

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for arbitration of certain terms and)
conditions of an interconnection agreement with)
Verizon Florida LLC by Bright House Networks)
Information Services (Florida), LLC)
_____)

Docket No. 090501-TP

DIRECT TESTIMONY OF PETER J. D'AMICO
ON BEHALF OF
VERIZON FLORIDA LLC

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1 Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.

2 A. My name is Peter J. D'Amico, I am a Product Manager—Domestic Voice
3 Services for Verizon. My business address is 416 7th Avenue,
4 Pittsburgh, Pennsylvania 15219.

5

6 Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL
7 BACKGROUND.

8 A. I have a Bachelor of Science Degree in Marketing from Indiana
9 University of Pennsylvania. I have been employed at Verizon and its
10 predecessor companies for 26 years, in positions of increasing
11 responsibility, and have been in product management dealing with
12 interconnection arrangements for the last 20 years.

13

14 Q. WHAT ARE YOUR RESPONSIBILITIES IN YOUR CURRENT
15 POSITION?

16 A. My responsibilities include development, implementation, and product
17 management of voice services, which includes interconnection
18 arrangements.

19

20 Q. HAVE YOU EVER TESTIFIED BEFORE?

21 A. Yes. I have testified in numerous state utility commission proceedings,
22 including arbitrations and state long distance proceedings pursuant to
23 sections 252 and 271 of the Telecommunications Act of 1996 ("1996
24 Act") in Virginia, Delaware, the District of Columbia, Florida, Hawaii,
25 Illinois, Maine, Maryland, Massachusetts, New Hampshire, New Jersey,

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1 New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South
2 Carolina, Vermont, and West Virginia. I also have testified in arbitration
3 proceedings before the FCC.

4

5 **Q. PLEASE DESCRIBE THE PURPOSE OF YOUR TESTIMONY.**

6 A. The purpose of my testimony on behalf of Verizon Florida LLC
7 ("Verizon") is to present evidence in support of its positions on Issues
8 27-29, 32, 33 and 38 in this docket.

9

10 **Q. IS VERIZON ADDRESSING ISSUES 26, 30, 31, 34 AND 42 IN ITS**
11 **DIRECT TESTIMONY?**

12 A. No. Verizon expects to be able to resolve these issues in the near term.
13 Verizon will address these issues in its rebuttal testimony in the unlikely
14 event that becomes necessary.

15

16 **ISSUE 27: HOW FAR, IF AT ALL, SHOULD VERIZON BE REQUIRED TO**
17 **BUILD OUT ITS NETWORK TO ACCOMMODATE A FIBER**
18 **MEET? (Interconnection ("Int.") Attachment ("Att.") § 3.1.2; Fiber**
19 **Meet Term Sheet § 2.1, Exh. A.)**

20

21 **Q. WHAT ARE THE PARTIES DISPUTING?**

22 A. The parties disagree about some of the terms relating to how they will
23 establish mid-span fiber meet point arrangements, or "fiber meets."
24 Specifically, they dispute how far Verizon must extend fiber from its
25 existing network to a fiber meet point between the parties' networks, and

1 whether Verizon must establish fiber meet arrangements more than
2 three miles from its serving wire center.

3

4 **Q. WHAT IS A FIBER MEET ARRANGEMENT?**

5 A. A fiber meet is an alternate form of local interconnection architecture
6 where Verizon and the CLEC generally share equally the costs to build
7 the facility and equally split the capacity for transport. As the term "mid-
8 span fiber meet point arrangement implies, this architecture provides
9 interconnection at a point between the parties' existing networks. To
10 create a fiber meet, each party extends fiber facilities from its existing
11 network to a point where the networks meet and traffic is exchanged.
12 Once the physical facilities are linked, the parties can establish trunks
13 between the tandems or switches connected by the fiber facilities. Mid-
14 span fiber meet interconnection differs from traditional interconnection
15 arrangements in that it requires both parties to jointly construct matching
16 and compatible facilities.

17

18 **Q. WHAT POSITIONS HAVE THE PARTIES TAKEN ON THIS ISSUE?**

19 A. Verizon has proposed its standard language that would require it to
20 extend its fiber facilities up to 500 feet to establish a fiber meet, and to
21 establish a meet point no further than 3 miles from the Verizon serving
22 wire center. In this way, the interconnection agreement ("ICA") provides
23 two distinct limits. The first (500-foot limit) controls how far Verizon may
24 be required to build out new facilities – the distance that Verizon may be
25 required to extend new fiber cable beyond Verizon's existing network

1 facilities. The second (3-mile limit) dictates how far the meet point may
2 be from a Verizon wire center. Bright House seeks to require Verizon to
3 extend its facilities up to 2500 feet from its network to establish a meet
4 point arrangement and that there should be no limit on the distance from
5 the serving wire center.

6

7 **Q. WHY SHOULD VERIZON'S OBLIGATION TO EXTEND ITS**
8 **FACILITIES BE LIMITED TO NO MORE THAN 500 FEET?**

9 A. The 1996 Act and the FCC's implementing rules require CLECs to
10 interconnect "within the incumbent LEC's network." (47 C.F.R. §
11 51.305; 47 U.S.C. § 251(c)(2)(B).) Within the context of this general rule,
12 CLECs are permitted to obtain meet-point arrangements as *limited*
13 accommodations of interconnection. Specifically, the FCC has stated
14 that in a meet-point arrangement, the point of interconnection remains
15 on the ILEC's network, "and the *limited* build-out of facilities from that
16 point may then constitute an accommodation of interconnection." First
17 Report and Order, *Implementation of the Local Competition Provisions*
18 *in the Telecommunications Act of 1996*, 11 FCC Rcd 15499, ¶ 553
19 (1996) (emphasis added). Meet-point arrangements are *not* an open-
20 ended opportunity for CLECs to demand extensive network build-outs
21 by the ILEC. Constructing new facilities and acquiring the access to
22 poles, ducts, conduit and rights-of-way that may be necessary in
23 conjunction with that construction require significant time and expense.
24 Given the FCC's intent for meet-point arrangements to be strictly
25 constrained, minor variations on the general rule that interconnection

1 must occur within the ILEC's existing network, Verizon's proposal to
2 extend its facilities up to 500 feet is a more than reasonable
3 accommodation of interconnection to Bright House. Bright House's
4 proposal for Verizon to build out more than half a mile--and thus impose
5 excessive costs upon Verizon--is plainly *not* reasonable.

6

7 **Q. WHAT IS THE PURPOSE OF VERIZON'S PROPOSAL TO LIMIT**
8 **MEET POINT ARRANGMENTS TO NO MORE THAN 3 MILES FROM**
9 **THE SERVING TANDEM OR END OFFICE?**

10 A. Whereas the 500-foot build-out requirement limits the amount of new
11 construction Verizon may be required to undertake, the requirement that
12 a fiber meet be within 3 miles of the serving wire center limits how much
13 of Verizon's existing facilities Bright House may be permitted to use. As
14 the distance from the serving wire center increases, of course, a greater
15 length of facilities must be used to transport the traffic back to that wire
16 center, and longer facilities lead to increased cost. The three-mile limit
17 essentially serves as a cap on the cost of the facilities that Bright House
18 may require Verizon to devote to a fiber meet. The limit is not
19 particularly strict for an interconnecting carrier: each Verizon wire center
20 is surrounded by 28 square miles of territory in which a fiber meet would
21 be appropriate.

22

23 **ISSUE 28: WHAT TYPES OF TRAFFIC MAY BE EXCHANGED OVER A**
24 **FIBER MEET, AND WHAT TERMS SHOULD GOVERN THE**
25 **EXCHANGE OF THAT TRAFFIC? (Int. Att. §§ 3.1.3, 3.1.4.)**

1 Q. WHAT TYPES OF TRAFFIC DOES VERIZON PROPOSE TO
2 EXCHANGE OVER FIBER MEETS?

3 A. Verizon's proposed language would enable the parties to exchange a
4 number of traffic types over a fiber meet, including local traffic,
5 800/888/877 traffic, intraLATA toll traffic, tandem transit traffic and
6 measured Internet traffic. Upon Bright House's written request, it also
7 would be permitted to use fiber meets for the transmission and routing of
8 operator services, directory assistance, 911 and jointly provided
9 switched exchange access service traffic. The parties could not
10 provision other access services or unbundled network elements over
11 fiber meets, unless they agreed to do so in writing.

12

13 Q. DOES BRIGHT HOUSE'S PROPOSED LANGUAGE SPECIFY THE
14 TYPES OF TRAFFIC THAT COULD BE EXCHANGED OVER FIBER
15 MEETS?

16 A. No. Bright House proposes that the parties be permitted to transmit and
17 route over a fiber meet "any traffic that they may lawfully exchange."

18

19 Q. WHY WOULD BRIGHT HOUSE'S BROAD, VAGUE LANGUAGE
20 PRESENT A PROBLEM?

21 A. One concrete example of the problem with Bright House's language is
22 that it might be interpreted to allow Bright House to use fiber meet
23 arrangements to circumvent Verizon's tariffed special access service.

24

25 Q. WHAT IS SPECIAL ACCESS?

1 A. Special access is a tariffed, point-to-point service that allows customers,
2 including companies such as Bright House, to establish a direct
3 connection using Verizon facilities from one specified location to
4 another. The transmission path for special access traffic can include
5 local channels, which connect customer-designated locations. For
6 example, a CLEC might order a special access service that provides a
7 dedicated DS1 circuit from one of its end user locations to the CLEC's
8 wire center. Such a service could include the local channel from the
9 CLEC's wire center to the Verizon wire center, interoffice transport
10 between the Verizon wire center serving the CLEC wire center and the
11 Verizon wire center serving the end user customer premises, and a local
12 channel from that wire center to the end user's premises.

13

14 **Q. WHY WOULD BRIGHT HOUSE WANT TO PROVISION SPECIAL**
15 **ACCESS SERVICE OVER FIBER MEETS?**

16 A. Bright House buys special access service out of Verizon's Florida
17 access tariff. If Bright House could provision special access service
18 over fiber meets instead, it could avoid paying special access tariffed
19 charges (or any other charges, for that matter) for a local channel.

20

21 **Q. MAY BRIGHT HOUSE USE FIBER MEETS FOR SPECIAL ACCESS**
22 **CIRCUITS?**

23 A. No. Special access circuits cannot be provisioned over fiber meets in a
24 manner that is consistent with Verizon's Florida access tariff. Under that
25 tariff, Verizon provisions transmission equipment at the end of a local

1 channel, including a local channel connecting a Bright House wire
2 center to a Verizon wire center. Verizon also uses transmission
3 equipment on its end of the local channel to transmit and route the traffic
4 on a point-to-point (non-switched) basis.

5
6 The architecture for traffic routed over trunks riding a fiber meet is
7 entirely different. These trunks are connected to a Bright House switch
8 port on one end and to a Verizon switch port on the other. Verizon does
9 not provide transmission equipment at the Bright House wire center for
10 these trunks as it does for special access traffic, and Verizon switches
11 the traffic sent over these trunks, rather than routing it from one point to
12 another as it would for special access traffic. Because fiber meets
13 should not (and indeed, cannot) be used for special access traffic, the
14 ICA should make clear that Bright House cannot use fiber meets for that
15 purpose. Verizon's language makes that clear; Bright House's does not.
16 If the Commission approves Bright House's language, and Bright House
17 then attempts to order special access circuits over fiber meets, the
18 parties will have to return to the Commission to resolve the dispute.
19 There is no reason to leave the question open in the ICA and postpone
20 its resolution to a later date. The Commission should, therefore,
21 approve Verizon's language.

22
23 **ISSUE 29: TO WHAT EXTENT, IF ANY, SHOULD PARTIES BE**
24 **REQUIRED TO ESTABLISH SEPARATE TRUNK GROUPS**
25 **FOR DIFFERENT TYPES OF TRAFFIC?** (Int. Att. §§ 2.2.1.1,

1 2.2.1.1, 2.2.1.4, 2.2.2.)

2

3 **Q. PLEASE DESCRIBE THE PARTIES' DISPUTE.**

4 A. This dispute concerns the extent to which different traffic types must be
5 carried over separate trunk groups. The most significant disagreement
6 concerns whether Verizon should be required to put on separate trunk
7 groups traffic originating from the network of another local exchange
8 carrier or wireless carrier transiting Verizon's network and terminating on
9 the network of Bright House. I will refer to this traffic as "transit traffic."

10

11 **Q. WHAT ARE THE PARTIES' POSITIONS ON WHETHER SEPARATE**
12 **TRUNK GROUPS SHOULD BE ESTABLISHED FOR TRANSIT**
13 **TRAFFIC?**

14 A. Verizon's position is that it should not be required to establish separate
15 trunk groups for transit traffic, while Bright House contends that Verizon
16 should be required to do so.

17

18 **Q. HOW DOES VERIZON HANDLE THIS TRANSIT TRAFFIC TODAY?**

19 A. Verizon routes tandem transit traffic over local interconnection groups
20 that also carry other types of traffic. In other words, no separate trunk
21 groups are designated for transit traffic today.

22

23 **Q. HAS THE CURRENT ARRANGEMENT GIVEN RISE TO ANY**
24 **DISPUTES BETWEEN THE PARTIES?**

25 A. Not to my knowledge.

1 **Q. WHY DOES BRIGHT HOUSE SAY THAT IT WOULD LIKE VERIZON**
2 **TO PUT VERIZON-ORIGINATED TRANSIT TRAFFIC ON SEPARATE**
3 **TRUNK GROUPS?**

4 A. Bright House asserts that separation of this traffic would enhance its
5 ability to bill properly for it. I assume this means that Bright House
6 thinks that providing separate trunk groups for this traffic would better
7 enable it to bill the originating carriers for terminating their traffic.

8

9 **Q. WHY SHOULD THE COMMISSION REJECT BRIGHT HOUSE'S**
10 **REQUEST?**

11 A. Bright House's proposal should be rejected for several reasons. First,
12 Verizon does not put (and has no legal obligation to put) Verizon-
13 originated transit traffic on separate trunk groups for Bright House or any
14 other carrier today, so Bright House's request would require Verizon to
15 discriminate in favor of Bright House.

16

17 Second, Verizon's network is not configured to separate Verizon-
18 originated transit traffic in the new way Bright House proposes, and
19 Verizon would have to change its network significantly to be able to do
20 so. Verizon routes transit traffic to Bright House based on the
21 terminating number. It does not use the calling party number to route
22 the traffic, as Bright House's proposal would require it to do.
23 Specifically, Verizon would have to screen incoming calls to determine
24 where they came from in order to determine whether or not to route the
25 call over the specially designated transit trunks. This network change

1 would require unique routing programming that would have to be
2 updated each time new carriers connected to Verizon's network. This
3 process would be burdensome and difficult to maintain and likely lead to
4 the misrouting or dropping of calls.

5

6 Third, Bright House's proposal would introduce network inefficiency by
7 creating new trunk groups that would be likely to operate at less than full
8 capacity.

9

10 **Q. BRIGHT HOUSE PROPOSES TO DELETE THE PHRASE "VIA A**
11 **VERIZON ACCESS TANDEM" IN INTERCONNECTION SECTION**
12 **2.2.1.2 CONCERNING ACCESS TOLL CONNECTING TRUNKS AND**
13 **TO MAKE THE PROVISIONS OF THAT SECTION MUTUAL. ARE**
14 **THOSE CHANGES APPROPRIATE?**

15 A. No. The Verizon trunks at issue in the disputed language are connected
16 to a Verizon access tandem, so the words "via a Verizon access
17 tandem" should be retained. And contrary to Bright House's assertion, it
18 would make no sense to make this provision reciprocal, because
19 Verizon's end offices do not subtend Bright House tandems.

20

21 **Q. BRIGHT HOUSE ALSO PROPOSES A PROCESS FOR REQUESTING**
22 **THE SEPARATION OF ADDITIONAL TRAFFIC TYPES ONTO**
23 **SEPARATE TRUNKS. WHY SHOULD THE COMMISSION REJECT**
24 **THIS PROPOSAL?**

25 A. The interconnection agreement specifies the traffic types that Verizon

1 provides over separate trunk groups. The agreement should not
2 establish a process that would enable Bright House to bring a dispute to
3 the Commission every time it wants Verizon to create separate trunk
4 groups for another traffic type. The better approach is for any additional,
5 separate trunks groups to be established by mutual agreement, as
6 Verizon has proposed.

7

8 **ISSUE 32: MAY BRIGHT HOUSE REQUIRE VERIZON TO ACCEPT**
9 **TRUNKING AT DS-3 LEVEL OR ABOVE?** (Int. Att. § 2.4.6.)

10

11 **Q. WHAT IS THE PARTIES' DISPUTE WITH RESPECT TO THIS ISSUE?**

12 A. Bright House is seeking to force Verizon to use high-capacity (DS3 and
13 higher) interconnection trunks and, at Bright House's option, copper or
14 fiber DS3 interconnection facilities.

15

16 **Q. WHY SHOULD THE COMMISSION REJECT BRIGHT HOUSE'S**
17 **PROPOSAL?**

18 A. Verizon's switches typically have lower-capacity, DS1 ports and cannot
19 accommodate higher capacity trunks. If Bright House wants to transmit
20 and route interconnection traffic to Verizon's end offices using high-
21 capacity trunks, it may do so, but it must arrange for multiplexing to put
22 that traffic on DS1 trunks that are compatible with Verizon's switches.

23

24 **Q. WOULD VERIZON'S PROPOSAL FORBID INTERCONNECTION AT A**
25 **DS3 OR HIGHER LEVEL IN ALL CASES?**

1 A. No. Verizon's proposed language would permit the parties to
2 interconnect at a DS3 or higher level by agreement. This language
3 would enable the parties to work out interconnection arrangements
4 when a Verizon switch can accommodate high capacity trunks.

5

6 **Q. WHAT IS VERIZON'S CONCERN ABOUT GIVING BRIGHT HOUSE**
7 **THE OPTION TO USE COPPER OR FIBER FOR DS3**
8 **INTERCONNECTION FACILITIES?**

9 A. Verizon's concern is that if it establishes DS3 interconnection facilities
10 using (say) copper, Bright House could require Verizon to establish new,
11 fiber interconnection facilities, which would be wasteful and inefficient.
12 Bright House should not be permitted to make such demands.

13

14 **ISSUE 33: MAY CHARGES BE ASSESSED FOR THE ESTABLISHMENT**
15 **OR PROVISION OF LOCAL INTERCONNECTION TRUNKS OR**
16 **TRUNK GROUPS? (Int. Att. § 2.3.2.)**

17

18 **Q. PLEASE DESCRIBE THE PARTIES' DISPUTE.**

19 A. The parties' dispute has two components. First, Bright House has
20 proposed new language that would forbid the assessment of charges
21 "with respect to trunks or trunk groups established under this
22 Agreement." Second, Bright House seeks to remove language that
23 would allow Verizon to bill Bright House when Bright House orders
24 excessive interconnection trunks.

25

1 **Q. WHY DOES VERIZON OPPOSE BRIGHT HOUSE'S PROPOSAL TO**
2 **PRECLUDE CHARGES FOR TRUNKS ESTABLISHED UNDER THE**
3 **AGREEMENT?**

4 A. Although Bright House generally is not required to pay for the
5 establishment of trunk groups, there are charges related to those trunk
6 groups that may apply. For example, when Bright House submits an
7 order for interconnection trunks, it must pay an ordering charge. And
8 when Bright House uses interconnection trunks to transmit and route
9 interexchange traffic (as opposed to local traffic), Bright House must
10 pay the access rate for those trunks on a prorated basis. Bright House's
11 proposed language, which refers broadly to charges "with respect to"
12 trunks or trunk groups established under the ICA, could be read to
13 prohibit all such charges and for that reason it should be rejected.

14
15 **Q. WHAT HAS VERIZON PROPOSED CONCERNING THE PARTIES'**
16 **RESPONSIBILITIES CONCERNING UTILIZATION OF ONE-WAY**
17 **INTERCONNECTION TRUNKS?**

18 A. Verizon has proposed that Bright House be required to submit orders to
19 disconnect final trunk groups (the last trunk group used before blocking
20 occurs) and high-usage trunk groups when utilization falls below certain,
21 specified levels and that if it fails to do so, Verizon may disconnect the
22 excess interconnection trunks or bill Bright House for them at the rates
23 set forth in the agreement.

24
25 **Q. WHY IS VERIZON'S LANGUAGE NECESSARY?**

1 A. If Bright House orders excessive interconnection trunks, it ties up
2 resources in Verizon's network that could be put to more efficient use.
3 Bright House should be given an appropriate incentive to use Verizon's
4 network efficiently. Reserving the right to disconnect excessive trunks
5 or, alternatively, to charge Bright House for excessive trunks, provides
6 the necessary incentive.

7

8 **ISSUE 38: SHOULD THERE BE A LIMIT ON THE AMOUNT AND TYPE**
9 **OF TRAFFIC THAT BRIGHT HOUSE CAN EXCHANGE WITH**
10 **THIRD PARTIES WHEN IT USES VERIZON'S NETWORK TO**
11 **TRANSIT THAT TRAFFIC? (Int. Att. § 12.4.)**

12

13 **Q. WHAT IS THE NATURE OF THE PARTIES' DISPUTE ABOUT THIS**
14 **ISSUE?**

15 A. Verizon's proposed language would place certain limits on Bright
16 House's use of tandem transit service, which involves traffic originated
17 by Bright House that transits Verizon's network and is terminated to
18 another local exchange carrier or a wireless carrier. Specifically, Bright
19 House would not be able to use Verizon's transit tariff service if a
20 threshold volume of traffic was reached between it and another carrier,
21 unless Bright House and the other carrier established a reciprocal traffic
22 exchange arrangement providing for termination and billing of that
23 traffic. Bright House opposes this language because it does not want to
24 be required to enter into such reciprocal traffic exchange agreements.

25

1 Q. **WHY SHOULD VERIZON'S PROPOSAL BE ADOPTED?**

2 A. Verizon should not be caught in the middle between the originating and
3 terminating carriers when Verizon provides transit service. The CLEC
4 that receives transit traffic via Verizon may try to bill Verizon if is not able
5 to establish a business arrangement with Bright House, which means
6 Verizon must expend resources addressing claims that are directed to it
7 in error. When carriers begin regularly exchanging a significant level of
8 traffic, they should be required to establish a contractual relationship to
9 ensure that they address their business relationship without involving
10 Verizon.

11

12 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

13 A. Yes.

14

15

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