

ORIGINAL

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COMMISSION
CLERK

February 7, 2005

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. 01381-05~~
**Joint Petition for Arbitration of NewSouth Communications Corp., NuVox
Communications Corp., KMC Telecom V, Inc., KMC Telecom III LLC, and
Xspedius Communications, LLC on Behalf of its Operating Subsidiaries
Xspedius Management Co. Switched Services, LLC and Xspedius
Management Co. of Jacksonville, LLC**

Dear Ms. Bayó:

Enclosed are an original and fifteen copies BellSouth Telecommunications, Inc.'s
Rebuttal Testimony of Kathy K. Blake, P.L. (Scot) Ferguson, Eric Fogle, and Eddie L.
Owens, which we ask that you file in the captioned 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.

- CMP _____
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- SCR _____
- SEC 1
- OTH _____

Sincerely,

James Meza III
James Meza III

01381-05 OWENS
 01382-05 FOGLE
 01383-05 FERGUSON
 01384-05 BLAKE

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

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OWENS
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**CERTIFICATE OF SERVICE
DOCKET NO. 040130-TP**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Electronic Mail and First Class U. S. Mail this 7th day of February, 2005 to the following:

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BELLSOUTH TELECOMMUNICATIONS, INC.
REBUTTAL TESTIMONY OF EDDIE L. OWENS
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

~~POCKET NUMBER~~

FEBRUARY 7, 2005

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

A. My name is Eddie L. Owens. My business address is 675 West Peachtree Street, Atlanta, Georgia 30375. I am currently a Manager - Interconnection Services Operations.

Q. ARE YOU THE SAME EDDIE L. OWENS THAT FILED DIRECT TESTIMONY IN THIS PROCEEDING?

A. Yes. I filed Direct Testimony on January 10, 2005.

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY FILED TODAY?

A. My testimony provides rebuttal to the direct testimony of Mr. James Falvey on behalf of Xspedius Communications, LLC on behalf of its operating subsidiaries Xspedius Management Co. Switched Services,

1 LLC (Xspedius Switched) and Xspedius Management Co. of
2 Jacksonville, LLC (Xspedius Management) (collectively "Xspedius") in
3 Joint Petition for Arbitration with KMC Telecom V, Inc. & KMC Telecom
4 III LLC ("KMC"), NewSouth Communications Corp. ("NewSouth"), and
5 NuVox Communications Corp. ("NuVox"), collectively referred to as
6 "Joint Petitioners". Specifically, I will address the following issue
7 numbers, in whole or in part: 6-11 (Item 94) and 7-2 (Item 96).

8
9 **Item No. 94; Issue No. 6-11 [Sections 3.1.2, 3.1.2.1]: (A) Should the mass**
10 **migration of customer service arrangements resulting from mergers,**
11 **acquisitions and asset transfers be accomplished by the submission of**
12 **an electronic LSR or spreadsheet? (B) If so, what rates should apply?**
13 **(C) What should be the interval for such mass migrations of services?**

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

16
17 A. BellSouth believes that this issue (including all subparts) is not
18 appropriate for arbitration in this proceeding because it involves a
19 request by the Competitive Local Exchange Carriers ("CLECs") that is
20 not encompassed within BellSouth's obligations pursuant to Section
21 251 of the 1996 Act.

22
23 Q. MR. JAMES FALVEY, ON BEHALF OF THE XSPEDIUS COMPANIES,
24 STATES IN HIS TESTIMONY AT PAGE 33 "THE MANNER IN WHICH
25 BELLSOUTH PROVISIONS UNES IS ABSOLUTELY WITHIN THE

1 PARAMETERS OF SECTION 251". DO YOU AGREE?

2

3 A. Yes. However, the accomplishment of a mass migration due to a
4 merger, acquisition, or asset transfer between two (2) CLECs is not the
5 same as "provisioning UNEs". When BellSouth provisions a UNE
6 individual account, it is either moving an end user's service from
7 BellSouth, or a CLEC, to another CLEC or it is installing new service to
8 an end user based on a request from a CLEC. The activities to move
9 a single end-user's account will require a different overall process than
10 that involved with a mass migration due to a merger, acquisition, or
11 asset transfer.

12

13 The provisioning of individual UNEs is accomplished when the CLEC
14 submits a Local Service Request ("LSR") to BellSouth for the desired
15 service. BellSouth's Local Carrier Service Center ("LCSC") processes
16 the request by issuing service orders which flow to downstream
17 systems and organizations which are ultimately responsible for the
18 physical provisioning of the UNE in BellSouth's Central Office and/or
19 Field Work Groups.

20

21 Mass migrations associated with mergers, acquisitions or asset
22 transfers are accomplished when one CLEC desires to merge their
23 existing BellSouth accounts with that of another CLEC. In order to
24 achieve this, BellSouth must issue massive amounts of service orders.
25 The number of orders that must be issued is dependant on the number

1 of accounts which are involved. These service orders will flow to
2 BellSouth's downstream systems to update the records to reflect the
3 new CLEC information.

4
5 Q. SUBPART (A) OF THIS ISSUE ASKS THE QUESTION "SHOULD
6 THE MASS MIGRATION OF CUSTOMER SERVICE
7 ARRANGEMENTS RESULTING FROM MERGERS, ACQUISITIONS
8 AND ASSET TRANSFERS BE ACCOMPLISHED BY THE
9 SUBMISSION OF AN ELECTRONIC LSR [THAT IS, A LOCAL
10 SERVICE REQUEST] OR SPREADSHEET?" WHAT IS
11 BELL SOUTH'S POSITION ON SUBPART (A) OF THIS ISSUE?

12
13 A. As stated in my Direct Testimony, as to subpart (A), BellSouth's
14 position is that each and every merger, acquisition, or asset transfer is
15 unique and requires project management and planning to ascertain the
16 appropriate manner in which to accomplish the transfer, including how
17 orders should be submitted. BellSouth's mergers and acquisitions
18 process is as shown on attached Exhibit ELO-1 and is also posted on
19 BellSouth's interconnection website:

20 **http://www.interconnection.bellsouth.com/ma_process/**

21 This process identifies the steps that need to be taken by a CLEC to
22 initiate a mergers and acquisition request to BellSouth. All of the forms
23 needed to submit a request for mergers and/or acquisitions, including
24 spreadsheet templates, are provided on this website for the CLECs to
25 use as part of the mergers and acquisition process.

1 BellSouth does not have an obligation to provide electronic ordering for
2 this service simply because the low volumes of this type of request do
3 not warrant the expenditures and resources that would be necessary to
4 mechanize this ordering process. However, as stated above,
5 BellSouth does allow the submission of spreadsheets as part of the
6 process. It is notable that the FCC recognized in its BellSouth 271
7 *Georgia/Louisiana Order*¹ that “BellSouth properly designs its systems
8 so that a minimal number of orders [products] cannot be ordered
9 electronically.”
10

11 Q. ON PAGE 29 OF HIS TESTIMONY, MR. FALVEY DISCUSSES “THE
12 NEED TO ENSURE THAT THERE IS AN EFFICIENT, PREDICTABLE
13 AND LAWFULLY PRICED PROCESS IN PLACE FOR
14 ACCOMPLISHING THE MASS TRANSFER OF CUSTOMERS AND
15 ASSOCIATED SERVING ARRANGEMENTS FROM ONE CARRIER
16 TO ANOTHER.” PLEASE COMMENT.
17

18 A. BellSouth agrees that there should be an efficient, predictable, and
19 lawfully priced process in place and, as I described in my direct
20 testimony and further below, BellSouth provides such a process. Mr.
21 Falvey’s claim for an “efficient, predictable, and lawfully priced
22 process” is quite interesting given that Mr. Falvey is litigating this issue
23 instead of using the process established by BellSouth and thus running
24 the risk of obtaining nine (9) different processes and prices.
25

¹ *Georgia/Louisiana 271 FCC Order 02-147* (WC Docket No. 02-35), May 15, 2002, at ¶149.

1 Q. MR. FALVEY FURTHER STATES "IT IS IN CONSUMERS' BEST
2 INTERESTS THAT SUCH TRANSITIONS HAPPEN SEAMLESSLY,
3 QUICKLY AND AT A REASONABLE PRICE". DO YOU AGREE?
4

5 A. Yes. BellSouth certainly agrees that transitions, made as a result of a
6 merger, acquisition, or asset transfer, should happen seamlessly for
7 the consumer. That is why BellSouth's mergers and acquisitions
8 process involves a Project Manager to help ensure that there is little or
9 no impact to the consumer. BellSouth also agrees that the transitions
10 should be accomplished as quickly as possible without jeopardizing the
11 consumer's service. It is also BellSouth's position that the transitions
12 will be accomplished at a reasonable price. However, because of the
13 unique nature of every merger, acquisition or asset transfer, BellSouth
14 cannot agree to a static set of terms, conditions, and prices that, in all
15 likelihood, will not apply to the given situation.
16

17 Q. MR. FALVEY CLAIMS, ON PAGE 29 OF HIS TESTIMONY, THAT
18 "BECAUSE MASS MIGRATIONS ESSENTIALLY AMOUNT TO BULK
19 PORTING/BULK CHANGE SITUATIONS, THEY ARE NOT
20 EXTRAORDINARILY COMPLEX AND THEY DO NOT REQUIRE
21 BELL SOUTH TO DO NEW AND UNIQUE THINGS." DO YOU
22 AGREE?
23

24 A. No. Mass migrations and bulk number porting are not necessarily the
25 same. For example, bulk number porting is simply number porting on

1 a bulk basis. On the other hand, mass migrations associated with
2 mergers, acquisitions, and/or asset transfers are, by their nature,
3 unique situations that do not necessarily require number porting. One
4 example of this would be if Company A acquired Company B. This
5 would result in Company A obtaining all of Company B's switches and
6 eliminating any need for porting. In this situation, however, the transfer
7 of all of the services that terminate to Company B's collocation spaces,
8 whether tariffed services or unbundled network elements, would need
9 to be coordinated with the transfer of the collocation space to ensure
10 that service could be maintained and that the various databases and
11 systems, such as Trunks Integrated Record Keeping System
12 ("TIRKS"), Loop Facilities Administration and Control System
13 ("LFACS"), Switch, Loop Maintenance Operations System ("LMOS"),
14 Work Force Administration ("WFA"), billing, etc., that are involved in
15 the provisioning and maintenance of these circuits and the collocation
16 spaces would all reflect the new owner. Failure to coordinate this effort
17 would result in orders not being able to be provisioned due to incorrect
18 information residing in one or more systems.

19
20 Further, NewSouth and NuVox have had discussions with BellSouth's
21 mergers and acquisitions team regarding their recent merger. And,
22 they are fully aware that the type of merger addressed in BellSouth's
23 guide is more than just bulk number porting. In fact, this team has
24 explained to NewSouth and NuVox what must be done to accomplish
25 such a merger. The fallacy of arbitrating this issue is that, instead of

1 negotiating and agreeing to a uniform process that will apply in
2 BellSouth's region, NewSouth and NuVox have chosen instead to risk
3 obtaining nine (9) different mergers and acquisition requirements.
4 Such a result would be inconsistent and inefficient for all involved.

5
6 BellSouth has worked for more than a year to develop a process that
7 will permit all of the various services that a carrier purchases to be
8 transferred in an orderly manner pursuant to one process and in
9 timeframes that the parties will negotiate based on the prioritization
10 that the carrier's needs dictate.

11
12 As previously stated, this process will coordinate the transfer of all
13 services provided by BellSouth and will ensure a seamless transfer.
14 What the CLECs fail to appreciate is that it is in BellSouth's best
15 interests to have its records accurately reflect the appropriate
16 responsible party, just as it is in the CLEC's best interests to have
17 BellSouth's records accurately reflect its circuits, etc. And BellSouth
18 has accomplished this goal with its current proposal – a proposal that
19 the Joint Petitioners have refused to even try before litigating.

20
21 Q. SUBPART (B) OF THIS ISSUE ASKS THE QUESTION "IF SO, WHAT
22 RATES SHOULD APPLY?" WHAT IS BELL SOUTH'S POSITION ON
23 SUBPART (B) OF THIS ISSUE?

24
25 A. As to application of rates as referenced in subpart (B), BellSouth

1 believes that the rates, by necessity, must be negotiated between the
2 Parties based upon the particular services to be transferred and the
3 type and quantity of work involved. The negotiation of rates and
4 intervals is included in the transfer agreement that is part of the
5 mergers and acquisition process that I mentioned previously.
6 BellSouth is working to provide a list of the applicable rates that can be
7 included in the mergers and acquisitions process discussed above.
8 This list will be added to the merger and acquisition process available
9 on the website referenced above. This will give the CLECs an idea of
10 the charges involved based on the types and volumes of services
11 involved in the merger and/or acquisition.

12

13 Q. SUBPART (C) OF THIS ISSUE ASKS "WHAT SHOULD BE THE
14 INTERVAL FOR SUCH MASS MIGRATIONS OF SERVICES?"
15 WHAT IS BELLSOUTH'S POSITION ON SUBPART (C) OF THIS
16 ISSUE?

17

18 A. BellSouth's position is that no finite interval can be set to cover all
19 potential situations. While shorter intervals can be committed to, and
20 met for, small simple projects, larger and more complex projects
21 require much longer intervals and prioritization and cooperation
22 between the Parties. The experience that BellSouth has, with the
23 limited number of mergers and acquisition requests it has received,
24 demonstrates that each such request is unique and requires flexibility
25 on the part of BellSouth and the CLECs involved to accomplish the

1 merger and/or acquisition successfully. This being said, BellSouth is
2 working to establish interval guidelines that will be added to the merger
3 and acquisition document referenced above. The intervals will be set
4 based on the volumes and types of services involved in the merger
5 and/or acquisition.

6

7 Q. MR. FALVEY, ON PAGE 32 OF HIS TESTIMONY, STATES
8 "MIGRATIONS SHOULD BE COMPLETED WITHIN TEN (10)
9 CALENDAR DAYS OF AN LSR OR SPREADSHEET SUBMISSION".
10 IS THIS REASONABLE?

11

12 A. No. As is stated above and in my direct testimony, the length of time it
13 takes to complete a mass migration associated with a merger,
14 acquisition, or asset transfer must be based on the volume and type of
15 accounts involved. Mr. Falvey's approach simply is not realistic.

16

17 Q. ON PAGE 32 OF HIS TESTIMONY, MR. FALVEY ALLEGES THAT
18 BELLSOUTH'S USE OF PROJECT MANAGEMENT IN THIS
19 PROCESS IS AN EXCUSE TO DELAY THE CONVERSION OF
20 CUSTOMERS. IS THIS ACCURATE?

21

22 A. Absolutely not. As I previously stated, Project Management is used in
23 this process to help ensure that the conversions are performed without
24 affecting the end users involved. The Project Manager also monitors
25 the progress of the conversion work within the various organizations

1 that must perform the work required to complete the project and helps
2 to ensure that the work is completed within the timeframes that have
3 been committed to the CLEC. BellSouth has nothing to gain from
4 delaying the completion of this type work. To the contrary, it is to
5 BellSouth's advantage to ensure that this work is completed accurately
6 and timely.

7

8 **Item No. 96; Issue 7-2: (A) What charges, if any, should be imposed for**
9 **records changes made by the Parties to reflect changes in corporate**
10 **names or other LEC identifiers such as OCN, CC, CIC and ACNA? (B)**
11 **What intervals should apply to such changes? (Attachment 7, Section**
12 **1.2.2)**

13

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

15

16 A. First, this issue (including subparts A & B) is not appropriate for
17 arbitration in this proceeding because it involves a request by the
18 CLECs that is not encompassed within BellSouth's obligations
19 pursuant to Section 251 of the 1996 Act. That being said, BellSouth is
20 permitted to recover its costs ((whether for one (1) "LEC Change" or
21 one hundred)) and the requesting CLEC should be charged a
22 reasonable records change charge. Requests for changes that occur
23 as a result of mergers, acquisitions and/or transfer of assets will be
24 handled through the mergers and acquisition process previously
25 discussed.

1 Q. MR. FALVEY STATES, AT PAGE 34 OF HIS TESTIMONY,
2 "GENERALLY 'LEC CHANGES' ARE SIMPLE ADMINISTRATIVE
3 CHANGES THAT ARE NOT UNDULY TIME OR LABOR INTENSIVE."
4 DO YOU AGREE?

5
6 A. No. First, a name change, even if it does not include an asset change
7 in ownership, is not a simple administrative change. With companies
8 the size of the CLECs involved in this arbitration, there are numerous
9 services, circuits, collocation arrangements, and other arrangements
10 that must undergo the records change. For instance, information in
11 systems such as Trunks Integrated Record Keeping System ("TIRKS"),
12 Loop Facilities Administration and Control System ("LFACS"), Switch,
13 Loop Maintenance Operations System ("LMOS"), billing, etc., all must
14 be changed in a merger.

15
16 These record changes are at the request of the CLEC, not BellSouth.
17 As the cost causer, the CLEC should be responsible for the cost of the
18 change, no matter if it is once per year or once in ten (10) years.
19 Further, during a merger, acquisition, or whatever activity is
20 precipitating the name or other records change, the company or
21 companies involved should consider such costs as part of the business
22 arrangement. These record changes require work to be performed
23 that generates costs that BellSouth should be permitted to recover. It
24 is not appropriate or fair to require BellSouth to fund the cost of the
25 name change for these companies. The suggestion that a "free"

1 change once a year is somehow reasonable along with the implication
2 that it doesn't cost BellSouth anything to make changes is simply
3 wrong, and patently unfair. As I discussed above, BellSouth is working
4 to include a list of the applicable rates that can be associated with this
5 activity associated with BellSouth's mergers and acquisitions process.
6 This will be added to the mergers and acquisitions process posted on
7 the website referenced above.

8
9 Q. MR. FALVEY STATES, AT PAGE 35 OF HIS TESTIMONY, "IN THE
10 COMMERCIAL SETTING, BUSINESSES HAVE TO DEAL EVERY
11 DAY WITH CORPORATE REORGANIZATIONS, MERGERS,
12 ACQUISITION, ETC. MOST BUSINESSES, HOWEVER, DO NOT
13 GET TO IMPOSE A CHARGE FOR MAKING A SYSTEM
14 MODIFICATION TO RECOGNIZE A CHANGE IN A CUSTOMER'S
15 CORPORATE STATUS OR IDENTITY." PLEASE RESPOND.

16
17 A. Once again, Mr. Falvey's attempt to simplify a complex issue by
18 comparing this situation to a commercial setting governed by
19 commercial contracts. This is not a commercial setting governed by a
20 normal commercial contract. And the cost of unbundled network
21 elements and interconnection do not include the administrative costs
22 BellSouth incurs for changing a CLEC's corporate name or other
23 company codes. The Petitioners argue that these changes are as
24 simple as a subscriber contacting *Sports Illustrated* to change his or
25 her address. This analogy, however, is not true. When corporate

1 names are changed in the telecommunications industry, numerous
2 changes in multiple billing databases and other record databases must
3 be made. In some cases, there could be hundreds of thousands of
4 accounts involved and each of those accounts will have to be changed.
5 As such, the cost caused by the CLEC should be borne by the CLEC.

6

7 **Q. ON PAGE 35 OF HIS TESTIMONY, MR. FALVEY HAS PROVIDED**
8 **EXAMPLES OF INTERCONNECTION AGREEMENTS THAT HE**
9 **CLAIMS INCLUDE PROVISIONS WHERE AN ILEC HAS AGREED**
10 **TO PROVIDE A "LEC CHANGE" ONCE PER YEAR WITHOUT**
11 **CHARGE. IS THIS RELEVANT TO THIS PROCEEDING?**

12

13 **A. In my opinion, it is not relevant. BellSouth, and most likely the Joint**
14 **Petitioners, are not privy to the negotiations that took place that**
15 **resulted in these agreements. In any negotiation, there is some**
16 **amount of give and take involved and as such BellSouth does not**
17 **know under what circumstances these agreements were made.**
18 **Additionally, each of the agreements cited are outside of BellSouth's**
19 **region and do not involve any of the CLECs that make up the Joint**
20 **Petitioners. Thus, it is my opinion that these agreements are not**
21 **relevant to this proceeding.**

22

23 **Q. WHAT IS BELL SOUTH'S POSITION ON ITEM 96(B)?**

24

25 **A. The interval for any such project would be determined based upon the**

1 complexity of the project. As I discussed previously, the negotiation of
2 rates and intervals is included in the transfer agreement that is part of
3 the mergers and acquisition process. It is extremely difficult, if not
4 impossible, to establish an interval before the scope of the project and
5 required work has been determined. The time it takes to change
6 records on 500 circuits will necessarily differ from the length of time it
7 will take to change 60,000 circuits. It is only reasonable that the
8 quantity of circuits, collocation arrangements, etc., would drive the
9 length of time it would take to complete the records' changes.
10 However, as discussed above, BellSouth is working to provide interval
11 guidelines that will be added to the mergers and acquisitions process
12 discussed above. This will give the CLECs an expectation of how long
13 it will take to accomplish this type of LEC name change based on the
14 types and volumes of services involved.

15

16 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

17

18 A. Yes.