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From: Daniels,Sonia C - LGCRP [soniadaniels@att.com]
Sent: Wednesday, March 30, 2005 4:46 PM
To: Filings@psc.state.fl.us
Subject: 040156-TP-AT&T's Prehearing Statement
Attachments: 040156-TP AT&T PreHearing Statement.pdf

Docket 040156-TP: In re: Petition for Arbitration of Amendment to Interconnection Agreements with certain Competitive Local Exchange Carriers and Commercial Mobile Radio Service Providers in Florida by Verizon Florida, Inc.

Attached for filing in Docket 040156-TP is the Prehearing Statement of AT&T Communications of the Southern States, LLC and TCG South Florida, Inc. The filing consists of a total of 19 pages.

Parties to the docket are being served as indicated on the certificate of service. Should you have any questions, please feel free to contact me.

<<040156-TP AT&T PreHearing Statement.pdf>>

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On behalf of Tracy Hatch
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March 30, 2005

VIA ELECTRONIC FILING

Ms. Blanca Bayó, Director
The Commission Clerk and Administrative Services
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Docket No. 040156-TP

Dear Ms. Bayó:

Attached for filing please find the Prehearing Statement on behalf of AT&T Communications of the Southern States, LLC and TCG South Florida, Inc. in the above referenced docket. Pursuant to the Commission's Electronic Filing Requirements, this version should be considered the official copy for purposes of the docket file. Copies of this documents will be served on all parties via electronic and U.S. Mail.

Thank you for your assistance with this filing.

Sincerely yours,

s/ Tracy W. Hatch

Tracy W. Hatch

TWH/scd
Attachment
cc: Parties of Record

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**CERTIFICATE OF SERVICE
DOCKET NO. 040156-TP**

I HEREBY CERTIFY that a copy of the foregoing has been furnished via U.S. Mail this 30th day of March 2005, the following parties of record:

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s/Tracy W. Hatch

Tracy W. Hatch

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Petition for Arbitration of Amendment)
to Interconnection Agreements With Certain) Docket No. 040156-TP
Competitive Local Exchange Carriers and)
Commercial Mobile Radio Service Providers) Filed March 30, 2005
in Florida by Verizon Florida Inc.)

**AT&T COMMUNICATIONS OF THE SOUTHERN STATES, LLC and TCG SOUTH
FLORIDA
PRE-HEARING STATEMENT**

AT&T Communications of the Southern States, LLC ("AT&T") and TCG South Florida (collectively "AT&T"), pursuant to Rule 25-22.038, Florida Administrative Code, and Order No. PSC-04-1236-PCO-TP hereby submits its Prehearing Statement in the above-referenced docket.

(A)/(B) AT&T Witnesses, Subject Matter Issue(s), and Exhibit(s)

AT&T intends to sponsor the testimony of the following witness:

<u>Witnesses:</u>	<u>Testimony Filed</u>	<u>Issues:</u>
E. Christopher Nurse	Direct Testimony	2-8, 10-2, 14(b),(c),(g),(h),(i), 15-20, 21(a), 21(b), 21(b)(2), 21(c), 22, 24-26.
	Rebuttal Testimony	

Nurse Exhibits:

ECN-1 AT&T Proposed TRO Amendment to Interconnection Agreement
ECN-R1 AT&T Proposed TRRO Amendment
ECN-R2 March 1, 2005 Letter from Bruce Beausejour of Verizon to Mary L. Cottrell--
Massachusetts DTE

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(C) **AT&T's Basic Position**

The purpose of this proceeding is to arbitrate an amendment to the interconnection agreement between AT&T and Verizon to incorporate the changes of law stemming from the FCC's TRO and TRRO orders. The amendment ultimately adopted by the Commission should be limited to changes stemming from the TRO and TRRO but should be comprehensive in including all the changes made in those decisions. Importantly, neither the TRO nor TRRO decisions mandated any change in the Change of Laws provisions in the parties interconnection agreement. Verizon's proposal to change the Change-of-Law provisions is beyond the scope of this proceeding. The Commission should reject both of Verizon's proposed amendments and approve and implement AT&T's comprehensive single amendment which incorporates both the favorable and the unfavorable consequences of the decisions of the TRO and the TRRO.

(D), (E) and (F) **Questions of Fact, Law and Policy**

ISSUE 1: Should the Amendment include rates, terms, and conditions that do not arise from federal unbundling regulations pursuant to 47 U.S.C. sections 251 and 252, including issues asserted to arise under state law or the Bell Atlantic/GTE Merger Conditions?

AT&T Position: Yes. The amendment should only address the changes in unbundling or interconnection stemming from the TRO and the TRRO, and contrary to Verizon's proposed TRO Amendment, it should not limit the applicability of state law.

ISSUE 2: What rates, terms, and conditions regarding implementing changes in unbundling obligations or changes of law should be included in the Amendment to the parties' interconnection agreements?

AT&T Position: The amendment should implement those changes in unbundling or interconnection obligations brought about by the TRO and the TRRO. It should not alter the change of law clauses contained in the parties existing interconnection agreements, as Verizon proposes, because the TRO and the TRRO did not direct or even suggest that the Parties should modify their existing change of law processes.

ISSUE 3: What obligations under federal law, if any, with respect to unbundled access to local circuit switching, including mass market and enterprise switching (including Four-Line Carve-Out switching), and tandem switching, should be included in the Amendment to the parties' interconnection agreements?

AT&T Position: The amendment should contain provisions for the 12-month transition period established applicable to all UNE-P arrangements. The four-line carve-out is superseded by the TRRO. During the transition period, CLECs are to be allowed to continue to serve the existing customer base including the use of signaling, call related databases and shared transport for existing UNE-P arrangements. The Amendment should address that Verizon is no longer obligated to provide Enterprise switching and how this change should be implemented.

ISSUE 4: What obligations under federal law, if any, with respect to unbundled access to DS1 loops, unbundled DS3 loops, and unbundled dark fiber loops should be included in the Amendment to the parties' interconnection agreements?

AT&T Position: The amendment should include provisions for all loop types that Verizon employs except the following:

- “Greenfield” fiber to the home (“FTTH”) loops where the premises have not previously been served by an Verizon loop facility
- “Brownfield” “FTTH” loops except where copper is not otherwise available
- Loops to Multiple Dwelling Units (MDUs) pursuant to FCC’s MDU Reconsideration Order
- DS1 loops in wire centers containing both 60,000 or more business switched access lines and 4 or more fiber based collocators (designation of wire centers for the term of the agreement)
- DS3 loops in wire centers containing both 38000 business switched access lines and 4 or more fiber based collocators (designation of wire centers for the term of the agreement)
- Dark fiber loops (but 18-month transition provisions for the embedded base are required)
- OC-n loops

ISSUE 5: What obligations under federal law, if any, with respect to unbundled access to dedicated transport, including dark fiber transport, should be included in the Amendment to the parties' interconnection agreements?

AT&T Position: The agreement should include the language consistent with the FCC rules on determining the availability of dedicated transport based on the characteristics of the wire centers forming a route and the capacity of the facility being sought. Wire centers identified by Verizon as Tier 1 or Tier 2, should be verified by the Commission and then language applicable to the availability of DS1, DS3 and dark fiber transport consistent with the rules should be included.

ISSUE 6: Under what conditions, if any, is Verizon permitted to re-price existing arrangements which are no longer subject to unbundling under federal law?

AT&T Position: Verizon is not permitted to re-price existing arrangements except as specifically prescribed by the TRO, and only after such price changes have been incorporated into a Commission-approved ICA amendment.

ISSUE 7: Should Verizon be permitted to provide notice of discontinuance in advance of the effective date of removal of unbundling requirements?

AT&T Position: Yes, as long as the effective date of any discontinuance is after the effective date set forth for such discontinuance in the order allowing for the discontinuance, including any transition periods provided by the order. The effective date of any discontinuance should not be before the issuance of the relevant order to be sure all parties have a chance to see the FCC's language.

ISSUE 8: Should Verizon be permitted to assess non-recurring charges for the disconnection of a UNE arrangement or the reconnection of service under an alternative arrangement? If so, what charges apply?

AT&T Position: No. The disconnection of a UNE arrangement utilized by AT&T that occurs as a result of the elimination of Verizon's obligation to provide that arrangement as a UNE is an activity that Verizon has initiated, thereby making Verizon the cost-causer and the party who should bear the cost. Furthermore, Verizon is the party best able to minimize the cost of the disconnection/reconnection, if there is any relevant cost. The transition from UNEs to alternative arrangements should be governed by the same principles articulated by the FCC in rule 51.316(b) and (c) for the conversion of wholesale services to UNEs. Verizon should not be able to impose any termination charges, disconnect fees, reconnect fees, or charges associated with establishing a service for the first time in connection with the conversion between existing arrangements and new arrangements.

ISSUE 9: What terms should be included in the Amendments' Definitions Section and how should those terms be defined?

AT&T Position: All specified terms that are used in the Amendment should be included in the definitions section and those terms should be defined, where possible, to reflect the FCC's definitions and/or industry practice. These terms are identified in AT&T's proposed TRRO Amendment. .

ISSUE 10: Should Verizon be required to follow the change of law and/or dispute resolution provisions in existing interconnection agreements if it seeks to discontinue the provisioning of UNEs?

AT&T Position: Yes. The FCC in the TRRO refers to the process for negotiation and arbitration established by Sec. 252 expressly including the change of law requirement to amend ICAs such as AT&T's to reflect changes occasioned by the FCC's Order. Verizon's contractual obligation to provision a particular unbundled network element continues under the contract until the contract or agreement is properly amended. The TRO contains similar language.

ISSUE 11: How should any rate increases and new charges established by the FCC in its final unbundling rules or elsewhere be implemented?

AT&T Position: The TRRO provides that the allowable transition rates shall apply starting the effective date of the Order but not be billed until the ICA is amended. A true-up back to the effective date shall apply for the new rates for UNEs no longer subject to unbundling upon the execution of amendments to the relevant interconnection agreements.

ISSUE 12: Should the interconnection agreements be amended to address changes arising from the TRO with respect to commingling of UNEs with wholesale services, EELs, and other combinations? If so, how?

AT&T Position: Yes, the agreements should be amended to affirmatively allow AT&T to commingle UNEs and combinations of UNEs with other services (e.g. switched access and special access) and to require Verizon to perform the necessary functions to effectuate such commingling upon request. AT&T's proposed amendment has proposed language consistent with the FCC requirements on commingling.

ISSUE 13: Should the interconnection agreements be amended to address changes arising from the TRO with respect to conversion of wholesale services to UNEs/UNE combinations? If so, how?

AT&T Position: Yes. The agreement should be amended to allow AT&T to convert special access and wholesale services to UNEs unless precluded by service eligibility criteria established by the FCC. Conversions should be done as requested by AT&T in the future as well as retroactively as allowed by the TRO. Rates for services converted to UNEs should be effective with the next month's billing following the request.

ISSUE 14: Should the ICAs be amended to address changes, if any, arising from the TRO with respect to:

- a. Line splitting;
- b. Newly built FTTP loops;
- c. Overbuilt FTTP loops;
- d. Access to hybrid loops for the provision of broadband services;

- e. Access to hybrid loops for the provision of narrowband services;
- f. Retirement of copper loops;
- g. Line conditioning;
- h. Packet switching;
- i. Network Interface Devices (NIDs);
- j. Line sharing?

AT&T Position:

14(a) No position.

14(b), (c), Yes, the agreement should be amended to address changes arising from the TRO with respect to newly built and overbuilt fiber to the home loops. The Commission should adopt AT&T's proposed contract amendment language contained in Exhibit ECN-1 at Paragraphs 3.2.2 through 3.2.2.6 which properly implement the FCC's rules regarding

Verizon's obligation to provide access to narrowband transmission path in newly built FTTH and certain overbuilt FTTH situations. The acronym FTTH (fiber to the home) proposed by AT&T is consistent with FCC use of the terms in its Rule 51.319(a)(3) as opposed to Verizon's FTTP (fiber to the premises).

14(d) No position.

14(e) No position.

14(f) No position.

14(g): The agreement should be amended to address changes with respect to line conditioning. The Commission should adopt AT&T's proposed contract amendment language at paragraphs 3.3(B in Exhibit ECN-1. These provisions properly implement the FCC's Rule 319(a)(1)(iii) regarding Verizon's obligation to perform line conditioning. Further, Verizon is not entitled to impose a specific charge for line conditioning over and above the TELRIC based nonrecurring and recurring charges that AT&T would pay for an xDSL-capable unbundled loop.

14(h): The Parties agree that packet switching is a Discontinued Facility. However, circuit switching performed on a packet switch that is capable of circuit switching, however, is not discontinued under the TRO. Verizon's

amendment would prevent AT&T from using the circuit switched functionality of a packet switch even where the parties' interconnection agreements require Verizon to provide circuit switched local service. The TRO did not provide for this. Mass market switching remains available as a UNE to the embedded base through March 11, 2006.

14(i): Network Interface Device: The agreement should contain a provision reflecting Verizon's obligation, affirmed by the TRO, to provide access to Network Interface Devices (NIDs) and to provide the NID functionality with unbundled local loops ordered by AT&T. AT&T's proposed amendment contains language consistent with this requirement at Paragraph 3.2.6 and 3.4.9.

14(j) No position.

ISSUE 15: What should be the effective date of the Amendment to the parties' agreements?

AT&T Position: The effective date of the parties' amendment to the interconnection agreement should be effective upon approval of the amendment by the Commission.

ISSUE 16: How should CLEC requests to provide narrowband services through unbundled access to a loop where the end user is served via Integrated Digital Loop Carrier (IDLC) be implemented?

AT&T Position: The Commission should reject Verizon's current proposal and direct Verizon to provide a solution involving the rearrangement of existing equipment just as Verizon has told the FCC it could do and as other ILECs already do on a routine basis. AT&T's proposed amendment outlines such FCC-mandated obligations and appropriate remedies.

ISSUE 17: Should Verizon be subject to standard provisioning intervals or performance measurements and potential remedy payments, if any, in the underlying Agreement or elsewhere, in connection with its provision of

- a) unbundled loops in response to CLEC requests for access to IDLC-served hybrid loops;
- b) Commingled arrangements;
- c) Conversion of access circuits to UNEs;
- d) Loops or Transport (including Dark Fiber Transport and Loops) for which Routine Network Modifications are required;
- e) Batch hot cut, large job hot cut, and individual hot cut processes.
[Verizon continues to oppose including any hot cut issues in this proceeding.]

AT&T Position:

17(a) – (d): Yes. Contractual performance measurements and remedies are the only practical means of ensuring non-discriminatory access to UNEs. Verizon should be required to meet the standard provisioning intervals and performance measurements that are contained in the current plan adopted and approved by this Commission. Verizon should be subject to potential remedy payments for failure to meet those requirements that are contained in the current plan adopted and approved by this commission.

17(d) This issue was deleted by the Prehearing Officer in Order No. PSC-05-0221-PHO-TP

ISSUE 18: How should sub-loop access be provided under the TRO?

AT&T Position: AT&T seeks and is entitled to non-discriminatory access to subloop elements consistent with the findings of the TRO requiring Verizon to provide AT&T with unbundled access to Verizon's copper subloops elements including Verizon's network interface devices. AT&T is also entitled to unbundled subloops used to access customers in multiunit premises which includes access to any technically feasible access point located near a Verizon remote terminal for these subloop facilities.

ISSUE 19: Where Verizon collocates local circuit switching equipment (as defined by the FCC's rules) in a CLEC facility/premises, should the transmission path between that equipment and the Verizon serving wire center be treated as unbundled transport? If so, what revisions to the Amendment are needed?

AT&T Position: Yes. The FCC's finding in the TRO (Par. 269, footnote 1126) requires that the facility between Verizon's local circuit switching equipment located in AT&T facilities and the Verizon serving wire center should be treated as unbundled transport. The FCC recognizes that incumbent LECs may reverse collocate by collocating equipment at a competing carrier's premises or may place equipment in a common location for purposes of interconnection. The transmission path from this point back to the incumbent LEC wire center shall be unbundled as transport between incumbent LEC switches or wire centers. AT&T's proposed contract language contains a definition of dedicated transport at paragraph 2.7 that reflects the FCC's findings.

ISSUE 20: Are interconnection trunks between a Verizon wire center and a CLEC wire center, interconnection facilities under section 251(c)(2) that must be provided at TELRIC?

AT&T Position: Yes. Section 251(c)(2) of the federal Act specifically provides that Verizon has an obligation to interconnect with the CLEC's network via interconnection trunks for the transmission and routing of telephone exchange service and exchange access. The rates, terms and conditions should be in accordance with Section 252 (251(c)(2)(A) and (D)). The TELRIC standard is prescribed in Section 252(d)(1).

ISSUE 21: What obligations under federal law, if any, with respect to EELs should be included in the Amendment to the parties' interconnection agreements?

- a) What information should a CLEC be required to provide to Verizon as certification to satisfy the service eligibility criteria (47 C.F.R. Sec. 51.318) of the TRO in order to (1) convert existing circuits/services to EELs or (2) order new EELs?

b) Conversion of existing circuits/services to EELs:

- (1) Should Verizon be prohibited from physically disconnecting, separating or physically altering the existing facilities when a CLEC requests a conversion of existing circuits/services to an EEL unless the CLEC requests such facilities alteration?
 - (2) In the absence of a CLEC request for conversion of existing access circuits/services to UNE loops and transport combinations, what types of charges, if any, can Verizon impose?
 - (3) Should EELs ordered by a CLEC prior to October 2, 2003, be required to meet the TRO's service eligibility criteria?
 - (4) For conversion requests submitted by a CLEC prior to the effective date of the amendment, should CLECs be entitled to EELs/UNE pricing effective as of the date the CLEC submitted the request (but not earlier than October 2, 2003)?
- c) What are Verizon's rights to obtain audits of CLEC compliance with the service eligibility criteria in 47 C.F.R. 51.318?

AT&T Position:

Issue 21: The TRRO affirmed the EELs eligibility criteria established by the FCC in the TRO: "[T]o the extent that the loop and transport elements that comprise a requested EEL circuit are available as unbundled elements, then the incumbent LEC must provide thee requested EEL".

Issue 21(a): The FCC established specific service eligibility criteria for a CLEC to self certify when ordering either a new EEL or convert existing circuits to an EEL. The service eligibility criteria are provided in FCC Rule 51.318 and requires that the CLEC be certificated by the state and provide self certification that each DS1 circuit and each DS1-equivalent circuit on a DS3 EEL meet a specified list of criteria. The FCC does not require any additional information other than the self certification letter from the CLEC certifying that the specific requirements have been satisfied. The many additional requirements Verizon seeks to impose should be rejected.

Issue 21(b)(1): Verizon should be prohibited from physically disconnecting or physically altering the existing facilities when AT&T requests that an existing circuit be converted to an EEL. The FCC rules do not permit Verizon to take such action unless AT&T specifically requests that such work be performed. Specifically Section 51.316(b) provides that: “ An incumbent LEC shall perform any conversion from a wholesale service or group of wholesale services to an unbundled network element or combination of unbundled network elements without adversely affecting the service quality perceived by the requesting telecommunications carrier’s end-user customer.”

Issue 21(b)(2): Verizon is not authorized to impose any non-recurring charges on AT&T or any other CLEC when access facilities are being converted to EELs. FCC rules specifically prohibit such charges. See FCC Rule 51.316(c). The TRO at Para 587 recognizes what might happen if an incumbent LEC were permitted to impose such charges, stating that:

“[O]nce a competitive LEC starts serving a customer, there exists a risk of wasteful and unnecessary charges, such as termination charges, re-connect and disconnect fees or non-recurring charges associated with establishing a service for the first time. We agree that such charges would deter legitimate conversions from wholesale services to UNEs or UNE combinations, or could unjustly enrich an incumbent LEC. Because incumbent LECs are never required to perform a conversion in order to continue serving their own customers, we conclude that such charges are inconsistent with an incumbent LECs duty to provide nondiscriminatory access to UNEs and UNE combinations at just reasonable and nondiscriminatory rates terms and conditions.

Issue 21(b)(3): No Position.

Issue 21(b)(4): No Position.

Issue 21(c): AT&T does not object to reasonable audit rights. However, Verizon’s extra-regulatory audit burdens sought by Verizon should be rejected. Verizon should be allowed to audit CLEC compliance with service eligibility criteria for EELs on an annual basis. The audit should be conducted by an independent auditor and paid for by Verizon.

ISSUE 22: How should the Amendment reflect an obligation that Verizon perform routine network modifications necessary to permit access to loops, dedicated transport, or dark fiber transport facilities where Verizon is

required to provide unbundled access to those facilities under 47 U.S.C. § 251(c)(3) and 47 C.F.R. Part 51?

AT&T Position: The FCC has made clear Verizon's obligation to perform the routine network modification necessary to permit AT&T access to the full functionality (e.g. features and capabilities) of loops and dedicated transport. The TRO requires ILECs to make routine network modifications to unbundled transmission facilities used by requesting carriers where the requested transmission facility has already been constructed. Verizon's obligation to perform routine network modifications pre-dates the TRO. The TRO simply clarifies the obligation and rejects Verizon's "no build" policy as anticompetitive and discriminatory. No change in law has taken place to necessitate amending the existing agreement. AT&T has however proposed language that correctly reflects the FCC rules and Verizon's obligations. The proposed language is found in Exhibit ECN-R1, AT&T's proposed amendment at Paragraph 3.8.1.

ISSUE 23: Should the parties retain their pre-Amendment rights arising under the Agreement, tariffs, and SGATs?

AT&T Position: Yes, except to the extent modified by the TRO and TRRO.

ISSUE 24: Should the Amendment set forth a process to address the potential effect on the CLECs' customers' services when a UNE is discontinued?

AT&T Position: Yes. It is essential that the ICA is sufficiently detailed to remove the possibility of avoidable misunderstandings or disputes. The amendment should specify the details of the transition period. The amendment should specifically prohibit Verizon from imposing any termination charges, disconnect fees, reconnect fees, or charges associated with establishing a service for the first time in connection with the conversion between existing arrangements and new arrangements. The transition from UNEs to alternative arrangements should be governed by the same principles articulated in FCC Rule 51.316(b) and (d) for the conversion to UNEs. Verizon's obligations to perform the conversions

without adversely affecting the service quality enjoyed by the requesting carrier's end-user should be made articulated in the amendment.

ISSUE 25: How should the Amendment implement the FCC's service eligibility criteria for combinations and commingled facilities and services that may be required under 47 U.S.C. § 251(c)(3) and 47 C.F.R. Part 51?

AT&T Position: See AT&T's position in Issue 21.

ISSUE 26: Should the Commission adopt the new rates specified in Verizon's Pricing Attachment on an interim basis?

AT&T Position: No. The TRO and TRRO have clearly established the transition rates that Verizon may use. Verizon's proposed pricing schedule contains rates that are patently unreasonable and indisputably unsupported. The FCC has said that the cost to perform routine network modifications is usually contained in the existing rate for the underlying service for which the routine network modification is required.

(G) Stipulated Issues

The parties have not stipulated any issues

(H) Pending Motions

AT&T has no pending motions at the present time.

(I) Other Requirements

There are no requirements of which AT&T is aware that cannot be complied with.

Respectfully submitted,

s/ Tracy W. Hatch

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Attorney for AT&T COMMUNICATIONS OF
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