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-M-E-M-O-R-A-N-D-U-M- COMMISSION CLERK

DATE: May 8, 2006
TO: Blanca S. Bayó, Commission Clerk and Administrative Services Director
FROM: Michael C. Barrett, Regulatory Analyst III, Division of Competitive Markets & Enforcement MCB
RE: Hearing Exhibit No. 2 in Docket Nos. 050119-TP and 050125-TP

Staff has discovered that 8 pages were inadvertently omitted from Hearing Exhibit No. 2 in Docket Nos. 050119-TP and 050125-TP. I have attached these pages, which are Bates-stamped appropriately to identify where such pages should be inserted.

If you have any questions regarding this, please advise me.

- CMP _____
- COM _____
- CTR _____
- ECR _____
- GCL _____
- OPC _____
- RCA _____
- SCR _____
- SGA _____
- SEC 1
- OTH _____

CCA note: Pages will be inserted in Exh. 2.

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CC: Felicia Banks, Senior Attorney, Office of General Counsel
Kira Scott, Senior Attorney, Office of General Counsel

DOCUMENT NUMBER-DATE

04033 MAY-8 06

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2. In certain circumstances, CompSouth may determine upon investigation and analysis that information responsive to certain requests to which objections are not otherwise asserted are confidential and proprietary and should not be produced at all or should be produced only under an appropriate confidentiality agreement and protective order. By agreeing to provide such information in response to such request, CompSouth is not waiving its right to insist upon appropriate protection of confidentiality by means of a confidentiality agreement and protective order. CompSouth hereby asserts its right to require such protection of any and all documents that may qualify for protection under the Florida Rules of Civil Procedure and other applicable statutes, rules and legal principles.

3. CompSouth objects to these requests and any definitions and instructions that purport to expand the CompSouth's obligations under applicable law. CompSouth will comply with applicable law.

4. CompSouth objects to these requests to the extent they purport to require CompSouth to conduct an analysis or create information not prepared by CompSouth's experts or consultants in their preparation for this case. CompSouth will comply with its obligations under the applicable rules of procedure.

5. CompSouth objects to providing information to the extent it is in the public record or in the possession of Staff.

6. CompSouth objects to any interrogatory that seeks to impose an obligation on CompSouth to respond on behalf of entities that are not parties to this case on the grounds that such requests are irrelevant, overly broad, unduly burdensome, oppressive and not permitted by the applicable rules of discovery.

7. CompSouth objects to each and every request to the extent that such request is vague, ambiguous, overly broad, imprecise, or utilizes terms that are subject to multiple interpretations but are not properly defined or explained for purposes of these interrogatories.

RESPONSES¹

1. In the Direct testimony for Issue 15, Timothy J. Gates at page 49, lines 1-2, states “I am not aware of any information lacking regarding the current level of detail provided.” Identify what aspects of Issue 15 remain in dispute for CompSouth?

Answer: Assuming the conditions identified in Mr. Gates’ testimony, there are no disputes on this issue.

2. In the Direct testimony for Issue 16, Timothy J. Gates at page 50, lines 7-8, states “some carriers have deployed SS7 networks that obviate the need for BellSouth providing separate call records.” Explain whether such a deployment is a factor in determining if Issue 16 of this proceeding is resolved, or unresolved.

Answer: For carriers who have deployed these SS7 networks, Issue 16 is a non-issue because they do not need separate call records and should, therefore, not be required to pay for these records. BellSouth should be required to provide sufficiently detailed call records to terminating carriers who have not deployed these SS7 networks.

3. Should the terminating carrier be required to pay for the transiting service in ISP-bound traffic?

Answer: No. The type of traffic does not impact the originating carrier’s responsibility.

4. Is transiting ISP-bound traffic any different than transiting other types of traffic (e.g., work required, network capacity used, costs involved, etc.)? Please explain.

Answer: No. Handling an ISP-bound call is no different than handling a traditional PSTN call in terms of cost, routing, equipment used, processes, etc.

5. Should the charges for transiting ISP-bound traffic be different than for transiting other types of traffic? Please explain.

¹ Answers to Interrogatory Nos. 1-7, 8(a)-(d), (i)-(w), 9 (a), (c), 10-15 were provided by Timothy Gates. Objections to Interrogatories were provided by counsel.

CompSouth states that ISP-bound traffic must be transited in the same manner and under the same terms and conditions as non-ISP-bound traffic.

7. How do the rules and orders identified in (6) affect charges for transiting traffic?

Answer: See Objection and response to Interrogatory No. 6 above.

8. For the purpose of the following questions, please refer to the direct testimony of CompSouth's witness Gates, page 7, lines 10 through 14.

a. Why are duplicative direct trunks between carriers viewed as not being cost effective or efficient?

Answer: See, Direct Testimony of Timothy J Gates, page 30, line 4 – page 32, lines 13.

b. Please identify any cost studies which indicate the cost of constructing direct trunks.

Answer: OBJECTION: CompSouth objects to this question is vague and overbroad as Staff does not define the term "direct trunks" This term could include a number of different facilities and capacity levels. Notwithstanding, and without waiving this objection, BellSouth has, in the past, conducted cost studies to calculate the cost of these types of facilities – such as TELRIC or access cost studies. These studies are in the possession of BellSouth. Further, BellSouth's TELRIC study has previously been filed with this Commission in Docket No. 990649A-TP.

c. Based on the costs identified in (b), would the cost to construct a direct trunk be cost effective? Please explain the basis for this determination.

Answer: OBJECTION: CompSouth objects as this question is vague and overbroad. There are many variables for any particular carrier in determining what is or is not "cost effective" that were not defined in the interrogatory. Notwithstanding and without waiving this objection, see response to Interrogatory No. 8(b) above.

d. Have any carriers built direct trunks between them and another carrier? If so, please identify examples.

i. What traffic levels would justify establishing a direct connection with another carrier?

Answer: The answer to this question will depend upon many variables and individual carrier considerations, including, but not limited to: distance between carriers; ILEC transit rates; the availability and prices of alternative transit providers, if any; the type of facilities constructed (e.g., cable, fiber, microwave, etc.), and traffic patterns.

j. What factors typically make construction of direct trunks uneconomic?

Answer: See response to Interrogatory No. 8(a) above.

k. What level of traffic would identify a carrier as one who exchanges small amounts of traffic from one who does not?

Answer: Small is a relative term and will differ for each carrier.

l. What operational and economic barriers, if any, would a carrier face if it had to construct direct trunks to another carrier?

Answer: OBJECTION: CompSouth objects to this question as vague and overbroad. See objections to Interrogatory Nos. 8(b), (e) above. Further, economic characteristics vary by type of transport, type of carrier, carrier objectives etc.

Notwithstanding, and without waiving these objections, constructing dedicated facilities to another carrier requires substantial fixed and sunk costs, including, but not limited to, collocation costs, cost of fiber, cost of deploying the fiber, and cost of optronics to light the fiber. The carrier also incurs cost and delay related to executing an interconnection agreement, rights-of-way approvals, permits for construction, contracts and contractors for the construction.

m. If a carrier's transit traffic exceeded the capacity of the incumbent's existing trunks, who should be required to construct new or additional facilities?

Answer: The incumbent would be required to add additional facilities. The charges assessed by the incumbent for transit services compensate the incumbent for the

Answer: See response to Interrogatory No. 8(p) above.

r. Identify where revenue opportunities are or could be sufficient to justify the construction of direct trunks.

Answer: See response to Interrogatory No. 8(p) above.

s. Do both the originating and terminating carriers have direct trunks to the same incumbent tandem switch? Please explain.

Answer: OBJECTION: CompSouth objects to this question as vague and overbroad. Notwithstanding, and without waiving this objection, circumstances will vary in every instance depending on any particular carrier, that carrier's location and a myriad of other factors.

t. If so, are both direct trunks of the originating and terminating carriers accessible in a common incumbent manhole? Please explain.

Answer: See response to Interrogatory No. 8(s) above.

u. If so, would it be possible to splice trunk groups between the originating and terminating carriers' cables to create a direct trunk? Please explain.

Answer: See response to Interrogatory No. 8(s) above.

v. If BellSouth finds that it is not efficient or economic to supplement its existing facilities used to transit traffic, may it choose not to construct such facilities? If not, why? If so, what would be the carrier's alternative choice?

Answer: See response to Interrogatory No. 8(m) above.

w. Can the cost of constructing a direct trunk be shared by the originating and terminating carrier? If not, why? If so, how would this affect an economic decision to construct the direct trunk between the parties?

incumbent LECs, such conditions are not satisfied as the bargaining power between the parties is not equivalent, with the incumbents having superior bargaining power.

10. For the purpose of the following questions, please refer to the direct testimony of CompSouth's witness Gates, page 34, lines 1 through 13.

- a. Could an isolated spike in transit traffic result in dropped calls if the spike is greater than the trunk's capacity? Please explain.

Answer: OBJECTION: CompSouth objects to this question as vague and overbroad because the answer to this question will vary according to the ILEC engineering practices and planning. Notwithstanding, and without waiving these objections, telecommunications networks are designed for peak capacity and include sufficient capacity for the vast majority of traffic "spikes." But it is possible that a spike in traffic (defined to exceed peak capacity) could result in blocking. Blocking is the likely result as opposed to dropped calls in this scenario.

- b. Are isolated spikes a factor considered in sizing trunk needs? Please explain.

Answer: Yes. Generally, engineers use traffic studies and algorithms to properly size trunks based on peak capacity levels.

11. For the purpose of the following questions, please refer to the direct testimony of BellSouth's witness McCallen, page 5, lines 11 through 13. Please explain whether each of the following is a viable alternative to transiting traffic through BellSouth's network

Answer: OBJECTION: CompSouth objects that this question as vague and overbroad and because the question calls for speculation. Notwithstanding, and without waiving this objection, the answer to each subpart will depend on a myriad of circumstances.

- a. Establishing direct one-way or two-way interconnection.

Answer: Notwithstanding, and without waiving the above objection, see response to Interrogatory No. 8(l) above.

- b. If the dedicated transport between two carrier's networks were restricted from use for indirect connection of a third party, how else can a third party carrier indirectly connect?

Answer: See response to subpart (a) above.

14. For the purpose of the following questions, please refer to the direct testimony of Small LEC's witness Watkins, page 40, line 12 through page 41 line 9.

- a. Does BellSouth have an automatic right to commingle third party traffic with BellSouth's access or local traffic? Please explain.

Answer: The terms and conditions governing the relationship between BellSouth and Small LECs should be set forth in the parties' interconnection agreements. I have not reviewed these agreements and therefore, cannot speak to the rights established therein.

- b. Can CLECs or CMRS carriers obtain a dedicated trunk group from BellSouth to the Small LECs? If so, how can this be done?

Answer: The answer to this question depends on a number of variables that are not known at this time, including available capacity on BellSouth's network at any particular location.

- c. If response to (b) is affirmative, is it technically feasible? Please explain.

Answer: OBJECTION: CompSouth objects to this question as vague and overbroad. The technical feasibility of BellSouth provisioning a dedicated trunk group from CLECs or CMRS carriers to the Small LECs will depend on a number of different variables, which are not defined in the interrogatory.

- d. If response to (c) is affirmative, would a level of traffic that constitutes one T-1 amount of traffic usage be considered a reasonable threshold to establish a dedicated T-1 trunk group? Please explain.

Answer: See responses to Interrogatory Nos. 14(b) and 14(c) above.

15. For the purpose of the following, please refer the direct testimony of CompSouth's witness Gates; page 27, lines 1 through 20.

- a. Do the CompSouth members utilize BellSouth's transit service to terminate calls to the Small LECs? If so, what are the terms and conditions that the CompSouth members have with the Small LECs for terminating transit traffic?

Answer: This information has been provided in BellSouth's responses to Small LECs 1st Interrogatories, see response to Item No. 1, pp. 3 – 5. Though I have not independently verified the accuracy of BellSouth's list of carriers utilizing its transit services, the response indicates that there are carriers utilizing BellSouth's transit service to terminate calls to Small LECs as well as Small LECs utilizing BellSouth's transit service to terminating calls to other carriers. Regarding the terms and conditions that such carriers and Small LECs have regarding terminating each other's transit traffic, it is Mr. Gates' understanding that such termination is on a bill and keep basis.

- b. Have the CompSouth members created any "phantom traffic" or traffic in which the originating carrier can not be identified?

Answer: OBJECTION: CompSouth objects that this question is vague and overbroad because "created any 'phantom traffic'" is not defined. Notwithstanding, and without waiving this objection, traffic exchanged between carriers and BellSouth (whether that be transit traffic or BellSouth-terminated traffic) is done so in accordance with the terms of the parties' Commission-approved interconnection agreements.

- c. What impact does "phantom traffic" have on the Small LECs, if any?

Answer: It does not appear to have any impact as the Small LECs have not described the impact, if any, phantom traffic has on them.