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December 13, 2000

VIA HAND DELIVERY

David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

Re: *Petition of MCImetro Access Transmission Services, LLC and Brooks Fiber Communications of Tennessee, Inc. for Arbitration of Certain Terms and Conditions of Proposed Agreement with BellSouth Telecommunications, Inc. Concerning Interconnection and Resale Under the Telecommunications Act of 1996*
Docket No. 00-00309

Dear Mr. Waddell:

Enclosed are the original and thirteen copies of BellSouth's Rebuttal Testimony by the following witnesses:

David A. Coon
David P. Scollard
Ronald M. Pate
Cynthia Cox
W. Keith Milner

Copies of the enclosed are being provided to counsel of record for all parties.

Very truly yours,

Guy M. Hicks

GMH:ch
Enclosure

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POSTED 12-13-00

BELLSOUTH TELECOMMUNICATIONS, INC.

REBUTTAL TESTIMONY OF W. KEITH MILNER

BEFORE THE TENNESSEE REGULATORY AUTHORITY

DOCKET NO. 00-00309

December 13, 2000

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

A. My name is W. Keith Milner. My business address is 675 West Peachtree Street, Atlanta, Georgia 30375. I am Senior Director - Interconnection Services for BellSouth. I have served in my present role since February 1996, and have been involved with the management of certain issues related to local interconnection, resale, and unbundling.

Q. ARE YOU THE SAME W. KEITH MILNER WHO FILED DIRECT TESTIMONY IN THIS PROCEEDING?

A. Yes.

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

A. I will respond to portions of the testimony of MCImetro Access Transmission Services, LLC and MCI WorldCom Communications, Inc. (collectively referred to as "MCI WorldCom") witnesses Lichtenberg, Olson, Bomer, and Price with respect to Issues, 5, 8, 11, 15, 19, 29, 37, 56, 59-61, 63-66, 68, 92, 97, and 99 through 103.

Rebuttal to the testimony of Ms. Lichtenberg

Issue 5: Should BellSouth be required to provide OS/DA as a UNE?

Q. ON PAGE 3 OF HER TESTIMONY, MS. LICHTENBERG SUGGESTS THAT BELLSOUTH'S METHODS FOR PROVIDING CUSTOMIZED ROUTING ARE DEFICIENT FOR FOUR REASONS. SHE FIRST ASSERTS THAT BELLSOUTH'S METHODS DO NOT PROVIDE "A SIGNALING PROTOCOL THAT IS COMPATIBLE WITH CLECs' OS/DA [THAT IS, OPERATOR SERVICES AND DIRECTORY ASSISTANCE] PLATFORMS...." DO YOU AGREE?

A. No. First of all, FCC's Rule 319(f) makes clear that BellSouth is not required to unbundle OS/DA where it provides CLECs "customized routing or a compatible signaling protocol," and BellSouth provides customized routing in accordance with the FCC's rules.

Second, as to using a compatible signaling protocol, BellSouth has tested and makes available various methods for providing Feature

Group D signaling in conjunction with customized routing, which is the "compatible signaling protocol" to which I believe Ms. Lichtenberg is referring. I described these three methods in my direct testimony. Thus, BellSouth's work in making a compatible signaling protocol available to MCI WorldCom has resulted in developing techniques to provide the signaling Ms. Lichtenberg suggests MCI WorldCom desires.

Q. ON PAGE 3 OF HER TESTIMONY, MS. LICHTENBERG ASSERTS THAT BELLSOUTH'S CUSTOMIZED ROUTING METHODS DO NOT PROVIDE "ECONOMICAL TRANSPORT." DO YOU AGREE?

A. No. Obviously I cannot know what to Ms. Lichtenberg is economical or uneconomical. I believe she questions the extent to which BellSouth's customized routing methods allow for the sharing of transport among multiple service providers. BellSouth's Line Class Code (LCC) method allows the sharing of transport between BellSouth's end office switch and a given OS/DA platform for CLECs who choose the same OS/DA platform and the same branding or unbranding of calls. BellSouth's Advanced Intelligent Network (AIN) method for customized routing allows the sharing of transport between BellSouth's end office switch and the AIN "hub" which performs the database query. Thus, both methods allow the sharing of transport and, in my view, provide "economical transport" within the technical limits of BellSouth's switches and AIN.

Q. ON PAGE 3, MS. LICHTENBERG STATES HER THIRD ASSERTION THAT BELLSOUTH'S CUSTOMIZED ROUTING METHODS CANNOT BE ORDERED ELECTRONICALLY. DO YOU AGREE?

A. No. As BellSouth's witness Pate will discuss, BellSouth completed work (via the Change Control Process) on November 18, 2000, to electronically process orders for the Line Class Code method. To date BellSouth has not developed an electronic ordering process for its AIN method for customized routing based on the apparent lack of interest by CLECs in the use of that method. If a CLEC desires the AIN method, BellSouth will negotiate the development of an electronic ordering process.

Q. ON PAGE 3 OF HER TESTIMONY, MS. LICHTENBERG ASSERTS THAT BELLSOUTH'S CUSTOMIZED ROUTING METHODS HAVE NOT BEEN "TESTED AND PROVEN UNDER REAL-WORLD COMMERCIAL CONDITIONS." DO YOU AGREE?

A. BellSouth has provided its Line Class Code method to a CLEC in Georgia. BellSouth and that CLEC cooperatively tested the functionality of the Line Class Code method. Regarding the AIN method, a technical trial commenced in Louisiana, in August 1998, and was successfully completed in September 1998. A second trial commenced from May 1999 and successfully completed in August

1999. BellSouth has completed an enhancement to its AIN Service Management System (SMS) which will facilitate CLECs' creating and updating routing information for the CLEC's end users. BellSouth has completed end-to-end testing (ETET) of this enhancement and placed a Marketing Service Description (MSD) on its Interconnection website announcing the availability of this enhancement. The website address is http://www.interconnection.bellsouth.com/products/unes.html. To summarize, BellSouth has indeed tested its customized routing methods and found them entirely sufficient for the "real-world" to which Ms. Lichtenberg alludes. BellSouth stands ready to develop contract language that will facilitate MCI WorldCom's use of customized routing functionality. However, whether or not MCI WorldCom is interested in doing so, BellSouth provides MCI WorldCom and other CLECs customized routing consistent with the FCC's rules.

Q. ON PAGE 4 OF HER TESTIMONY, MS. LICHTENBERG STATES "ALTHOUGH THIS APPROACH [THAT IS, THE USE OF THE PSEUDO-CODE TECHNIQUE TO PROVIDE FEATURE GROUP D SIGNALING] APPEARS TO ROUTE CALLS CORRECTLY, THIS DOES NOT PROVIDE WORLDCOM WITH AN EFFECTIVE AND PRACTICAL SELECTIVE ROUTING SOLUTION. ONE MAJOR PROBLEM IS THAT THE LINE CLASS CODE METHOD AND PSEUDO-CODE TECHNIQUE WOULD NOT ALLOW WORLDCOM TO TAKE ADVANTAGE OF THE COMMON TRANSPORT TRUNK GROUPS ALREADY IN PLACE BETWEEN BELLSOUTH END

OFFICES AND TANDEMS." PLEASE RESPOND.

A. First, I agree with Ms. Lichtenberg that the pseudo-code technique provides for proper call routing. Where we disagree is whether BellSouth's methods allow sufficient use of common trunking. This is the same issue as I addressed earlier. Here are the reasons why MCI WorldCom's traffic cannot be placed on the common transport trunk group that she mentions. First, for technical reasons a single trunk group cannot use more than one signaling protocol. The common transport trunk group she mentioned is properly equipped for Feature Group C signaling protocol rather than Feature Group D. Further, this trunk group is not used for operator service and directory assistance traffic since a third signaling protocol referred to as Modified Operator Services Signaling or "MOSS" is used in conjunction with that traffic. Thus, due to technical limitations, separate trunk groups are required for CLECs' OS/DA traffic when the CLEC elects the Line Class Code method. As I mentioned earlier however, CLECs opting for the same branding or unbranding of their traffic and whose OS/DA traffic is sent to the same OS/DA platform can share trunk groups for such traffic under the Line Class Code method. Also, as I mentioned earlier, the AIN method allows sharing of the trunk groups between the end office switch and the AIN hub. Further, CLECs opting for the same branding or unbranding of their traffic and whose OS/DA traffic is sent to the same OS/DA platform can likewise share trunk groups between the AIN hub and the OS/DA platform for such traffic under the AIN method.

To summarize, BellSouth designed and implemented both its customized routing solutions to achieve the highest level of shared trunking that is technically possible. While Ms. Lichtenberg complains about the level of trunk group sharing, I note that she has not offered even a single technical solution that would increase the amount of trunk group sharing possible with BellSouth's customized routing methods beyond the technical capabilities of the switches themselves or BellSouth's AIN platform.

Q. ON PAGE 5 OF HER TESTIMONY, MS. LICHTENBERG REPEATS HER ASSERTION THAT BELLSOUTH'S CUSTOMIZED ROUTING METHODS CANNOT BE ORDERED ELECTRONICALLY. IS SHE CORRECT?

A. No, for the reasons I set out earlier in this testimony.

Q. ON PAGE 5 OF HER TESTIMONY, MS. LICHTENBERG STATES "THESE ADDED COSTS ARE DIRECTLY RELATED TO THE INEFFICIENT DESIGN THAT BELLSOUTH CHOSE TO ACCOMPLISH THE AIN SOLUTION. THE MORE APPROPRIATE DESIGN WOULD HAVE BEEN NOT AT A FOREIGN SWITCH, BUT AT THE POINT OF ORIGINATION OF THE CALL." DO YOU AGREE?

A. No. With all due respect, it may be that Ms. Lichtenberg does not

understand the technical distinctions between BellSouth's Line Class Code method and its AIN method. AIN uses centralized databases to determine routing instructions rather than have that same determination made at the end office switch level. Thus, Ms. Lichtenberg criticizes the inherent nature of AIN. More importantly, BellSouth already has a customized routing solution that makes the determination of how to route OS/DA calls "at the point of origination of the call." That method is the Line Class Code method which makes routing determinations at the end office switch (that is, the point of origination of the call) rather than via a centralized database.

Q. PLEASE SUMMARIZE YOUR REBUTTAL OF MS. LICHTENBERG'S CRITICISMS OF BELLSOUTH'S CUSTOMIZED ROUTING SOLUTIONS.

A. Ms. Lichtenberg cited four reasons underpinning his mistaken belief that BellSouth has not provided adequate customized routing. I have refuted each and every one of these four assertions and I remain convinced that BellSouth's customized routing solutions work in the "real-world". Thus, I believe BellSouth should have no obligation to provide operator services and directory assistance services on an unbundled basis.

Issue 15: When a MCI WorldCom customer served via the UNE-platform makes a directory assistance or operator call, must the ANI-II digits be

transmitted to MCI WORLDCOM via Feature Group D signaling from the point of origination?

Q DO YOUR AGREE WITH MS. LICHTENBERG'S STATEMENT ON PAGE 7 OF HER TESTIMONY THAT THERE IS THEREFORE NO DISPUTE CONCERNING THE TECHNICAL FEASIBILITY OF PROVIDING WHAT WORLDCOM HAS REQUESTED?

A. Yes. As I discussed previously in Issue 5 in this testimony, BellSouth has already performed tests of customized routing alternatives, which resulted in developing techniques to provide the signaling Ms. Lichtenberg states MCI WORLDCOM desires. Further, it is my understanding that MCI WorldCom has already done its own testing of BellSouth's Line Class Code method of customized routing that confirms that the three methods I discussed in my direct testimony work. Those methods provide the transmission of ANI-II digits in standard Feature Group D format.

In addition, BellSouth has the AIN based customized routing offering I discussed earlier, with the database query done via a Nortel DMS 100 hub office rather than at the access tandem. The ANI-II digits are not passed over to the hub switch from the end office switch because that leg of the call is considered Feature Group C signaling. BellSouth is able to convert from conventional Feature Group C signaling to Equal Access Signaling (that is, Feature Group D) in an end office to Access

Tandem arrangement, where the end office switch is a Nortel DMS 100 switch. For the Lucent 5ESS end office switch, BellSouth is able to convert the signaling to Feature Group D by using direct trunking to the CLEC's operator services or directory assistance platform. This is due to the technical limitations inherent in the Lucent 5ESS switch manufacturers' designs, In both of these cases, ANI-II digits are successfully provided.

To summarize, BellSouth has identified a number of different ways to accomplish the signaling MCI WorldCom has stated it desires. BellSouth is willing to incorporate these methods in MCI WorldCom's interconnection agreement that will allow MCI WorldCom to use customized routing functionality with Feature Group D signaling including ANI-II digits. Thus, BellSouth has met its obligation of providing customized routing to MCI WorldCom. If MCI WorldCom wants Feature Group D signaling in conjunction with customized routing, it need simply order it, and BellSouth will provide it.

Issue 19: How should BellSouth be required to route OS/DA traffic to MCI WorldCom's operator services and directory assistance platforms?

Q. MS. LICHTENBERG, ON PAGES 13-14 OF HER TESTIMONY, SUGGESTS THAT IN ORDER FOR MCI WORLDCOM TO PROVIDE ITS OWN OS/DA SERVICE EFFICIENTLY FOR ITS CUSTOMERS, MCI WORLDCOM MUST BE ABLE TO OBTAIN OS/DA TRAFFIC

OVER SHARED TRANSPORT VIA A BELLSOUTH TANDEM, AND OVER DEDICATED TRUNKS THAT CAN OVERFLOW TO SHARED TRANSPORT AS NEEDED. DO YOU AGREE?

A. No. I do not believe that BellSouth has such an obligation since it does not use such trunking arrangements for its own operator services traffic. Nevertheless, some sharing of transport is possible where MCI WorldCom uses BellSouth's customized routing solutions. The AIN method allows for some sharing of trunk groups between the end office switch and the AIN "hub". The AIN method also allows CLECs who choose to send their traffic to the same OS/DA platform to share trunk groups from the AIN hub to that OS/DA platform. Likewise, the Line Class Code method allows CLECs opting for the same branding or unbranding of their OS/DA traffic and who choose to send that traffic to the same OS/DA platform to share trunk groups from the end office switch.

Further, MCI WorldCom's use of customized routing and the "pseudo code" method of achieving Feature Group D signaling will allow MCI WorldCom to route its traffic as it desires including via BellSouth's tandem switches if desired. BellSouth is entitled to be paid for any unbundled tandem switching that it provides to MCI WorldCom for the carriage of MCI WorldCom's operator services or directory assistance traffic handled in such a manner.

Q. HOW DOES BELLSOUTH ROUTE OPERATOR SERVICES AND DIRECTORY ASSISTANCE TRAFFIC FOR ITS OWN END USER CUSTOMERS?

A. BellSouth routes its operator services or directory assistance traffic directly to a BellSouth Traffic Operator Position System (TOPS) platform rather than via a tandem switch. The operator services or directory assistance end office functions offered by BellSouth require dedicated trunk groups from BellSouth end offices to the TOPS platform.

Finally, BellSouth does not overflow its operator services or directory assistance traffic. However, as I mentioned earlier, if MCI WorldCom elects to use customized routing and the "pseudo code" method of achieving Feature Group D signaling, MCI WorldCom can acquire unbundled tandem switching from BellSouth and route MCI WorldCom's operator services and directory assistance traffic in the manner MCI WorldCom says it prefers.

Q. ON PAGE 10 OF HER TESTIMONY, MS. LICHTENBERG STATES "SECOND, BELLSOUTH MUST, AT WORLDCOM'S OPTION, PROVIDE DEDICATED TRANSPORT FOR THIS TRAFFIC, USING A COMPATIBLE SIGNALING PROTOCOL FROM THE POINT OF ORIGINATION." PLEASE COMMENT.

A. BellSouth stands ready to fulfill MCI WorldCom's request. First, BellSouth's Line Class Code method uses dedicated trunking from the end office switch (that is, her "point of origination") and the CLEC's choice of OS/DA platform. Second, BellSouth can accommodate MCI WorldCom's choice of "compatible signaling protocol" [that is, Feature Group D] via the pseudo-code technique I discussed earlier.

Q. ON PAGE 11 OF HER TESTIMONY, MS. LICHTENBERG STATES "IT IS TECHNICALLY FEASIBLE FOR BELLSOUTH TO CONVERT ITS OS/DA SIGNALING PROTOCOL AT ITS END OFFICES SO THAT OS/DA SIGNALING CAN BE SENT OVER SHARED TRANSPORT." IS SHE CORRECT?

A. No. It is the pseudo-code technique discussed earlier that converts from one signaling protocol to another. This function can only be done at a tandem switch, not an end office switch. Therefore, Ms. Lichtenberg's statement is incorrect. However, BellSouth is not opposed to providing the pseudo-code technique to MCI WorldCom from BellSouth's tandem switches. Next she opines that "possible ways" to do this signaling protocol conversion are to modify the equal access tables in BellSouth's switches and use an AIN solution at the end office switch level rather than at the AIN hub. As I stated in my direct testimony, BellSouth chose the AIN hub architecture over the AIN end office architecture to provide a solution that would work in every end office switch whether it was AIN-capable or not. I believe

MCI WorldCom would prefer a solution that works in all rather than only part of BellSouth's end office switches. Further, the AIN hub solution allows for the sharing of trunk groups between the end office switch and the AIN hub and Ms. Lichtenberg has repeatedly expressed MCI WorldCom's desire for shared trunking.

Q. MS. LICHTENBERG, ON PAGE 11 OF HER TESTIMONY, ASSERTS THAT MCI WORLDCOM MUST BE ABLE TO USE ITS OWN OS/DA PLATFORM. DO BELLSOUTH'S CUSTOMIZED ROUTING METHODS ALLOW FOR SUCH ROUTING OF OS/DA TRAFFIC TO THE CLEC's CHOICE OF OS/DA PLATFORM?

A. Yes. BellSouth stands ready to provide either its Line Class Code method or its AIN method to MCI WorldCom or any other CLEC. Both methods allow for the routing of traffic to the CLEC's choice of OS/DA platform. Further, BellSouth has identified a number of different ways to accomplish the signaling (that is, Feature Group D) MCI WorldCom has stated it desires. If MCI WorldCom wants to use this signaling protocol in conjunction with its use of customized routing, MCI WorldCom is free to do so. MCI WorldCom need only make such a request of BellSouth and BellSouth will provide it.

BellSouth's Line Class Code method and AIN methods allow for the sharing of trunks as I have discussed. I believe this to be the sharing of trunk groups that MCI WorldCom says it wants. Finally, If MCI

WorldCom wants to use its own OS/DA platform, it is free to do so and either of BellSouth's customized routing methods will accommodate such.

Issue 101: Is BellSouth required to provide shared transport in connection with the provision of custom branding? Is MCI WorldCom required to purchase dedicated transport in connection with the provision of custom branding?

Q. MS. LICHTENBERG CLAIMS ON PAGE 19 OF HER TESTIMONY THAT "BOTH BELL ATLANTIC AND SBC HAVE DEVELOPED THE CAPABILITY TO PROVIDE BRANDING FROM OS/DA CALLS USING SHARED TRANSPORT." WHAT IS YOUR RESPONSE?

A. While I cannot speak for Bell Atlantic and SBC, the Line Class Code method for providing customized routing requires unique translations in the end office switch to be made at the trunk group level. This means that any one trunk group can only be assigned one unique brand and all traffic received over that trunk group will first be directed to the unique brand before further processing of the call by the chosen operator services platform. In the alternative, a single trunk group can be shared by multiple CLECs who elect their customers' calls to be unbranded or to be branded in the same way. This is an inherent technical requirement imposed by the switch manufacturers' design decisions regarding how Line Class Code translations are made.

However, as I discussed earlier, BellSouth's AIN method of providing customized routing allows the use of shared trunk groups between the end office switch and the AIN hub switch. This appears to me to satisfy what MCI WorldCom is asking for. As I discussed earlier, shared transport from the AIN hub to MCI WorldCom's OS/DA platform is not appropriate since it is only MCI WorldCom's traffic that will be sent to MCI WorldCom's OS/DA platform. Thus, from BellSouth's AIN hub to MCI WorldCom's OS/DA platform, transport dedicated to MCI WorldCom is entirely appropriate.

Rebuttal to the testimony of Mr. Price

Issue 8: Should UNE specifications include non-industry standard, BellSouth proprietary specifications?

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

A. Although industry standards provide useful guidance for the provision and maintenance of UNEs, there are no industry standards at present for every UNE. BellSouth has developed standards in cases where no industry standard exists which should be incorporated into the parties' interconnection agreement.

Q. WHAT IS YOUR UNDERSTANDING OF THE DISAGREEMENT

BETWEEN MCI WORLDCOM AND BELLSOUTH

A. My reading of Mr. Price's testimony beginning on page 17 is that the disagreement is limited to whether BellSouth's Technical Reference 73600 (TR73600) should be included as one specification for unbundled loops. In the absence of industry standards for unbundled loops, BellSouth has developed definitions of unbundled loops and has given CLECs, including MCI WorldCom, access to its technical document via BellSouth's Internet website. TR 73600 provides details as to what BellSouth offers and how BellSouth's unbundled loops are related to any existing industry standards where industry standards exist.

Q. COULD AN INDUSTRY STANDARD ADEQUATELY COVER THE TECHNICAL ASPECTS OF BELLSOUTH'S UNBUNDLED LOOP OFFERINGS?

A. I do not believe so. For example, only BellSouth can articulate what its unbundled loops were designed to do. In this sense, documents such as TR73600 explain BellSouth's "vocabulary" regarding its unbundled loop offering such that readers, despite differing terminology, will understand what the buyer receives when purchasing a given type unbundled loop.

Issue 29: Should calls from MCI WorldCom customers to BellSouth

customers served via Uniserve, Zipconnect, or any other similar service, be terminated by BellSouth from the point of interconnection in the same manner as other local traffic, without a requirement for special trunking?

Q. ON PAGE 31 OF HIS TESTIMONY, MR. PRICE SUGGESTS THAT IN THOSE AREAS WHERE BELLSOUTH HAS DEPLOYED UNISERV® SERVICE, THE DESIGN HAS REQUIRED MCI WORLDCOM TO INSTALL NEW TRUNK GROUPS FROM MCI WORLDCOM's OPERATOR SERVICES PLATFORM TO THE BELLSOUTH TOPS PLATFORM THEREBY INCREASING MCI WORLDCOM's COST OF DOING BUSINESS TO SUPPORT A BELLSOUTH SERVICE FOR WHICH BELLSOUTH COLLECTS THE REVENUE. PLEASE COMMENT.

A. Because BellSouth UniServ® service utilizes operator services switching functionality, MCI WorldCom must bring its own facilities, or lease facilities from BellSouth, to BellSouth's Traffic Operator Position System (TOPS) platform in order for MCI WorldCom customers to reach BellSouth's UniServ® service customers. This is consistent with what BellSouth and other telecommunications carriers are required to do.

Mr. Price finds fault with service design decisions made years ago for BellSouth's UniServ®. It appears that what MCI WorldCom really

wants is to be treated differently than the way BellSouth treats itself and other carriers. For example, by purporting to relieve MCI WorldCom of establishing trunks to points other than the Point of Interconnection, MCI WorldCom apparently seeks to avoid having to establish a trunk group to the TOPS platform for the routing of its operator services or directory assistance traffic. Routing operator services and directory assistance traffic directly to the TOPS platform is precisely the manner in which BellSouth routes such traffic for its customers, and MCI WorldCom should do the same.

Q. ON PAGES 32 OF HIS TESTIMONY, MR. PRICE STATES THAT REQUIRING MCI WORLDCOM TO DELIVER UNISERV® CALLS TO BELLSOUTH'S OPERATOR SERVICES SWITCH IS IN VIOLATION OF THE PROVISIONS OF THE TELECOMMUNICATIONS ACT AND THE FCC'S LOCAL COMPETITION ORDER WHICH ALLOW MCI WORLDCOM TO INTERCONNECT AT ANY TECHNICALLY FEASIBLE POINT. DO YOU AGREE?

A. No. What Mr. Price suggests is that MCI WorldCom be free to interconnect at any point within BellSouth's network for access to any service BellSouth offers anywhere. I believe one simple example is sufficient to prove the fallacy of Mr. Price's position. Under Mr. Price's proposal, MCI WorldCom should be able to interconnect at BellSouth's directory assistance platform to acquire unbundled loops or resold services. Obviously, BellSouth cannot provide to MCI WorldCom what

it doesn't have. So, despite Mr. Price's complaints, BellSouth has violated neither the Act nor the FCC's rules regarding network interconnection by requiring that MCI WorldCom gain access to customers using BellSouth's UniServ® service the same way as does BellSouth and other local service providers.

Issue 68: Should BellSouth require that payments for make-ready work be made in advance?

Q. ON PAGE 67 OF HIS TESTIMONY, MR. PRICE SUGGESTS THAT A PRE-PAYMENT REQUIREMENT WOULD DELAY THE WORK AND WOULD NOT BE COMMERCIALLY REASONABLE. DO YOU AGREE?

A. No. MCI WorldCom should be required to pay in advance for any work MCI WorldCom requests BellSouth to perform, as do other CLECs that have signed BellSouth's standard license agreement. BellSouth should not be required to finance MCI WorldCom's business plans. It is not unusual for contractors to require payment in advance. Furthermore there is no harm to MCI WorldCom, given MCI WorldCom's representation that it will pay BellSouth invoices promptly in any event. MCI WorldCom should include in its planning process the time required for BellSouth to perform any needed make-ready work to accommodate MCI WorldCom's needs. BellSouth completes its work in a satisfactory manner in the overwhelmingly number of

cases. For example, of 80 make-ready jobs undertaken thus far in Tennessee in 2000, all were completed satisfactorily and none resulted in a complaint about the process.

Issue 96: Should BellSouth be required to give written notice when a central office conversion will take place before midnight or after 4 a.m.?

Q. ON PAGE 72 OF HIS TESTIMONY, MR. PRICE REITERATES MCI's POSITION THAT MCI RECEIVE WRITTEN NOTICE IN THE EVENT THAT A CENTRAL OFFICE CONVERSION IS EXPECTED TO TAKE PLACE AT ANOTHER TIME THAN SCHEDULED. PLEASE COMMENT.

A. In some cases central office conversions consist of upgrades to existing hardware or software. In other cases, conversions consist of replacement of the entire central office switch. Central office conversions are carefully coordinated and are not a consequence of local competition. As I stated in my direct testimony, BellSouth agrees to provide notification to CLECs, including MCI WorldCom, concerning central office conversions via website postings. This method of carrier notification is used for all CLECs and ensures that BellSouth treats all CLECs in a nondiscriminatory manner. Mr. Price offers no insight as to the basis for his belief that written notification is somehow superior to website posting. Obviously, delays in written mail delivery or malfunctions of facsimile devices are possible which are obviated by

website posting of critical information.

Issue 100: Should BellSouth operators be required to ask MCI WorldCom customers for their carrier of choice when such customers request a rate quote or time and charges?

Q. ON PAGE 75 OF HIS TESTIMONY, MR. PRICE STATES THAT BECAUSE MCI WORLDCOM IS PAYING BELLSOUTH FOR PROVIDING OPERATOR SERVICES, IT IS REASONABLE THAT BELLSOUTH ASK THE CUSTOMER FOR ITS CARRIER OF CHOICE, RATHER THAN ASSUMING BELLSOUTH IS THE CARRIER OF CHOICE. PLEASE COMMENT.

A. BellSouth's operators may respond to customer inquiries concerning rates and time charges for BellSouth's retail services. However, BellSouth is not obligated to inquire about a customer's carrier of choice, as requested by MCI WorldCom.

Q. HOW DOES BELLSOUTH TREAT CUSTOMER REQUESTS FOR A LONG DISTANCE CARRIERS RATES?

A. Customers who inquire about long distance rates are advised they should seek that information from their long distance carrier. If that long distance carrier is an Operator Transfer Service (OTS) customer, BellSouth will offer to transfer the caller to that carrier so that the rate

can be quoted immediately by the long distance carrier itself.

MCI WorldCom's proposed language would purport to require BellSouth's operators to inquire as to the customer's carrier of choice of long distance carrier and forward the call to that carrier every time a customer requests a rate quote or time and charges, regardless of whether the long distance carrier subscribes to BellSouth's Operator Transfer Service (OTS). BellSouth is not required to do for free what MCI WorldCom has proposed.

Q. ON PAGE 75 OF HIS TESTIMONY, MR. PRICE SUGGESTS THAT MCI WORLDCOM IS WILLING TO PAY BELLSOUTH FOR CALLS HANDLED ON BEHALF OF MCI WORLDCOM. IS THIS PRACTICAL?

A. Despite MCI WorldCom's willingness to pay for any calls handled for MCI WorldCom, Mr. Price ignores the obvious requirement for BellSouth's operators to determine all end user customers' choice of long distance provider for all such inquiries, not only those bound for MCI WorldCom. The cost of such operator work-time for customers not choosing MCI WorldCom long distance service would be borne by BellSouth rather than by MCI WorldCom.

Q. ON PAGE 74 OF HIS TESTIMONY, MR. PRICE SUGGESTS THAT BELLSOUTH'S ORIGINATING LINE NUMBER SCREENING (OLNS)

METHOD WILL SOLVE THIS PROBLEM ONCE IMPLEMENTED. IS HE CORRECT?

A. No. OLNS is a means of providing an operator services platform with information about the line originating a telephone call. OLNS, once implemented, will inform BellSouth's operator of which local service provider the caller is served by. However, OLNS will not display the caller's choice of long distance service provider. BellSouth has not yet implemented this OLNS method and should not be bound in any event that its operators inquire of the caller's long distance service provider unless and until such a method is in place and a capability that informs the operator of the caller's long distance service provider is likewise in place and functional.

Rebuttal to the testimony of Mr. Bomer

Issue 55: Should BellSouth be required to provide a response, including a firm cost quote, within 15 days of receiving a collocation application?

Q. WITHIN WHAT INTERVAL DOES BELLSOUTH PROPOSE THAT IT PROVIDE A RESPONSE INCLUDING A FIRM PRICE QUOTE?

A. Previously, BellSouth has proposed to MCI WorldCom that, pursuant to the FCC's Order of August 10, 2000, BellSouth will complete the provisioning of caged and cageless collocation arrangements within 90

calendar days of the date BellSouth receives a bona fide application from MCI WorldCom. Within this 90 calendar day interval, BellSouth will respond to MCI WorldCom indicating whether space is available within 10 calendar days and the associated firm price quote within 30 calendar days. BellSouth has further proposed to provide a response, including a firm cost quote, within 15 days of receiving a collocation application if the Authority orders that standard space preparation pricing be applied for all application requests. This would include requests from CLECs with current agreements, which do not include standard space preparation pricing.

BellSouth has reevaluated its collocation provisioning intervals and processes and is amending its position with respect to the issues addressing physical collocation intervals. Whereas previously, BellSouth has proposed a standard provisioning interval for collocation, BellSouth has now evaluated the benefits to both CLECs and BellSouth of CLEC-provided forecasts. As the Authority is aware, the issue of intervals for cageless collocation was considered in the context of the DeltaCom arbitration; however, the issue of CLEC-provided forecasts was not evaluated by the Authority or included in the Authority's determination of the appropriate interval for cageless collocation. BellSouth asks that this Authority reevaluate its collocation philosophy in light of BellSouth's proposal. This proposal incorporates the economies achieved by CLEC-forecasting of their collocation needs and the FCC has expressly approved such an approach.

Q. PLEASE COMMENT FURTHER ON THE FCC'S PROPOSAL.

A. In its collocation reconsideration order, FCC 00-297, the FCC set a national default standard of 90 calendar days for provisioning collocation space. In that order, the FCC acknowledged the benefits of CLEC-provided forecasts by authorizing ILECs to require CLECs to provide forecasts of their collocation needs. At that time, the FCC did not provide the ILECs with any remedies for inaccurate forecasts or for a CLEC's failure to provide a forecast, preferring to leave such issues to the state commissions to address. See paragraph 39 of that Order. However, in a subsequent decision, DA 00-2528, issued November 7, 2000, the FCC granted Verizon's, SBC's, and Qwest's requests for conditional waivers of the 90-day provisioning interval. In that order, the FCC acknowledged that it had now been presented with a more comprehensive record upon which to base its decision and that "this greatly expanded record countenances a moment of pause before we insist on absolute compliance with that Order". See paragraph 10 of that Order. The FCC went on to expressly endorse the intervals ordered by the New York Commission for Verizon, with one minor modification. These intervals incorporate specific CLEC forecasting requirements.

Q. WHAT IS BELLSOUTH'S REACTION TO THE FCC'S RECENT ACTION YOU HAVE JUST DESCRIBED?

A. In reviewing the intervals and process adopted by the New York Commission, BellSouth believes that two major benefits can be achieved: First, CLECs will benefit from the reduced intervals made possible by the provision of CLEC forecasts. Second, BellSouth will be able to more effectively and more efficiently allocate its resources to the locations where the CLECs, through their forecasts, are requesting space.

Q. HAS BELLSOUTH TAKEN ANY REGULATORY ACTION WITH REGARD TO THE FCC'S RECENT DECISION?

A. Yes. BellSouth has filed a request with the FCC for authority to apply the New York ordered intervals, as modified by the FCC. This request is pending before the FCC. BellSouth is now requesting that this Authority consider the efficiencies obtained through CLEC-provided forecasts and adopt the proposed intervals, which are supported by the FCC as promoting facilities-based competition. BellSouth proposes the intervals for physical collocation found in Verizon's collocation tariff for New York.

Issue 56: Should BellSouth be required to provide DC power to adjacent collocation space?

Q. PLEASE COMMENT ON MR. BOMER'S STATEMENTS ON

BELLSOUTH'S POSITION AS SHOWN ON PAGE 20 OF HIS TESTIMONY.

A. First, in making adjacent collocation available, BellSouth will do so in a nondiscriminatory manner (that is, all CLECs obtaining adjacent collocation will be treated in the same manner) and at parity with itself. At all of BellSouth's remote terminal sites (that is, sites away from BellSouth's central office buildings), AC power runs to the site and BellSouth then "converts" the AC power to DC power inside the remote site. BellSouth has thousands of such arrangements in service today across its nine-state region. Given that this is a normal business practice, BellSouth believes that this method of providing power to adjacent collocation arrangements is likewise appropriate.

Second, as stated in my direct testimony, the FCC rules do not require BellSouth to provide DC power to an adjacent collocation arrangement. 47 C.F.R. 51.323 (k)(3) only requires that BellSouth provide a power source to an adjacent arrangement, it does not specify the type of power. The National Electric Code (NEC) does not specifically state that DC power cable can not be used in the outdoor environment, but it does state that whatever cable (AC or DC) is to be used has to be rated for the environment in which it is being used. The cable used in the telecommunications industry for DC power (KS 548201) inside central offices is rated for indoor use, and not for use in an outdoor environment.

Q. DOES REQUIRING CLECs TO CONVERT AC POWER TO DC POWER DISCRIMINATE AGAINST THEM IN ANY MANNER?

A. No. BellSouth performs the same function at all of its remote sites and will provision power to all adjacent collocation arrangements in a nondiscriminatory manner.

Q. BEGINNING ON PAGE 20 OF HIS TESTIMONY, MR. BOMER STATES "I UNDERSTAND THAT BELLSOUTH IS NOT NECESSARILY WILLING TO PROVIDE AC POWER." IS HE CORRECT?

A. No. BellSouth is willing to provide AC power to CLECs' adjacent collocation arrangements so long as pertinent requirements of the National Electrical Code are met.

Q. ON PAGE 21 OF HIS TESTIMONY, MR. BOMER SUGGESTS THAT THE USE OF BATTERIES INSIDE THE ADJACENT COLLOCATION ARRANGEMENT "COULD INTRODUCE SAFETY CONCERNS." PLEASE COMMENT.

A. Obviously, any work that MCI WorldCom undertakes that is performed improperly might introduce safety concerns. While I acknowledge that having batteries inside a closed structure such as the adjacent

collocation arrangement might create safety concerns if improperly handled, I would note that BellSouth has literally thousands of sites such as its remote terminals away from the central office containing batteries of the sort we are discussing here and does so safely and without incident.

Q. ON PAGE 21 OF HIS TESTIMONY, MR. BOMER STATES "INDEED, BELLSOUTH HAS OFFERED TO PROVIDE DC POWER IN OTHER COLLOCATION ARRANGEMENTS OUTSIDE THE CENTRAL OFFICE; NAMELY WITH RESPECT TO COLLOCATION AT REMOTE TERMINALS." PLEASE COMMENT.

A. Mr. Bomer seems to suggest that BellSouth is willing to provide DC power differently dependent on whether the context is central office collocation or remote terminal collocation. If that is the meaning of that part of his testimony, he is completely wrong. BellSouth offers to provide DC power to collocation arrangements inside the BellSouth central office. Likewise, BellSouth offers to provide DC power to collocation arrangements inside the BellSouth remote terminal. Adjacent collocation arrangements are not inside the BellSouth central office and thus BellSouth offers to provide AC power rather than DC power. If MCI WorldCom were to place its own remote terminal next to (but not inside) BellSouth's remote terminal and request that BellSouth provide DC power to MCI WorldCom's remote terminal, BellSouth would have exactly the same concerns as for providing DC power from

BellSouth's central office to MCI WorldCom's adjacent collocation arrangement.

Q. ON PAGE 22 OF HIS TESTIMONY, MR. BOMER ASSERTS THAT BELLSOUTH'S PROVIDING DC POWER TO ADJACENT COLLOCATION ARRANGEMENTS "IS A MATTER OF FAIRNESS". DO YOU AGREE?

A. No. It is a matter of safety and conformance to industry standard safety requirements. BellSouth cannot knowingly allow a violation of applicable safety codes. Mr. Bomer has pointed to no provision of the National Electrical Code or any other applicable safety code that allows the provision of DC power which MCI WorldCom says it desires. Nor has Mr. Bomer suggested any manufacturer or product that could safely be used as he suggests.

Q. ON PAGE 22 OF HIS TESTIMONY, MR. BOMER ASSERTS THAT THE FLORIDA PUBLIC SERVICE COMMISSION'S ORDER IN ITS COLLOCATION DOCKET "...BY IMPLICATION INCLUDES DC POWER, TO THE EXTENT THAT ITS PROVISION IS TECHNICALLY FEASIBLE." DO YOU AGREE WITH HIS READING OF THAT SECTION OF THE FLORIDA COMMISSION'S ORDER?

A. No, I do not. He tacks on topics not related to the statement he quotes. BellSouth does not deny an obligation to provide physical

collocation services to a CLEC who collocates in a controlled environmental vault (CEV) or adjacent structure located on BellSouth's property. As shown above, this is not the issue at hand.

Issue 59: Should collocation space be considered complete before BellSouth has provided MCI WorldCom with cable facility assignments ("CFAs")?

Q. MR. BOMER STATES ON PAGE 25 OF HIS TESTIMONY THAT BELLSOUTH SHOULD PROVIDE CFAs BEFORE THE SPACE IS CONSIDERED COMPLETED. PLEASE RESPOND.

A. BellSouth believes that the collocation space is complete prior to providing Connecting Facility Assignments (CFAs). Connecting facilities are those cables usually extending from BellSouth's distributing frame to the collocation arrangement. Thus, for example when BellSouth provides an unbundled loop to an CLEC, cross-connections are made on the distributing frame to connect the loop and a cable pair in the connecting facility which provides continuity to the collocation arrangement. BellSouth will complete all work under its control, which includes the preparation of the requested space. At that point, the collocation space is considered complete since it is available for use by MCI WorldCom, which can then have its vendor install its equipment and cable runs for connecting facilities.

Q. WHAT WOULD BE THE PRACTICAL EFFECT OF ACCEPTING MCI WORLDCOM's PROPOSAL THAT A COLLOCATION ARRANGEMENT NOT BE CONSIDERED "COMPLETE" UNTIL CFAs ARE LOADED INTO THE APPROPRIATE DATABASES?

A. If the space were not to be considered complete once BellSouth finishes its work (and, hence, billing would not start) until after the CFAs are provided, MCI WorldCom would be able to occupy the space indefinitely without paying floor space charges until it actually gets around to installing its equipment and provides BellSouth with the information necessary to assign the CFAs. Such an arrangement would be unreasonable, since BellSouth is entitled to be compensated for collocation as soon as the collocation space is available for use by MCI WorldCom, not when MCI WorldCom is actually using the space.

Issue 60: Should BellSouth provide MCI WorldCom with specified collocation information at the joint planning meeting?

Q. BASED ON READING MR. BOMER'S TESTIMONY BEGINNING ON PAGE 27 REGARDING THIS ISSUE, WHAT DO YOU SEE AS THE REAL AREA OF DISAGREEMENT?

A. It would seem that the area of disagreement is on what information is needed by MCI WorldCom. BellSouth has committed to providing MCI WorldCom, to the extent it is available, information that MCI WorldCom

reasonably requires to begin its design plans for collocation space. If the information is not available at the joint planning meeting, BellSouth will provide such information within thirty (30) calendar days thereafter.

Q. PLEASE ADDRESS MCI WORLDCOM'S REQUEST INCLUDED IN ATTACHMENT 5, SECTION 7.17.2.

A. BellSouth assumes this request to be for cable assignment information for the cables that connect the collocation space to the frame in the central office. If the demarcation point is at the distributing frame, BellSouth will provide the exact cable location termination requirements (e.g., bay/panel and jack location) within the central office that should be used. If this information is not available at the joint planning meeting, BellSouth will provide it within 30 calendar days of the date of the meeting. For older collocation arrangements where the demarcation point is at the Point of Termination (POT) bay, BellSouth will run the cables from its distributing frame to the POT bay. In such a case, MCI WorldCom would not need this information since the work will be done by a BellSouth certified vendor rather than by MCI WorldCom's vendor.

Q. PLEASE ADDRESS MCI WORLDCOM'S REQUEST INCLUDED IN ATTACHMENT 5, SECTION 7.17.4.

A. BellSouth does not believe that MCI WorldCom reasonably requires

BellSouth to provide this information to them to begin its design plans for collocation space. In the same manner as BellSouth's own power cabling work is done, MCI WorldCom would use a certified vendor to perform all power cabling work. MCI WorldCom's BellSouth certified vendor has direct access to this information and would be responsible for making these assignments just as the certified vendor would do for BellSouth. If MCI WorldCom, out of curiosity, desires this information, they can easily request it from their vendor doing the work.

Q. PLEASE ADDRESS MCI WORLDCOM'S REQUEST INCLUDED IN ATTACHMENT 5, SECTION 7.17.10.

A. MCI WorldCom apparently believes that it (rather than BellSouth) should be able to designate, at any technically feasible point, the demarcation point between MCI WorldCom's network and BellSouth's network within BellSouth's central offices. There is simply no basis for this belief. Pursuant to 47 C.F.R 51.323 (d)(1), BellSouth must provide an interconnection point(s) at which the fiber optic cable can enter the premises, provided that BellSouth must designate the interconnection point(s) as close as reasonably possible to the premises. When MCI WorldCom chooses physical collocation as the technically feasible method of interconnection, the point of interconnection is dictated by FCC Rule. Where MCI WorldCom places its collocated equipment within the BellSouth central office should be determined by BellSouth rather than by the collocator. The

D.C. Circuit Court of Appeals has recognized that to permit an CLEC to pick and choose preferred space within a central office is unlawful and states:

> "The FCC offers no good reason to explain why a competitor, as opposed to the LEC, should choose where to establish collocation on the LEC's property; nor is there any good explanation of why LECs are forbidden from requiring competitors to use separate entrances to access their own equipment; nor is there any reasonable justification for the rule prohibiting LECs from requiring competitors to use separate or isolated rooms or floors. It is one thing to say that LECs are forbidden from imposing unreasonable minimum space requirements on competitors; it is quite another thing, however, to say that competitors, over the objection of LEC property owners, are free to pick and choose preferred space on the LECs' premises, subject only to technical feasibility. There is nothing in s 251(c)(6) that endorses this approach. The statute requires only that LECs reasonably provide space for 'physical collocation of equipment necessary for interconnection or access to unbundled network elements at the premises of the local exchange carrier,' nothing more."

BellSouth's right to designate the collocation site and where that collocation arrangement interconnects with BellSouth's network falls

squarely within BellSouth's responsibility and is essential if BellSouth is to control and manage the space within a central office in the most efficient manner and to the benefit of all CLECs.

Issue 61: What rate should apply to the provision of DC power to MCI WorldCom's collocation space?

Q. MR. BOMER STATES TON PAGE 31 OF HIS TESTIMONY THAT THE PRICE FOR POWER SHOULD BE ON A PER USED AMPERE BASIS. DO YOU AGREE?

A. No, as stated in my direct testimony, the charge should be applied to the fused capacity that BellSouth is required to provide to MCI WorldCom. Equipment manufacturers provide the rated power consumption for their equipment, and BellSouth builds its power plant accordingly. Central office equipment is normally turned on all the time, unlike some appliances in one's house. For example, a fiber optic terminal generally pulls the same amount of power every month, regardless of how much actual traffic it carries. BellSouth must build its power plant to assure that the power plant actually built will meet the needs of BellSouth's equipment and the sum of all collocators' equipment.

Q. WHAT WOULD BE REQUIRED TO ACCOMMODATE MCI WORLDCOM'S REQUEST THAT IT BE BILLED FOR ACTUAL

POWER CONSUMED BY ITS EQUIPMENT?

A. BellSouth would have to install monitoring equipment for each collocation arrangement in each central office and would have to have someone read the monitor on each collocation arrangement in each central office in order to obtain the information necessary to bill power to each CLEC. This could be a costly and time-consuming process. Even if such a manual monitoring plan were practical, which I believe it is not, MCI WorldCom's proposal fails to take into consideration that BellSouth's costs for its power plant are a function of peak power loads to be handled rather than average or nominal loads. This is because the power plant must be built to withstand peak aggregate power demands for both BellSouth's equipment and all collocators' equipment. For these reasons, MCI WorldCom's proposal should be rejected.

The Authority may recall that the issue of measuring actual power consumption was addressed in the Arbitration proceedings between BellSouth and NEXTLINK in Docket 98-00123. BellSouth and NEXTLINK agreed that upon request of NEXTLINK and at its expense, the parties would work cooperatively to identify and install suitable power monitoring devices and would develop and implement procedures to read and tabulate monitored power consumption levels from which a bill would be generated. BellSouth is willing to do likewise with MCI WorldCom.

Finally, in adopting MCI WorldCom's collocation model in Docket 97-01262, it is my understanding that this Authority has established rates for power on a fused capacity basis. BellSouth believes that the Authority should reach the same conclusion in this proceeding.

Issue 62: Should BellSouth be required to provision caged collocation space (including provision of the cage itself) within 90 days and virtual and cageless collocation within 45 days?

Q. WHAT IS BELLSOUTH'S POSITION ON THE PROPER PROVISIONING INTERVALS FOR CAGED PHYSICAL COLLOCATION, CAGELESS PHYSICAL COLLOCATION AND VIRTUAL COLLOCATION?

A. Previously, BellSouth has offered to provision caged and cageless physical collocation arrangements within 90 calendar days from its receipt of an application unless the CLEC misses its seven-day interval for responding with a bona fide order. If the CLEC misses its seven-day interval, then the 90 calendar day interval is measure from the date of the bona fide order. Under extraordinary circumstances and absent agreement by the parties to a longer provisioning interval, where BellSouth is unable to complete the provisioning work within 90 calendar days, BellSouth will seek a waiver from this Authority to extend the provisioning interval beyond 90 calendar days. BellSouth

has proposed that it will provision virtual collocation arrangements within 50 calendar days in ordinary circumstances and within 75 calendar days for extraordinary circumstances. As I discussed in regards to Issue 55, BellSouth believes that the effect of CLEC-provided forecasts should be considered in the collocation intervals ordered by this Authority. Accordingly, it is BellSouth's belief that the Authority should order the collocation intervals contained in Verizon's collocation tariff for New York.

Q. ON PAGE 35 OF HIS TESTIMONY, MR. BOMER SUGGESTS THAT VIRTUAL COLLOCATION AND CAGELESS PHYSICAL COLLOCATION ARE SIMILAR EXCEPT THAT FOR CAGELESS PHYSICAL COLLOCATION TAPE IS PLACED ON THE FLOOR TO IDENTIFY THE ARRANGEMENT AND FOR VIRTUAL COLLOCATION BELLSOUTH, RATHER THAN MCI WORLDCOM, IS RESPONSIBLE FOR PROVISIONING AND MAINTENANCE OF THE EQUIPMENT. DO YOU AGREE?

A. Not entirely. Virtual collocation and physical collocation are two different service offerings. While a collocating carrier has direct access to its physical collocation equipment on a twenty-four hour a day, seven-day a week basis, access to virtual collocation is restricted to limited inspection visits only. Since BellSouth leases virtual collocation equipment from the carrier and assumes the maintenance and repair responsibility at the direction of the collocator, virtual collocation

arrangements are sometimes placed within the BellSouth equipment line-up.

Q. ON PAGE 36 OF HIS TESTIMONY, MR. BOMER ASSERTS THAT CAGELESS COLLOCATION MAY BE PROVISIONED IN A SHORTER INTERVAL THAN CAGED COLLOCATION. DO YOU AGREE?

A. No. Mr. Bomer's suggestion implies that activities required provision collocation arrangements go on in serial rather than parallel fashion. That is incorrect. To the extent possible, activities are handled at the same time so as to shorten the overall provisioning interval. Normally, the installation of a cage (if the CLEC has requested one) goes on at the same time as other required activities such as power plant work or heating and air conditioning work, for example. Thus, the best way to determine the provisioning interval is to examine the nature and quantity of work to be performed and develop a schedule accordingly rather than according to simply whether the resulting arrangement will be caged or cageless.

Issue 63: Is MCI WorldCom entitled to use any technically feasible entrance cable, including copper facilities?

Q. ON PAGE 39 OF HIS TESTIMONY, MR. BOMER STATES THAT BELLSOUTH "ADMITS" THAT THERE IS A SIGNIFICANT AMOUNT

OF COPPER CABLE OWNED BY BELLSOUTH ENTERING ITS CENTRAL OFFICES? IS HE CORRECT?

A. Mr. Bomer is correct only in the sense that some copper cables currently enter BellSouth central offices. However, what Mr. Bomer fails to mention is that these older cables are associated with BellSouth's loop distribution facilities rather than interoffice facilities or interconnection facilities. In the context of this dispute, entrance facilities are considered to be for interconnection trunks, and all of BellSouth's interconnection trunk cables entering BellSouth central offices are optical fiber facilities. Furthermore, the FCC rules regarding an ILEC's collocation obligation under the Act established by the FCC state that the ILEC should only accommodate copper entrance facilities if such interconnection is first ordered by the state commission. See 47 C.F.R. 51.323 (d)(3). To my knowledge, MCI WorldCom has made no such showing before this Authority or another Commission in BellSouth's nine-state region. The FCC clearly anticipated that this authority to place non-fiber optic entrance facilities would be granted by a state commission on a location by location basis. For any state commission to permit copper entrance facilities universally would undermine the importance the FCC attributed to this issue and would be to the detriment of other CLECs desiring to collocate in an office with limited entrance space available. Neither MCI WorldCom nor any other CLEC should be permitted to place copper entrance facilities in a premises until this Authority has

reviewed the particular circumstances of the premises, the specific needs of the requesting CLEC at that location, and has determined that the CLEC's needs override BellSouth's and other CLEC's concerns, if any, with entrance space availability in those premises.

Q. HAS ANOTHER STATE COMMISSION ADDRESSED THIS ISSUE?

A. Yes, I note that requests for reconsideration and clarification were made by several parties on this ruling by the Florida Public Service Commission in the Florida Collocation Docket (Docket Nos. 981834-TP/990321-TP). The Florida Staff issued a recommendation to the Florida Commission on the request dated July 20, 2000. In the recommendation, the Staff writes:

> Staff recommends that the Commission make the requested clarification regarding the use of copper entrance cabling. The Order could be misconstrued, as the parties have indicated. As such, the Commission should clarify that the Commission's decision only addresses the use of copper entrance cabling within the context of collocation outside of a CO, but does not reach the issue of copper cabling in other situations. In rendering this clarification, the Commission should also clarify that only collocation between an ALEC's CEV and an ILEC CO was considered in this decision.

As can be seen from the above, the Florida Staff recommended to the Florida Commission that they clarify that they were only addressing the cabling from the adjacent collocation arrangement on the ILEC property to the central office. On September 5, 2000, the Staff's recommendation, as outlined above, was approved by the Florida Commission.

Issue 64: Is MCI WorldCom entitled to verify BellSouth's assertion, when made, that dual entrance facilities are not available? Should BellSouth maintain a waiting list for entrance space and notify MCI WorldCom when space becomes available?

Q. DO YOU AGREE WITH MR. BOMER THAT MCI WORLDCOM SHOULD BE ALLOWED TO VERIFY BELLSOUTH'S ASSERTION THAT DUAL ENTRANCES ARE NOT AVAILABLE?

A. Yes. However, this dispute centers on the type of verification that is necessary. In BellSouth's view, when there is only one entrance point, MCI WorldCom can visually verify that another entrance point does not exist without any "tour" by BellSouth. This could be done by a cursory review of the central office building floorplan. However, I understand that MCI WorldCom insists that BellSouth must provide a formal tour of the premises similar to the tour BellSouth must conduct under the FCC rules when an incumbent contends space for physical collocation is not available. BellSouth has agreed to provide documentation to MCI

WorldCom verifying the lack of dual entrance facilities, which is a reasonable accommodation of MCI WorldCom's needs.

Q. IS MCI WORLDCOM'S REQUEST FOR A FORMAL TOUR WHEN DUAL ENTRANCE FACILITIES ARE NOT AVAILABLE SUPPORTED BY ANY FCC RULES?

A. No. The FCC rules which obligate an incumbent to provide a tour of its facilities in order to verify an assertion that physical collocation is not available only applies to physical collocation. This rule has absolutely nothing to do with the situation where space is available, but dual entrance points do not exist. Presumably, if the FCC had wanted to require incumbents to provide formal tours of premises when dual entrance facilities do not exist, it readily could have done so. It did not do so, however.

Q. DO YOU AGREE WITH MR. BOMER'S SUGGESTION ON PAGE 44 OF HIS TESTIMONY THAT IT IS REASONABLE TO EXPECT BELLSOUTH TO MAINTAIN A WAITING LIST FOR DUAL ENTRANCES FACILITIES?

A. No. Maintaining a waiting list is not as simple a matter as Mr. Bomer apparently believes. There is considerable time and expense associated with maintaining a waiting list for each central office in which dual entrance facilities may not be available. No plausible

reason exists for BellSouth to engage in such an effort when BellSouth does not have dual entrance facilities available, but MCI WorldCom has space available for its facilities. If the FCC had wanted incumbents such as BellSouth to maintain a waiting list for dual entrance facilities (as it did for physical collocation space), it could have done so. However, it did not do so and neither should this Authority.

Issue 65: What information must BellSouth provide to MCI WorldCom regarding vendor certification?

Q. ON PAGE 46 OF HIS TESTIMONY, MR. BOMER STATES THAT BELLSOUTH HAS NOT PROVIDED SPECIFIC INFORMATION TO ALLOW MCI WORLDCOM's CHOSEN VENDORS TO BECOME CERTIFIED. DO YOU AGREE?

A. I do not. First, it is clear from the FCC rule that it is BellSouth, and not MCI WorldCom, that is responsible for ensuring that a vendor has met the criteria for certification. 47 C.F.R. 51.323(j) states that "An incumbent LEC shall permit a collocating telecommunications carrier to subcontract the construction of physical collocation arrangements with contractors approved by the incumbent LEC..." [Emphasis added.] Second, BellSouth has provided MCI WorldCom with precisely the same information that BellSouth provides other vendors concerning the vendor certification process. As stated in my direct testimony, if MCI

WorldCom has any questions regarding this process, MCI WorldCom may contact the BellSouth vendor certification group for further information. BellSouth has several vendors currently certified under this process.

Mr. Bomer complains about the level of detail that BellSouth has provided MCI WorldCom regarding what criteria BellSouth will use to certify vendors. First, I note that many vendors have been certified under BellSouth's process and this is the first complaint that I have heard that BellSouth does not adequately characterize what is required to become certified.

Mr. Bomer apparently believes that every question on every test should be made known to MCI WorldCom before it proposes certification of itself or a particular vendor. To analogize, I would note that when one applies for a particular course of study at a college or university, one learns what course work will satisfy the degree requirements. One does not, however, get a list of all the text books that might be used in those courses, copies of the tests and examinations the professor will use or the correct answers to those tests and examinations. BellSouth believes it has provided MCI WorldCom and requesting vendors with adequate information that it can use to decide whether or not to pursue certification under BellSouth's process.

Issue 66: What industry guidelines or practices should govern collocation?

Q. PLEASE COMMENT ON MR. BOMER'S DESIRE TO INCLUDE EACH OF THE LISTED DOCUMENTS IN THE AGREEMENT AND AS SHOWN BEGINNING ON PAGE 47 OF HIS TESTIMONY.

A. MCI WorldCom wants BellSouth to comply with standards that are inapplicable to the relationship BellSouth has with MCI WorldCom in providing collocation (vendor relations), and still others that have been deemed inapplicable pursuant to the FCC's Advanced Services Order (Network Equipment-Building System or "NEBS" performance standards) at paragraph 135. As stated in my direct testimony, BellSouth is willing to comply with generally accepted industry practices to the extent it has control over the subject matter thereof. BellSouth is not the only other occupant of the premises and does not have absolute control over many of the issues addressed in the standards MCI WorldCom references. Moreover, these standards include far more than generally accepted practices that an ILEC would be required to conform to. For example, MCI WorldCom's request would purport to hold BellSouth to all of the provisions of the National Electrical Code whether such a provision has anything at all to do with the provision of collocation. For example, Article 520 of the National Electrical Code provides requirements for "Theaters, Audience Areas of Motion Picture and Television Studios, and Similar Locations",

subjects in no way related to the provision of collocation in BellSouth's central office buildings. BellSouth is willing to comply with generally accepted industry practices, such as the National Electric Code, to the extent BellSouth controls the issue addressed therein, or to discuss any specific portions of the listed documents to determine if the parties can agree to the language. It is not clear to me why MCI WorldCom objects to such an approach.

Rebuttal to the testimony of Mr. Olson

Issue 37: Should BellSouth be permitted to require MCI WorldCom to fragment its traffic by traffic type so it can interconnect with BellSouth's network.

Q. WHAT PART OF ISSUE 37 DOES YOUR TESTIMONY ADDRESS?

A. I address this issue only in respect to the engineering principles useful in the provisioning of two-way trunking.

Q. WHAT IS YOUR UNDERSTANDING OF THE DISAGREEMENT BETWEEN MCI WORLDCOM AND BELLSOUTH REGARDING THE USE OF TWO-WAY TRUNKING?

A. My reading of Mr. Olson's testimony on page 15 of his testimony indicates to me that the issue is confined to whether MCI WorldCom's

proposed language regarding two-way trunking should be adopted. MCI WorldCom's proposal is that "BellSouth shall provision two-way trunks without any user restrictions or trunk fragmentation requirements except as specified in this Agreement." I read that to mean that BellSouth must accede to every MCI WorldCom request to use two-way trunking whether BellSouth agrees that is the best choice or not.

Q. DOES BELLSOUTH OPPOSE THE USE OF TWO-WAY TRUNKING?

A. No. BellSouth is not opposed to two-way trunking per se. Under MCI WorldCom's proposal, however, BellSouth would be prohibited from having separate trunks that carry local and toll traffic, even though BellSouth maintains such separate trunk groups for itself. BellSouth should be allowed to provision its trunks for its originating traffic to be terminated to MCI WorldCom any technically feasible and nondiscriminatory manner without regard to the arbitrary conditions that MCI WorldCom seeks to impose.

Q. WHEN SHOULD TWO-WAY TRUNKING BE USED?

A. BellSouth believes that the use of one-way trunking or two-way trunking is best determined by the parties on a case-by-case basis. In stark contrast, MCI WorldCom's position is that BellSouth should be required to interconnect via two-way trunks whenever MCI WorldCom

so requests. The net effect is that MCI WorldCom would be in sole control of when and if BellSouth is able to use one-way trunking or two-way trunking to interconnect BellSouth's network with MCI WorldCom's network. Doubtless, MCI WorldCom would always choose the method to its own economic benefit regardless of the effect on BellSouth.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

AFFIDAVIT

STATE OF: Georgia
COUNTY OF: Fulton

BEFORE ME, the undersigned authority, duly commissioned and qualified in and for the State and County aforesaid, personally came and appeared W. Keith Milner – Senior Director – Interconnection Services, BellSouth Telecommunications Inc., who, being by me first duly sworn deposed and said that:

He is appearing as a witness before the Tennessee Regulatory Authority in Docket No. 00-00309 on behalf of BellSouth Telecommunications, Inc., and if present before the Authority and duly sworn, his testimony would be set forth in the annexed testimony consisting of 51 pages and 0 exhibit(s).

W. Keith Milner

Sworn to and subscribed
before me on Dec 8 2000

NOTARY PUBLIC

MICHEALE F. HOLCOMB
Notary Public, Douglas County, Georgia
My Commission Expires November 3, 2001

BELLSOUTH TELECOMMUNICATIONS, INC.

REBUTTAL TESTIMONY OF DAVID A. COON

BEFORE THE TENNESSEE REGULATORY AUTHORITY

DOCKET NO. 00-00309

DECEMBER 13, 2000

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

A. My name is David A. Coon. I am employed by BellSouth as Director – Interconnection Services for the nine-state BellSouth region. My business address is 675 West Peachtree Street, Atlanta, Georgia 30375.

Q. ARE YOU THE SAME DAVID A. COON WHO FILED DIRECT TESTIMONY IN THIS PROCEEDING?

A. Yes I am.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. I will address the direct testimony of MCI WorldCom witness, Karen Kinard regarding Issue 105 raised in MCI WorldCom's Petition for Arbitration in Tennessee.

Q. ON PAGE 3 OF MS. KINARD'S TESTIMONY SHE STATES THAT THOSE MEASUREMENTS INCLUDED IN MCI WORLDCOM'S VERSION OF ATTACHMENT 10 ARE THE MEASURES THAT SHOULD BE USED IN THE BELLSOUTH/MCI WORLDCOM INTERCONNECTION AGREEMENT. WOULD YOU CARE TO COMMENT?

A. Yes. I would like to reemphasize, as I stated previously in my direct testimony, that BellSouth's SQMs are the appropriate set of measurements that should be adopted by this Authority. BellSouth's SQMs fully and comprehensively comply with the requirements of the Telecommunications Act of 1996 (Act) to demonstrate either access in "substantially the same time and manner"[1] or providing a CLEC "a meaningful opportunity to compete."[2] Additionally, BellSouth's SQMs provide the Authority with the data and information necessary to monitor BellSouth's performance and to detect disparate treatment, should it occur. The additional measurements and disaggregation offered by Ms. Kinard generally focus on measuring sub-processes within processes. To attempt to measure every single process and sub-process associated with the business relationship between a CLEC and an ILEC, as the MCI WorldCom plan attempts to do, was never the intention of the Act. Furthermore, performance measurements impact the entire CLEC

[1] FCC 96-325, First Report and Order, Adopted August 1, 1996, § V.5, ¶ 518.
[2] FCC 96-325, Second Order for Reconsideration, Adopted December 13, 1996, § I., ¶ 9.

community in Tennessee and as such, are more appropriately addressed in a generic performance measurement proceeding. Finally, BellSouth's Service Quality Measurements have already been adopted by in excess of 79 CLECs in Tennessee as part of their interconnection agreements.

Q. ON PAGES 4 THROUGH 11 OF HER DIRECT TESTIMONY, MS. KINARD IDENTIFIES SPECIFIC MEASUREMENTS MISSING FROM THE BELLSOUTH SERVICE QUALITY MEASUREMENTS (SQM). WOULD YOU CARE TO COMMENT ON EACH OF THESE MISSING MEASUREMENTS?

A. Yes. I would like to take this opportunity to comment on each of the "key" measurements that Ms. Kinard testified are missing from BellSouth's SQM.

Percent Design Layout Records Received in X Days.

This is an example of a measurement of a sub-process. This particular measurement is for the Design Layout Record associated with interconnection trunks. This is part of the overall process of ordering and provisioning interconnection trunking. Both of these processes are currently measured by the FOC Timeliness, Order Completion Interval, and Missed Installation Appointments measurements, to name a few.

There is no need for an additional measurement that addresses only a portion of the ordering and provisioning processes.

Percent On-Time Loss Notification.

This measurement would require that BellSouth notify MCI WorldCom when MCI WorldCom is losing a customer to either BellSouth or another CLEC. BellSouth has no such notification process in place, therefore it would be impossible to measure a process that does not exist. Moreover, a fundamental issue is the legality of such a process, even if it did exist. Ms. Kinard is suggesting that BellSouth participate in the questionable practice of notifying MCI WorldCom in advance, that they are about to lose one of their customers. This is a process that is patently wrong. Would MCI WorldCom seriously entertain the thought of providing similar advance notification to BellSouth retail when MCI WorldCom was negotiating with a BellSouth retail customer? Not only is this process and this measurement inappropriate, it is not necessary. MCI WorldCom should have the disconnect order from their end user and that should provide MCI WorldCom with the advance notification it is seeking.

Average Offered Interval.

BellSouth believes that it's existing measurements, Average Order Completion Interval, when looked at in conjunction with Percent Missed

Due Dates, more accurately reflects the customer experience representative of this proposed measurement by MCI WorldCom.

Percent Order Accuracy.

BellSouth's position has always been that this measurement is unnecessary and overly burdensome and that BellSouth's existing measurement, Percent Provisioning Troubles within 30 Days of Service Order Activity is representative of the accuracy of BellSouth's order completions. The FCC agreed in FCC 98-72, ¶ 68, in stating "We believe, therefore, that this measurement (Percentage of Troubles in 30 Days for New Orders) will provide information about whether the incumbent LEC processed the order accurately. Accordingly, we propose that incumbent LECs measure the Percentage of Troubles in Thirty Days for New Orders as a substitute for LCUG's proposed measurement of Percentage Orders Processed Accurately. We believe that the Percentage of Troubles in Thirty Days for New Orders will provide the information sought by LCUG, but will be a less burdensome measurement than measuring order accuracy". The LCUG proposed measurement is the same measurement as proposed by Ms. Kinard in this proceeding.

Provisioning Troubles Prior to Loop Acceptance.

BellSouth has a new "hot cut" measure (included in the SQM attached to my direct testimony), % installation troubles within 7 days that will allow

the CLEC to report a trouble as soon as the service order is completed. As with any cutover, services that do not work are resolved during the cutover before the order is completed in the system. All other items will be included in this new measurement. MCI WorldCom's proposed measurement is not needed to measure the quality of the cutovers.

Percent Service Loss From Early Cuts and Percent Service Loss from Late Cuts.

BellSouth is introducing several new hot cut measurements that address this very issue: Hot Cut Timeliness % within Interval, Hot Cut Timeliness Average Interval, and Reason for missed cuts. The Hot Cut Timeliness reports also provide a distribution of time so that the Authority and MCI WorldCom can view early and late cuts individually.

Percent of Time 10-Digit Trigger is Applied "X" Hours Prior to the LNP Order Due Date.

BellSouth has developed a new measurement, Average Disconnect Timeliness & Disconnect Timeliness Interval Distribution, which BellSouth believes more accurately reflects its performance in responding to the MCI WorldCom message to activate the number porting. BellSouth's measurement defines disconnect timeliness as the interval between the time the LNP Gateway receives the "Number Ported" message from

Numbering Plan Administrative Center (signifying the CLEC activation of number porting) until the time that service is disconnected. This interval effectively measures BellSouth's responsiveness by isolating it from impacts that are caused by CLEC related activities.

Average Notification of Interface/OSS Outage.

For the past six months BellSouth has been averaging over 99.9% OSS interface availability. What could Ms. Kinard hope to gain from a report that only deals with one tenth of one percent or less of the time that the interface was unavailable. In addition, BellSouth posts all schedule downtimes, in advance, on the BellSouth Interconnection web site.

Percent of Change Management Notices and Documentation Sent On-Time.

BellSouth agrees that a Change Management measurement is necessary. BellSouth is delivering two new measurements to satisfy this requirement. BellSouth believes that the purpose of change management is to work together as a team and prioritize the requirements for the good of all participants. With that in mind measuring anything other than the process is unnecessary. The new BellSouth measurements are results focused and are the only ones necessary to provide a parity comparison of the change management process.

Percent Software Certification Failures and Software Problems Resolution Timeliness.

BellSouth believes that the testing arrangements made available with any software update are adequate to resolve these issues before the software is loaded. The change management process is more suitable to establish methods and procedures for software updates. Participating in that process would eliminate the need for such measures.

Percent of ILEC Responses to Reciprocal Trunk Requests in "X" Days.

For interconnection trunking, the key measurement is trunk blocking. BellSouth already has this measurement. The primary focus of Interconnection Trunk measurements is to have sufficient trunking capacity from the BellSouth network to the CLEC switch when traffic is increased substantially, such as might occur when an Internet Service Provider is switched to the CLEC. The best solution to this problem is not through additional measurements but through an accurate forecast by the CLEC of traffic requirements.

Mean Time to Notify CLEC of Network Disruptions and Restorations.

This item would be better handled through contract negotiations on an individual basis rather than try and develop additional measures for all CLECs. Beginning in April BellSouth added disaster information and

system outages to its interconnection web site currently available to the CLECs.

Average Collocation Delay Days for Missed Due Dates.

BellSouth agrees with Ms. Kinard's statement on lines 6 and 7, page 10 of her direct testimony. "It is critical that collocation due dates are not missed at all and it is important to know how often collocation due dates are missed." BellSouth's existing collocation measurements provide information on missed due dates and the frequency of misses. BellSouth already produces three measurements for collocation including the percent of missed due dates that are summarized in the matrix below for the first six months of this year. As is readily visible from the matrix, missing due dates for collocation arrangements, whether virtual or physical, has not been a problem for BellSouth in Tennessee. These numbers represent the aggregate of all CLECs in Tennessee, not just MCI WorldCom. Until such time as MCI WorldCom is able to produce substantive evidence justifying the need for development of Average Collocation Delay Days for Missed Due Dates, there is no legitimate reason for this Authority to order it as part of this proceeding.

PERCENT OF DUE DATES MISSED

	Physical Collocation		Virtual Collocation	
	Initial Install	Augmentation	Initial Install	Augmentation
1/22 – 2/21/2000	0	0	0	0
2/22 – 3/21/2000	0	0	0	0
3/22 – 4/21/2000	0	0	0	0
4/22 – 5/21/2000	0	0	0	0
5/22 – 6/21/2000	0	0	0	0
6/22 – 7/21/2000	0	0	0	0

Percent NXXs Loaded and Tested Prior to the LERG Effective Date.

BellSouth's systems do not currently capture the date an NXX is loaded or tested or the LERG effective date. In order to develop this measurement, BellSouth would be required to develop a new system capability to capture this data as well as modify its Performance Measurement Analysis Platform (PMAP) system to produce reports on the performance of the new system capability. MCI WorldCom has failed to demonstrate any need for this measurement sufficient to justify the BellSouth resources necessary to develop the measurement.

Q. AT PAGE 11 OF HER TESTIMONY, MS. KINARD ALLEGES THE NEED FOR APPROPRIATE LEVELS OF DISAGGREGATION IN ALL THESE AREAS: CLEC, PRODUCT, ORDERING ACTIVITY, GEORGRAPHIC SCOPE, VOLUME, INTERFACE TYPE AND REASON FOR HELD ORDER. HOW DO YOU RESPOND?

A. BellSouth's SQM already provides disaggregation for all the categories, delineated above, cited by Ms. Kinard. BellSouth observes that Ms. Kinard devotes nearly 5 pages of testimony describing disaggregation that BellSouth already complies with. To clarify, the 1996 Act requires BellSouth to produce Performance Measurements that permit regulatory bodies to monitor non-discriminatory access. It was not the intent of the

Act or the FCC to have measurements for each and every process or sub-process, for each and every product, at the lowest geographic level, each month. The FCC provided guidance on the number of measures in the NPRM when it stated that the "requirement for performance measurements should balance the goal of detecting discrimination with the goal of minimizing the burden on the local exchange carrier." (CC Docket 98-56, Para 36)

Q. ON PAGE 11 OF HER TESTIMONY, MS. KINARD DESCRIBES WHY IT IS IMPORTANT TO DISAGGREGATE BY INDIVIDUAL CLEC. THEN ON PAGE 12 SHE STATES THAT BELLSOUTH FAILS TO PROVIDE CLEC SPECIFIC DATA ON ITS OSS QUERY RESONSE TIME MEASUREMENT. WOULD YOU CARE TO RESPOND?

A. Yes. BellSouth agrees with Ms. Kinard that, whenever appropriate, BellSouth should disaggregate its measurements by individual CLEC. In fact, BellSouth does exactly that each and every month and posts this CLEC specific data on a secure, password protected web site. However, Ms. Kinard's example of OSS Query Response Time is an inappropriate example. The OSSs that generate this measurement are regional OSSs that make no distinction as to the originator of the query. All queries, whether CLEC or BellSouth, Tennessee or Georgia (or any other state), are treated exactly the same. The key is "how long is the response

interval" and BellSouth's measurement demonstrates those results. From a more pragmatic viewpoint, OSS response intervals for pre-ordering processes, as an example, are measured in seconds. Typically these response intervals are 5 seconds or less. I would question the materiality of differences of fractions of seconds in response interval for a pre-ordering query when compared to the overall interval for ordering and provisioning which is measured in days.

Q. ON PAGES 12-13, MS. KINARD PROPOSES LEVELS OF PRODUCT DISAGGREGATION. ARE THE LEVELS OF PRODUCT DISAGGREGATION INCLUDED IN THE BELLSOUTH SQM APPROPRIATE?

A. Yes. The 1996 Act requires BellSouth to produce Performance Measurements that permit regulatory bodies to monitor non-discriminatory access. It was not the intent of the Act or the FCC to have measurements for each and every process or sub-process, for each and every product, at the lowest geographic level, each month. The FCC provided guidance on the number of measures in the NPRM when it stated that the "requirement for performance measurements should be to balance the goal of detecting discrimination with the goal of minimizing the burden on the local exchange carrier." (CC Docket 98-56, Para 36) Furthermore, BellSouth reports on approximately 8,000 performance measurement results each

month at the state level. The additional product disaggregation, proposed by MCI WorldCom, will result in even more numbers. In considering additional product disaggregation and/or new measurements, the Authority must consider if even more results will clarify or hinder the Authority's ability to detect non-discriminatory access. Moreover, the representative levels of product disaggregation, identified by Ms. Kinard on page 13 of her testimony, are already included in BellSouth's SQM product disaggregation. Therefore, it is not clear where the real dispute on this issue lies.

Q. AS PROPOSED BY MS. KINARD ON PAGE 13 OF HER TESTIMONY, IS DISAGGREGATION BY ORDERING ACTIVITY NECESSARY?

A. No. Although BellSouth's SQMs already report separately on Local Number Portability, as suggested by Ms. Kinard, to further disaggregate by type of service order, e.g. new installations and migrations with and without changes, is unnecessary. BellSouth furnishes the CLECs with the raw data for it's provisioning measurements every month. If MCI WorldCom wants to further disaggregate provisioning measurements by type of order, they have the necessary data to do just that. It is unnecessary to burden this Authority and all other CLECs with the additional volume of data created by ordering BellSouth to routinely produce this level of disaggregation.

Q. ON PAGE 14 OF HER TESTIMONY, MS. KINARD ASSERTS THAT BELLSOUTH SHOULD BE REQUIRED TO REPORT ON ITS PERFORMANCE IN TENNESSEE FOR EACH MEASUREMENT". HOW DO YOU RESPOND?

A. BellSouth has always maintained that certain of its OSSs are regional systems and incapable of producing state specific data. It is not necessary for these OSSs to produce state specific data since there is no state specific distinction built into these OSSs. All parties are treated equally by design.

Q. WHAT IS BELLSOUTH'S POSITION ON GEOGRAPHIC DISAGGREGATION BELOW THE STATE LEVEL, E.G. MSA?

A. As I previously testified, the 1996 Act requires BellSouth to produce Performance Measurements that permit regulatory bodies to monitor non-discriminatory access.

BellSouth reports on approximately 8,000 performance measurement results each month at the state level. These results would, at a minimum, triple if reporting were done at the MSA level. In considering additional geographic disaggregation below the state level, the Authority must

consider if even more results unnecessarily complicate the Authority's ability to detect non-discriminatory access.

Q. IN RESPONSE TO MS. KINARD'S ALLEGATIONS ON PAGE 15 REGARDING DISAGGREGATION BASED ON VOLUME CATEGORY, INTERFACE TYPE AND REASON FOR HELD ORDER, HOW DO YOU RESPOND?

A. BellSouth's SQM already disaggregates by volume category, interface type and reason for held orders. I fail to understand why this has been raised as an issue in this proceeding.

Q. IN SUMMARY, WHAT SHOULD THE TENNESSEE REGULATORY AUTHORITY CONSIDER WHEN EVALUATING MCI WORLDCOM'S POSITION ON DISAGGREGATION?

A. As stated previously, BellSouth already produces approximately 8,000 data elements each month, just at the state level and just for CLEC and retail aggregate. If the Authority adopted the additional disaggregation, proposed by MCI WorldCom, these numbers would increase by orders of magnitude. Hundreds of thousands of numbers could result. How many sets of numbers and data does the Authority need to assess performance?

Q. ON PAGES 16-17, MS. KINARD TESTIFIED ABOUT MCI WORLDCOM'S APPROACH TO ANALOGS, BENCHMARKS AND STANDARDS. DO YOU AGREE?

A. BellSouth agrees with Ms. Kinard regarding the necessity for analogs, benchmarks and standards. However, BellSouth does not agree that it is appropriate to use only benchmarks as suggested by Ms. Kinard on page 16, lines 15-16. Where there are analogous or nearly analogous processes, retail analogs are more appropriate for measuring parity. BellSouth has proposed a set of Retail Analogs and Benchmarks based on an examination of data produced over the past several years. Most measures are based on proposed retail analogs. BellSouth's position evolved during the Louisiana workshops from proposing retail analogs only for resale products to a comprehensive proposal offering a retail analog or benchmark for almost every measure. BellSouth believes that appropriate analogs or benchmarks must be based on data produced by the processes in BellSouth. These analogs and/or benchmarks fairly balance the interest of the CLECs, the Authority and BellSouth. Therefore, BellSouth strongly recommends that the BellSouth proposed analogs and benchmarks become the performance standards adopted by this Authority.

Q. DO YOU CONCUR WITH MS. KINARD'S TESTIMONY REGARDING STATISTICAL METHODOLOGY ON PAGES 17-18?

A. No. Statistical testing should only be required in assessing the performance of the key measurements included in the BellSouth VSEEM plan. It is not necessary to conduct statistical testing on other performance measurement data since disparate treatment would be captured in the set of VSEEM measurements. For statistical testing of the VSEEM measures, BellSouth urges this Authority to adopt the alternative statistical method that evolved during the Louisiana Workshops, the truncated z methodology. This methodology was jointly developed by BellSouth statisticians and statisticians representing MCI WorldCom. It is superior to the modified z methodology. Furthermore, BellSouth believes that a statistical methodology should only be applied to those measurements containing a retail analog, which are included in the BellSouth remedy plan, VSEEM III.

Q. DOES BELLSOUTH CONCUR WITH THE BASIC COMPONENTS OF A REMEDY MODEL THAT MS. KINARD IDENTIFIES ON PAGE 19?

A. Yes

Q. DOES BELLSOUTH'S PROPOSED REMEDY PLAN, VSEEM III, INCLUDE ALL FIVE OF THESE COMPONENTS?

A. Yes. BellSouth strongly urges this Authority to adopt BellSouth's proposed VSEEM III remedy plan if this Authority deems it necessary to order a remedy plan as part of this proceeding.

Q. WHAT IS BELLSOUTH'S POSITION ON AUDITING PERFORMANCE MEASUREMENTS?

A. BellSouth's Service Quality Measurements, Appendix C, sets forth BellSouth's position on auditing performance measurements. This position provides the Authority with sufficient auditing capability to conclude that BellSouth is meeting its obligations under the Act. Under MCI WorldCom's proposal, given the number of CLECs with whom BellSouth has interconnection agreements, BellSouth would potentially have to conduct hundreds of audits each year, at significant cost. BellSouth's proposal balances the need to provide CLECs with the ability to audit performance data with the need to keep the process manageable, efficient, and cost-effective.

Q. ON PAGE 20 OF HER TESTIMONY, MS. KINARD SUGGESTS THAT "BELLSOUTH SHOULD PAY FOR THE FIRST TWO AUDITS FOR A SIMILAR PROCESS? DO YOU AGREE?

A. No. As stated in Appendix C of BellSouth's SQM, BellSouth proposes that 50% of the cost be borne by BellSouth and 50% by the CLEC(s) and that an audit be conducted each year for the next 5 years.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes

AFFIDAVIT

STATE OF: Georgia
COUNTY OF: Fulton

BEFORE ME, the undersigned authority, duly commissioned and qualified in and for the State and County aforesaid, personally came and appeared David A. Coon – Director – Interconnection Services, BellSouth Telecommunications Inc., who, being by me first duly sworn deposed and said that:

He is appearing as a witness before the Tennessee Regulatory Authority in Docket No. 00-00309 on behalf of BellSouth Telecommunications, Inc., and if present before the Authority and duly sworn, his testimony would be set forth in the annexed testimony consisting of 19 pages and 0 exhibit(s).

David A. Coon

Sworn to and subscribed
before me on 12.13.00

NOTARY PUBLIC

SUZY A. SHERWOOD
NOTARY PUBLIC
FAYETTE COUNTY, GEORGIA
MY COMMISSION EXPIRES
APR
28
2003

BELLSOUTH TELECOMMUNICATIONS, INC.

REBUTTAL TESTIMONY OF RONALD M. PATE

BEFORE THE TENNESSEE REGULATORY AUTHORITY

DOCKET NO. 00-00309

December 13, 2000

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

A. My name is Ronald M. Pate. I am employed by BellSouth Telecommunications, Inc. ("BellSouth") as a Director, Interconnection Services. In this position, I handle certain issues related to local interconnection matters, primarily operations support systems ("OSS"). My business address is 675 West Peachtree Street, Atlanta, Georgia 30375.

Q. HAVE YOU PREVIOUSLY FILED TESTIMONY IN THIS DOCKET?

A. Yes. I filed direct testimony on December 6, 2000.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to rebut the direct testimony of Mr. Don Price and Ms. Sherry Lichtenberg of MCImetro Access Transmission Services, LLC and MCI WORLDCOM Communications, Inc. ("MCI WorldCom"). Specifically, my comments respond to their direct testimony regarding Issues Nos. 1, 80, and 81.

Issue 1: Should the electronically ordered NRC apply in the event an order is submitted manually when electronic interfaces are not available or not functioning within specified standards or parameters?

Q. PAGE 4 , LINE 7 OF MR. PRICE'S TESTIMONY SUGGESTS THAT BELLSOUTH IS DISCRIMINATING AGAINST CLECs BY PROVIDING ELECTRONIC ORDERING PROCESSES FOR ITS OWN RETAIL OPERATIONS WHILE REQUIRING CLECS TO ORDER THE SAME PRODUCTS AND SERVICES MANUALLY. DO YOU AGREE?

A. No. As stated in my direct testimony, neither MCI WorldCom's petition nor Mr. Price's direct testimony offers any specific information to support his suggestion that BellSouth is acting in a discriminatory manner, and I disagree strongly with this claim. I am not aware of any situation of the type described by Mr. Price on line 8 of his Direct testimony: " If BellSouth uses electronic processes for its own OSS and does not provide electronic processes to its competitors to obtain what amounts to substantially the same elements or services, it is not providing parity." Indeed, in other

proceedings, the only example which Mr. Price cited concerned the use of the Access Service Request ("ASR") to order EELs. This is not an issue of discrimination against MCI, but an example of MCI's desire to be treated differently than other CLECs. Moreover, the issue raised by Mr. Price is the same issue identified as Issue 80 in this proceeding discussed below.

Q. MR. PRICE, ON PAGE 4, LINES 21-22, OF HIS DIRECT TESTIMONY, STATES "BELLSOUTH SHOULD NOT BE ENCOURAGED TO USE INEFFICIENT, COSTLY SYSTEMS TO SERVE CLECS ...". PLEASE COMMENT.

A. Again, I disagree strongly with the implication of Mr. Price's statement that BellSouth uses "inefficient costly systems to serve CLECs" which is not the case. BellSouth has provided the CLECs efficient, cost effective and non-discriminatory access to its operations support systems ("OSS") for pre-ordering, ordering, provisioning, maintenance and repair, and billing through robust and reliable manual and electronic interfaces. The electronic interfaces are: Local Exchange Navigation System ("LENS"), Telecommunications Access Gateway ("TAG"), RoboTAG™, Electronic Data Interchange ("EDI"), Trouble Analysis and Facilitation Interface ("TAFI"), Electronic Communications Trouble Administration ("ECTA"),

Optional Daily Usage File ("ODUF"), Enhanced Optional Daily Usage File ("EODUF"), and Access Daily Usage File ("ADUF").

The interfaces for CLECs provide a full range of options from which to choose including integratable machine-to–machine interfaces, human-to–machine interfaces and manual interfaces. For whatever reason, MCI WorldCom has chosen to use the manual interfaces for UNE and resale services, even when MCI WorldCom could submit these orders electronically. In spite of the availability of electronic interface capability, MCI WorldCom does not utilize these efficient and cost effective means to submit their local service requests.

Issue 80: Should BellSouth be required to provide an application to application access service order inquiry process?

Q. ON PAGE13, LINES 9-19, OF HER DIRECT TESTIMONY, MS. LICHTENBERG IMPLIES THAT MCI WORLDCOM HAS USED ACCESS SERVICE REQUESTS ("ASRs") TO ORDER UNBUNDLED NETWORK ELEMENTS, SUCH AS ENHANCED EXTENDED LOOPS ("EELs"). IS MS. LICHTENBERG CORRECT?

A. No. Notwithstanding any claim by Ms. Lichtenberg to the contrary, MCI WorldCom is not submitting an ASR to order EELs or any other unbundled

network elements. Prior to September 2000, MCI WorldCom was ordering Special Access service from an end user's location to the MCI WorldCom switch. BellSouth was provisioning and installing Special Access and then manually crediting MCI WorldCom monthly with the difference between Special Access and UNE rates. After September 2000, BellSouth no longer accepts ASRs submitted electronically for EELs or special access conversions. In order to correctly provision EELs, it is necessary for MCI WorldCom to submit its requests using the Local Service Request ("LSR") process in accordance with the Unbundled Dedicated Transport – EELs CLEC Information Package dated May 15, 2000 and posted on the BellSouth Website.

Q. MS. LICHTENBERG STATES ON PAGE 13, LINES 2-4, "SUCH AN APPLICATION-TO-APPLICATION INQUIRY IS NEEDED TO OBTAIN PRE-ORDER INFORMATION ELECTRONICALLY FOR UNEs ORDERED VIA AN ACCESS SERVICE REQUEST AND SHOULD BE PROVIDED." PLEASE COMMENT.

A. Ms. Lichtenberg's claim that MCI WorldCom needs an ASR interface in order " to obtain pre-order information electronically for UNEs..." is wrong and misleading. The Local Service Request is the industry-defined means of ordering UNEs, not the ASR process. Each UNE offered by BellSouth can be ordered via an LSR, and MCI WorldCom need not utilize an ASR

to order any UNE, as Ms. Lichtenberg suggests. In fact, MCI WorldCom is placing its service requests for UNEs via the LSR and Its Access Service Requests via the ASR with satisfactory and expected results. Therefore, the requirement for an application-to-application inquiry for UNEs ordered via an ASR does not exist.

Q. HAS THE FCC EXPRESSED ITS VIEW ON THE USE OF THE ASR FOR ORDERING EELs?

A. Yes. In the FCC's Third Report and Order and the Supplemental Order Clarification that followed, the FCC advised that the ASR process was one method of ordering of EELs, and the conversion of Special Access service to UNEs. In paragraph 298 of the Third Report and Order, the FCC states: "If the EEL is available and a requesting carrier seeks to serve a high volume business, the incumbent LEC can provision the high capacity loop and connect directly to a requesting carrier's collocation cage." MCI WorldCom is not requesting that high capacity loops be connected directly to its collocation space. MCI WorldCom is ordering Special Access service from an end user's location to the MCI WorldCom switch. Footnote 581 in FCC98-238 states: "Furthermore, requesting carriers and incumbent LECs have developed routine provisioning processes to deploy the EEL using the ASR process, and thus requesting carriers will not face delays and costs to integrate the EEL into their networks." This footnote

does not require BellSouth to provision these types of loops using an ASR process. It simply observes that the ASR process is one method for the provision of EELs.

Q. DOES AN APPLICATION-TO-APPLICATION PRE-ORDERING INTERFACE EXISTS FOR LSRs?

A. Yes. BellSouth provides CLECs with access to the same pre-ordering, ordering and provisioning OSS accessed by BellSouth's retail organizations through the machine-to-machine Telecommunications Access Gateway ("TAG") electronic interface. BellSouth supplies CLECs with all the specifications necessary for integrating the pre-ordering functionality of TAG with the ordering functionality of other electronic interfaces. A CLEC may integrate the TAG pre-ordering interface with the Electronic Data Interchange ("EDI") ordering interface or with the TAG pre-ordering with TAG ordering. CLECs interested in integrating the pre-ordering and ordering functionality of the interfaces have responsibility for performing that integration.

Q. CAN THE TAG PRE-ORDERING INTERFACE BE INTEGRATED WITH AN ASR?

A. Yes. MCI WorldCom would have to do the integration on their side of the interface. Thus, what MCI WorldCom is requesting in an application-to-application interface for access service requests for local services already exist. However, once again, the ASR is not the mechanism for ordering local services.

Issue 81: *Should BellSouth provide a service inquiry process for local services as a preordering function?*

Q WHAT IS MCI WORLDCOM REQUESTING THROUGH THIS ISSUE?

A. MCI WorldCom is asking for manual and electronic SI processes for the pre-ordering of local services that would indicate whether facilities are available to serve an end user, information regarding redundancy, and possibly other information to be specified by MCI WorldCom. Ms. Lichtenberg's direct testimony, Page 15, lines 12-19, describes her request for the service inquiry process as enabling MCI' WorldCom's sales force in selling to MCI WorldCom customers.

Q. IS MCI WORLDCOM'S REQUEST A FUNCTION OF PRE-ORDERING AS DEFINED BY THE FCC?

A. No. According to the Commission's Interconnection Rules (at §51.5) pre-ordering and ordering are defined collectively as including, "the exchange

of information between telecommunications carriers about current or proposed customer products and services, or unbundled network elements, or some combination thereof." Pre-ordering typically consists of obtaining access to the following information and functions :

- Street address validation
- Telephone number selection
- Availability of service and features
- Due date information
- Customer service record information
- Loop makeup information

Pre-ordering deals with the collection of information necessary to populate an order for resale or UNEs. MCI WorldCom's request deals with the gathering of data to have assurance of facilities availability for the purpose of developing sales proposals. That was not contemplated by the Act and as such BellSouth has no statutory requirement to provide such.

Q. IS BELLSOUTH NECESSARILY OPPOSED TO PROVIDING MCI WORLDCOM WITH A SERVICE INQUIRY PROCESS THAT WOULD ENABLE MCI WORLDCOM TO GATHER INFORMATION TO DEVELOP SALES PROPOSALS?

A. No. Even though BellSouth is not required to develop the process proposed by MCI WorldCom, BellSouth has no objection to this issue being considered by the industry through the Change Control Process ("CCP"). The CCP is the process by which BellSouth and participating CLECs manage requested changes to the BellSouth Local Interfaces, the introduction of new interfaces, and the identification and resolution of issues related to Change Requests. This process covers Change Requests initiated by both BellSouth and CLECs that affect external users of BellSouth's electronic interface applications and/or, associated manual processes.

BellSouth and representatives of the CLECs will meet to review, prioritize, and make recommendations for candidate Change Requests. Through this process the input from all interested CLECs is considered and the decisions that result will best serve the CLEC community as a whole. The CCP process is described in the BellSouth Website: http://www.interconnection.bellsouth.com/markets/lec/ccp_live/ccp.html

The CLEC industry should have the opportunity to decide whether MCI WorldCom's proposed service inquiry process would be beneficial to promoting local competition and the extent to which this process should be given priority over other changes to BellSouth's interfaces currently under discussion.

Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

A. Yes.

AFFIDAVIT

STATE OF: Georgia
COUNTY OF: Fulton

BEFORE ME, the undersigned authority, duly commissioned and qualified in and for the State and County aforesaid, personally came and appeared Ron M. Pate – Director – Interconnection Services, BellSouth Telecommunications Inc., who, being by me first duly sworn deposed and said that:

He is appearing as a witness before the Tennessee Regulatory Authority in Docket No. 00-00309 on behalf of BellSouth Telecommunications, Inc., and if present before the Authority and duly sworn, his testimony would be set forth in the annexed testimony consisting of 11 pages and 0 exhibit(s).

Ron M. Pate

Sworn to and subscribed
before me on 12.13.00

NOTARY PUBLIC

SUZY A. SHERWOOD
MY COMMISSION EXPIRES
APR
28
2003
FAYETTE COUNTY, GEORGIA
NOTARY PUBLIC

BELLSOUTH TELECOMMUNICATIONS, INC.

REBUTTAL TESTIMONY OF DAVID P. SCOLLARD

BEFORE THE TENNESSEE REGULATORY AUTHORITY

DOCKET NO. 00-00309

DECEMBER 13, 2000

Q. PLEASE STATE YOUR NAME, ADDRESS, AND POSITION WITH BELLSOUTH TELECOMMUNICATIONS, INC.

A. I am David P. Scollard, Room 26D3, 600 N. 19th St., Birmingham, AL 35203. My current position is Manager, Wholesale Billing at BellSouth Billing, Inc., a wholly owned subsidiary of BellSouth Telecommunications, Inc.

Q. ARE YOU THE SAME DAVID SCOLLARD THAT FILED DIRECT TESTIMONY IN THIS PROCEEDING?

A. Yes.

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY IN THIS PROCEEDING?

My rebuttal testimony will respond to the direct testimony of MCI witnesses on issues 42, 75 and 95.

Issue 42: Should MCI WorldCom be permitted to offer tandem services for switched access service?

Q. WHAT IS BELLSOUTH'S UNDERSTANDING OF THIS ISSUE?

A. BellSouth's understanding of this issue is that MCI wants to send access traffic to BellSouth across the local interconnection facilities provided by BellSouth for completion. BellSouth's position is that access traffic should be kept separate from local traffic and therefore, MCI's access traffic should be sent only across access facilities.

Q. WHAT BILLING IMPACTS WOULD BE SEEN IF MCI'S POSITION IS ADOPTED?

A. Generally, the result would be that BellSouth would be unable to accurately bill MCI for the access traffic. Each type of interconnection facility carries with it unique characteristics with regard to the recording of billing data for calls going across that facility. The plain truth is that when MCI sends a call across its local interconnection trunks, it is recorded in BellSouth's network as just that – a call originated from MCI's local customer and sent to BellSouth. Therefore, BellSouth can not distinguish this access traffic from the other local traffic based on the call records. BellSouth would then be forced to factor the access traffic using the Percent Local Usage (PLU) factors to determine what should be billed. This subjects more traffic to the factors than currently is the case which leads to greater inaccuracies in the bills to MCI.

Q. WHAT DOES BELLSOUTH WANT THIS AUTHORITY TO DO REGARDING THIS ISSUE?

A. BellSouth is asking the Authority to adopt BellSouth's position that MCI be required to continue to separate its access traffic from its local traffic.

Issue 75: For end users served by INP should the end user or the end-user's local carrier be responsible for paying the terminating carrier for collect calls, third party billed calls or other operator assisted calls?

Q. ON PAGES 68 AND 69 OF HIS DIRECT TESTIMONY MCI WITNESS PRICE STATES THAT INDUSTRY PRACTICE IS FOR TOLL CARRIERS TO BILL INP END USERS DIRECTLY FOR COLLECT OR THIRD NUMBER BILLED CALLS. IS THIS TRUE?

A. No. As stated in my direct testimony, the industry mechanisms that support the billing of collect and third number billed calls were not redesigned to handle billing in the manner claimed by MCI. One of the reasons for this is that INP was, is, and shall always be a short term product. The fact that MCI can serve these types of customers using LNP, the permanent portability service, from the vast majority of BellSouth's switches in the state of Tennessee is testimony to the wisdom the industry used in deciding to leave the existing mechanisms unchanged. While it may be true, as Mr. Price states, that IXCs bill end users

directly at times, this is not relevant to the types of calls addressed by this issue. The calls at issue here are calls that a local exchange company has carried on behalf of a customer of another local exchange company. In the industry, these calls are billed via message exchange processes between the companies and not directly to the end user. BellSouth's proposal complies with the arrangements and infrastructures designed by the industry.

Issue 95: Should BellSouth be required to provide MCI with billing records with all EMI standard fields?

Q. ON PAGE 71 OF HIS DIRECT TESTIMONY, MR. PRICE STATES THAT MCI IS ENTITLED TO BILLING INFORMATION IN THE INDUSTRY STANDARD RECORD FORMATS. IS BELLSOUTH AGREEING TO PROVIDE THESE RECORDS TO MCI?

A. Yes. BellSouth has proposed contract language stating that it will continue to use the industry developed EMI formats on all of the usage records provided to MCI. In addition, the language goes on to specifically state which of the EMI records will be provided and how those records are to be sent. BellSouth's position is that the language proposed by MCI is unclear, confusing and does not describe in sufficient detail the manner in which the records will be provided. For this reason, BellSouth's language should be adopted for this issue.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

AFFIDAVIT

STATE OF: Georgia
COUNTY OF: Fulton

BEFORE ME, the undersigned authority, duly commissioned and qualified in and for the State and County aforesaid, personally came and appeared David P. Scollard – Manager – Wholesale Billing, BellSouth Telecommunications Inc., who, being by me first duly sworn deposed and said that:

He is appearing as a witness before the Tennessee Regulatory Authority in Docket No. 00-00309 on behalf of BellSouth Telecommunications, Inc., and if present before the Authority and duly sworn, his testimony would be set forth in the annexed testimony consisting of 5 pages and 0 exhibit(s).

David P. Scollard

David P. Scollard

Sworn to and subscribed
before me on 12.13.00

NOTARY PUBLIC

SUZY A. SHERWOOD
NOTARY PUBLIC
FAYETTE COUNTY, GEORGIA
MY COMMISSION EXPIRES
APR
28
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BELLSOUTH TELECOMMUNICATIONS, INC.

REBUTTAL TESTIMONY OF CYNTHIA K. COX

BEFORE THE TENNESSEE REGULATORY AUTHORITY

DOCKET NO. 00-00309

DECEMBER 13, 2000

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

A. My name is Cynthia K. Cox. I am employed by BellSouth as Senior Director for State Regulatory for the nine-state BellSouth region. My business address is 675 West Peachtree Street, Atlanta, Georgia 30375.

Q. HAVE YOU PREVIOUSLY FILED TESTIMONY IN THIS PROCEEDING?

A. Yes. I filed direct testimony and four exhibits on December 6, 2000.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to respond to the direct testimony of witnesses for MCImetro Access Services, LLC ("MCI") and Brooks Fiber Communications of Tennessee, Inc. ("Brooks Fiber"), collectively referred to as "MCI WorldCom", with the Tennessee Regulatory Authority ("TRA" or "Authority") on December 6, 2000. I address the following issues in my

rebuttal testimony: 1, 3, 6,18, 22, 23, 28, 34-36, 39, 40, 42, 45-48, 51, 52, 54, 67, 94, and 107-110.

Issue 1: Should the electronically ordered NRC apply in the event an order is submitted manually when electronic interfaces are not available or not functioning within specified standards or parameters??

Q. WHAT IS MCI WORLDCOM'S CURRENT POSITION ON THIS ISSUE?

A. At page 3, Mr. Price states that MCI WorldCom should pay the electronic ordering charge in instances where BellSouth does not provide an electronic interface to Competitive Local Exchange Carriers ("CLECs"), but provides electronic ordering for itself. In other words, Mr. Price appears to concede that manual ordering charges apply when no electronic ordering capability exists for either BellSouth or CLECs. However, MCI WorldCom's proposed contract language does not reflect the position described in Mr. Price's testimony. MCI WorldCom's contract language states that MCI WorldCom would pay the electronic ordering charge when electronic interfaces "are not available". The language should make clear that electronic ordering charges apply when an electronic interface is provided by BellSouth and MCI WorldCom submits its order electronically.

BellSouth's position on this issue is clearly reflected in its proposed language, which is included in page 3 of my direct testimony. Based on BellSouth's proposed language, if BellSouth provides an electronic interface, and an order

is submitted electronically, an electronic ordering charge will apply. If BellSouth provides an electronic interface, and an order is submitted manually, a manual ordering charge will apply. If BellSouth does not provide an electronic interface, manual ordering charges apply for any submitted orders. However, as the parties have agreed in Issue 86, if the electronic interface is not functioning under specified circumstances, an electronic ordering charge would still apply on orders that would have been submitted electronically.

Issue 3: Should the resale discount apply to all telecommunication services BellSouth offers to end users, regardless of the tariff in which the service is contained?

Q. MR. PRICE, AT PAGE 6, STATES THAT BELLSOUTH "SEEKS TO DISCRIMINATE AGAINST WORLDCOM BY DENYING IT THE RIGHT TO RESELL SERVICES INCLUDED IN BELLSOUTH'S FEDERAL AND STATE ACCESS TARIFFS, EVEN WHEN BELLSOUTH OFFERS THOSE SERVICES TO END USERS." HAS BELLSOUTH DENIED MCI WORLDCOM THE RIGHT TO RESELL ITS SERVICES?

A. No. MCI WorldCom has always been able to resell access services even before the Telecommunications Act of 1996 (the "1996 Act") was passed. BellSouth does not restrict MCI WorldCom's ability to resell access service. BellSouth, however, does not offer telecommunications services contained in its access tariffs at a wholesale discount. As I stated in my direct testimony, BellSouth's position is fully supported by the FCC, as outlined in paragraphs

873 and 874 of the FCC's First Report and Order in CC Docket No. 96-98 ("Local Competition Order"). In its Order, the FCC specifically exempted exchange access services from the wholesale discount that applies to retail services under the 1996 Act.

Issue 6: Should BellSouth be directed to perform, upon request, the functions necessary to combine network elements that are ordinarily combined in its network?

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

A. As I stated in my direct testimony, BellSouth will make combinations of UNEs available to MCI WorldCom consistent with BellSouth's obligations under the 1996 Act and applicable FCC rules.

Q. ON PAGES 13-14, MR. PRICE QUOTES THE TRA'S "SECOND COST ORDER" AS REQUIRING BELLSOUTH TO PROVIDE TO CLECS ANY COMBINATIONS THAT BELLSOUTH PROVIDES TO ITSELF ANYWHERE IN ITS NETWORK. PLEASE COMMENT.

A. Mr. Price's quote is from the order issued on November 22, 2000, but documents the TRA's decisions at the Authority Conference on April 25, 2000. This order is an interim order addressing additional adjustments to be made in the parties' cost studies and adopting deaveraged proxy prices for UNE loops until such time as deaveraged permanent prices for UNEs are established. A final order has not yet been issued.

The footnote which Mr. Price quotes is, at best, an indirect reference to this issue. We do not believe that the statement in the footnote reflects a decision by the Authority on this important issue. Indeed, the Authority decided this issue in the NEXTLINK arbitration (Docket No. 98-00123, Order dated May 18, 1999), finding that incumbent LECs are not required to combine unbundled network elements for CLECs. As noted in my direct testimony, the Authority should find that BellSouth is not obligated to combine UNEs for CLECs such as MCI WorldCom.

Q. PLEASE COMMENT ON MR. PRICE'S RELIANCE ON AN ORDER BY THE GEORGIA PUBLIC SERVICE COMMISSION TO SUPPORT MCI WORLDCOM'S POSITION ON THIS ISSUE?

A. Yes. On pages 14 - 15, Mr. Price quotes from the Georgia Public Service Commission's Order in Docket No. 10692-U to support his claim that BellSouth should combine UNEs for CLECs, even when such elements are not already combined. Mr. Price, however, fails to mention a critical aspect of the Georgia Commission's Order. The Georgia Commission stated that "if the Eighth Circuit Court of Appeals determines that ILECs have no legal obligation to combine UNEs under the Federal Act, the Commission will reevaluate its decision with regard to the requirement that BellSouth provide combinations of typically combined elements where the particular elements being ordered are not actually physically connected at the time the order is placed." (Order at page 22) The Court determined that BellSouth has no legal

obligation to combine UNEs for CLECs. In light of the Eighth Circuit's ruling, BellSouth fully anticipates that the Georgia Commission will reevaluate its decision and modify its ruling consistent with the Eighth Circuit's ruling.

Issue 18: Is BellSouth required to provide all technically feasible unbundled dedicated transport between locations and equipment designated by WorldCom so long as the facilities are used to provide telecommunications services, including interoffice transmission facilities to network nodes connected to WorldCom switches and to switches or wire centers of other requesting carriers?

Q. AT PAGES 21-22, MR. PRICE SUGGESTS THAT THE FCC SUPPORTS MCI WORLDCOM'S POSITION ON THIS ISSUE. DO YOU AGREE?

A. No. Mr. Price quotes from the FCC's Third Report and Order in CC Docket 96-98 ("UNE Remand Order") at paragraph 346 in an attempt to support MCI WorldCom's position that BellSouth must provide dedicated interoffice transport between MCI WorldCom switching locations and between MCI WorldCom's network and another requesting carrier's network. However, paragraph 346 does not require that an ILEC provide, let alone construct, dedicated transport for a CLEC between points designated by the CLEC. All paragraph 346 does is support the FCC's decision to require unbundled transport that already exists in BellSouth's network.

Q. DID THE EIGHTH CIRCUIT'S JULY 18, 2000 RULING ADDRESS THIS ISSUE?

A. Yes. As noted in my direct testimony, the Eighth Circuit speaks to this issue in its ruling vacating the FCC's use of a hypothetical network standard for purposes of its pricing rules. In its discussion, the Eighth Circuit notes that it is the ILECs' existing networks that are to be made available to CLECs. Specifically, in striking down a hypothetical network cost, the Court stated, "[i]t is the cost to the ILEC of providing its existing facilities and equipment either through interconnection or by providing the specifically requested existing network elements that the competitor will in fact be obtaining for use that must be the basis for the charges." [Emphasis added]

Based on the foregoing, BellSouth encourages the Authority to determine, just as the FCC and the Eighth Circuit have, that BellSouth is only obligated to unbundle its existing network. BellSouth is not required to provide dedicated transport between MCI WorldCom locations and MCI WorldCom's network and the networks of other carriers.

Q. DOES THIS ISSUE ALSO HAVE IMPLICATIONS FOR REQUESTS FOR INTERCONNECTION?

A. Yes. If MCI WorldCom's request for dedicated transport is, in reality, a request for interconnection, the Eighth Circuit has spoken to that issue as well. Interconnection facilities are facilities between two carriers that provide for the exchange of traffic between those carriers. UNE transport is leased to a CLEC by an ILEC for use by a CLEC in carrying traffic within the CLEC's network.

The Eighth Circuit, however, does not distinguish between interconnection facilities and UNE transport with respect to construction of new facilities. Specifically, the Eighth Circuit noted that the Act "requires an ILEC to (1) permit requesting new entrants (competitors) in the ILEC's local market to interconnect with the ILEC's *existing* local network..." (page 2, emphasis added)

Q. MR. PRICE'S DISCUSSION ON PAGES 19-22 STATES MCI WORLDCOM'S POSITION THAT BELLSOUTH SHOULD PROVIDE CONNECTIONS BETWEEN NODES ON MCI WORLDCOM'S NETWORK. PLEASE COMMENT.

A. As I stated earlier, the FCC only requires BellSouth to unbundle dedicated transport in BellSouth's existing network and has specifically excluded transport between other carriers' locations. As noted in my direct testimony, paragraph 440 of the FCC's Local Competition Order only requires that ILECs provide dedicated transport between LEC central offices or between LEC offices and those of competing carriers. It is highly unlikely that BellSouth will have existing facilities directly between two points on MCI WorldCom's network or between MCI WorldCom's network and the network of another carrier other than BellSouth. In the unlikely event BellSouth has dedicated transport that currently exists for BellSouth's use between points on MCI WorldCom's network where MCI WorldCom is requesting dedicated transport, BellSouth will provide MCI WorldCom access to those facilities.

Issue 22: Should the interconnection agreement contain WorldCom's proposed terms addressing line sharing, including line sharing in the UNE-P and unbundled loop configurations?

Q. HAS BELLSOUTH PROPOSED CONTRACT TERMS FOR LINE SHARING?

A. Yes. BellSouth has proposed contract terms for line sharing to MCI WorldCom. BellSouth believes the Authority should adopt BellSouth's proposed language. This proposed language is the product of numerous meetings between CLECs and BellSouth in which MCI WorldCom was invited to participate, and it covers both line sharing and loop qualification.

Q. DOES MR. PRICE DISCUSS THE ASPECT OF THE DISPUTE THAT INCLUDES WHETHER BELLSOUTH PROVIDES LINE SHARING OVER THE UNE PLATFORM ("UNE-P")?

A. Yes. Mr. Price suggests the Authority adopt MCI WorldCom's language on this issue. However, MCI WorldCom's proposed language would place obligations upon BellSouth that have been flatly rejected by the FCC. BellSouth's position is that it has no such obligation. My direct testimony demonstrates that the FCC makes clear in its Third Report and Order in CC Docket No. 98-147 and Fourth Report and Order in CC Docket No. 96-98, as well as its Order in CC Docket No. 00-65 (SBC – Texas Section 271

Application) that ILECs are not required to provision line sharing over the UNE-P.

Q. MR. PRICE, AT PAGE 23, SAYS THE FCC REQUIRES BELLSOUTH TO "PROVISION UNE-P TO WORLDCOM IN A MANNER THAT PERMITS LINE SPLITTING BETWEEN WORLDCOM AND A DLEC." DO YOU AGREE?

A. Absolutely not. MCI WorldCom appears to be confusing line sharing with line splitting. As I stated with line sharing, the FCC specifically notes that the ILEC is the voice provider in such a situation. Line splitting is when CLECs provide both voice and data on a loop and port combination. This would be accomplished by BellSouth providing the CLEC with an unbundled loop and unbundled port delivered to the CLEC's collocation space. This is what is referred to by the FCC as line splitting. Line splitting is not accomplished via the UNE-P.

Issue 23: Does WorldCom's right to dedicated transport as an unbundled network element include SONET rings?

Q. DO YOU AGREE WITH MR. PRICE'S SUGGESTION, AT PAGE 28, THAT MCI WORLDCOM WOULD BE DENIED THE ABILITY TO COMPETE BECAUSE "MORE THAN 80% OF BELLSOUTH'S INTEROFFICE NETWORK CONSISTS OF FIBER FACILITIES IN A RING ARCHITECTURE"?

A. No. As I stated in my direct testimony, BellSouth provides DS1, DS3 or any other existing transport links on an unbundled basis throughout its existing network regardless of whether or not those links are provisioned over a SONET ring. Thus, Mr. Price's suggestion that MCI WorldCom would be denied the ability to compete because "more than 80% of BellSouth's interoffice network consists of fiber facilities in a ring architecture" is wrong because MCI WorldCom is not denied access to any existing transport facilities.

However, the FCC made clear that BellSouth has no obligation to provide unbundled access to SONET rings themselves. Because CLECs like MCI WorldCom have access to existing point-to-point transport regardless of whether the transport is provisioned over SONET rings, MCI WorldCom would have to show that it would be "impaired" without access to the entire SONET ring, which MCI WorldCom has not done.

Q. MR. PRICE CLAIMS, AT PAGE 28, THAT MCI WORLDCOM's LANGUAGE "DOES NOT REQUIRE BELLSOUTH TO CONSTRUCT NEW FIBER FACILITIES." DO YOU AGREE?

A. No. Although MCI WorldCom's language contained in Mr. Price's testimony at page 26 purports to contend that BellSouth is not required to construct facilities where none currently exist, MCI WorldCom's language continues by obligating BellSouth to install electronics. Whether or not MCI WorldCom

wants BellSouth to construct new fiber facilities, it is clear from Mr. Price's testimony that MCI WorldCom wants BellSouth to "provide the electronics necessary to provide such dedicated transport to MCI WorldCom on existing facilities." Adding such necessary electronics involves construction at both ends of the fiber facility. This work constitutes construction of new facilities, which BellSouth is not obligated to do.

Issue 28: Should BellSouth provide the calling name database via electronic download, magnetic tape, or via similar convenient media?

Q. ON PAGE 29, MR. PRICE CLAIMS THAT MCI WORLDCOM REQUIRES A DOWNLOAD OF THE CALLING NAME DATABASE IN ORDER TO "PROVIDE A NUMBER OF SERVICES TO WORLDCOM's CUSTOMERS, INCLUDING CALLER ID WITH NAME SERVICE." DO YOU AGREE?

A. No. Providing Caller ID with name service does not require a download of the calling name database and MCI WorldCom has not identified any service it wants to provide that would require MCI WorldCom to have a download of the data as opposed to simply being able to access the data. In the MCI WorldCom arbitration hearing in North Carolina, when asked under cross examination to identify another service that would require a download of the database, Mr. Price was unable to do so.

BellSouth offers access to its calling name database on a per query basis. The terminating switch initiates a query to a calling name database when a call is

received by an end user that subscribes to Caller ID with name service. This query is triggered based on the translations that appear on the terminating end user's line. When an MCI WORLDCOM end user with Caller ID with name service receives a call from an end user whose name is stored in BellSouth's calling name database, MCI WorldCom's switch launches a query to BellSouth's calling name database to retrieve the caller's name for display on the MCI WorldCom end user's display device. This same process occurs when the terminating end user is a BellSouth customer with Caller ID with name service. The access that BellSouth provides to its calling name database enables MCI to efficiently provide Caller ID with name services to its end users. BellSouth is fulfilling its obligations to provide unbundled access to its call-related databases as required by the Act and the FCC's rules. Nothing in any FCC order can reasonably be read to obligate BellSouth to provide an electronic download of any call-related database, including CNAM.

Issues 34 and 35: Is BellSouth obligated to provide and use two-way trunks that carry each party's traffic?

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

A. BellSouth will install two-way trunks for MCI WorldCom's traffic if MCI WorldCom requests. The trunk equipment installed will provide two-way trunking. However, BellSouth is not obligated to put its traffic over those trunks unless volumes are too low to justify one-way trunks.

Q. ARE TWO-WAY TRUNKS MORE COST EFFICIENT THAN ONE-WAY TRUNKS AS MR. OLSON IMPLIES AT PAGE 3?

A. Not necessarily. BellSouth agrees that two-way trunks may be more efficient than one-way trunks under some circumstances. For this reason, BellSouth offers two-way trunk interconnection to CLECs in a variety of configurations. However, as I discussed in my direct testimony, two-way trunks are not always the most efficient due to busy hour characteristics and balance of traffic. If the traffic on the trunk group in both directions occurs in the same or similar busy hour, there will be few, if any, savings obtained by using two-way trunks versus one-way trunks. In addition, if the traffic is predominately flowing in one direction, there will be little or no savings in two-way trunks over one-way trunks. However, it should be noted that, in all cases, two-way trunks are more difficult to administer because they require more coordination of forecasts between the companies.

Q. HOW DOES BELLSOUTH RECOMMEND THE AUTHORITY RESOLVE THIS ISSUE?

A. BellSouth requests the Authority to adopt the BellSouth position on this issue and not require BellSouth to send its traffic over two-way trunks. The contract should allow the parties to reach mutual agreement on the use of two-way trunks on a case by case basis. This method has proven effective where BellSouth and other CLECs have addressed the provision of two-way trunks.

Issue 36: Does WorldCom, as the requesting carrier, have the right pursuant to the Act, the FCC's Local Competition Order and the FCC regulations, to designate the network point (or points) of interconnection at any technically feasible point?

Q. WHAT IS THE ESSENCE OF THE DISPUTE BETWEEN THE PARTIES ON THIS ISSUE?

A. As I stated in my direct testimony, in a nutshell, this issue is about whose customers should pay for the costs that MCI WorldCom creates as a result of its network design decisions. MCI WorldCom wants BellSouth's customers to bear those costs. Not surprisingly, BellSouth's position is that MCI WorldCom's customers should bear the costs of MCI WorldCom's decisions. All of the discussion concerning who gets to establish points of interconnection, how many points there will be, when reciprocal compensation applies to the facilities, etc. are simply a means to an end. And that end is whether customers that MCI WorldCom does not serve should bear the additional costs that result from MCI WorldCom's network design or whether MCI WorldCom's own customers should bear those costs. Although the processes required to implement the parties' positions concerning network interconnection are very complicated, the Authority only has to decide whether MCI WorldCom should bear the full costs of its network design.

Q. HOW DOES THE FCC ADDRESS THE ISSUE OF ADDITIONAL COSTS CAUSED BY A CLEC'S CHOSEN FORM OF INTERCONNECTION?

A. As I noted in my direct testimony, in its First Report and Order in Docket 96-325, the FCC states that the CLEC must bear those costs. Paragraph 199 of the Order states that "a requesting carrier that wishes a 'technically feasible' but expensive interconnection would, pursuant to section 252(d)(1), be required to bear the cost of the that interconnection, including a reasonable profit." Further, at paragraph 209, the FCC states that "Section 251(c)(2) lowers barriers to competitive entry for carriers that have not deployed ubiquitous networks by permitting them to select the points in an incumbent LEC's network at which they wish to deliver traffic. Moreover, because competing carriers must usually compensate incumbent LECs for the additional costs incurred by providing interconnection, competitors have an incentive to make economically efficient decisions about where to interconnect." (emphasis added)

BellSouth's position on this issue is consistent with the FCC's Order.

Q. PLEASE COMMENT ON MR. OLSON'S CLAIM, AT PAGE 5, THAT MCI WORLDCOM HAS THE RIGHT TO DESIGNATE A SINGLE POINT OF INTERCONNECTION.

A. MCI WorldCom may establish a single point of interconnection for its originating traffic. MCI WorldCom does not have the right to establish an interconnection point for BellSouth's originated traffic. The POI for BellSouth's originated traffic is a single point in a local calling area to which BellSouth will deliver all of its customers' traffic to the CLEC. The traffic

originated by all BellSouth customers in a local calling area would be transported by BellSouth to a single point in that local calling area at no charge to the CLEC. Assuming there is more than one wire center in the local calling area, MCI WorldCom can then pick up all of BellSouth's traffic that originates in that local calling area at a single point rather than having to pick up the traffic at each individual wire center.

Q. ON PAGES 11-12, MR. OLSON CITES THE JUNE 21, 2000 FCC ORDER IN THE TSR WIRELESS COMPLAINT CASE AGAINST US WEST AS EVIDENCE THAT "THE LOCAL COMPETITION ORDER REQUIRES A CARRIER TO PAY THE COST OF FACILITIES USED TO DELIVER TRAFFIC ORIGINATED BY THAT CARRIER TO THE NETWORK OF ITS CO-CARRIER, WHO THEN TERMINATES THAT TRAFFIC AND BILLS THE ORIGINATING CARRIER FOR TERMINATION COMPENSATION." PLEASE RESPOND.

A. The case cited by Mr. Olson does not require BellSouth to haul traffic from a remote local calling area to MCI WorldCom's single point of interface in a LATA.

To the contrary, that Order is completely consistent with BellSouth's position in this case. I am not an attorney, but I do have experience reading and implementing numerous FCC orders. Based on my experience, it appears that the FCC determined a couple of things in the TSR Order. First, the FCC identified the Major Trading Area ("MTA") as the local calling area for

telecommunications traffic between a LEC and a CMRS provider as defined in 47 CFR Section 51.701(b)(2). An MTA typically is a large area that may encompass multiple LATAs, and an MTA often crosses state boundaries. That really isn't in dispute and wasn't in dispute in the TSR case. Second, the FCC determined that this rule, when read in conjunction with 47 CFR Section 51.703(b), requires LECs to deliver, without charge, traffic to CMRS providers anywhere within the local calling area (or MTA) in which the call originated. This point is very important and the FCC order deserves quoting. The FCC in the TSR order, at page 22 (paragraph 31), said that local exchange carriers are required "to deliver, without charge, traffic to CMRS providers anywhere within the MTA in which the call originated, with the exception of RBOCs...." (emphasis added) The FCC did not say, in this case, that local exchange carriers were required to deliver calls to CMRS providers to points outside the MTA in which the call originated, but rather only had to deliver such traffic at no charge within the MTA where the call originated.

With regard to traffic that originates on the incumbent local exchange carrier's network, the relevant area in which the traffic must be delivered free of charge is defined in CFR Section 51.701(b)(1) as the "local service area established by the state commission." To clarify, Section 51.701(b) provides as follows:

> *(b) Local telecommunications traffic. For purposes of this subpart, local telecommunications traffic means:*
>
> *(1) telecommunications traffic between a LEC and a telecommunications carrier other than a CMRS provider that*

originates and terminates within a local service area established by the state commission; or

(2) telecommunications traffic between a LEC and a CMRS provider that, at the beginning of the call originates and terminates within the same Major Trading Area, as defined in § 24.202(a) of this chapter."

Therefore, with regard to LEC to CLEC traffic, BellSouth is not required to deliver the traffic without charge to MCI WorldCom to any point outside of the "local service area established by the state commission." This is entirely consistent with BellSouth's position. We are only obligated to deliver local calls to MCI WorldCom at a point within the local calling area where the call originates. The portions of the FCC order quoted on pages 11-12 of Mr. Olson' testimony must be read in the complete context of this order, which clearly limits BellSouth's obligation to deliver traffic to MCI WorldCom at no charge to only within the local calling area.

Q. WHAT DOES BELLSOUTH REQUEST OF THIS AUTHORITY?

A. BellSouth simply requests the Authority find that MCI WorldCom is required to pay for facilities that BellSouth installs on MCI WorldCom's behalf in order to extend BellSouth's local networks to MCI WorldCom.

Issue 39: How should Wireless Type 1 and Type 2A traffic be treated under the Interconnection Agreement?

Q. MR. PRICE, AT PAGE 34, STATES THAT WHEN THE PARTIES HAVE THE NECESSARY MEET POINT BILLING CAPABILITIES FOR TYPE 2A TRAFFIC, BELLSOUTH SHOULD STILL CONTINUE TO PROVIDE THE BILLING FUNCTION IT PROVIDES TODAY. DO YOU AGREE?

A. No. At such time as the parties have the capability to perform meet point billing on wireless Type 2A traffic, then each party should bill for its applicable portion of the call. As stated in my direct testimony, the only reason this has not been done is due to lack of meet point billing capability. BellSouth should not be required to be MCI WorldCom's banker.

Q. DOES BELLSOUTH HAVE PLANS TO IMPLEMENT MEET POINT BILLING WITH WIRELESS CARRIERS?

A. Yes. BellSouth has recently completed development of systems, methods and procedures that will allow Wireless Carriers' Type 2A traffic to participate in meet point billing.

Issue 40: What is the appropriate definition of internet protocol (IP) and how should outbound voice calls over IP telephony be treated for purposes of reciprocal compensation?

Q. AT PAGE 35, MR. PRICE CRITICIZES BELLSOUTH FOR NOT DEFINING INTERNET PROTOCOL. DID BELLSOUTH PROVIDE A DEFINITION OF INTERNET PROTOCOL IN ITS DIRECT TESTIMONY?

A. Yes. Briefly, internet protocol, or any other protocol, is an agreed upon set of technical operating specifications for managing and interconnecting networks. Internet protocol is the language that gateways use to talk to each other. It has nothing to do with the transmission medium (wire, fiber, microwave, etc.) that carries the data packets between gateways. Internet Protocol Telephony, on the other hand, is telecommunications service that is provided using internet protocol for one or more segments of the call. Internet Protocol Telephony is, in very simple and basic terms, a mode or method of completing a telephone call. In my direct testimony I provide a more detailed explanation of both Internet Protocol and Internet Protocol Telephony.

Q. AT PAGE 36, MR. PRICE SUGGESTS THAT BELLSOUTH TREATS ALL TRAFFIC UTILIZING INTERNET PROTOCOL AS LONG-DISTANCE. IS HE CORRECT?

A. No. Calls utilizing internet protocol that originate and terminate in the same local calling area should be treated like any other local call. In its discussion of this issue, BellSouth is only addressing traffic that is long distance Phone-to-Phone IP Telephony. Phone-to-Phone IP Telephony is where an end user customer calls a traditional telephone set, but internet protocol technology is used in transporting a portion of the call. The customer has no reason to know

that internet protocol is even being used. Such calls are telecommunications services just like calls transported using circuit switching technology. BellSouth's position is that, if such traffic is truly local in nature, then it would not be subject to switched access charges. However, applicable switched access charges should apply to any traditional long distance telephone call regardless of whether internet protocol is used for a portion of the call.

Q. MR. PRICE, AT PAGES 36-38, APPEARS TO MAKE A CASE FOR PAYING RECIPROCAL COMPENSATION FOR LONG DISTANCE CALLS USING IP TELEPHONY TECHNOLOGY. PLEASE COMMENT.

A. As I stated above, BellSouth does not dispute that calls that originate and terminate in the local calling area are properly termed local calls, regardless of the technology employed. However, Mr. Price is addressing long distance calls for which reciprocal compensation would not apply. The fact that a long distance call can be made through the use of IP telephony is clear. The FCC has never exempted such calls from the payment of access charges, as Mr. Price claims. In fact, the FCC has stated the opposite. The FCC believes such calls are telecommunications services. Of course, access charges apply to long distance telecommunications services.

Q. AT PAGE 38, MR. PRICE QUOTES THE FCC'S 1998 REPORT TO CONGRESS IN SUPPORT OF MCI WORLDCOM'S POSITION THAT SWITCHED ACCESS CHARGES ARE NOT APPROPRIATE FOR CALLS USING IP TELEPHONY. PLEASE COMMENT.

A. Mr. Price states that the FCC has not yet made any "definitive pronouncements" with respect to the treatment of calls using IP Telephony. However, the FCC's long-standing rules that define Access Services include long distance calls made via IP Telephony. As I noted in my direct testimony, even though IP Telephony and ISP traffic both have the word "Internet" in their name, they are completely different services and should not be confused. Contrary to Mr. Price's claim, the FCC's April 10, 1998 Report to Congress states: "The record... suggests... 'phone-to-phone IP telephony' services lack the characteristics that would render them 'information services' within the meaning of the statute, and instead bear the characteristics of 'telecommunication services'." Given this statement by the FCC, it is logical to expect that the FCC believes that long distance phone-to-phone calls using IP Telephony are subject to applicable switched access charges.

Q. WHAT IS YOUR UNDERSTANDING OF THE DISPUTE AT THIS POINT BETWEEN THE PARTIES?

A. My understanding, based on the Florida MCI arbitration hearing, is that both parties agree that long distance calls using IP Telephony are subject to access charges. However, BellSouth believes that a call that originates and terminates in different local calling areas is a long distance call. MCI believes that the NPA/NXX called determines whether a call is long distance.

Issue 42: Should WorldCom be permitted to route access traffic directly to BellSouth end offices or must it route such traffic to BellSouth's access tandem?

Q. PLEASE EXPLAIN THE ISSUE THAT IS IN DISPUTE.

A. Again, as I explained in my direct testimony, the real issue between the parties is ensuring the payment of switched access charges. BellSouth's proposed language in no way affects MCI WorldCom's ability to tandem route traffic or to provide tandem services.

Q. DOES THIS ISSUE HAVE ANYTHING TO DO WITH "COMPETITION FOR TANDEM AND TRANSPORT SERVICES," AS MR. PRICE ALLEGES AT PAGE 40?

A. No. BellSouth's ability to properly route and bill switched access traffic between BellSouth and IXCs is dependent upon established switched access processes and systems. Further, BellSouth's ability to properly route and bill switched access traffic between IXCs and Independent Telephone Companies, other CLECs and Wireless companies subtending BellSouth access tandems also depends on these switched access processes and systems. If switched access traffic is not exchanged through the companies' respective access tandems, but is delivered to BellSouth over local interconnection trunks, BellSouth is unable to identify and properly bill switched access traffic.

Q. PLEASE RESPOND TO MR. PRICE'S ALLEGATION ON PAGE 40 THAT BELLSOUTH IS ATTEMPTING TO MONOPOLIZE THE TANDEM SERVICES BUSINESS.

A BellSouth is not seeking to "monopolize the tandem services business," as Mr. Price claims. In fact, BellSouth's Tennessee Regulatory Authority approved Intrastate Switched Access Tariff and FCC approved Interstate Switched Access Tariff provides for a Switched Transport Feature Group D optional feature entitled Tandem Signaling. This Switched Access Service optional feature provides for the terms and conditions associated with interconnection of BellSouth's end offices to *other companies' access tandem switches*. There are no charges for this service other than a one-time nonrecurring charge to rearrange existing trunks with the feature.

Thus, BellSouth fully embraces competition for tandem services. What BellSouth does not embrace is MCI WorldCom's attempt to avoid the payment of access charges by disguising access traffic as local. This Authority should not order BellSouth to provide local interconnection in a manner that undermines its ability to provide switched access services for the IXC's provision of long distance service pursuant to BellSouth's approved tariffs. Accordingly, the Authority should adopt the language proposed by BellSouth.

Issues 45 and 48: How should third party transit traffic be routed and billed by the parties?

Q. IN SUPPORT OF MCI WORLDCOM'S POSITION THAT BELLSOUTH SHOULD BILL FOR RECIPROCAL COMPENSATION ON THIRD PARTY TRANSIT TRAFFIC, MR. PRICE STATES, AT PAGE 43, THAT BELLSOUTH DOES SO TODAY FOR WIRELESS TYPE 1 AND 2A TRAFFIC. PLEASE COMMENT.

A. MCI WorldCom wants BellSouth to pay reciprocal compensation for local traffic originated from another carrier terminating to MCI WorldCom so MCI WorldCom does not have to consummate an interconnection agreement with the originating carrier. However, BellSouth is neither the originating nor the terminating carrier. When MCI WorldCom is the terminating carrier, MCI WorldCom should bill its own reciprocal compensation just as any other wireline carrier would do. MCI WorldCom is simply attempting to shift, to BellSouth, MCI WorldCom's cost to perform this function. BellSouth should not be asked to relieve MCI WorldCom of its obligations under the 1996 Act.

Under Issue 39 of my direct testimony, I explained in detail the unique circumstances surrounding Wireless Type 1 and 2A traffic, and I also explained that the current arrangement is temporary or driven by technical constraints. Wireless Type 1 traffic is wireless traffic that uses a BellSouth NXX and, therefore, is indistinguishable from BellSouth-originated or BellSouth-terminated traffic from a Meet Point Billing perspective. On the other hand, Type 2A traffic is wireless traffic where the wireless carrier has its own NXX. Although Type 2A traffic is distinguishable, the necessary system capabilities required to bill through the Meet Point billing process have only

recently become available. Due to these unique circumstances, BellSouth currently treats such wireless traffic as land-line traffic originated by either the CLEC or BellSouth. With respect to wireline third-party transit traffic, the traffic is distinguishable and the billing capabilities are available.

Q. HOW DOES MCI WORLDCOM'S CURRENT POSITION COMPARE TO ITS EARLIER POSITION ON THIS ISSUE?

A. In the past, BellSouth did not have the capability to produce the records necessary to permit MCI WorldCom to bill reciprocal compensation for third-party transit traffic. MCI WorldCom complained that BellSouth must provide it with these records so MCI WorldCom could compete. The FCC also stated that such records should be provided to CLECs; therefore, BellSouth developed the capability to provide the necessary records. Now, MCI WorldCom has decided it doesn't want the records after all, but instead wants BellSouth to do the billing for MCI WorldCom so that MCI WorldCom doesn't have to incur the billing costs. It would seem that MCI WorldCom is changing its position to force BellSouth to do whatever is convenient for MCI WorldCom at the time.

Issue 46: Under what conditions, if any, should the parties be permitted to assign an NPA/NXX code to end users outside the rate center in which the NPA/NXX is homed?

Q. AT PAGE 45, MR. PRICE STATES THAT WHETHER A CALL IS LOCAL DEPENDS ON THE NPA/NXX DIALED, NOT THE CUSTOMER'S PHYSICAL LOCATION. DO YOU AGREE?

A. No. The determination of whether a call is local or not depends on the physical location of the calling and called parties. The end points of a call clearly determine the jurisdiction of the call. This point has been repeatedly affirmed by the FCC. As I indicated in my direct testimony, traffic completed to and from numbers assigned in this manner is not local traffic.

Q. MR. PRICE REFERENCES BELLSOUTH'S GSST TARIFF REGARDING FOREIGN EXCHANGE ("FX") SERVICE IN AN ATTEMPT TO SUPPORT MCI WORLDCOM'S POSITION. PLEASE COMMENT.

A. BellSouth does not dispute that its FX service, from the end user's perspective, is exchange service furnished to a subscriber from an exchange other than the one from which the subscriber would normally be served. However, this end user perspective definition in no way diminishes the fact that the FX dedicated facility, paid for by the FX customer, connects the two exchanges together. The end-to-end service is therefore toll service, just as the name "foreign exchange service" indicates.

Q. IN HIS DISCUSSION OF ISSUE 46, MR. PRICE REFERS TO AN ORDER BY THE CALIFORNIA COMMISSION. DID THE CALIFORNIA

COMMISSION RULE ON THE ISSUE IN DISPUTE BETWEEN THE PARTIES?

A. No. The California Commission decided that the ILEC could not restrict the assignment of the CLEC's NXXs. BellSouth is not attempting to restrict MCI WorldCom's ability to assign its NXXs. However, regardless of how this issue is phrased, MCI WorldCom's ability to assign NXX codes is not really what's in dispute between the parties. The dispute between BellSouth and MCI WorldCom is actually whether such calls should be treated as local or long distance for inter-carrier billing purposes. The California Commission did not decide whether the calls were local or long distance, nor did it decide what inter-carrier charges should apply. However, the Maine Commission has decided these issues and determined that the service being provided is interexchange service. Consequently, access charges, rather than reciprocal compensation, apply.

Q. HOW DID THE CALIFORNIA PUC ADDRESS THE ISSUE OF COMPENSATION FOR SUCH TRAFFIC?

A. The California PUC addressed end user billing. However, inter-carrier compensation, not retail end user billing, is the issue here.

MCI WorldCom failed to point out to the Authority that in Section C. 2, Intercarrier Compensation, Discussion Section, page 32 of the Order, the California PUC states:

We conclude that, whatever method is used to provide a local presence in a foreign exchange, a carrier may not avoid responsibility for negotiating reasonable intercarrier compensation for the routing of calls from the foreign exchange merely by redefining the rating designation from toll to local.

The provision of a local presence using an NXX prefix rated from a foreign exchange may avoid the need for separate dedicated facilities, but does not eliminate the obligations of other carriers to physically route the call so that it reaches its proper destination. A carrier should not be allowed to benefit from the use of other carriers' networks for routing calls to ISPs while avoiding payment of reasonable compensation for the use of those facilities. A carrier remains responsible to negotiate reasonable compensation with other carriers with whom it interconnects for the routing of calls from a foreign exchange.

And again on page 36 of the California Order:

We conclude that all carriers are entitled to be fairly compensated for the use of their facilities and related functions performed to deliver calls to their destination, irrespective of how a call is rated based on its NXX prefix.

After much consideration on this issue, the California PUC clearly recognized that the originating carrier should be fairly compensated by the terminating

carrier for use of the originating carrier's facilities to deliver such traffic to the terminating carrier.

Q. DOES BELLSOUTH PROPOSE TO RESTRICT THE ABILITY OF CLECs TO ASSIGN NPA/NXX CODES TO CLEC END USERS AS MCI WORLDCOM CONTENDS?

A. No. Since I discussed this issue in great detail in my direct testimony, I will not repeat myself here. The main points to be made here are twofold. First, BellSouth is not restricting MCI WorldCom's ability to assign NPA/NXXs. It does not matter to BellSouth if MCI WorldCom gives a telephone number to a customer who is physically located in a different local calling area than the local calling area where that NPA/NXX is assigned.

The second point, and the crux of MCI WorldCom's complaint, is that if MCI WorldCom gives a number to a customer that is physically located in a different local calling area from the rate center where the NPA/NXX code for that number is assigned, reciprocal compensation is not due for calls to that number. Such calls are long distance service and reciprocal compensation does not apply to long distance service. Instead appropriate access charges should apply.

Issue 47: Should reciprocal compensation payments be made for ISP bound traffic?

Q. DO YOU HAVE ANY COMMENTS REGARDING MR. PRICE'S TESTIMONY ON THIS ISSUE?

A. Yes. As the Authority is well aware, BellSouth does not agree that ISP-bound traffic is local traffic subject to reciprocal compensation. I have reviewed Mr. Price's testimony and find little that I would agree with. Mr. Price has not provided any evidence that calls to ISPs are local calls. However, BellSouth's position has not changed with respect to this issue in this proceeding. As I stated in my direct testimony, BellSouth recognizes that the Authority has previously ruled on this issue in arbitration proceedings that calls to ISPs are considered local traffic and are subject to the payment of reciprocal compensation on an interim basis. In this arbitration proceeding, on an interim basis, BellSouth is willing to abide by the Authority's previous decisions until the FCC establishes final rules associated with ISP-bound traffic. In doing so, BellSouth does not waive its right to seek judicial review on this issue. Upon establishment of an appropriate inter-carrier compensation mechanism, the parties would engage in a retroactive true-up based upon the established mechanism.

Q. AT PAGE 57, MR. PRICE ENCOURAGES THE AUTHORITY TO "REQUIRE THAT THE NEW AGREEMENT AFFIRMATIVELY CONTAIN WORLDCOM'S PROPOSED LANGUAGE WHICH EXPLICITLY TREATS ISP-BOUND TRAFFIC AS LOCAL TRAFFIC". PLEASE COMMENT.

A. The Authority should reject MCI WorldCom's position. As noted above, BellSouth would agree to continue to operate under the existing terms of the agreement until the FCC establishes an appropriate inter-carrier compensation mechanism for ISP bound traffic. MCI WorldCom's position that the Authority should adopt its language that "explicitly treats ISP-bound traffic as local traffic" is not appropriate.

Issue 51: Under what circumstances is BellSouth required to pay tandem charges when WorldCom terminates BellSouth local traffic?

Q. HAS MCI WORLDCOM DEMONSTRATED THAT IT IS ENTITLED TO THE TANDEM INTERCONNECTION RATE?

A. No. In fact, after reviewing MCI WorldCom's direct testimony, it is even more clear that MCI WorldCom does not meet the FCC's criteria to be eligible to receive tandem switching in Tennessee. MCI WorldCom provides no evidence in this proceeding to demonstrate that its switches either serve a geographic area comparable to BellSouth's tandem switches or perform tandem functions. The Authority is apparently expected to take "on faith" the coverage area and functionality of MCI WorldCom's switches. Lacking such evidence, the Authority should find that MCI WorldCom is not entitled to charge BellSouth for tandem switching.

Q. AT PAGE 59 OF HIS TESTIMONY, MR. PRICE STATES THAT BELLSOUTH'S POSITION IS THAT "WORLDCOM MAY NOT CHARGE

THE TANDEM RATE UNLESS IT USES A TANDEM SWITCH IN THE SAME NETWORK CONFIGURATION USED BY BELLSOUTH." IS HE CORRECT?

A. No. It has never been BellSouth's position that MCI WorldCom must use the same network configuration as BellSouth. It is, however, BellSouth's position that MCI WorldCom should only be compensated for the functions it provides. If MCI WorldCom's switch does not provide a tandem function, it does not meet one of the two criteria established by the FCC for a CLEC to qualify for tandem switching.

The distinguishing feature of a local tandem switch is that it connects one local trunk to another local trunk. It is an intermediate switch or connection between the switch serving the originating telephone call location and the switch serving the final destination of the call. To qualify for payment of tandem switching under reciprocal compensation, a switch must be performing this intermediary function for local calls. MCI WorldCom offers no evidence in this proceeding that its switch performs such a function.

MCI WorldCom is seeking to be compensated for functionality it does not provide. This Authority should deny MCI WorldCom's request for tandem switching compensation when it does not demonstrate that its switch performs those functions.

Q. DOES MCI WORLDCOM DEMONSTRATE THE FUNCTIONALITY OF ITS SWITCHES OR THE AREA IT SERVES IN TENNESSEE?

A. No. MCI WorldCom's testimony sheds no light on the presence of, the functionality of, or the geographic area served by, MCI WorldCom's switches.

Q. DO YOU AGREE WITH MR. PRICE'S CLAIM THAT WHEN THE CLEC'S SWITCH SERVES AN AREA COMPARABLE TO THE AREA SERVED BY BELLSOUTH'S TANDEM SWITCH THAT THE CLEC "AUTOMATICALLY IS ENTITLED" TO THE TANDEM INTERCONNECTION RATE AND THE END OFFICE INTERCONNECTION RATE?

A. No. Clearly, the FCC has a two-part test to determine if a carrier is eligible for tandem switching; a CLEC's switch must serve the same geographic area as the ILEC's tandem switch, and a CLEC's switch must perform tandem switching functions. This is not just BellSouth's view. Courts have found that the FCC's rule imposes both functionality and geographic requirements. For example, in a case involving MCI WorldCom (*MCI Telecommunication Corp. v. Illinois Bell Telephone*, 1999 U.S. Dist. LEXIS 11418 (N.D. Ill. June 22, 1999)), the U.S. District Court specifically determined that the test required by the FCC's rule is a functionality/geography test. In its Order, the Court stated:

> *In deciding whether MCI was entitled to the tandem interconnection rate, the ICC applied a test promulgated by the FCC to determine whether MCI's single switch in Bensonville, Illinois, performed*

functions similar to, and served a geographical area comparable with, an Ameritech tandem switch. [9]

[9] *MCI contends the Supreme Court's decision in IUB affects resolution of the tandem interconnection rate dispute. It does not. IUB upheld the FCC's pricing regulations, including the 'functionality/geography' test. 119 S. Ct. at 733. MCI admits that the ICC used this test. Pl. Br. At 24. Nevertheless, in its supplemental brief, MCI recharacterizes its attack on the ICC decision, contending the ICC applied the wrong test. Pl. Supp. Br. At 7-8. But there is no real dispute that the ICC applied the functionality/geography test; the dispute centers around whether the ICC reached the proper conclusion under that test.*

Q. ON PAGES 62-63 OF MR. PRICE'S TESTMONY, HE DISCUSSES FCC RULE 51.711(a) COULD YOU RESPOND TO THIS TESTIMONY?

A. Yes. Mr. Price emphasizes subpart (3) of the rule, but he simply ignores subpart (1) of the rule. Subpart (1) clearly states that symmetrical rates assessed by a CLEC upon an ILEC for transport and termination of local traffic are equal to the rates "that the incumbent LEC assesses upon the other carrier for the same services." (emphasis added) "Same services" equates to the same functions that the ILEC performs to transport and terminate the CLEC's originating local traffic. MCI WorldCom, therefore, is only entitled to impose tandem switching charges upon BellSouth when MCI WorldCom both: (1) actually performs the tandem switching function for local calls; and (2)

actually serves an area geographically comparable to the area served by Bellsouth's tandem switch to terminate a local call originating from a BellSouth end user. Similarly, BellSouth may only seek recovery of tandem switching charges from MCI WorldCom when BellSouth performs the tandem switching function to terminate a local call originating from an MCI WorldCom end user.

Q. WHAT DOES BELLSOUTH REQUEST OF THE AUTHORITY?

A. BellSouth urges the Authority to find that MCI WorldCom has not demonstrated that its switches perform the same functions as BellSouth's tandem switches, or serve the same geographic area. Consequently, MCI WorldCom is not due compensation for the tandem switching element.

Issue 52: Should BellSouth be required to pay access charges to WorldCom for non-presubscribed intraLATA toll calls handled by BellSouth?

Q. AT PAGE 46, MR. PRICE STATES THAT BELLSOUTH SHOULD PAY ACCESS CHARGES TO MCI WORLDCOM WHEN BELLSOUTH IS THE INTRALATA TOLL CARRIER. PLEASE COMMENT.

A. As I understand it, this is only an issue when BellSouth receives the intraLATA toll revenue for these non-presubscribed calls. Even though BellSouth receives the intraLATA toll revenue, we have no record to indicate what call or calls the revenue applies to. A so-called intraLATA call from an

independent company ("ICO") to MCI WorldCom may be intraLATA toll or an extended area call. The ICO has the call record to distinguish the call, but BellSouth does not. In this instance, MCI WorldCom should go to the ICO to collect the terminating access it is due. Subsequently, the ICO would bill BellSouth to recover the access charge it paid to MCI WorldCom.

Issue 94: Should BellSouth be permitted to disconnect service to WorldCom for nonpayment?

Q. ON PAGE 70, MR. PRICE CONTENDS THAT BELLSOUTH SHOULD NOT HAVE THE LEVERAGE TO DISCONNECT SERVICE. PLEASE RESPOND.

BellSouth is within its rights to deny service to customers that fail to pay undisputed amounts within allowable time frames. MCI WorldCom, like all other CLECs, should pay its bills on undisputed amounts within the time period specified in the parties' interconnection agreement. The logical way to resolve this issue is for MCI WorldCom to pay undisputed amounts within the applicable time frames, and this portion of the agreement will never become an issue.

Issue 107: Should the parties be liable in damages, without a liability cap, to one another for their failure to honor in one or more material respects any one or more of the material provisions of the interconnection agreements?

Q. ON PAGE 77, MR. PRICE CONTENDS THAT THE AUTHORITY SHOULD ACCEPT MCI WORLDCOM'S LANGUAGE THAT CONTAINS NO LIMITATION OF LIABILITY FOR MATERIAL BREACHES OF THE CONTRACT. DO YOU AGREE?

A. No. There should be a limitation of liability for material breaches of the parties' interconnection agreement. Absent such a limitation, there is, in effect, no limitation of liability. Historically, there has been limitation of liability for services provided to end users. MCI WorldCom's proposed language would make BellSouth more liable to MCI WorldCom than BellSouth is liable to its own retail customers by the terms of its tariffs. For example, if BellSouth were to miss a due date for an MCI WorldCom customer and that customer claimed that the missed due date caused the customer to lose a one million dollar sale, then MCI WorldCom's language would attempt to hold BellSouth liable for that lost sale. As the Authority is aware, BellSouth's current tariffs limit the liability of such instances.

Issue 109: Should BellSouth be required to post on its website all BellSouth's interconnection agreements with third parties within fifteen days of the filing of such agreements with the Authority? Should BellSouth be required to permit WorldCom to substitute more favorable terms and conditions obtained by a third party through negotiation or otherwise, effective as of the date of WorldCom's request?

Q. ON PAGE 80, MR. PRICE SUGGESTS THAT BELLSOUTH SHOULD BE REQUIRED TO PROVIDE OTHER PARTIES' AGREEMENTS TO MCI WORLDCOM WITHIN 15 DAYS OF FILING SUCH AGREEMENTS WITH THE AUTHORITY. DOES BELLSOUTH HAVE SUCH AN OBLIGATION?

A. No. Neither, the 1996 Act or the FCC's rules require BellSouth to provide CLECs with agreements filed with the state commissions. MCI WorldCom can get these agreements from the state commissions. In fact, the Authority posts Tennessee interconnection agreements on its website.

Q. SHOULD BELLSOUTH BE REQUIRED TO MAKE SUBSTITUTED CONTRACT TERMS AND CONDITIONS EFFECTIVE AS OF THE DATE OF MCI WORLDCOM'S REQUEST?

A. No. My direct testimony addressed this issue based upon MCI WorldCom's position, as stated in its petition, that the effective date of the substituted terms and conditions should be the same as for the third party. Despite MCI WorldCom's change in position that substituted terms and conditions become effective upon the date of MCI WorldCom's request, MCI WorldCom's proposal is still inappropriate. The adoption or substitution of a specific provision contained in a previously approved agreement is effective on the date the amendment is signed by BellSouth and MCI WorldCom. BellSouth should not be required to give MCI WorldCom the benefit of those terms and

conditions before such terms and conditions have been incorporated into BellSouth's agreement with MCI WorldCom.

Q. DOES THIS COMPLETE YOUR REBUTTAL TESTIMONY?

A. Yes.

#238953

AFFIDAVIT

STATE OF: Georgia
COUNTY OF: Fulton

BEFORE ME, the undersigned authority, duly commissioned and qualified in and for the State and County aforesaid, personally came and appeared Cynthia K. Cox – Senior Director – State Regulatory, BellSouth Telecommunications Inc., who, being by me first duly sworn deposed and said that:

She is appearing as a witness before the Tennessee Regulatory Authority in Docket No. 00-00309 on behalf of BellSouth Telecommunications, Inc., and if present before the Authority and duly sworn, her testimony would be set forth in the annexed testimony consisting of 41 pages and 0 exhibit(s).

Cynthia K Cox

Cynthia K. Cox

Sworn to and subscribed
before me on 12.13.00

Suzy A Sherwood

NOTARY PUBLIC

SUZY A. SHERWOOD
MY COMMISSION EXPIRES
APR
28
2003
FAYETTE COUNTY, GEORGIA
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