

Meredith Mays
Senior Regulatory Counsel

BellSouth Telecommunications, Inc.
150 South Monroe Street
Room 400
Tallahassee, Florida 32301
(404) 335-0750

June 7, 2004

Mrs. Blanca S. Bayó
Division of the Commission Clerk and
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 030829-TP (FDN Complaint)

Dear Ms. Bayó:

Enclosed are an original and fifteen copies of BellSouth Telecommunications, Inc.'s Rebuttal Testimony of Carlos Morillo, which we ask that you file in the above referenced docket.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served to the parties shown on the attached Certificate of Service.

Sincerely,



Meredith Mays

cc: All Parties of Record
Marshall M. Criser III
R. Douglas Lackey
Nancy B. White

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**CERTIFICATE OF SERVICE
DOCKET NO. 030829-TP**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Electronic Mail, Hand Delivery* and/or FedEx this 7th day of June, 2004 to the following:

Lee Fordham*
Staff Counsel
Florida Public Service Commission
Gerald L. Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
Tel. No.: 850 413-6199
cfordham@psc.state.fl.us
jschindl@psc.state.fl.us

Matthew Feil (+)
Scott Kassman(+)
FDN Communications
2301 Lucien Way
Suite 200
Maitland, FL 32751
Tel. No. 407 835-0460
Fax No. 407 835-0309
mfeil@mail.fdn.com
skassman@mail.fdn.com

Meredith E. Mays/RK
Meredith E. Mays

(+) signed Protective Agreement
(*) Hand Delivery

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BELLSOUTH TELECOMMUNICATIONS, INC.
REBUTTAL TESTIMONY OF CARLOS MORILLO
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 030829-TP
JUNE 7, 2004

Q. PLEASE STATE YOUR NAME, YOUR POSITION WITH BELLSOUTH TELECOMMUNICATIONS, INC. ("BELLSOUTH") AND YOUR BUSINESS ADDRESS.

A. My name is Carlos Morillo. I am employed by BellSouth as Director – Policy Implementation. My business address is 675 West Peachtree Street, Atlanta, Georgia 30375.

Q. HAVE YOU PREVIOUSLY FILED TESTIMONY IN THIS PROCEEDING?

A. No. However, I am adopting the pre-filed direct testimony of BellSouth witness Kathy K. Blake, filed in this proceeding on April 16, 2004.

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

A. I graduated from West Virginia University in 1984 with Bachelor of Science degrees in Economics and Geology. In 1986, I received a Masters in Business Administration with concentrations in Economics and Finance from West

1 Virginia University. After graduation, I began employment with Andersen
2 Consulting supporting various projects for market research, insurance, and
3 hospital holding companies. In 1990, I joined MCI, Inc. as a Business Analyst.
4 My responsibilities included supporting the implementation of processes and
5 systems for various business products and services. In addition to my Business
6 Analyst duties, I worked as a Financial Analyst evaluating the financial
7 performance of various price adjustments as well as promotion deployment,
8 including the state and Federal tariff filings. I was also a Product Development
9 Project Manager supporting the deployment of business services. In 1994, I
10 joined BellSouth International as a Senior Manager of IT Planning, and later
11 became Director of Business Development. In 1999, I became Director of
12 eCommerce in BellSouth's domestic operations and in 2002, Director of
13 International Audit. I assumed my current position as Director - Policy
14 Implementation in May of 2004.

15

16 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

17

18 A. The purpose of my testimony is to rebut the direct testimony of Florida Digital
19 Network's ("FDN") witness Dr. August H. Ankum, filed in this proceeding on
20 April 16, 2004.

21

22 Q. BEFORE ADDRESSING SPECIFIC ARGUMENTS IN DR. ANKUM'S
23 TESTIMONY, DO YOU HAVE ANY GENERAL COMMENTS ABOUT
24 FDN'S TESTIMONY?

25

1 A. Yes. To begin with, after reviewing FDN's complaint and Dr. Ankum's
2 testimony, it is clear that FDN is requesting that this Commission reconsider
3 its prior decisions relating to the application of disconnect non-recurring
4 charges. This Commission has already addressed the manner in which
5 disconnection charges apply. As this Commission stated in its Order PSC-98-
6 0604-FOF-TP ("1998 Arbitration Order"): "**CLECs understand and accept**
7 **that disconnect costs exist**, and we believe it is more appropriate to assess
8 those charges at the time the costs are in fact incurred." (Emphasis added,
9 Docket Nos. 960757-TP, 960833-TP and 960846-TP, dated April 29, 1998, p.
10 79.) Furthermore, this Commission has consistently required separate
11 installation and disconnection charges for unbundled network elements
12 ("UNEs").

13
14 FDN's entire complaint is an attempt to re-open and seek reconsideration of
15 the Commission's *UNE Cost Order* (Order PSC-01-1181-FOF-TP, dated May
16 25, 2001, in Docket No. 990649-TP "*UNE Cost Proceeding*"). Even though
17 on page 5, lines 10-12, Dr. Ankum alleges that "FDN is *not* disputing or
18 seeking to re-litigate *the level* of BellSouth's charges as they have been
19 approved by this Commission in Docket No. 990649-TP," he immediately
20 contradicts himself by stating that he believes that BellSouth may possibly be
21 over-recovering costs, and therefore, the Commission may need to make "an
22 adjustment in BellSouth's non-recurring charges." (Ankum Direct, p. 5, ln 17).
23 Such suggestion clearly demonstrates FDN's desire for the Commission to
24 review and modify the rates for disconnect charges already approved in the
25 *UNE Cost Proceeding*. Filing a complaint under the current Interconnection

1 Agreement between BellSouth and FDN is not the proper forum to adjust
2 generic rates. If FDN believes that the Commission erred in its decision of the
3 appropriate recovery of costs associated with disconnection activities, it should
4 have raised such concerns in the *UNE Cost Proceeding*.

5
6 Second, FDN inappropriately considers the work activities involved in
7 disconnecting a loop from their switch and re-establishing the loop on another
8 carrier's switch as a single event. This is inaccurate. There are two "events" –
9 (1) the disconnection "event" and (2) the installation "event". When FDN
10 loses an unbundled network element-loop ("UNE-L") customer, whether to
11 BellSouth, another facilities-based competitive local exchange carrier
12 ("CLEC"), a UNE-P CLEC, or a resale CLEC, there are separate and distinct
13 work activities involved in removing the loop from the losing CLEC (FDN) ---
14 the disconnection "event", and attaching the loop to the winning provider ---
15 the installation "event". Dr. Ankum argues that such work is a "single,
16 synchronous event". (Ankum Direct, p. 7, ln 7). He is wrong. The work
17 activities required to disconnect service is separate and distinct from the work
18 activities required to install service. The Commission recognized the separate
19 and distinct qualities in these work activities and therefore, ordered separate
20 non-recurring charges.

21
22 Third, as to the rate zone changes, BellSouth and FDN do not have a dispute
23 relating to the underlying facts. BellSouth and FDN do have a dispute
24 regarding the implementation of the Commission's Order No. PSC-02-1311-
25 FOF-TP, released on September 27, 2002 ("*120-day Order*"). BellSouth

1 disagrees with FDN that (1) BellSouth did anything unilaterally and (2) the
2 zone charges and loop rates established in the *120-day Order* were intended to
3 be implemented simultaneously. There is nothing in the Commission's *120-*
4 *day Order* that states that the zone changes and the new rates must be
5 implemented simultaneously and BellSouth's review of the ordering clauses
6 did not lead to the conclusion that the zone changes and new rates were
7 intertwined. Therefore, BellSouth implemented the zone charges and rate
8 changes in a reasonable manner, which treated all CLECs equally.

9
10 Q. PLEASE DESCRIBE HOW YOU HAVE STRUCTURED YOUR
11 TESTIMONY.

12
13 A. I will discuss Issues 1 and 2 together and Issues 3 and 4 together since they
14 relate to each other, respectively. As Ms. Blake discussed in her direct
15 testimony, Issue 6 is more of a legal argument that should be addressed in the
16 briefs that will be filed in this proceeding. As to Issue 5, BellSouth Witness
17 Cindy Clark's Supplemental Direct Testimony, filed May 28, 2004, addresses
18 the amount of the unresolved billing dispute between the parties. BellSouth is
19 requesting the Commission order FDN to promptly pay this amount, along
20 with applicable late payment charges.

21
22 ***Issue 1: In consideration of cost-causer, economic, and competitive principles,***
23 ***under what circumstance should BellSouth be allowed to assess a disconnect***
24 ***charge to FDN?***

1 **Issue 2: In light of Order Nos. PSC-01-1181-FOF-TP and PSC 02-1311-**
2 **FOF-TP and the parties' interconnection agreements, does BellSouth**
3 **appropriately assess disconnect charges when BellSouth issues an order for**
4 **an FDN customer to port out?**

5

6 Q. ON PAGE 6, LINES 10-12, DR. ANKUM STATES "BELLSOUTH'S
7 PRACTICE IS UNSUPPORTED BY ANY COMMISSION ORDER, RULE
8 OR REGULATION, OR BY THE PARTIES' INTERCONNECTION
9 AGREEMENT(S)." IS HE CORRECT?

10

11 A. No. BellSouth's practice of assessing disconnect charges when an end user
12 ports out, whether in a winback situation (i.e., BellSouth "wins" the customer),
13 a migration to another CLEC, or a disconnection of service, is based on this
14 Commission's *1998 Arbitration Order*. The Commission stated:

15

16 Recovery of disconnect costs at the time of installation is standard
17 practice in LEC end user local service tariffs. This is because it is
18 commonly thought that end users understand and accept
19 installation charges more readily than they do disconnection
20 charges. We find, however, that this practice is unnecessary for
21 CLECs. ***CLECs understand and accept that disconnect costs***
22 ***exists***, and we believe it is more appropriate to assess those charges
23 at the time the costs are in fact incurred.

24

25 (Emphasis added. *1998 Arbitration Order*, p. 79).

26

27 In fact, during the AT&T and MCI 1996 Arbitration proceedings (Docket
28 Nos. 960757-TP, 960833-TP, and 960846-TP), BellSouth originally

1 proposed that both installation and disconnection costs should be
2 recovered at the time of installation to simulate how costs are recovered
3 through retail charges. But, as Ms. Blake discussed in her Direct
4 Testimony, this Commission decided that “[e]liminating disconnect costs
5 from up-front NRCs is a logical way to relieve some of the burden
6 associated with high start-up costs. *CLECs understand and accept that*
7 *disconnect costs exist*, and we believe it is more appropriate to assess
8 those charges at the time the costs are in fact incurred.” (Emphasis added,
9 *1998 Arbitration Order*, p. 79.)

10

11 Q. HAS THE COMMISSION CONSIDERED DISCONNECT CHARGES
12 SINCE THE AT&T AND MCI 1996 ARBITRATION PROCEEDINGS?

13

14 A. Yes. During the *UNE Cost Proceeding*, BellSouth filed cost studies that
15 included work times and descriptions of the work activities involved when
16 disconnecting service. The Commission reviewed these studies, made
17 modifications, and established separate non-recurring charges for
18 disconnection of UNEs. Nothing in the *UNE Cost Order* indicates that
19 such non-recurring charges would apply only if the CLEC initiated the
20 disconnection. Based on such facts, BellSouth followed the
21 Commission’s *UNE Cost Order* and assessed FDN disconnect charges at
22 the time a disconnection took place.

23

1 Q. DOES DR. ANKUM CORRECTLY DESCRIBE HOW A HOT-CUT IS
2 PERFORMED?

3
4 A. Yes and no. Without getting into too much of a technical explanation,
5 since I am not a network engineer, Dr. Ankum's simplistic description on
6 p. 8, lines 6-9, regarding how a hot-cut is performed is basically accurate,
7 though lacking in detail. However, as I explained in the beginning of my
8 testimony, Dr. Ankum's contention that moving an end user from one
9 carrier to another is a "single, synchronous event" is incorrect. He fails to
10 acknowledge that there are really two "events" taking place – the
11 disconnection of the FDN loop and the installation of the winning carrier's
12 loop. Additionally, he confuses the separate and distinct activities
13 involved in performing each event. As an example, in order to utilize the
14 same loop, a technician must remove the loop from FDN's switch (the
15 disconnect "event") *AND THEN* move the loop so that it can be
16 connected to the other carrier's switch (the installation "event"). These
17 activities cannot be viewed as being "simultaneous" (Ankum Direct, p. 16,
18 ln 9) or happening "at precisely the same time."

19
20 Q. DR. ANKUM ALSO CLAIMS THAT BY CHARGING DISCONNECT
21 CHARGES, BELLSOUTH IS OVER-RECOVERING ITS COSTS. IS
22 THIS TRUE?

23
24 A. Absolutely not. First of all, Dr. Ankum's discussion of over-recovering
25 costs appears to be a desire for this Commission to re-open and review its

1 decisions made during the generic cost proceedings. This is not the proper
2 forum for such discussion. However, in an effort to respond to Dr.
3 Ankum's arguments, I would have to say that Dr. Ankum's example on
4 pages 16-17 is incorrect. Dr. Ankum states that when the Commission
5 approved separate non-recurring charges for installation and
6 disconnection, the Commission assumed that such "activities would occur
7 as standalone activities (i.e., the disconnect activities would take place at a
8 different point in time than the connect activities.)" This is not totally
9 accurate. One must remember that the Commission's separate installation
10 charges and disconnect charges are for the same carrier, for the same loop.
11 Indeed, the Commission assumed that for the same carrier, for the same
12 loop, that the installation work will occur at one point in time and that the
13 disconnection of that loop, for that same carrier, will occur in the future.
14 This is exactly the way in which BellSouth is billing FDN and there is no
15 "over-recovery" of costs. Furthermore, as evidenced by the cost study
16 filed during the *UNE Cost Proceeding*, it is clear that there are separate
17 work activities associated with disconnection and installation. The
18 Commission recognized that disconnection work was separate and distinct
19 from installation work. The fact that the *type* of work performed for
20 installation and disconnection may be similar (e.g., disconnecting the loop
21 from FDN's switch requires a network technician to perform wiring work
22 on a circuit, and connecting the loop to another carrier's switch also
23 requires a network technician to perform wiring work on a circuit) does
24 not mean the tasks are not uniquely and separately associated with
25 different types of orders.

1

2 Q. ON PAGES 18-19, DR. ANKUM CONTENDS THAT BELLSOUTH IS
3 THE COST-CAUSER IN WIN-BACK SITUATIONS AND SHOULD
4 THEREFORE BE RESPONSIBLE FOR BOTH THE DISCONNECTION
5 CHARGE AND THE INSTALLATION CHARGE. WOULD YOU
6 AGREE WITH HIS THEORY ON COST-CAUSATION?

7

8 A. No. Even though the discussion of cost-causation does not belong in this
9 proceeding, I feel compelled to address Dr. Ankum's theory. Dr. Ankum
10 perspective on cost-causation is incorrect. In order to determine who the
11 cost-causer is, the accurate question is "Why are the resources being
12 expended?" With respect to disconnect activities, the answer is simple:
13 the costs associated with the loop are caused by FDN's initial "winning"
14 of the end-user customer. Once the loop is provisioned for FDN, the cost
15 has been incurred – the initial installation costs at the time of the original
16 order and the anticipated future disconnect costs. FDN's inability to
17 maintain its customer "causes" the loss of that customer and the
18 subsequent disconnect activities. Indeed, if it were not for FDN's initial
19 order, disconnect activities would never be required.

20

21 Under Dr. Ankum's theory, he appears to be proposing that the winning
22 carrier (whether it is FDN, BellSouth or any other carrier) must pay the
23 disconnection charges at the time a customer is being moved from one
24 carrier's network to another AND the installation charges. This is
25 contrary to what the Commission has previously ordered.

1

2 Q. PLEASE ELABORATE.

3

4 A. Dr. Ankum argues that in cases where BellSouth wins a customer back
5 from FDN, BellSouth should be responsible for the disconnect charges
6 since BellSouth is the one causing the costs to be incurred. This is not
7 appropriate. Let's reverse the situation and have FDN winning the
8 customer from BellSouth. Under Dr. Ankum's proposal, FDN would be
9 responsible for not only the disconnect costs associated with BellSouth's
10 losing the customer, but also the installation costs incurred in having to
11 connect the facilities to FDN's switch.

12

13 Q. HOW IS THIS DIFFERENT FROM WHAT IS HAPPENING TODAY?

14

15 A. BellSouth currently charges its end users an initial installation charge that
16 also recovers the disconnection costs that will at some point in the future
17 be incurred because that customer either moves to another carrier or
18 disconnects service. This contradicts Dr. Ankum's assertion that
19 "BellSouth appears to believe that CLECs, like FDN, are always the cost
20 causers who must bear the cost of disconnecting a loop in all cases and
21 that BellSouth is never the cost causer and should never bear the cost."
22 (Ankum Direct, p. 6, lns 13-15) BellSouth recognizes that its end users
23 will at some point move to another carrier and charge for this up-front in
24 order to recover the disconnect costs "caused" by the initial installation ---
25 costs that will inevitably occur at some point in the future. In fact, it is

1 under this principle that BellSouth proposed in the AT&T and MCI 1996
2 Arbitration proceeding to create one non-recurring charge that would
3 recover both installation costs and disconnect costs. However, as I
4 mentioned previously, this Commission thought that recovering both
5 installation and disconnection costs up-front would be cost-prohibitive and
6 therefore, established two separate and distinct charges.

7

8 Q. IS IT APPROPRIATE FOR FDN TO BE RAISING THESE ISSUES IN
9 THIS PROCEEDING?

10

11 A. No. FDN's arguments about whether disconnect activities are a "single
12 synchronous event" or whether BellSouth's practice is inconsistent with
13 "TELRIC cost-causation principles" or is otherwise anticompetitive and
14 unfair should have been raised in prior proceedings – or could be raised in
15 a future cost proceeding. Raising the issue now is untimely and should be
16 rejected by the Commission.

17

18 Q. ON PAGE 20, DR. ANKUM STATES THAT BELLSOUTH IS BEING
19 ANTICOMPETITIVE BY CHARGING FDN DISCONNECT CHARGES
20 IN ORDER TO "DEFRAY[] SOME OF THE COSTS OF
21 BELLSOUTH'S WINBACK INCENTIVE PROGRAMS." IS THIS
22 CORRECT?

23

24 A. No. BellSouth's treatment and application of disconnect non-recurring
25 charges are compliant with Commission Orders and BellSouth and FDN's

1 Interconnection Agreement. Specifically, disconnect charges apply at the
2 time disconnect activity takes place and recover the costs associated with
3 the disconnection of facilities from the party that causes the disconnect
4 activities to take place --- FDN.

5
6 Q. DO YOU AGREE WITH THE LIST OF ELEMENTS ON PAGE 10,
7 LINES 5-8 THAT DR. ANKUM CLAIMS BELLSOUTH CHARGES
8 FDN WHEN DISCONNECTING A LOOP FROM FDN'S FACILITIES?

9
10 A. Not entirely. BellSouth charges a disconnect non-recurring charge
11 applicable for the loop type (e.g., SL1 or SL2) and the cross-connect. In
12 circumstances when FDN places the disconnect order, BellSouth will also
13 charge a service order charge for either manually-placed service orders
14 ("SOMAN") or electrically-placed service orders ("SOMEK"). However,
15 in the case of a customer coming back to BellSouth or when another
16 CLEC wins FDN's customer and the loop has to be moved, BellSouth
17 does not charge FDN a SOMAN or SOMEK charge unless FDN actually
18 places a disconnect order.

19
20 Q. ON PAGES 10-13, DR. ANKUM ARGUES THAT BELLSOUTH
21 SHOULD NOT RECOVER SERVICE ORDERING CHARGES WHEN
22 FDN DOES NOT INITIATE A DISCONNECT ORDER. DO YOU
23 AGREE?

24

1 A. Yes. Although Dr. Ankum devotes almost three pages of testimony to
2 BellSouth's recovery of service order costs, as I stated above, it is not
3 BellSouth's practice to charge FDN a service ordering charge when FDN
4 does not directly place a disconnect order.

5
6 Q. IT APPEARS THAT THERE IS NO DISPUTE BETWEEN
7 BELLSOUTH AND FDN AS TO THE APPLICATION OF SERVICE
8 ORDER CHARGES. WOULD YOU AGREE?

9
10 A. Yes. BellSouth does not dispute FDN's position that service order charges
11 should not apply when FDN does not place a disconnect order. However,
12 it is appropriate to bill FDN service order charges when FDN issues a
13 Local Service Request ("LSR") to disconnect a loop. Even Dr. Ankum
14 agrees that such charges would be appropriate. (Ankum Direct, p. 9, lns
15 14-19.)

16
17 Q. ON PAGES 13-14, DR. ANKUM RAISES FDN'S CONCERNS THAT FDN
18 INCURS COSTS WHEN PROCESSING ORDERS FROM BELLSOUTH IN
19 WINBACK SITUATIONS AND ON PAGES 22-23, DR. ANKUM
20 PROPOSES THAT IF THE COMMISSION CONTINUES TO ALLOW
21 BELLSOUTH TO CHARGE DISCONNECT CHARGES TO FDN THAT
22 FDN BE ALLOWED TO RECOVER ITS COSTS FROM BELLSOUTH. DO
23 YOU AGREE WITH DR. ANKUM'S PROPOSAL?

24

1 A. No. BellSouth does not dispute that FDN is involved in processing an
2 order in which an FDN UNE-L customer chooses to return to BellSouth.
3 However, if FDN believes that it should be compensated for its activities, the
4 appropriate forum for raising this issue is in connection with the next cost
5 proceeding or during negotiations with BellSouth. There are no rates in the
6 current interconnection agreement associated with FDN's costs, and it is not
7 appropriate to rewrite the contract now to include such charges. More
8 importantly, FDN's end user is the cost causer for FDN in this situation.
9 FDN's end user makes the decision to change carriers, not BellSouth. Thus,
10 FDN cannot recover these costs from BellSouth. However, FDN could recover
11 its costs from its end user at the time of installation in a manner similar to
12 BellSouth's practice.

13

14 ***Issue 3: In order to implement changes in rate zone designations, is it***
15 ***necessary for the parties to negotiate an amendment to their interconnection***
16 ***agreement?***

17 ***Issue 4: In light of policy considerations, the parties' interconnection***
18 ***agreements, Order Nos. PSC-01-1181-FOF-TP and PSC 02-1311-FOF-TP,***
19 ***and any other applicable regulatory requirements, can BellSouth implement***
20 ***changes in rate zone designations without implementing any associated***
21 ***changed rates?***

22

23 Q. ON PAGE 25, DR. ANKUM STATES THAT "BELLSOUTH FAILED TO
24 NEGOTIATE AN AMENDMENT WITH FDN TO THE PARTIES' THEN-
25 EXISTING INTERCONNECTION AGREEMENT (THE PRE-2003

1 AGREEMENT) AS REQUIRED BY THE COMMISSION AND INSTEAD
2 UNILATERALLY IMPLEMENTED THE COMMISSION ORDER.” IS
3 THIS TRUE?

4
5 A. No. During the time period from when the Commission issued the *120-day*
6 *Order* (September 27, 2002) to the signing of the current FDN Interconnection
7 Agreement (February 5, 2003), BellSouth and FDN were in the middle of
8 continued negotiations. On December 10, 2002, FDN requested an
9 amendment to implement the rates contained in the Commission’s *120-day*
10 *Order*. BellSouth promptly prepared such amendment and offered it to FDN
11 for execution on December 27, 2002. For whatever reason, FDN chose not to
12 execute such an amendment and instead waited to change the rates at the time
13 it signed the entire agreement in early February 2003.

14
15 Q. DID BELLSOUTH UNILATARALLY IMPLEMENT THE COMMISSION’S
16 *120-DAY ORDER*?

17
18 A. No. BellSouth did not do anything unilaterally. As Ms. Blake testified in her
19 direct testimony, BellSouth implemented the rate zone change portion of the
20 Commission’s order once BellSouth’s billing system was programmed to
21 reflect the adjusted rate zone designations. The procedures BellSouth followed
22 in implementing the *120-day Order* were the same procedures that BellSouth
23 used to implement the *UNE Cost Order*.

24

1 Q. WAS BELLSOUTH'S ACTION IN IMPLMENTING THE RATE ZONE
2 CHANGE IN FLORIDA ANY DIFFERENT THAN IMPLEMENTING
3 SUCH CHANGES IN OTHER STATES?

4
5 A. No. There have been several states that have ordered changes to rate zone
6 designations from time to time and BellSouth has implemented each Order in
7 the same manner that it implemented the Florida Order. For instance, in the
8 same Carrier Notification Letter that BellSouth informed CLECs of the Florida
9 rate zone change, BellSouth also informed CLECs of a similar change going
10 into effect for wire centers in Tennessee. In 2003 when the Georgia Public
11 Service Commission ordered several wire centers to be reclassified, BellSouth
12 again issued a Carrier Notification Letter informing CLECs of the change.
13 While FDN is not yet active as a CLEC in Tennessee, FDN is an active CLEC
14 in Georgia, yet FDN did not protest BellSouth's implementation of the wire
15 center reclassification in Georgia.

16
17 Q. WOULD IT BE PLAUSIBLE FOR BELLSOUTH TO IMPLEMENT AN
18 ORDER SUCH AS THE *120-DAY ORDER* ON A CLEC-BY-CLEC BASIS
19 AS FDN IS SUGGESTING ON PAGE 26?

20
21 A. No. FDN is proposing that the *120-day Order* can only become effective when
22 BellSouth and a CLEC execute an amendment that incorporates the rates
23 contained in the *120-day Order*. FDN fails to consider the circumstances in
24 which a CLEC may not desire to incorporate such rates. Under those
25 circumstances, a CLEC may not need to amend its agreement and therefore,

1 the rate zone changes would not apply until they renegotiate their entire
2 interconnection agreement – possibly 3 years after the Order. It is logical to
3 conclude, however, that the Commission did not intend to create a situation in
4 which CLECs could avoid the modified rate zone designations.

5

6 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

7

8 A. Yes.