		REDACTED
		Public Disclosure Document Pg 3 - REDACTED
1		BELLSOUTH TELECOMMUNICATIONS, INC.
2		REBUTTAL TESTIMONY OF SHELLEY L. DECKER
3		BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
4		DOCKET NO. 050419-TP
5		DECEMBER 1, 2005
6		
7	Q.	PLEASE STATE YOUR NAME, YOUR POSITION WITH BELLSOUTH
8		TELECOMMUNICATIONS, INC. ("BELLSOUTH"), AND YOUR
9		BUSINESS ADDRESS.
10		
11	A.	My name is Shelley L. Decker. I am employed by BellSouth as Senior
12		Product Manager for Interconnection Services. My business address is
13		675 West Peachtree Street, Atlanta, Georgia 30375.
14		
15	Q.	HAVE YOU PREVIOUSLY FILED TESTIMONY IN THIS
16		PROCEEDING?
17		
18	Α.	Yes. I filed Direct Testimony on September 29, 2005.
19		
20	Q.	WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?
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1	A.	My Rebuttal Testimony responds to portions of the Direct Testimony
2		filed on October 21, 2005 by Dennis Ricca on behalf of MCImetro
3		Access Transmission Services LLC ("MCI").
4		
5	Issue	15: Should the parties pay each other for two-way interconnection
6	facilit	ties based on their proportionate share of originated traffic or on a
7	50-50	basis?
8		
9	Q.	DOES BELLSOUTH AGREE THAT EACH PARTY SHOULD PAY FOR
10		THE PORTION OF THE TRUNKING THAT IS UTILIZED FOR THEIR
11		TRAFFIC?
12		
13	A.	Yes. BellSouth has agreed to proportional billing with a true-up every
14		six months, as requested by either party. Thus, the only dispute
15		remaining between the parties is whether this proportional billing occurs
16		on a monthly, recurring basis (as requested by MCI) or every six
17		months after a true up (as requested by BellSouth).
18		
19	Q.	WILL MCI BENEFIT FROM BELLSOUTH'S PROPOSAL?
20		
21	A.	Yes, BellSouth recently conducted a limited traffic study on the parties'
22		two-way trunks, region-wide. This study, which is attached as SD-1,
23		establishes that MCI's local traffic and transited traffic on these trunks is

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1		much greater than BellSouth's traffic. Indeed, of the two-way trunk					
2		groups at issue, MCI carries more traffic than BellSouth on					
3		runk groups. Thus, MCI actually benefits from BellSouth's position,					
4		because MCI is responsible for the overwhelming majority of the traffic					
5		on the trunks but is only paying fifty percent of the two-way trunks on an					
6		initial basis.					
7							
8	Q.	CAN YOU ADDRESS MR. RICCA'S REFERNCES TO THE FCC'S					
9		FIRST REPORT AND ORDER ON PAGE 4 OF HIS TESTIMONY?					
10							
11	Α.	Yes. Mr. Ricca claims that BellSouth's proposal is not consistent with					
12		the Federal Communications Commission's First Report and Order ¹ .					
13		The First Report and Order stands for the proposition that MCI should					
14		not have to pay for trunks carrying BellSouth's originated traffic. First					
15		Report and Order at \P 1062. Mr. Ricca claims that BellSouth's proposal					
16		violates this rule.					
17							
18		BellSouth, however, is not seeking to have MCI pay for trunks carrying					
19		BellSouth originated traffic under its proposal. Rather, both parties					
20		agree that proportional billing for trunks (<i>i.e.</i> , billing based on the actual					
21		trunk use) is appropriate and both parties have actually proposed					
22		similar methods to obtain proportional billing. MCI proposes using a					

¹ In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket 96-98, FCC 96-325 ("First Report and Order).

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1		factor based on the previous six-month's usage to apportion billing for			
2		two-way trunks, with no true-up. Conversely, BellSouth proposes using			
3		a factor of 50 percent to apportion billing for two-way trunks and that the			
4		parties may true-up based on the previous six months' actual usage.			
5		And, ironically, as explained above, BellSouth's proposal actually favors			
6		MCI because MCI originates more traffic than BellSouth on the trunks.			
7					
8		Simply put, MCI will not pay for trunks carrying BellSouth originated			
9		traffic. The parties agree that proportional billing is appropriate and,			
10		thus, Mr. Ricca's continual references to the FCC's First Report and			
11		Order are nothing more than a diversionary tactic to create an issue			
12		where there is none.			
13					
14	Q.	CAN YOU ADDRESS MR. RICCA'S STATEMENTS ON PAGE 11-12			
15		OF HIS TESTIMONY REGARDING THE DECISION OF THE UNITED			
16		STATES COURT OF APPEALS FOR THE FOURTH CIRCUIT?			
17					
18	A.	Yes. Mr. Ricca cites the United States Court of Appeals for the Fourth			
19		Circuit Order ² to reiterate the fact a fact the parties have already			
20		agreed to that neither party should pay for transport carrying the other			
21		party's originated traffic. Again, as noted above, the parties agree that			
22		proportional billing is appropriate. The disagreement is over the			
	2				

² MCImetro Access Transmission Serv., Inc. v. BellSouth Telecommunications, Inc., Case No. 03-1238 (Dec. 18, 2003).

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clear:

1		method and timing of that proportional billing. Thus, as with Mr. Ricca's					
2		reliance on the First Report and Order, the Fourth Circuit decision cited					
3		by Mr. Ricca is irrelevant and does not support MCI's position.					
4							
5	Q.	CAN YOU ADDRESS MR. RICCA'S STATEMENTS ON PAGES 5-8					
6		REGARDING THE "TOP OF THE TERMINATING PARTIES					
7		NETWORKS" AND THE DIFFERENCE BETWEEN TRUNKS AND					
8		FACILITIES?					
9							
10	A.	Yes. As an initial matter, his statements are irrelevant and fail to					
11		recognize the nature of the dispute. Specifically, Mr. Ricca states, on					
12		page 5, that the Relative Use Factor ("RUF") "should be applied to all					
13		two-way interconnection trunks beginning from the interconnection point					
14		("IP") and continuing to the top of the terminating party's network." He					
15		then elaborates by stating, on page 7, that each party is "financially					
16		responsible for the facility on its side of the IP." BellSouth does not					
17		disagree with Mr. Ricca's statements but they have no application and					
18		are entirely irrelevant to this dispute.					
19							
20		In fact, the parties have already agreed that the originating party will					
21		pay the terminating party from the IP to the last point of switching for					
22		the termination of the call. Section 3.2.1 of Attachment 3 makes this					

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"Each Party is responsible for providing, engineering, and

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1		maintaining the network on its side of the IP. The IP determines the			
2		point at which the originating Party shall pay reciprocal compensation to			
3		the terminating Party for Call Transport and Termination." Thus, there			
4		is no dispute that each party is responsible for providing the network,			
5		i.e. trunks and facilities, on its side of the network and that the			
6		originating party will compensate the terminating party for the use of its			
7		network from the IP to the last point of switching on the terminating			
8		party's network. In light of this already-agreed upon language, Mr.			
9		Ricca's testimony should be disregarded.			
10					
11	Q.	CAN YOU RESPOND TO MCI'S NEWLY PROPOSED LANGUAGE			
12		PROVIDED ON PAGE 7 OF MR. RICCA'S TESTIMONY?			
13					
14	A.	Yes. MCI claims that BellSouth's language is limited to "DS1 facilities."			
15		MCI believes that this restriction is inapplicable to MCI, because MCI's			
16		interconnection facilities are provisioned at a DS3 level. Thus, Mr.			
17		Ricca argues that BellSouth's proposal does not apply to MCI.			
18					
19		Factually, Mr. Ricca is incorrect because MCI interconnects with			
20		BellSouth at DS1 or DS3 facilities. Thus, the premise of this argument			
21		is incorrect. Moreover, BellSouth does not disagree that proportional			

23 proportional billing to DS1s. However, when the parties interconnect at

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1		a DS1 level, DS0 level trunks are utilized. Thus, proportional billing					
2		should apply to the DS0 level as well. To make this clear, BellSouth					
3		revises its proposed language on this issue to state the following:					
4 5 6 7 8 9 10 11 12 13		"For two-way trunk groups that carry only both Parties' Local Traffic and ISP-bound traffic, the Parties shall be initially compensated at 50% of the nonrecurring and recurring rates for <u>dedicated trunks and DS1</u> <u>facilities</u> . Semiannually, either party can request a joint review of traffic statistics for the previous six (6) months on a per trunk group basis. Either Party can request a billing adjustment of the 50-50 split to reflect the proportionate level of traffic."					
14	Q.	HAS BELLSOUTH PROPOSED TO APPLY SPECIAL ACCESS					
15		RATES TO THE TWO-WAY TRUNKS AT ISSUE AS STATED BY MR.					
16		RICCA ON PAGE 8 OF HIS TESTIMONY?					
17							
18	A.	No. This is another red herring raised by Mr. Ricca in an apparent					
19		attempt to confuse the only issue in dispute - the timing of proportional					
20		billing for two-way trunks. The parties have already agreed that					
21		BellSouth will not use special access rates to bill for DS1 trunks.					
22		Section 7.6.3 of Attachment 3 provides: "[t]he application of the PLF					
23		factor will determine the portion of switched dedicated transport to be					
24		billed per the rates set forth in Exhibit A to this Attachment."					
25		(emphasis added). The rates set forth in Exhibit A of Attachment 3 are					
26		the cost-based rates ordered by this Commission. Accordingly,					
27		BellSouth will charge MCI the TELRIC rates set forth in Exhibit A for the					
28		two-way trunks at issue.					

- 1 Q. CAN YOU ADDRESS MCI'S RUF PROPOSAL?
- 2

3 Α. Yes. MCI's proposal is similar to BellSouth's proposal, which further 4 supports the adoption of BellSouth's position. The first similarity 5 between BellSouth and MCI's proposals is noted on page 8 of Mr. 6 Ricca's testimony where he states, "MCI proposes that the parties use 7 traffic ratios based on their usage for the previous six months." Thus, 8 BellSouth and MCI both agree that the proportional use of the two-way 9 trunks should be calculated on a semiannual basis. Second, Mr. Ricca states that the RUF would apply prospectively for a six-month period. 10 This is very similar to BellSouth's proposal that the parties use a RUF, if 11 12 you will, of 50 percent for the six month period.

13

14 The major difference between the two proposals (other than the fact that BellSouth's billing systems cannot apply a RUF other than 50 15 16 percent as discussed below) lies in the fact that BellSouth proposes 17 that the parties true-up to the actual proportional use of the trunks at the 18 end of the six month period. Alternatively, MCI suggests that the two-19 ways should be billed based on a ratio that does not reflect the actual 20 proportion of traffic and no true-up. Thus, unlike MCI's proposal, BellSouth's proposal will actually lead to more accurate billing between 21 22 the parties.

23

Q. IS MR. RICCA CORRECT THAT MCI'S RUF ADDRESSES
 BELLSOUTH'S BILLING CONCERNS?

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4 Α. While BellSouth appreciates MCI's concern, the RUF is not a No. 5 solution. BellSouth's billing systems for trunk groups currently bill either 100 percent (for one-ways) or 50 percent (for two-ways) of the 6 appropriate rates set forth in Exhibit A, depending upon whether the 7 8 trunks are one-ways or two-ways. In layman's terms, at the time the 9 two-way trunks are ordered, the circuits are hard-coded with a special 10 identifier telling the billing system to apply the 50 percent discount. 11 Consequently, the billing system applies this 50 percent discount to all two-way trunks ordered by all carriers. Accordingly, even if BellSouth 12 were not using any of the trunk group and could rightfully bill the carrier 13 14 for 100 percent of the trunk, BellSouth's billing systems only allow BellSouth to bill the carrier 50 percent for the two-way trunk. 15 16 BellSouth's systems use 50 percent to bill for two-way trunks, because this percentage mirrors the network engineering premise that two-way 17 trunks are used when traffic is roughly balanced. 18

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To provide proportional billing on a monthly basis pursuant to a RUF, BellSouth would have to manually adjust MCI's bills every month, which is both time consuming and labor-intensive. Importantly, BellSouth would have to perform this function for MCI and all other carriers that

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1		adopt MCI's agreement. Such extra out-of-process steps are
2		unnecessary and unwarranted, especially since the FCC has
3		determined that BellSouth's billings are nondiscriminatory and because
4		MCI is not harmed by BellSouth's proposal.
5	·	
6	Issu	e 21: For intraLATA toll traffic originated by an ICO, carried over
7	Bells	South's network and then terminated by MCI: A) what rate is MCI
8	entit	led to charge BellSouth, if at all and B) what records should be used
9	to bi	Il BellSouth?
10		
11	Q.	IS THIS AN ISSUE IN FLORIDA?
12		
13	А.	No. The parties have agreed that this is not an issue in Florida. In the
14		unlikely event that MCI has a different interpretation of the parties'
15		agreement, BellSouth reserves the right to file rebuttal testimony on this
16		issue.
17		
18	Issu	e 22: How should FX-like or VNXX services offered by MCI to its
19	cust	omers be treated for intercarrier compensation purposes? If this
20	traffi	ic is not local, how should it be identified and what rates apply to it?
21		
22	Q.	CAN YOU PLEASE DESCRIBE WHAT IS IN DISPUTE WITH THIS
23		ISSUE?

1	Α.	Yes. MCI takes the position that calls crossing a LATA boundary					
2		should be considered local and subject to reciprocal compensation if					
3		MCI uses its FX-like or VNXX services to assign NPA/NXXs to its					
4		customers such that the call looks like local. Thus, MCI wants to pay					
5		BellSouth reciprocal compensation if an MCI customer in Denver calls a					
6		BellSouth end user in Miami simply because MCI assigned to its					
7		Denver customer a 305 telephone number.					
8							
9		While it is our understanding that neither party disputes the FPSC's					
10		Order that allows carriers to assign telephone numbers outside of the					
11		rate center, Mr. Ricca continually points to this portion of the ruling as if					
12		it is in dispute. The parties agree that each has the right to assign					
13		NPA/NXXs to a particular rate center and then assign those NPA/NXXs					
14		to its end users that reside outside of that rate center. The parties					
15		disagree as to how those calls should be jurisdictionalized for					
16		intercarrier compensation purposes.					
17							
18	0	DO YOU HAVE ANY GENERAL COMMENTS REGARDING MR					

18 Q. DO YOU HAVE ANY GENERAL COMMENTS REGARDING MR.19 RICCA'S TESTIMONY?

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A. Throughout his testimony, Mr. Ricca continually asserts that the physical end points of a call have no bearing on the jurisdiction of the call for intercarrier compensation purposes. Thus, Mr. Ricca's entire

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1		testimony is based on an unfounded premise. That is, he claims that				
2		an interLATA toll call becomes local if the originating and terminating				
3		end users have the same NPA/NXX, regardless of where the call				
4		actually originates and terminates. Consequently, under MCI's position,				
5		a call that originates in Atlanta, Denver, Los Angeles, or even Honolulu				
6		and terminates in Miami would be considered local if the originating end				
7		user had a 305 area code. As established in my Direct Testimony and				
8		again here, MCI's position conflicts with established FCC precedent.				
9						
10	Q.	CAN YOU PLEASE FURTHER EXPLAIN WHY THE PREMISE OF MR.				
11		RICCA'S TESTIMONY IS INCORRECT?				
12						
12 13	A.	Yes, on page 16 of his Direct Testimony, Mr. Ricca, in critiquing				
	A.	Yes, on page 16 of his Direct Testimony, Mr. Ricca, in critiquing BellSouth's position, states that "there is no economic or public policy				
13	A.					
13 14	A.	BellSouth's position, states that "there is no economic or public policy				
13 14 15	A.	BellSouth's position, states that "there is no economic or public policy reason to charge different compensation rates for different jurisdictional				
13 14 15 16	A.	BellSouth's position, states that "there is no economic or public policy reason to charge different compensation rates for different jurisdictional minutes" Mr. Ricca is incorrect and his statement is implausible.				
13 14 15 16 17	A.	BellSouth's position, states that "there is no economic or public policy reason to charge different compensation rates for different jurisdictional minutes" Mr. Ricca is incorrect and his statement is implausible. Basically, Mr. Ricca claims that there should be no jurisdictional				
 13 14 15 16 17 18 	A.	BellSouth's position, states that "there is no economic or public policy reason to charge different compensation rates for different jurisdictional minutes" Mr. Ricca is incorrect and his statement is implausible. Basically, Mr. Ricca claims that there should be no jurisdictional boundaries associated with intercarrier compensation. Accordingly, Mr.				
 13 14 15 16 17 18 19 	A.	BellSouth's position, states that "there is no economic or public policy reason to charge different compensation rates for different jurisdictional minutes" Mr. Ricca is incorrect and his statement is implausible. Basically, Mr. Ricca claims that there should be no jurisdictional boundaries associated with intercarrier compensation. Accordingly, Mr. Ricca seeks to ignore years of FCC precedent as well as the current				
 13 14 15 16 17 18 19 20 	A.	BellSouth's position, states that "there is no economic or public policy reason to charge different compensation rates for different jurisdictional minutes" Mr. Ricca is incorrect and his statement is implausible. Basically, Mr. Ricca claims that there should be no jurisdictional boundaries associated with intercarrier compensation. Accordingly, Mr. Ricca seeks to ignore years of FCC precedent as well as the current intercarrier compensation regime by advancing the ridiculous claim that				

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1		Universal Service Fund ("USF") as further explained by Ms. Tipton), or					
2		even reciprocal compensation. It is not surprising that Mr. Ricca can					
3		find no support for this theory as it is contrary to the existing intercarrier					
4		compensation regime in place today, which dictates different rates for					
5		different jurisdictions pursuant to the physical location of the originating					
6		and terminating parties.					
7							
8	Q.	WHAT SUPPORT DO YOU HAVE FOR BELLSOUTH'S POSITION					
9		THAT MCI'S POSITION IS CONTRARY TO THE EXISTING					
10		INTERCARRIER COMPENSATION REGIME?					
11							
12	А.	The FCC has repeatedly stated that the appropriate method for					
13		determining the jurisdiction of a call for intercarrier compensation					
14		purposes is to use the end points of the originating and terminating					
15		parties. To illustrate this bedrock principal, I have provided several					
16		excerpts of different FCC rulings below.					
17 18 19 20 21		 the Commission traditionally has determined the jurisdictional nature of communications by the end points of the communication ³ (emphasis added) 					
22 23 24 25		 The Commission concluded in the Declaratory Ruling that the jurisdictional nature of ISP-bound traffic should be determined, consistent with 					

³*Intercarrier Compensation for ISP-Bound Traffic*, Declaratory Ruling in CC Docket No. 96-98 and Notice of Proposed Rulemaking in CC Docket No. 99-68, 14 FCC Rcd 3689 (1999) at ¶ 10.

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1 2 3		Commission precedent, by the end points of the communication. ⁴ (emphasis added)
4 5 6 7 8 9 10 11 12 13 14	3.	We also seek comment on whether the Commission's end-to-end analysis is similarly inappropriate for other IP-enabled services. We emphasize that our discussion of the end-to-end analysis refers only to the jurisdictional analysis (i.e. the inquiry into whether a call is interstate or intrastate based on its end points) and not the analysis of whether protocol conversion occurs between the end points of a communication. ⁵ (emphasis added)
15 16 17 18 19 20	4.	Under the current rules, the rate for intercarrier compensation depends on three factors: (1) the type of traffic at issue; (2) the types of carriers involved; and (3) the end points of the communication. ⁶ (emphasis added)
21 22 23 24 25 26 27 28	5.	For instance, a long-distance call carried by an IXC is subject to a different regime than a local call carried by two LECs. Moreover, CMRS providers and LECs are subject to different intercarrier compensation rules, and ISP-bound calls are subject to yet another regime. ⁷
29	Mr. F	Ricca's failure to recognize this precedent and his attempt to argue
30	that i	it does not even exist (Direct at 17) renders his entire testimony
31	susp	ect.
32		

⁴ In the Matter of Intercarrier Compensation for ISP-Bound Traffic, CC Docket No. 99-68, Order on Remand and Report and Order, FCC 01-131 (rel. Apr. 27, 2001) at **¶** 14.

⁵ *IP-Enabled Services*, WC Docket No. 04-36, Notice of Proposed Rulemaking, FCC 04-28 (Mar. 10, 2004) (*IP-Enabled Services*) at **¶** 40.

⁶ In the Matter of Developing a Unified Intercarrier Compensation Regime, Further Notice of Proposed Rulemaking, FCC 05-33 (Mar. 3, 2005) at ¶ 3.
⁷ Id. at note 8.

1	Q.	CAN \	YOU PLE	ASE C	OMMENT ON MR	RICC	a's claii	M ON	PAGE
2		16 T⊢	IAT THE	"ACT	GOES ON TO F	ORBID	THE O	RIGINA	ATING
3		CARR	IER FRO	M CH	ARGING THE TEI	RMINA	TING CA	RRIER	FOR
4		THE	COST	OF	TRANSPORTING	6 A	CALL	то	THE
5		INTER	CONNEC	TION	POINT BETWEEN	ТНЕ ТИ	VO CARF	RIERS.'	,

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7 Α. Effectively, Mr. Ricca argues that the Telecommunications Act of 1996 8 (the "Act") prohibits the billing of access charges for a local call. BellSouth agrees. However, the traffic in question - interLATA FX-like 9 10 or VNXX calls - is not local for the reasons stated above. Indeed, the 11 FCC's Rules regarding reciprocal compensation expressly provide that 12 this type of compensation does not apply to "telecommunications traffic 13 that is interstate or intrastate exchange access. . . . " 47 C.F.R. § 14 Thus, Mr. Ricca's reliance on the Act to support MCI's 51.705(b)(1). 15 argument is misplaced.

16

17 Q. HAS THE FCC DETERMINED THAT "THE END-POINT ANALYSIS OF
18 CALLS MAKES LITTLE SENSE WHEN THE CALL IN QUESTION
19 IS...VOIP" AS MR. RICCA STATES ON PAGE 17 OF HIS
20 TESTIMONY?

21

A. No. The FCC has not rejected the physical end points of the call
analysis for VOIP traffic, as fully explained by Ms. Tipton in her

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1		testimony. Further, as made clear by Ms. Tipton, the Commission does
2		not have jurisdiction to determine the intercarrier compensation regime
3		for VOIP traffic. For the sake of brevity, I will not repeat her arguments
4		here but, needless to say, I disagree with Mr. Ricca's statements.
5		
6	Q.	CAN YOU COMMENT ON MR. RICCA'S STATEMENT THAT THE
7		VIRGINIA ARBITRATION ORDER GOVERNS THIS ISSUE?
8		
9	A.	In the Virginia Arbitration Order the FCC specifically stated that its
10		decision regarding the rating of Virtual NXX service for intercarrier
11		compensation purposes was based on Verizon's failure to provide a
12		specific mechanism for rating calls based on their geographic end
13		points. ⁸ In comparison to Verizon's proposal, BellSouth's proposal is
14		that MCI identify such interLATA traffic and adjust the jurisdictional
15		factors to reflect the actual jurisdiction of this traffic. This should not be
16		difficult because MCI knows the telephone numbers that it has provided
17		to MCI customers that are located outside of the LATA to which the
18		telephone number is assigned and MCI should be able to identify the
19		volume of traffic exchanged between these end users and BellSouth's

⁸ In the Matter of Petition of WorldCom, Inc. Pursuant to Section 252(E)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission, CC Docket No. 00-218, 17 FCC Rcd. 27,039 (Jul. 17, 2002) ("Virginia Arbitration Order") at ¶ 289.

1		end users. Accordingly, the Virginia Arbitration Order is factually
2		distinguishable from the case at hand.
3		
4	Q.	HAS THIS COMMISSION RULED ON THIS ISSUE CONTRARY TO
5		THE VIRGINIA ARBITRATION ORDER?
6		
7	А.	Yes. As stated in my own testimony as well as the testimony of Mr.
8		Ricca (page 22), the FPSC has already determined "that intercarrier
9		compensation for calls to these numbers shall be based upon the end
10		points of the particular call."9 Therefore, the Commission has already
11		rejected MCI's position.
12		
13	Q.	CAN YOU PLEASE ADDRESS MR. RICCA'S REQUEST ON PAGE 20
14		OF HIS DIRECT TESTIMONY FOR THE COMMISSION TO
15		RECONSIDER A BILL AND KEEP COMPENSATION MECHANISM
16		FOR VNXX TRAFFIC AND REAFFIRM THAT ALL NON-ISP-BOUND
17		VNXX TRAFFIC IS LOCAL?
18		
19	Α.	Yes. Mr. Ricca's request is unclear considering that this Commission
20		has not ruled that "bill and keep" is the appropriate compensation
21		mechanism for VNXX traffic. Additionally, the Commission has not

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⁹ Investigation into Appropriate Methods to Compensate Carriers for Exchange of Traffic Subject to Section 251 Of The Telecommunications Act Of 1996, Docket No. 000075-TP, Order No. PSC-02-1248-FOF-TP (Sept. 10, 2001).

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1		ruled that all non-ISP-bound VNXX traffic should be treated as local. In
2		fact, this Commission has ruled just the opposite in determining that
3		that the end points of the call determine jurisdiction. Thus, pursuant to
4		the Commission's precedent, a call that originates and terminates in
5		two different LATAs is subject to applicable switched access charges.
6		
7	Q.	CAN YOU ADDRESS MR. RICCA'S REFERENCE TO THE
8		CALIFORNIA PUC'S RULINGS?
9		
10	Α.	Yes. In D.02-06-076, which is cited by Mr. Ricca on page 20 of his
11		Direct Testimony, the California PUC stated that the following language
12		should be reflected in the Interconnection Agreement between GNAPs
13		and SBC:
14		
15 16 17 18 19 20 21 22 23 24		GNAPs definition includes FX-like services, such as VNXX calls. VNXX calls are FX-like, and those within a particular LATA are to be treated as local calls for reciprocal compensation purposes. However, the <i>interLATA FX service</i> GNAPs lists as a part of its definition would not be considered local in nature, and those calls are interLATA toll calls that would not be subject to reciprocal compensation provisions. (emphasis added)
25		Id. at 38. Thus, the California decision quoted by Mr. Ricca is limited to
26		intraLATA VNXX service and not the interLATA VNXX service which is
27		at issue in this proceeding. And, in any event, the California decision
28		conflicts with this Commission's findings that the end points of a call

1		determine jurisdiction for intercarrier compensation purposes.
2		
3	Issue	24: How will SS7 charges be imposed on the parties?
4		
5	Q.	IS THIS ISSUE STILL IN DISPUTE BETWEEN THE PARTIES?
6		
7	A.	No. The parties recently settled this issue; thus, it is no longer in
8		dispute and subject to this arbitration proceeding.
9		
10	lssue	e 25: Should a transiting party have to pay the terminating party
11	inter	carrier compensation if the transiting party is unable to provide the
12	termi	nating party the records necessary for the terminating party to bill
13	the o	riginating third party?
14		
15	Q.	DID MCI PROVIDE ANY SPECIFIC TESTIMONY ON THIS ISSUE?
16		
17	A.	No. Thus, BellSouth presumes that MCI agrees with BellSouth's
18		position and proposed language.
19		
20	Q.	CAN YOU PLEASE RESTATE BELLSOUTH'S POSITION?
21		
22	Α.	Yes. BellSouth should not be penalized or held liable for instances
23		where records are not passed to the terminating carrier. As the

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1	transiting party, BellSouth is providing a service to the originating and
2	terminating parties and does not create the originating information. In
3	such a scenario, BellSouth has no control over the information provided
4	by the originating party, as its only role is to pass the call and any data
5	provided by the originating party to the terminating party. If the
6	originating party provides no information to BellSouth, BellSouth cannot
7	provide anything to the terminating party. To force BellSouth to be
8	liable to MCI for a problem that is not of BellSouth's making is totally
9	unreasonable and should be rejected.

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- 11 Q. DOES THIS CONCLUDE YOUR TESTIMONY?
- 12
- 13 A. Yes.

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Exhibit SD-1 Page 1 of 1

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