION APPROVED
11 SERVICE ORDER CHARGES REFLECTIVE OF THE
12 SITUATION HERE?

13 A. No. BellSouth's cost studies, upon which the Commission ultimately
14 (though after modifications) approved the service ordering charges, reflect
15 costs associated with CLECs placing service orders through BellSouth's
16 service ordering systems. The costs identified in those studies are not
17 incurred by BellSouth in the disputes at bar. As mentioned previously,
18 FDN does not submit a service order to BellSouth. Rather, FDN sees a
19 BellSouth order submitted to FDN via email. When FDN responds to
20 BellSouth, FDN's response is via email as well. No FDN-initiated order
21 flows through BellSouth's OSS. (As mentioned in FDN's Petition, I note
22 that FDN should not have to submit an order for BellSouth to stop billing

1 FDN for loops FDN no longer uses as a result of BellSouth (or a carrier
2 ordering through BellSouth) taking an FDN customer.)

3 **Q. WERE BELLSOUTH'S SERVICE ORDERING CHARGES**
4 **APPROVED BASED ON THE PRINCIPLE OF COST**
5 **CAUSATION?**

6 A. Yes. In general, all charges approved under the FCC's TELRIC
7 methodology, as identified in the FCC's Local Competition Order, should
8 reflect the cost causation process.

9 **Q. IS BELLSOUTH'S APPLICATION OF THE NONRECURRING**
10 **SERVICE ORDERING CHARGES INCONSISTENT WITH COST**
11 **CAUSATION PRINCIPLES?**

12 A. Yes. First, as discussed, FDN never submits a service order for
13 disconnection through BellSouth OSS in the situations under protest.
14 Second, whatever internal costs that BellSouth may incur in processing a
15 winback customer (or a customer that desires to migrate to another
16 CLEC), those costs are not caused by FDN. (The service provisioning
17 costs, such as those associated with establishing cross-connects, testing,
18 travel, etc., are discussed below.) As such, it would be inappropriate to
19 impose service ordering charges on FDN and to recoup those internal
20 costs from FDN.

21 In a winback situation, BellSouth is the cost-causer because
22 BellSouth set into motion the chain of activities associated with migrating
23 the customer and it is the company that will reap the benefits of those

1 activities. Following standard economic principles, it is important,
2 therefore, that BellSouth incurs the burden of the costs associated with
3 those activities. Only if BellSouth is forced to weigh the costs and
4 benefits of its actions – as companies are in competitive markets – can the
5 Commission expect a socially optimal outcome. This notion is, as noted, a
6 straightforward application of basic economic principles: free market
7 principles work, among other reasons, because companies face the costs
8 and benefits of their actions.

9 **Q. DOES FDN INCUR ITS OWN INTERNAL COSTS FOR**
10 **PROCESSING BELLSOUTH'S REQUEST FOR**
11 **DISCONNECTING A CUSTOMER?**

12 A. Yes. When BellSouth places an order with FDN with a request to port out
13 an existing FDN customer, FDN incurs its own internal costs for
14 processing the order.

15 **Q. PLEASE DISCUSS THE FDN ACTIVITIES AND PROCESSES**
16 **THAT ARE INVOLVED WHEN BELLSOUTH PLACES A**
17 **SERVICE ORDER WITH FDN?**

18 A. FDN processes the BellSouth generated service order in which BellSouth
19 is requesting the loop/customer disconnection activities. This generally
20 involves the following steps. First, FDN receives a request for a Customer
21 Service Record (“CSR”) from BellSouth. Based on this CSR, FDN
22 checks and validates the customer profile (number of lines, features,
23 whether there is a term contract, etc.) After feedback is provided to

1 - BellSouth, FDN receives and processes an LSR from BellSouth which
2 triggers the actual customer migration and involves FDN's submission of
3 notice to the regional NPAC database. Further internal costs for FDN
4 consists of updating its billing systems and switches to reflect that a
5 customer is disconnected and is no longer using a port (and associated
6 features) on the FDN switch facilities.

7 **Q. DOES FDN CHARGE BELLSOUTH OR CLECS IN ORDER TO**
8 **RECOVER THOSE INTERNAL COSTS?**

9 A. No. FDN does not currently charge BellSouth for these types of costs. A
10 proposal to assess such charges is discussed below as an *alternative* in the
11 event that the Commission permits BellSouth to continue to apply
12 disconnection charges in winback situations or in situations in which
13 BellSouth requests loop disconnection on behalf of its wholesale
14 customers, such as UNE-P providers or resellers.

1 *C. Service Provisioning Disconnect Charges – BellSouth*
2 *Ignores Cost Causation and is Potentially Over-Recovering*

3 **Q. WITH RESPECT TO THE SERVICE ORDERING CHARGES,**
4 **YOU HAVE DEMONSTRATED THAT BELL SOUTH (OR**
5 **ANOTHER CLEC), AND NOT FDN, IS THE COST CAUSER IN**
6 **THE SITUATION OF WINBACKS OR CUSTOMER MIGRATION**
7 **TO ANOTHER CLEC. IS THIS OBSERVATION ALSO TRUE**
8 **FOR THE DISCONNECT PROVISIONING ACTIVITIES?**

9 A. Yes. It is BellSouth that initiates all the activities (either on its own
10 accord in case of a winback, or for another CLEC). As such, it is another
11 carrier and not FDN that is the cost causer for the disconnect activities and
12 costs. These situations are distinct from those in which FDN on its accord
13 initiates a request for a service disconnect, *e.g.*, where an FDN customer
14 would like to disconnect service on one line but keep service on several
15 others. In situations where FDN initiates disconnects, FDN would be the
16 cost causer and FDN does not dispute the application of legitimate
17 disconnect charges in those situations.

18 **Q. UNDER THE FCC'S TELRIC METHODOLOGY, SHOULD THE**
19 **COST CAUSER PAY?**

20 A. Yes. Under the FCC's TELRIC methodology, as identified in the FCC's
21 Local competition Order, it is the cost causer that should bear the burden
22 of cost recovery. In the situations in which FDN is disputing the

1 disconnect charges, the cost causer is BellSouth (or another CLEC for
2 whom BellSouth is disconnecting the customer from FDN's network).

3 **Q. WHEN BELLSOUTH ASSESSES FDN DISCONNECT**
4 **PROVISIONING CHARGES IN A WINBACK SITUATION OR**
5 **WHEN THE CUSTOMER MIGRATES TO ANOTHER CLEC,**
6 **DOES BELLSOUTH POTENTIALLY OVER-RECOVER ITS**
7 **COSTS?**

8 A. Yes. The activities that BellSouth performs when disconnecting a loop are
9 for the most part the same as, and performed simultaneously with, the
10 activities that BellSouth performs to connect a loop. For example, the
11 activity of disconnecting a jumper for a BellSouth UNE loop serving a
12 FDN customer from the main distribution frame ("MDF") and the
13 reconnecting of the jumper to connect the loop to BellSouth's serving
14 facilities are simultaneous activities that take place at the same point in
15 time. Thus, if the Commission permits BellSouth the inappropriate
16 application of disconnect charges in these situations, then BellSouth will
17 potentially over-recover the costs of disconnecting the FDN loop.

18 **Q. COULD YOU PLEASE PROVIDE A SPECIFIC EXAMPLE OF A**
19 **COST THAT BELLSOUTH COULD BE OVER-RECOVERING.**

20 A. Yes. The cost study support for BellSouth connect and disconnect charges
21 has been provided to FDN and it identifies a number of activities and costs
22 that will likely be over-recovered. Specifically, the cost study support
23 provides for separate and specific minutes of CO installation and

1 maintenance Field – Ckt & Fac work for connect orders and disconnect
2 orders. These activities pertain to work done in the central office and out
3 in the field for connecting and disconnecting customers. I believe that
4 when the Commission approved BellSouth's non-recurring charges (and
5 cost studies), with necessary modifications, it envisioned that each of these
6 activities would occur as standalone activities (i.e., the disconnect
7 activities would take place at a different point in time than the connect
8 activities.) In the disputed situations, the work occurs simultaneously.
9 Thus, to allow BellSouth to charge as if these activities are performed
10 independently and at separate occasions – while in fact the work is done
11 once -- is to permit over-recovery.

12 **Q. ARE YOU SAYING THAT BELLSOUTH IS OVER-RECOVERING**
13 **BECAUSE WHEN IT IS DISCONNECTING A CUSTOMER FROM**
14 **FDN TO MIGRATE THAT CUSTOMER TO ANOTHER**
15 **CARRIER, IT CHARGES BOTH FDN AND ANOTHER CLEC?**

16 A. Yes. While BellSouth is charging FDN disconnect charges (for moving
17 jumper cables) it may also charge other CLECs to recover the costs for
18 connecting jumpers to its facilities. To the extent that these two charges
19 pertain to the same activity - moving the jumpers - BellSouth is over-
20 recovering.

21 **Q. IS THE SAME TRUE WHEN BELLSOUTH MOVES THE**
22 **JUMPERS TO DISCONNECT THE FDN LOOP AND**

1 **RECONNECT IT TO ITS OWN SWITCH FOR A BELLSOUTH**
2 **WINBACK CUSTOMER?**

3 A. In principle, yes. For a winback customer, BellSouth has to move jumpers
4 to disconnect the loop from FDN's network and to connect them to its
5 own network. Thus, BellSouth is charging FDN for activities that it
6 performs for its own winback customer. To the extent that BellSouth is
7 charging that customer retail line-connection charges (though BellSouth
8 might possibly waive those charges under a winback program), or is
9 otherwise recovering those costs, BellSouth is again likely over-
10 recovering.

11 **Q. IF BELLSOUTH WAIVES THE RETAIL LINE-CONNECTION**
12 **CHARGES FOR A WINBACK CUSTOMER AND IMPOSES**
13 **DISCONNECT CHARGES ON FDN, WOULD FDN IN EFFECT BE**
14 **FORCED TO FINANCE ITS OWN DEMISE?**

15 A. Yes. First, given that FDN is not the cost causer (and has its own internal
16 costs for which it does not charge BellSouth) it is inappropriate to charge
17 FDN at all. Further, if BellSouth is allowed to impose disconnect charges
18 on FDN, then FDN will in effect be forced to finance its own demise.
19 That is, FDN would be forced to pay for BellSouth's winback programs
20 under which BellSouth is then able to waive line-connection charges.

21 **Q. PLEASE EXPLAIN IN MORE DETAIL WHY BELLSOUTH IS**
22 **THE COST-CAUSER IN THESE INSTANCES FOR BOTH THE**

1 **COSTS THAT BELLSOUTH INCURS AND THE COSTS THAT**
2 **FDN INCURS.**

3 A. BellSouth is the cost-causer because it initiates the disconnection of the
4 customer from FDN, just like FDN is the cost-causer when it wins a
5 customer from BellSouth. The notion that the carrier initiating the
6 migration of the customer is the cost causer is in fact acknowledged by
7 BellSouth itself. In Docket No. 030851, with apparent reference to
8 BellSouth's NRCs, BellSouth witness Milner stated that "the CLEC will
9 incur costs associated with the hot cut *to disconnect the loop serving the*
10 *customer from BellSouth's switch* and then re-connect the loop to the
11 CLEC's switch." The logical extension of this argument is that in the
12 reverse situation – when BellSouth reclaims the customer – BellSouth is
13 the cost causer and BellSouth has to incur the costs of disconnecting the
14 customer from the FDN switch. Underscoring this symmetry, BellSouth
15 witness Milner stated that the same work steps are involved in reverse
16 when a customer returns to the ILEC. (Rebuttal testimony at p.13, lines
17 14-16) . Indeed, Mr. Milner's testimony in Docket 030851-TP arguably
18 supports the notion that the disconnection and re-reconnection is a single,
19 synchronous event and that the "winning" carrier is the cost-causer, and
20 therefore should rightfully bear the costs of obtaining a new customer.

21 **Q. IS IT ANTICOMPETITIVE FOR BELLSOUTH TO ASSESS**
22 **DISCONNECT NRCS WHEN IT WINS BACK A CUSTOMER**

1 **FROM FDN OR WHEN ANOTHER CLEC WINS A CUSTOMER**
2 **FROM FDN?**

3 A. Yes. Instead of imputing those costs to itself, BellSouth improperly
4 imposes disconnect NRCs upon the CLECs that suffer the port out,
5 thereby defraying some of the costs of BellSouth's winback incentive
6 programs, including its Key Customer and other promotional programs.
7 Moreover, BellSouth is able to win new customers by waiving retail install
8 charges. While BellSouth willingly foregoes nonrecurring charges on the
9 retail side, it refuses to forego nonrecurring charges on the wholesale side,
10 even though CLECs shouldn't bear the disconnect cost to begin with in
11 these situations. It is obvious that this dynamic is untenable and creates a
12 permanent and troubling imbalance in the competitive process.

13 ***D. Neither the Interconnection Agreement Nor the***
14 ***Commission's Order Specify When BellSouth Is Permitted to***
15 ***Impose Disconnect Charges***

16 **Q. DOES THE INTERCONNECTION AGREEMENT SPEAK TO THE**
17 **CIRCUMSTANCES IN WHICH DISCONNECT NRCS APPLY?**

18 A. No. Nowhere in the Agreement is there a discussion of the circumstances
19 in which the disconnect NRCs apply.

1 Q. DID THE COMMISSION ADDRESS THE APPROPRIATE
2 APPLICATION OF DISCONNECT CHARGES IN DOCKET NO.
3 990649A-TP AS IT CONCERNS WINBACKS?

4 A. No. In the Commission's Final Order on Unbundled Network Elements
5 (PSC-01-1181-FOF-TP), the discussion of disconnect NRCs is limited to
6 pages 412 and 413. Nowhere on those pages is there any mention of the
7 circumstances in which disconnect NRCs apply, much less a discussion of
8 the application of disconnect charges in winback situations. However, to
9 the extent that the Commission applied the FCC's TELRIC methodology,
10 one could reasonably argue that, implicitly, the Commission would have
11 intended the non-recurring charges to apply only in those circumstances in
12 which FDN (or, in general, the CLEC) is the cost causer. To assume
13 otherwise is to assume that the Commission approved charges inconsistent
14 with TELRIC.

15 Q. DID THE COMMISSION ADDRESS THE APPROPRIATE
16 APPLICATION OF DISCONNECT CHARGES IN ITS ORDER IN
17 DOCKET NO. 020119 (BELLSOUTH KEY CUSTOMER
18 DOCKET)?

19 A. No.

1 *E. NRCs – Recommendation*

2 **Q. IN LIGHT OF THE FOREGOING, WHAT WOULD YOU**
3 **RECOMMEND?**

4 A. I recommend that the Commission find that: (1) BellSouth is the cost-
5 causer for disconnect activities and costs associated with situations in
6 which BellSouth wins back a customer from FDN; (2) BellSouth be
7 prohibited from charging FDN disconnect NRCs or other charges where it
8 concerns BellSouth winbacks; (3) BellSouth be prohibited from charging
9 FDN disconnect NRCs or other charges when BellSouth initiates activities
10 on behalf of its wholesale customers, such as UNE-P or resale providers
11 that order through BellSouth; and (4) BellSouth shall credit to FDN, for
12 the period beginning January, 2002, all disconnect NRCs charged to FDN
13 for disconnecting customers as a result of a BellSouth winback or the loss
14 of customer to a UNE-P or resale provider ordering through BellSouth,
15 plus interest and any applicable late payment charges.

16 **Q. DO YOU HAVE AN ALTERNATIVE RECOMMENDATION IF**
17 **THE COMMISSION PERMITS BELLSOUTH TO CONTINUE**
18 **CHARGING THE DISCONNECT NRCS FDN HAS PROTESTED?**

19 A. At some point, the Commission should permit CLECs to charge BellSouth
20 reciprocal fees for BellSouth winback-related functions which CLECs
21 perform. Further, the Commission should make certain BellSouth does
22 not over-recover for certain costs. This may be accomplished by reducing
23 the disconnect charges for all costs that are already recovered by

1 BellSouth in install charges (either in wholesale or retail charges) in these
2 types of situations. Last, the Commission should prohibit BellSouth from
3 waiving line installation charges for its retail customers as part of winback
4 programs, lest FDN (and other CLECs) be forced to finance their own
5 demise.

6 **Q. IS THERE PRECEDENT FOR YOUR ALTERNATIVE**
7 **RECOMMENDATION?**

8 A. Yes. On the subject of reciprocity, the Federal Communications
9 Commission ("FCC") in Docket No. WC-02-359, DA 03-3947, found that
10 to the extent Cavalier Telephone demonstrated that it performs tasks
11 comparable to those performed by Verizon-Virginia, it would violate
12 section 251(c)(2)(D) of the Telecommunications Act to allow Verizon to
13 assess a charge on Cavalier but disallow a comparable charge by Cavalier
14 on Verizon.¹

¹ *Petition of Cavalier Telephone LLC Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia, Inc. and for Arbitration*, WC Docket No. 02-359, Adopted December 12, 2003, at ¶ 189.

UNE RATES

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Q. BRIEFLY EXPLAIN THE ISSUE AND SUMMARIZE FDN'S POSITION.

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A. FDN contends that BellSouth has violated the Commission's orders and the parties' interconnection agreements by failing to negotiate an interconnection agreement amendment with FDN to incorporate the Commission's new UNE rates and the distribution of wire centers and the density zones to which those rates relate. Instead, BellSouth unilaterally implemented the Commission's orders, but perversely, only implemented the part of the Commission orders that relate to the density zone/wire center changes, thereby splitting the UNE rates from the Commission's deaveraged density zone framework. FDN maintains that, not only is such action unlawful, but that the resulting rates do not comply with the FCC's TELRIC pricing methodology.

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Q. PLEASE EXPLAIN THE PROCEDURAL HISTORY UNDERLYING THIS DISPUTE.

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A. On May 25, 2001, the Commission issued Order No. PSC-01-1181-FOF-TP in Docket No. 990649A-TP, its *Final Order on Rates for Unbundled Network Elements Provided by BellSouth* ("Final Order"), which, *inter alia*, established UNE rates and zones for BellSouth. The Commission held that the rates shall become effective when existing interconnection agreements are amended to incorporate the approved rates. For new interconnection agreements, the Commission held the rates shall become

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1 effective when the agreement is approved. The Commission also ordered
2 BellSouth to refile, within 120 days of the issuance of the Order, revisions
3 to its cost study addressing various cost issues.

4 On September 27, 2002, the Commission issued Order No. PSC-
5 02-1311-FOF-TP, resolving BellSouth's 120-day filing and setting revised
6 monthly recurring UNE rates ("*120-day Order*"). Most germane to the
7 instant matter, however, is that the order also changed the distribution of
8 wire centers and the density zones to which they relate. For instance, the
9 Miami wire center designated as MIAMFLAL, which was formerly a
10 Zone 1 wire center, was moved to Zone 2. The Commission approved the
11 modified rates and closed the docket, ordering the rates to take effect
12 when existing interconnection agreements are amended and the amended
13 agreement becomes effective under the law. It further held that the rates
14 would become effective for new interconnection agreements when the
15 Commission approved the agreement.

16 **Q. DID BELL SOUTH COMPLY WITH THOSE COMMISSION**
17 **ORDERS?**

18 A. No. BellSouth failed to negotiate an amendment with FDN to the parties'
19 then-existing interconnection agreement (the pre-2003 Agreement) as
20 required by the Commission and instead unilaterally implemented the
21 Commission's Order. What is most troublesome is that BellSouth
22 *unilaterally applied only the Commission's new zone framework, i.e., the*
23 *wire centers and the corresponding zones, without also taking the rates*

1 *that correspond to those wire centers/zones.* For example, the
2 JCVLFLOW wire center moved from Zone 2 to Zone 3 as a result of the
3 Commission's *120-day Order*. Instead of billing FDN for a loop out of
4 that wire center at the Zone 2 rate listed in the pre-2003 Agreement,
5 BellSouth billed FDN at the Zone 3 rate listed in the parties' pre-2003
6 Agreement. Thus, not only did BellSouth unilaterally implement the
7 Commission's new zone structure, they compounded matters by failing to
8 charge the new rates corresponding to those new zones.

9 For avoidance of doubt, FDN is not asserting that BellSouth should
10 have charged FDN the "new" rates and applied the Commission's new
11 zone framework without an amendment to the parties' pre-2003
12 Agreement. Rather, FDN contends that BellSouth cannot implement the
13 Commission's new *zone structure* without an amendment to the pre-2003
14 Agreement because the zone structure is indispensable to and not
15 severable from the Commission's *120-day Order*.

16 It was not until February 5, 2003 (when the parties executed a new
17 Agreement) that BellSouth legally incorporated the rates, terms, and
18 conditions of the Commission's *120-day Order*.

19

1 Q. - IS BELLSOUTH RELYING ON A SPECIFIC PROVISION OF THE
2 INTERCONNECION AGREEMENT AS SUPPORT FOR
3 SEPARATING THE RATES FROM THE ZONES?

4 A. Yes. In its Answer and Counterclaim, BellSouth claims it can separate the
5 rates from the zones based on the following language, which appears as a
6 headnote in the UNE rate sheet of the parties' 2003 Agreement:

7 'The "Zone" shown in the sections for stand-alone loops
8 or loops as part of a combination refers to Geographically
9 Deaveraged UNE Zones. To view Geographically
10 Deaveraged UNE Zone Designations by CO, refer to
11 Internet Website:

12 www.interconnection.bellsouth.com/become_a_clec/html/interconnection.htm.'

13
14 In its Answer and Counterclaim, BellSouth asserted that it includes
15 the above-referenced language in the interconnection agreement for the
16 very reason that the deaveraged UNE zones are "subject to change" by the
17 Commission. BellSouth's response implies that it believes that any
18 changes to the deaveraged UNE zone structure made by the Commission
19 are self-executing upon issuance of a Commission order, despite that such
20 a scenario would render the associated new rates (which BellSouth admits
21 require an amendment before they can implemented) unlawful since they
22 would not be TELRIC-compliant.

23 Q. DOES THE PRE-2003 AGREEMENT SAY ANYTHING ABOUT
24 THE UNE RATE ZONES?

25 A. No. There is no reference to zones anywhere in the agreement.

1 **Q. EXPLAIN HOW THE RATES DO NOT COMPLY WITH THE**
2 **TELRIC PRICING METHODOLOGY ONCE BELLSOUTH SPLIT**
3 **THE RATES FROM THE ZONE FRAMEWORK.**

4 A. Under the FCC's TELRIC methodology, as identified in the FCC's Local
5 Competition Order, rates should be cost based. At this point, the loop
6 rates that BellSouth is assessing FDN no longer stand in relationship to the
7 underlying costs of those facilities. In fact, there is a mismatch between
8 costs and rates. While it is always true that cost based rates reflect only a
9 snap shot in time, the current dispute does not involve a change in costs as
10 those changes are expected to incur. Rather, it concerns a mismatch
11 between the loop rates that BellSouth charges and the UNE loop facilities
12 that FDN uses. This is simply inappropriate.

13 **Q. IN LIGHT OF THE FOREGOING, WHAT WOULD YOU**
14 **RECOMMEND?**

15 A. BellSouth should be ordered to refund to FDN, for the period beginning
16 October, 2002, inclusive, through February 5, 2003, all amounts which it
17 overcharged FDN, plus interest and any applicable late payment charges.

18 **Q. DOES THE INTERCONNECTION AGREEMENT SUPPORT**
19 **SUCH A FINDING BY THE COMMISSION?**

20 A. Yes. Part A, Section 22.1.6 of the Pre-2003 Agreement states,
21 "[u]pon (i) the discovery by BellSouth of overcharges not
22 previously reimbursed to [FDN] or (ii) the resolution of
23 disputed audits, BellSouth shall promptly reimburse
24 [FDN] in the amount of any overpayment times the

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highest interest rate (in decimal value) which may be levied by law for commercial transactions, compounded daily for the number of days from the date of overpayment to and including the date that payment is actually made. In no event, however, shall interest be assessed on any previously assessed or accrued late payment charges.”

8

CONCLUSION

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Q. DOES THIS CONCLUDE YOUR TESTIMONY?

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A. Yes, it does.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of

Complaint of FDN Communications)
for Resolution of Certain Billing Disputes)
and Enforcement of UNE Orders and)
Interconnection Agreements with)
BellSouth Telecommunications, Inc.)
_____)

Docket No. 030829-TP

EXHIBIT AHA-1

FILED WITH THE DIRECT TESTIMONY OF
AUGUST H. ANKUM, PH.D.

FILED ON BEHALF OF
FLORIDA DIGITAL NETWORK, INC.

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I am an economist and consultant, specializing in public utility regulation. In this capacity, I have provided consulting services in the major telecommunications markets of the United States, such as New York, Texas, Illinois, Michigan, Tennessee, Georgia, and in a variety of smaller states. My consulting activities focus mostly on telecommunications regulation. Specifically, I work with large corporate clients, such as MCIWorldCom, AT&T, AT&T Wireless, and a variety of smaller competitive local exchange carriers and PCS providers. I have represented these clients before state and federal regulatory agencies in various proceedings concerning the introduction of competition in telecommunications markets. Recently, these proceedings focus largely on the implementation of the pro-competition provisions of Telecommunications Act of 1996.

Professional experience:

My professional background includes work experiences in private industry and state government. I have worked for MCI Telecommunications Corporation (AMCI@) as a senior economist. At MCI, I provided expert witness testimony and conducted economic analyses for internal purposes. Prior to joining MCI in early 1995, I worked for Teleport Communications Group, Inc. (ATCG@), as a Manager in the Regulatory and External Affairs Division. In this capacity, I testified on behalf of TCG in proceedings concerning local exchange competition issues. From 1986 until early 1994, I was employed as an economist by the Public Utility Commission of Texas (APUCT@) where I worked on a variety of electric power and telecommunications issues. During my last year at the PUCT I held the position of chief economist. Prior to joining the PUCT, I taught undergraduate courses in economics as an Assistant Instructor at the University of Texas from 1984 to 1986.

Education:

I received a Ph.D. in Economics from the University of Texas at Austin in 1992, an M.A. in Economics from the University of Texas at Austin in 1987, and a B.A. in Economics from Quincy College, Illinois, in 1982.

PROCEEDINGS IN WHICH DR. ANKUM HAS FILED EXPERT WITNESS TESTIMONY:

New York

Commission Investigation into Resale, Universal Service and Link and Port Pricing, New York Public Service Commission, Case Nos. 95-C-0657, 94-C-0095, and 91-C-1174, July 4, 1996. On behalf of MCI Telecommunications Corporation.

In the Matter of Proceeding on Motion of the Commission To Reexamine Reciprocal Compensation, New York Public Service Commission, Case 99-C-0529. Direct Testimony, July 1999. On Behalf Of Cablevision LightPath, Inc.

Proceeding on the Motion of the Commission To Examine New York Telephone Company's Rates for Unbundled Network Elements, New York Public Service Commission, Case 98-C-1357. Direct Testimony, October 1999. On behalf of Corecomm New York, Inc.

Proceeding on Motion of the Commission to Examine New York Telephone Company's Rates for Unbundled Network Elements, New York Public Service Commission Case 98-C-1357, Direct Testimony, June 2000, on behalf of MCIWorldCom.

California

Joint Application of AT&T Communications of California, Inc. (U 5002 C) and WorldCom, Inc. for the Commission to Reexamine the Recurring Costs and Prices of Unbundled Switching in Its First Annual Review of Unbundled Network Element Costs Pursuant to Ordering Paragraph 11 of D.99-11-050. Consolidated dockets. Reply testimony, February 2003. On behalf of ATT and MCI.

Connecticut

DPUC Investigation of Intrastate Carrier Access Charges, Docket No. 02-05-17. Rebuttal testimony, June 2003. On behalf of AT&T and MCI.

Florida

Investigation into Pricing of Unbundled Network Elements, Docket No. 990649B-TP. January, 2002. Filed on behalf of AT&T Communications of the Southern States, Inc. MCImetro Access Transmission Services, LLC & MCI WorldCom Communications, Inc. Florida Digital Network, Inc. (collectively called the "ALEC Coalition").

New Jersey

Petition of Focal Communications Corporation of New Jersey For Arbitration Pursuant to

Section 252(b) of the Telecommunications Act of 1996 to Establish an Interconnection Agreement with Bell Atlantic – New Jersey Board of Public Utilities, May 2000. On behalf of Focal Communications Corporation of New Jersey.

I/M/O the Board's Review of Unbundled Network Elements Rates, Terms and Conditions of Bell Atlantic-New Jersey, Inc. New Jersey Board of Public Utilities, Docket No. TO00060356. 2000. On behalf of WorldCom, Inc.

Delaware

Petition of Focal Communications Corporation of Pennsylvania For Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish an Interconnection Agreement with Bell Atlantic – Delaware, Inc. Delaware Public Service Commission, PSC Docket No. 00-025. Direct Testimony, May 2000. On behalf of Focal Communications Corporation of Pennsylvania.

Texas

Petition of The General Counsel for an Evidentiary Proceeding to Determine Market Dominance, PUC of Texas, Docket No. 7790, Direct Testimony, June 1988. On behalf of the Public Utility Commission of Texas.

Application of Southwestern Bell Telephone Company for Revisions to the Customer Specific Pricing Plan Tariff, PUC of Texas, Docket No. 8665, Direct Testimony, July 1989. On behalf of the Public Utility Commission of Texas.

Application of Southwestern Bell Telephone Company to Amend its Existing Customer Specific Pricing Plan Tariff: As it Relates to Local Exchange Access through Integrated Voice/Data Multiplexers, PUC of Texas, Docket No. 8478, Direct Testimony, August 1989. On behalf of the Public Utility Commission of Texas.

Application of Southwestern Bell Telephone Company to Provide Custom Service to Specific Customers, PUC of Texas, Docket No. 8672, Direct Testimony, September 1989. On behalf of the Public Utility Commission of Texas.

Inquiry of the General Counsel into the Reasonableness of the Rates and Services of Southwestern Bell Telephone Company, PUC of Texas, Docket No. 8585, Direct Testimony, November 1989. On behalf of the Public Utility Commission of Texas.

Southwestern Bell Telephone Company Application to Declare the Service Market for CO LAN Service to be Subject to Significant Competition, PUC of Texas, Docket No. 9301, Direct Testimony, June 1990. On behalf of the Public Utility Commission of Texas.

Petition of Southwestern Bell Telephone Company for Authority to Change Rates, PUC of Texas, Docket No. 10382, Direct Testimony, September 1991. On behalf of the Public Utility Commission of Texas.

Application of Southwestern Bell Telephone Company, GTE Southwest, Inc., and Contel of Texas, Inc. For Approval of Flat-rated Local Exchange Resale Tariffs Pursuant to PURA 1995 Section 3.2532, Public Utility Commission of Texas, Docket No. 14658, January 24, 1996. On behalf of Office of Public Utility Counsel of Texas.

Application of Southwestern Bell Telephone Company, GTE Southwest, Inc., and Contel of Texas, Inc. For Interim Number Portability Pursuant to Section 3.455 of the Public Utility Regulatory Act, Public Utility Commission of Texas, Docket No. 14658, March 22, 1996. On behalf of Office of Public Utility Counsel of Texas.

Application of AT&T Communications for Compulsory Arbitration to Establish an Interconnection Agreement Between AT&T and Southwestern Bell Telephone Company, and Petition of MCI for Arbitration under the FTA96, Public Utility Commission of Texas, Consl. Docket Nos. 16226 and 16285. September 15, 1997. On behalf of AT&T and MCI.

Proceeding to examine reciprocal compensation pursuant to section 252 of the Federal Telecommunications of 1996, Public Utility Commission of Texas, Docket No. 21982. May 2000. On behalf of Taylor Communications.

Proceeding on Cost Issues Severed from PUC Docket 24542, Docket No. 25834. Direct and Rebuttal Testimony. 2002. On behalf of AT&T and MCIMetro.

Iowa

US West Communications, Inc., Iowa Department of Commerce – Utilities Board, Docket No: RPU – 00 – 01. Direct Testimony, July 2000. On behalf of McLeodUSA.

Illinois

Adoption of Rules on Line-Side Interconnection and Reciprocal Interconnection, Illinois Commerce Commission, Docket No. 94-0048. September 30, 1994. On behalf of Teleport Communications Group, Inc.

Proposed Introduction of a Trial of Ameritech's Customer First Plan in Illinois, Illinois Commerce Commission, Docket No. 94-0096. September 30, 1994. On behalf of Teleport Communications Group, Inc.

Addendum to Proposed Introduction of a Trial of Ameritech's Customer First Plan in Illinois, Illinois Commerce Commission, Docket No. 94-0117. September 30, 1994. On behalf of Teleport Communications Group, Inc.

AT&T's Petition for an Investigation and Order Establishing Conditions Necessary to Permit Effective Exchange Competition to the Extent Feasible in Areas Served by Illinois Bell Telephone Company, Illinois Commerce Commission, Docket No. 94-0146. September 30, 1994. On behalf of Teleport Communications Group, Inc.

Proposed Reclassification of Bands B and C Business Usage and Business Operator Assistance/Credit Surcharges to Competitive Status, Illinois Commerce Commission, Docket No. 95-0315, May 19, 1995. On behalf of MCI Telecommunications Corporation.

Investigation Into Amending the Physical Collocation Requirements of 83 Ill. Adm. Code 790, Illinois Commerce Commission, Docket 94-480, July 13, 1995. On behalf of MCI Telecommunications Corporation.

Petition for a Total Local Exchange Wholesale Tariff from Illinois Bell Telephone Company d/b/a Ameritech Illinois and Central Telephone Company Pursuant to Section 13-505.5 of the Illinois Public Utilities Act, Illinois Commerce Commission, Docket No. 95-0458, December 1995. On behalf of MCI Telecommunications Corporation.

Citation to Investigate Illinois Bell Telephone Company=s Rates, Rules and regulations For its Unbundled Network Component Elements, Local Transport Facilities, and End office Integration Services, Illinois Commerce Commission, Docket No. 95-0296, January 4, 1996. On behalf of MCI Telecommunications Corporation.

In the Matter of MCI Telecommunications Corporation Petition for Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish and Interconnection Agreement with Illinois Bell Telephone Company d/b/a Ameritech Illinois, Illinois Commerce Commission, Docket No. 96-AB-006, October, 1996. On behalf of MCI Telecommunications Corporation.

In the Matter of MCI Telecommunications Corporation Petition for Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish and Interconnection Agreement with Central Telephone Company of Illinois (ASprint@), Illinois Commerce Commission, Docket No. 96-AB-007, January, 1997. On behalf of MCI Telecommunications Corporation.

Investigation into forward looking cost studies and rates of Ameritech Illinois for interconnection, network elements, transport and termination of traffic. Illinois Commerce Commission, Docket No. 96-0486, February, 1997. On behalf of MCI Telecommunications Corporation.

Phase II of Ameritech Illinois TELRIC proceeding. Illinois Commerce Commission Docket No. 98-0396, May 2000. On behalf of MCIWorldCom.

Illinois Commerce Commission On its Motion vs Illinois Bell Telephone Company Investigation into Tariff Providing Unbundled Local Switching with Shared Transport, Illinois Commerce Commission, Docket No. 00- 0700. October 2001. On behalf of AT&T Communications of Illinois, Inc. and WorldCom, Inc.

Massachusetts

NYNEX/MCI Arbitration, Common Wealth of Massachusetts, Department of Public Utilities, D.P.U. 96-83, October 1996. On behalf of MCI Telecommunications Corporation.

Investigation into Pricing based on TELRIC for Unbundled Network Elements and Combinations of Unbundled Networks Elements and the Appropriate Avoided Cost Discount for Verizon New England, Inc. d/b/a Verizon Massachusetts' Resale Services. Massachusetts Department of Energy and Transportation, Docket 01-20. On behalf Allegiance, Network Plus, Inc., El Paso Networks, LLC, and Covad Communications Company. July 2001.

Investigation by the Department of Telecommunications and Energy on its own Motion into the Appropriate Regulatory Plan to succeed Price Cap Regulation for Verizon New England, Inc. d/b/a Verizon Massachusetts' intrastate retail telecommunications services in the Commonwealth of Massachusetts. Massachusetts Department of Energy and Transportation, Docket 01-03. On behalf of Network Plus, Inc., August 2001.

New Mexico

Brooks Fiber Communications of New Mexico, Inc. Petition for Arbitration, New Mexico State Corporation Commission, Docket No. 96-307-TC, December, 1996. On behalf of Brooks Fiber Communications of New Mexico, Inc.

In the matter of the consideration of costing and pricing rules for OSS, collocation, shared transport, non-recurring charges, spot frames, combination of network elements and switching. Direct testimony, September 16, 2002. On behalf of the Commission Staff.

Minnesota

In Re Commission Investigation Of Qwest's Pricing Of Certain Unbundled Network Elements, PUC Docket No. P-442, 421, 3012 /M-01-1916. Rebuttal testimony, April, 2002. on behalf of Otter Tail Telecom, Val-Ed Joint Venture D/B/A 702 Communications, McCleoudUSA, Eschelon Telecommunications, USLink.

Michigan

In the Matter of the Application of City Signal, Inc. for an Order Establishing and Approving Interconnection Arrangements with Michigan Bell Telephone Company, Michigan Public Service Commission, Case No. U-10647, October 12, 1994. On behalf of Teleport Communications Group, Inc.

In the Matter, on the Commission=s Own Motion, to Establish Permanent Interconnection Arrangements Between Basic Local Exchange Providers, Michigan Public Service Commission, Case No. U-10860, July 24, 1995. On behalf of MCI Telecommunications Corporation.

In the Matter, on the Commission=s Own Motion, to consider the total service long run incremental costs and to determine the prices for unbundled network elements, interconnection services, resold services, and basic local exchange services for Ameritech Michigan, Michigan Public Service Commission, Case No. U-11280, March 31, 1997. On behalf of MCI Telecommunications Corporation.

In the matter of the application under Section 310(2) and 204, and the complaint under Section 205(2) and 203, of MCI Telecommunications Corporation against AMERITECH requesting a reduction in intrastate switched access charges, Case No. U-11366. April, 1997. On behalf of MCI Telecommunications Corporation.

Ohio

In the Matter of MCI Telecommunications Corporation Petition for Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish and Interconnection Agreement with Ameritech Ohio, The Public Utilities Commission of Ohio, Case No. 96-888-TP-ARB, October, 1996. On behalf of MCI Telecommunications Corporation.

In the matter of the review of Ameritech Ohio=s economic costs for interconnection, unbundled network elements, and reciprocal compensation for transport and termination of local telecommunications traffic, The Public Utilities Commission of Ohio, Case No. 96-922-TP-UNC, Jan 17, 1997. On behalf of MCI Telecommunications Corporation.

In the Matter of the Review of Ameritech Ohio's Economic Costs for Interconnection, Unbundled Network Elements, and Reciprocal Compensation for Transport and Termination of Local Telecommunications Traffic. Case No. 96-922-TP-UNC and In the Matter of the Application of Ameritech Ohio for Approval of Carrier to Carrier Tariff. Case No. 00-1368-TP-ATA. Ohio Public Utilities Commission. Direct Testimony, October 2000. On behalf of MCIWorldCom and ATT of the Central Region.

Indiana

In the matter of the Petition of MCI Telecommunications Corporation for the Commission to Modify its Existing Certificate of Public Convenience and Necessity and to Authorize the Petitioner to Provide certain Centrex-like Intra-Exchange Services in the Indianapolis LATA Pursuant to I.C. 8-1-2-88, and to Decline the Exercise in Part of its Jurisdiction over Petitioner=s Provision of such

Service, Pursuant to I.C. 8-1-2.6., Indiana Regulatory Commission, Cause No. 39948, March 20, 1995. On behalf of MCI Telecommunications Corporation.

In the matter of the Petition of Indiana Bell Telephone company, Inc. For Authorization to Apply a Customer Specific Offering Tariff to Provide the Business Exchange Services Portion of Centrex and PBX Trunking Services and for the Commission to Decline to Exercise in Part Jurisdiction over the Petitioner=s Provision of such Services, Pursuant to I.C. 8-1-2.6, Indiana regulatory Commission, Cause No. 40178, October 1995. On behalf of MCI Telecommunications Corporation.

MCI Telecommunications Corporation Petition for Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish and Interconnection Agreement with Indiana Bell Telephone Company d/b/a Ameritech Indiana, Indiana Public Utility Regulatory Commission, Cause No. 40603-INT-01, October 1996. On behalf of MCI Telecommunications Corporation.

In the matter of the Commission Investigation and Generic Proceeding on Ameritech Indiana=s Rates for Interconnection Service, Unbundled Elements and Transport and Termination under the Telecommunications Act of 1996 and Related Indiana Statutes, Indiana Public Utility Regulatory Commission, Cause No. 40611. April 18, 1997. On behalf of MCI Telecommunications Corporation.

In the Matter of the Commission Investigation and Generic Proceeding on GTE=s Rates for Interconnection, Service, Unbundled Elements, and Transport under the FTA 96 and related Indiana Statutes, Indiana Public Utility Regulatory Commission, Cause No. 40618. October 10, 1997. On behalf of MCI Telecommunication Corporation.

In the matter of the Commission Investigation and Generic proceeding on the Ameritech Indiana's rates for Interconnection, Unbundled Elements, and Transport and Termination Under the Telecommunications Act of 1996 and Related Indiana Statutes, Indiana Utility Regulatory Commission, Cause No. 40611-S1. October 2001. On behalf of WorldCom, Inc., AT&T Communications of Indiana, G.P.

Rhode Island

Comprehensive Review of Intrastate Telecommunications Competition, State of Rhode Island and Providence Plantations Public Utilities Commission, Docket No. 2252, November, 1995. On behalf of MCI Telecommunications Corporation.

Utah

In the Matter of the Determination of the Costs Investigation of the Unbundled Loop of Qwest Corporation, Inc., Docket No. 01-049-85. Rebuttal testimony, August 16, 2002. On behalf of

AT&T and WorldCom.

Vermont

Investigation into NET's tariff filing re: Open Network Architecture, including the Unbundling of NET's Network, Expanded Interconnection, and Intelligent Networks, Vermont Public Service Board, Docket No. 5713, June 8, 1995. On behalf of MCI Telecommunications Corporation.

Wisconsin

Investigation of the Appropriate Standards to Promote Effective Competition in the Local Exchange Telecommunications Market in Wisconsin, Public Service Commission of Wisconsin, Cause No. 05-TI-138, November, 1995. On behalf of MCI Telecommunications Corporation.

Matters relating to the satisfaction of conditions for offering interLATA services (Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin) Wisconsin Public Service Commission, 670-TI-120, March 25, 1997. On behalf of MCI Telecommunications Corporation.

In the Matter of MCI Telecommunications Corporation Petition for Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish an Interconnection Agreement with Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin, Wisconsin Public Service Commission, Docket Nos. 6720-MA-104 and 3258-MA-101. On behalf of MCI Telecommunications Corporation.

Investigation Into The Establishment of Cost-Related Zones For Unbundled Network Elements, Docket No. 05-TI-349. Rebuttal Testimony, September 2000. On behalf of AT&T Communications of Wisconsin, McLEODUSA Telecommunications Services, Inc., TDS MetroCom, Inc., and Time Warner Telecom.

Investigation into Ameritech Wisconsin's Unbundled Network Elements, PSC of Wisconsin, Docket No. 6720-TI-161, Direct and Rebuttal testimony, 2001. On Behalf Of AT&T Communications of Wisconsin, Inc., WorldCom, Inc., Rhythms Links, Inc., KMC Telecom, Inc., and McLeodUSA ("CLEC Coalition")

Pennsylvania

In Re: Formal Investigation to Examine Updated Universal Service Principles and Policies for telecommunications Services in the Commonwealth Interlocutory order, Initiation of Oral Hearing Phase, Pennsylvania Public Utility Commission, Docket No. I-00940035, February 28, 1996. On

behalf of MCI Telecommunications Corporation.

Structural Separation of Verizon, Pennsylvania Public Utility Commission - Docket No. M-0001352. Direct Testimony, October, 2000. On behalf of MCI WorldCom.

Georgia

AT&T Petition for the Commission to Establish Resale Rules, Rates and terms and Conditions and the Initial Unbundling of Services, Georgia Public Service Commission, Docket No. 6352-U, March 22, 1996. On behalf of MCI Telecommunications Corporation.

Tennessee

Avoidable Costs of Providing Bundled Services for Resale by Local Exchange Telephone Companies, Tennessee Public Service Commission, Docket No. 96-00067, May 31, 1996. On behalf of MCI Telecommunications Corporation.

Commonwealth of Puerto Rico


Petition for Arbitration Pursuant to 47 U.S.C. & (b) and the Puerto Rico Telecommunications Act of 1996, regarding Interconnection Rates Terms and Conditions with Puerto Rico Telephone Company, Puerto Rico Telecommunications Regulatory Board, Docket No. 97-0034-AR, April 15, 1997. On behalf of Cellular Communications of Puerto Rico, Inc.

CERTIFICATE OF SERVICE
Docket 030829-TP

I hereby certify that a copy of the foregoing was sent by e-mail and regular mail to the persons listed below, other than those marked with an (*) who have been sent a copy via overnight mail, this 16th day of April, 2004.

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