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January 18, 2001

VIA HAND DELIVERY

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

Re: *Petition of Sprint Communications Company L.P. for Arbitration with BellSouth Telecommunications, Inc. Pursuant to Section 252(b) of the Telecommunications Act of 1996*
Docket No. 00-00691

Dear Mr. Waddell:

Enclosed are the original and thirteen copies of Rebuttal Testimony on behalf of BellSouth by the following witnesses:

W. Keith Milner
David A. Coon
John A. Ruscilli

Copies of the enclosed are being provided to counsel of record.

Very truly yours,

Guy M. Hicks

GMH:ch
Enclosure

243535

CERTIFICATE OF SERVICE

I hereby certify that on January 18, 2001, a copy of the foregoing document was served on the parties of record, via hand delivery or U.S. Mail, postage-prepaid, addressed as follows:

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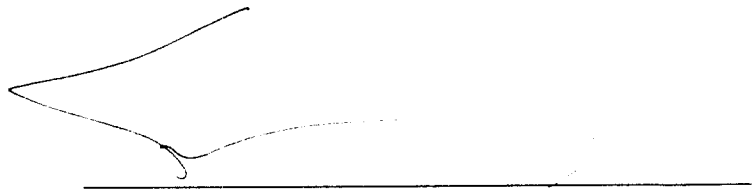

BELLSOUTH TELECOMMUNICATIONS, INC.

REBUTTAL TESTIMONY OF W. KEITH MILNER

BEFORE THE TENNESSEE REGULATORY AUTHORITY

DOCKET NO. 00-00691

JANUARY 18, 2001

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 position since February 1996.

Q. ARE YOU THE SAME W. KEITH MILNER WHO EARLIER FILED DIRECT TESTIMONY IN THIS DOCKET.

A. Yes.

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. I will respond to the testimony of Sprint witness Angela Oliver as it pertains to certain technical matters related to Issue 9(a), and to Sprint witness Melissa L. Closz as it pertains to Issues 14, 17, 18, 20, 21, 45, and 47.

Issue No. 9(a): Should the parties' Agreement contain language providing Sprint with the ability to transport multi-jurisdictional traffic over the same trunk groups, including access trunk groups?

Q. DOES BELLSOUTH OBJECT TO HAVING LANGUAGE CONCERNING THE TRANSPORT OF MULTI-JURISDICTIONAL TRAFFIC OVER THE SAME TRUNK GROUPS IN THE PARTIES' INTERCONNECTION AGREEMENT?

A. No. Indeed, as quoted by Ms. Oliver on page 4 of her testimony, the parties have language dealing with this topic in their existing agreement. However, as I discussed in detail in my direct testimony, the dispute is over what traffic the language is intended to cover. The local interconnection contract section Ms. Oliver quotes was and is intended to allow for Sprint-the-CLEC's end users to complete traffic to IXCs, other CLECs, and BellSouth end users on a single trunk group. As Sprint is fully aware, the traffic routing issues associated with Sprint's request in this proceeding are associated with traffic originating from BellSouth's switches and destined for Sprint's network. BellSouth believes Sprint's request involves significant network planning issues. More importantly however, BellSouth believes there are also major costs involved which it is unclear whether Sprint is willing to pay. Thus, BellSouth believes the appropriate method of addressing Sprint's request is for Sprint to submit the issue to BellSouth's Sprint account team as a Bona Fide Request (BFR) so that the required detailed requirements may be identified and the related costs identified.

Q. IN HER TESTIMONY BEGINNING ON PAGE 4, LINE 4, MS. OLIVER STATES THAT "IT IS AN INDUSTRY-WIDE PRACTICE TO COMBINE INTERLATA AND INTRALATA TRAFFIC ON THE SAME TRUNK GROUPS". MS. OLIVER THEN QUOTES FROM SR-2275, BELLCORE NOTES ON THE NETWORKS, ISSUE 3, DECEMBER 1997 NETWORK DESIGN AND CONFIGURATION, SECTION 4.5.4 COMBINED CONFIGURATION. ADDITIONALLY, MS. OLIVER STATES ON PAGE 5, BEGINNING AT LINE 3, THAT THERE ARE INSTANCES "WHERE ILECS, INCLUDING BELLSOUTH, HAVE COMBINED MULTI-JURISDICTIONAL TRAFFIC ON THE SAME TRUNK GROUPS". PLEASE COMMENT.

A. As I stated in my direct testimony, there are instances where multi-jurisdictional traffic can be and is combined on the same trunks. Between the BellSouth end office switch and the access tandem switch, equal access and non-equal access traffic can be combined on a common transport trunk group (CTTG). The same is true of transit trunk groups when ordered by a CLEC to handle the CLEC's traffic, for example, to other CLECs, or independent telephone companies. However, this has nothing to do with Sprint's request for BellSouth to identify and direct local interconnection traffic originating from BellSouth's end users to Sprint-the-IXC's switched access Feature Group D trunks when the traffic is destined to Sprint-the-CLEC's switch.

Issue 14: Should Sprint be given space priority over other CLECs in the event that Sprint successfully challenges BellSouth's denial of space availability?

Q. ON PAGE 16 OF HER TESTIMONY, MS. CLOSZ POSES AN EXAMPLE IN WHICH THREE CLECS ARE DENIED SPACE, BUT ONLY THE THIRD DECIDES TO CHALLENGE THE DECISION. MS. CLOSZ OPINES THAT THE CLEC THAT CHALLENGED THE DENIAL OF SPACE SHOULD BE AWARDED SPACE AHEAD OF THE EARLIER TWO APPLICANTS. PLEASE RESPOND.

A. While Ms. Closz's proposal has a surface appeal, it would not be practical in actual practice. As I discussed in my direct testimony, such a policy would only encourage appeals of space allocation decisions and would give rise to a number of other administrative concerns.

Q. HAS ANY OTHER COMMISSION RULED ON THIS ISSUE?

A. Yes. On November 17, 2000, the Florida Public Service Commission (FPSC) issued its Final Order Granting in Part and Denying in Part Motion for Reconsideration (Order No. PSC-00-2190-PCO-TP) in the Generic Collocation proceeding. The Commission granted reconsideration of Issue 21 and found that determining an applicant's place on the waiting list based on whether that CLEC had challenged the denial of space was not appropriate. Therefore, an applicant's place on the waiting list for collocation space shall be based upon the date the ILEC received the applicant's collocation application (not on the application denial date). This is consistent with F.C.C. Rule 47 CFR 51.323 (f) which reads:

(f) An incumbent LEC shall allocate space for the collocation of the equipment identified in paragraph (b) of this section in accordance with the following requirements:

(1) An incumbent LEC shall make space available within or on its premises to requesting telecommunications carriers on a first-come, first-served basis, provided, however, that the incumbent LEC shall not be required to lease or construct additional space to provide for physical collocation when existing space has been exhausted;.....

Q. ON PAGE 17 OF HER TESTIMONY, MS. CLOSZ PROPOSES THAT THE AUTHORITY ADOPT CONTRACT LANGUAGE PROPOSED BY SPRINT. DO YOU AGREE?

A. No. For the reasons set forth in my direct testimony and as discussed above, BellSouth believes Sprint's proposed contract language is inappropriate. However, as I further stated in my direct testimony, this issue may now be moot given the new approach to Issue 13 being proposed by BellSouth.

Issue 17: (a) Who should designate the point of demarcation? (b) Where is the appropriate point of demarcation between Sprint's network and BellSouth's network? (c) Is a Point of Termination ("POT") bay an appropriate point of demarcation?

Q. ON PAGE 20, LINES 1-3 OF HER TESTIMONY, MS. CLOSZ STATES THAT "ADDITIONAL COORDINATION EFFORTS WITH BELLSOUTH " ARE

REQUIRED "WHEN INSTALLATION AND MAINTENANCE IS REQUIRED IN BELLSOUTH COMMON SPACE." DO YOU AGREE?

A. No. First, certified vendors perform the work whether it is for the CLEC or BellSouth; thus I do not see where additional coordination with BellSouth would arise. Second, once a cable is installed, what maintenance is required? In my view, there is little or none.

Q. MS. CLOSZ ARGUES ON PAGE 20, LINES 7-12, THAT SPRINT SHOULD BE ABLE TO DESIGNATE A POINT OF TERMINATION BAY (POT BAY) AS THE DEMARCATION POINT. PLEASE COMMENT.

A. BellSouth allows interconnection of its network to CLECs' networks at any technically feasible point. At the CLEC's option, a POT bay or frame may be placed in the collocation space, but this POT bay will not serve as the demarcation point. The FCC's Rules (Paragraph 42) state, "Incumbent LECs may not require competitors to use an intermediate interconnection arrangement in lieu of direct connection to the incumbent's network if technically feasible, because such intermediate points of interconnection simply increase collocation costs without a concomitant benefit to incumbents".

Q. PLEASE COMMENT ON THE LANGUAGE THAT SPRINT IS ASKING THE AUTHORITY TO ADOPT AS SET FORTH ON PAGES 20-21 OF MS. CLOSZ'S TESTIMONY.

A. Sprint is proposing language which is contrary to current practice as well as the precedent established by the FCC rule discussed above. The Authority should rule that the appropriate default demarcation point is the common block on BellSouth's conventional distributing frame (CDF) and that the parties may, but are not required to, use a POT bay as an alternate demarcation point.

Issue 18: In instances where Sprint desires to add additional collocation equipment that would require BellSouth to complete additional space preparation work, should BellSouth be willing to commit to specific completion intervals for specific types of additions and augmentations to the collocation space?

Q. ON PAGE 22, LINE 1 OF HER TESTIMONY, MS. CLOSZ STATES THAT SPRINT'S PROPOSED INTERVALS FOR ADDITIONS AND AUGMENTATIONS ARE REASONABLE. PLEASE COMMENT.

A. I am surprised that Ms. Closz would make such a statement without offering any evidence to support it. Indeed, even though Ms. Closz outlines a variety of proposed intervals in her testimony under this issue, at no point does she offer any facts or statistical data that would support any claim of reasonableness. In contrast, BellSouth's experience has shown that there is a wide variability in the amount and types of equipment to be collocated and the actual provisioning interval, which would argue that the standards Sprint is proposing are unreasonable. For example, in Tennessee in 2000 there were 107 augment applications. These were competed in an average of 70 days. However, 27 of them, or 25% of the total, were completed in less than 20 days, while 44 of them,

or 41% of the total, required more than 90 days.

Q. AT THE BOTTOM OF PAGE 22, MS. CLOSZ PROPOSES A PERIOD OF 20 DAYS FOR WHAT SHE DESCRIBES AS "SIMPLE AUGMENTS." PLEASE COMMENT.

A. I disagree with Ms. Closz. Such an arbitrary standard assumes the availability of engineers, certified vendors, and similar technical personnel, which will not always be possible due to the circumstances of each office.

Q. ON PAGE 23 OF HER TESTIMONY, MS. CLOSZ CONTINUES HER PROPOSAL WITH 45 DAYS FOR WHAT SHE DESCRIBES AS MINOR AUGMENTS, 60 DAYS FOR INTERMEDIATE AUGMENTS, AND 60-90 DAYS FOR MAJOR AUGMENTS. DO THESE SAME INTERVALS REST UPON THE SAME FAULTY ASSUMPTION ABOUT THE AVAILABILITY OF TECHNICAL PERSONNEL TO ACCOMPLISH THE TASKS?

A. Yes. Further, as the complexity of the jobs increases, there is also the problem of the availability of equipment from manufacturers and suppliers. Much of the equipment involved must be manufactured and is not necessarily readily available.

Q. WITH REGARD TO THE INTERVAL OF 60-90 DAYS FOR MAJOR AUGMENTS PROPOSED BY SPRINT, HOW ARE THE WORK FUNCTION EXAMPLES

CITED BY SPRINT – CAGE EXPANSION AND POWER CABLING – DIFFERENT FROM A NEW INSTALLATION?

A. In my view, there is no difference. The correct way to determine the proper provisioning interval is to examine the nature and scope of any work required and then assess the availability of resources (personnel, material, and the like) required to accomplish that work. This approach stands in stark contrast to arbitrary, unfounded claims as to what is "simple", "minor", "intermediate", or "major."

Q. CAN THE CATEGORIES PROPOSED BY SPRINT BE READILY ACCOMMODATED BY BELLSOUTH'S WORKFLOWS?

A. No. BellSouth is presently operating under guidelines and intervals resulting from a number of regulatory orders that have established a reasonably uniform set of intervals and procedures for handling collocation matters. In this instance, those orders deal in a straightforward manner with initial applications and augmentation applications. BellSouth's operating and measurement systems have been designed to quickly and effectively process these two categories. To now require that one of the categories be disaggregated into four categories would pose an immediate and unnecessary cost burden to revise all affected systems, and would further impose an increased level of administrative complexity for the future. All of this expense would yield little, if any, benefit to Sprint or other CLECs.

Q. ARE THERE ANY OTHER DIFFICULTIES WITH THE CLASSIFICATION SCHEME BEING PROPOSED BY SPRINT?

A. Yes. In my view, this proposal could become an administrative nightmare. First, I do not believe that collocation additions and augmentations necessarily fall into the neat categories outlined by Sprint. Second, there are potential disputes about whether a job falls into one category or another. Third, even if Sprint's categories were reasonably accurate in today's environment, it is almost certain that they would become outdated with the rapid changes in technology being experienced in the industry. In contrast, the present arrangement under which each application is treated as a new application provides appropriate consideration of each job within the time intervals already approved by the Authority. I would add that BellSouth completes all jobs as soon as possible in order to improve customer satisfaction and improve BellSouth's overall statistical performance. Therefore, Sprint requests that are truly simple or minor are likely to be completed within reasonably short intervals. Moreover, BellSouth has an obligation to apply the first come, first served rule which would be truly compromised by applying different intervals to different requests since those with a shorter interval would have to provisioned in a shorter time and would take priority over the longer interval jobs. This would have a dramatic effect on BellSouth's overall provisioning intervals which would be "bumped" by applications requesting augments.

Q. ON LINES 12-23 OF PAGE 23 OF HER TESTIMONY, MS. CLOSZ PROPOSES THE USE OF A BLIND FIRM ORDER CONFIRMATION (FOC). PLEASE COMMENT.

A. BellSouth is opposed to the use of what Ms. Closz describes as a blind FOC. Such a proposal is an open invitation to misunderstandings and disputes between the two parties. First, as discussed above, there is always the potential dispute about whether an order is simple, minor, intermediate, or major. Second, even if such categories were adopted, there would undoubtedly arise questions about pricing for each category. For example, is the price to be some sort of average, and, if so, how is it to be calculated? Third, as discussed earlier, each application needs to be individually evaluated so that the parties can then agree on what is to be done and within what time interval.

Issue 20: Under what conditions should Sprint be permitted to convert in place when transitioning from a virtual collocation arrangement to a cageless physical collocation arrangement?

Q. AT THE BOTTOM OF PAGE 25 OF MS. CLOSZ'S TESTIMONY, SHE SUGGESTS A REDUCED APPLICATION FEE IN CASES WHERE SPRINT REQUESTS NO PHYSICAL CHANGES. PLEASE COMMENT.

A. BellSouth will use the same criteria as is currently used to determine if a subsequent application fee will apply. The fee paid by a CLEC for its request to modify the use of the collocation space shall be dependent upon the level of

assessment needed for the modification requested. Where the subsequent application does not require assessment of provisioning or construction work by BellSouth, no subsequent application fee will be required. Where the subsequent application does require assessment of provisioning or construction work, a subsequent application fee would apply.

Q. ON PAGE 26, LINES 1-8, MS. CLOSZ DESCRIBES AN EXCEPTION TO THE GENERAL CONVERT "IN PLACE" RULE THAT ACKNOWLEDGES THAT THE VIRTUAL COLLOCATION ARRANGEMENT WILL BE MOVED IF IT OCCUPIES LESS THAN A FULL BAY AND THERE IS COMMINGLING OF EQUIPMENT. IS THIS THE ONLY EXCEPTION TO THE CONVERT IN PLACE REQUIREMENT?

A. No. It is important to note that her description does not cover all instances wherein virtual collocation arrangements must be moved, a topic I will address in response to the following question.

Q. ON LINES 13-15 OF PAGE 20 AND ON PAGE 20, LINE 21 THROUGH PAGE 21, LINE1 OF HER TESTIMONY, MS. CLOSZ DEFINES THE CONVERSION OF VIRTUAL COLLOCATION TO CAGELESS PHYSICAL COLLOCATION AS "EXISTING VIRTUAL COLLOCATION SPACE WOULD BE UTILIZED TO ACCOMMODATE THE 'NEW' CAGELESS PHYSICAL COLLOCATION ARRANGEMENT." IS SHE CORRECT?

A. No. Ms. Closz's statement does not go far enough to address all the situations in which relocation is appropriate. BellSouth believes there are three other criteria, which should be addressed in order to make the decision of whether relocation is required which I will discuss below. BellSouth will authorize the conversion of virtual collocation arrangements to physical collocation arrangements without requiring the relocation of the virtual arrangement where there are no extenuating circumstances or technical reasons that would make the arrangement a safety hazard within the premises or otherwise not be in conformance with the terms and conditions of the collocation agreement.

As I stated in my direct testimony, BellSouth allows the conversion of virtual collocation to physical collocation "in place" where:

(1) There is no change in the amount of equipment and no change to the arrangement of the existing equipment, such as re-cabling of the equipment;

(2) The conversion of virtual arrangement would not cause the arrangement to be located in the area of the premises reserved for BellSouth's forecast of future growth; and

(3) The conversion of said arrangement to a physical arrangement, due to the location of the virtual collocation arrangement, would not impact BellSouth's ability to secure its own facilities.

Other considerations with respect to the placement of a collocation arrangement include cabling distances between related equipment, the grouping of equipment into families of equipment, the equipment's electrical grounding requirements,

and future growth needs. BellSouth considers all these technical issues with the overall goal of making the most efficient use of available space to ensure that as many CLECs as possible are able to collocate in the space available.

Q. ON PAGE 26, LINES 15-17 OF HER TESTIMONY, MS. CLOSZ STATES THAT RELOCATION OF SPRINT'S VIRTUALLY COLLOCATED EQUIPMENT "WOULD BE UNDULY BURDENSOME AND COSTLY TO SPRINT WITHOUT ANY ASSOCIATED BENEFIT." (EMPHASIS ADDED)
IS MS. CLOSZ CORRECT?

A. No. While Sprint may perceive no direct benefit, there are indeed significant benefits to relocation for BellSouth. As I explained in detail in response to the previous question, relocation of virtually collocation equipment in specific instances preserves rights the FCC granted to ILECs such as space reservation and the right to enclose the ILECs' equipment. Further, the Supreme Court, as reiterated by the DC Circuit, has stated very clearly that increased CLEC costs are not an appropriate basis for expanding the statutory authority granted to the FCC.

Issue 21: Should Sprint be required to pay the entire cost of make-ready work prior to BellSouth's satisfactory completion of the work?

Q. ON PAGE 28, LINES 14-15, MS. CLOSZ STATES THAT SPRINT IS WILLING TO PAY "HALF OF THE CHARGES UPON SATISFACTORY COMPLETION OF THE WORK." PLEASE COMMENT.

A. Sprint's position leads to the obvious question of who will determine whether the work is "satisfactory." BellSouth believes such a position, if embodied in Sprint's and other CLECs' interconnection agreements would inevitably lead to delayed payments based on meritless claims.

Q. ON PAGE 28, LINES 17-22, DOES MS. CLOSZ CORRECTLY STATE BELLSOUTH'S POLICY ON ADVANCE PAYMENT FOR MAKE-READY WORK AND RECEIPT OF PAYMENT BEFORE SCHEDULING THE WORK?

A. Yes, but the policy applies to all CLECs, not just Sprint. The policy applies in the same manner to all CLECs and other telecommunications providers who request access to BellSouth's poles, ducts, and conduits. If all others are successfully operating under the policy, one must wonder why Sprint cannot do the same.

Q. ON PAGE 29, LINE 7, MS. CLOSZ STATES THAT "SPRINT WILL HAVE NO LEVERAGE WITH BELLSOUTH...." PLEASE COMMENT.

A. I believe Ms. Closz greatly understates Sprint's demonstrated capability to file claims against BellSouth, including its right to make claims to the Authority. As a practical matter, BellSouth's managers are fully empowered to adjust billing if, for whatever reason, a particular project is determined to be unsatisfactory. Despite our regulatory differences, Sprint is a valued customer of BellSouth and will be treated accordingly.

Q. ON PAGE 29, LINES 9-10, MS. CLOSZ STATES THAT BELLSOUTH "WILL HAVE NO FINANCIAL INCENTIVE TO COMPLETE THE JOB IN A TIMELY AND ACCURATE FASHION." PLEASE COMMENT.

A. Ms. Closz is incorrect. Poorly done work must be redone at further cost to BellSouth but without additional revenue. Unsatisfactory work could lead to legal claims and their associated costs.

Q. ON PAGE 29, LINES 18-20, MS. CLOSZ STATES "...THAT BELLSOUTH IS NOW MOVING FURTHER AWAY FROM SUBSTANTIAL UP-FRONT PAYMENTS AND IS ADVOCATING MONTHLY RECURRING CHARGES TO PAY FOR COLLOCATION SPACE PREPARATION." IS MS. CLOSZ CORRECT?

A. No. Ms. Closz is confusing BellSouth's use of standardized pricing on a recurring basis for collocation space with BellSouth's pricing policies for poles, ducts, and conduits. These are two separate offerings with little if anything in common. While I am not a costing expert, it is my understanding that the use of standardized pricing for collocation complies with the Authority's requirements. By contrast, BellSouth's rates for poles, ducts, and conduits are based on an FCC formula.

Q. WITH REFERENCE TO PAGE 30, LINE 8 OF MS. CLOSZ'S TESTIMONY, DO YOU AGREE THAT SHE ACCURATELY DESCRIBES "... THE PRACTICAL IMPACT OF BELLSOUTH'S POLICY ON REQUESTING CARRIERS."

A. No, I do not. If the Authority adopts Sprint's proposal, I believe the practical impact will be an increase in administrative costs for both companies. BellSouth will complete its work in a satisfactory manner; therefore, the issue of unsatisfactory completion will not arise. Rather, under Sprint's proposal, there will always be two payments rather than one, separated only by the limited time required to schedule and complete the actual work required. Thus, the two-payment idea simply is a waste of time.

Q. IN HER ANSWER TO THE PRECEDING QUESTION, MS. CLOSZ FOCUSES UPON THE ALLEGED TIME SPENT IN PERSONAL APPEALS AND ESCALATIONS TO RESOLVE UNSATISFACTORY WORK. PLEASE COMMENT.

A. I believe Ms. Closz is mistaken on two points. First, as I have pointed out earlier, BellSouth completes its work in a satisfactory manner in the overwhelmingly number of cases. For example, of 80 make-ready jobs undertaken in Tennessee in 2000, all were completed satisfactorily and none resulted in a complaint of the type envisioned by Ms. Closz. Second, I believe it is questionable whether the possibility of a delayed payment as proposed by Sprint, will, as a practical matter, serve as an incentive to those actually involved in the completion of make-ready work.

ISSUE NO. 45: (a) What is the appropriate period for the parties to reserve floor space for their own specific uses? (b) Upon denial of a Sprint request for physical

collocation, what justification, if any, should BellSouth be required to provide to Sprint for space that BellSouth has reserved for itself or its affiliates at the requested premises? (c) Should BellSouth be required to disclose to Sprint the space it reserves for its own future growth and for its interLATA, advanced services, and other affiliates upon request and in conjunction with a denial of Sprint's request for physical collocation? (d) In the event that obsolete unused equipment is removed from a BellSouth premises, who should bear the cost of such removal?

Q. WITH REGARD TO PART (a), WHAT IS YOUR RESPONSE TO SPRINT'S POSITION ON PAGE 46 OF MS. CLOSZ'S TESTIMONY THAT TWELVE (12) MONTHS IS AN APPROPRIATE PLANNING PERIOD FOR RESERVING COLLOCATION FLOOR SPACE?

Q. For the reasons I discussed in my direct testimony, two (2) years is an appropriate planning period. In summary, this is the planning period BellSouth uses for its own floor space planning. Further, to accomplish all the work steps required to plan and execute a floor space forecast requires at least the two years planning period that BellSouth believes is appropriate. Finally, the Authority's existing procedure for addressing collocation space exhaust petitions affords Sprint due process regarding BellSouth's utilization of space and is consistent with FCC rules.

Q. WITH REGARD TO PART (b), WHAT IS YOUR RESPONSE TO MS. CLOSZ'S STATEMENT ON PAGE 47, LINES 15-16 THAT "BELLSOUTH PROPOSES

ONLY TO PROVIDE JUSTIFICATION FOR THE RESERVED SPACE TO THE TRA BASED ON WHATEVER THE TRA CURRENTLY REQUIRES"?

A. I find it surprising that Ms. Closz suggests that BellSouth's actions to comply with the Authority's requirements would constitute inadequate justification for its space reservation information practices.

Q. WHAT IS YOUR RESPONSE TO MS. CLOSZ'S ASSERTION ON PAGES 47-48 OF HER TESTIMONY THAT BELLSOUTH "WILL NOT PROVIDE ANY INFORMATION SINCE THERE IS NO FORMAL TRA REQUIREMENT TO PROVIDE SPECIFIC INFORMATION IN CONJUNCTION WITH A SPACE DENIAL."

A. While the Authority may not have conducted a formal procedure for handling collocation space denial issues, BellSouth has clearly demonstrated its intention to respond fully to the Authority with regard to collocation space denial questions. As I set forth in my direct testimony, BellSouth has incorporated in its operating procedures the requirements established by the Georgia Public Service. These procedures were used in responding to a temporary shortage of collocation space in the Dickson and Brentwood central offices in Tennessee. BellSouth will continue to provide similar information to both CLECs and the Authority when requested.

Q. IN HER TESTIMONY ON PAGE 48, CONCERNING SPRINT'S DESIRE FOR ACCESS TO BELLSOUTH'S DEMAND AND FACILITY FORECASTS, DOES

MS. CLOSZ ESTABLISH ANY BASIS FOR THE AUTHORITY'S CONSIDERATION OF SUCH A REQUEST?

A. No. I believe the kind of demand and facility forecasts being requested by Sprint are exactly what was requested, unsuccessfully, by Sprint in the Georgia workshops conducted as part of the docket referenced above. BellSouth should not be required to divulge sensitive business information to its competitors when other information it has been required to provide has been found to be adequate to respond to Sprint's legitimate interests.

Q. WHAT IS BELLSOUTH'S RESPONSE TO SPRINT'S POSITION, AS DISCUSSED ON PAGE 48-49 OF MS. CLOSZ'S TESTIMONY, WITH REGARD TO PART (c) OF THIS ISSUE CONCERNING THE PROVISION OF INFORMATION ABOUT SPACE RESERVED FOR BELLSOUTH'S OWN GROWTH AND THAT OF ITS AFFILIATES?

A. BellSouth's position is the same as that for parts (a) and (b) of this issue, namely that the information currently being provided to CLECs and the Authority is appropriate and is in compliance with FCC rules. BellSouth's goal is to provide adequate information for the Authority to be able to make an appropriate decision while still protecting BellSouth's business sensitive information.

Q. WHAT IS BELLSOUTH'S POSITION PART (d) OF THIS ISSUE CONCERNING THE RESPONSIBILITY FOR THE COST OF REMOVING OBSOLETE, UNUSED EQUIPMENT?

A. BellSouth agrees with Ms. Closz's statement on page 50 of her testimony that this issue is settled.

Issue 47: Upon denial of a Sprint request for physical collocation, and prior to the walkthrough, should BellSouth be required to provide full-sized (e.g., 24-inch x 36-inch) engineering floor plans and engineering forecasts for the premises in question?

Q. ON PAGE 51, LINES 14-15, MS. CLOSZ STATES THAT "BELLSOUTH'S POSITION IS THAT IT WILL PROVIDE TO SPRINT WHATEVER IT HAS BEEN REQUIRED TO PROVIDE TO THE TRA." PLEASE COMMENT.

A. I fail to see how Sprint can complain about BellSouth's position. If what BellSouth furnishes the Authority is adequate for the Authority to determine the reasonableness of a BellSouth denial of collocation space, that same documentation should be adequate for Sprint's purposes as well. As I discussed earlier, Sprint participated in the hearings at which the requirements embodied in the Georgia Public Service Commission's September 7, 1999, order were debated. Further, the level of detail Sprint apparently wants is not required to make a determination of whether sufficient space exists for collocation. BellSouth has a right to protect its proprietary information from its competitors. The quantities, types, and configurations of its equipment are proprietary because it reveals BellSouth's capabilities in a given central office to provide certain types of competitive services.

Q. WHAT IS YOUR RESPONSE TO THE QUESTION AND ANSWER AT THE BOTTOM PAGE 52 OF MS. CLOSZ'S TESTIMONY CONCERNING THE PROVISION OF ENGINEERING FORECAST INFORMATION WHEN COLLOCATION SPACE HAS BEEN DENIED?

A. As discussed in Issue 45, despite Ms. Closz claims to the contrary, BellSouth furnishes information to CLECs and the Authority that is adequate and appropriate and meets FCC rules. For a more detailed discussion, the Authority may refer to my direct testimony and my rebuttal testimony above with regard to Issue 45.

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 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. 00-00691 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 22 pages and 0 exhibit(s).

W. Keith Milner

Sworn to and subscribed
before me on 6/18/01

NOTARY PUBLIC

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

BELLSOUTH TELECOMMUNICATIONS, INC.

REBUTTAL TESTIMONY OF DAVID A. COON

BEFORE THE TENNESSEE REGULATORY AUTHORITY

DOCKET NO. 00-00691

JANUARY 18, 2001

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 respond to the direct testimony of Sprint witness Melissa L. Closz dated January 5, 2001, regarding issues 23 and 24 in the Sprint Petition for Arbitration in Tennessee.

ISSUE NO. 23: Attachment 9, Performance Measurements, Section 5.9 – Disaggregation of Measurement Data

Q. WHAT IS THE APPROPRIATE GEOGRAPHIC DISAGGREGATION FOR BELLSOUTH PERFORMANCE MEASUREMENT DATA IN TENNESSEE?

A. As I testified previously, BellSouth believes that in producing service quality measurements in Tennessee, the appropriate level of disaggregation is at the state level for most measurements. However, disaggregation should be at the regional level for those measurements, e.g. OSS Response Interval/Availability and Billing, where measurements are produced from OSSs that are common to the entire BellSouth region and not state specific. In Ms. Closz's direct testimony, she offers no material evidence, other than her personal belief that state level reporting is not sufficient to determine nondiscriminatory performance.

Q. WHAT IMPACT WOULD MSA LEVEL REPORTING ON PERFORMANCE MEASUREMENTS HAVE IN TENNESSEE?

A. There are currently seven (7) individual MSAs in Tennessee plus a separate category for all remaining areas not included in a specific MSA. This would mean that the current performance measures produced by BellSouth each month in Tennessee would be multipled by 9, the existing state level reports plus an

additional 8 groupings for the MSA categories. As I testified previously, 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. BellSouth already produces approximately 8,000 numbers each month, just at the state level. If these numbers were to be produced at the MSA level as well, the amount of numbers to be evaluated would be in the tens of thousands. I sincerely do not believe the Tennessee Regulatory Authority needs this level of data to insure that BellSouth is providing services to the CLECs in a non-discriminatory manner.

ISSUE NO. 24: Attachment 9, Performance Measurements, Section 6 – Audits. Should the Agreement include BellSouth's limited performance measurements audit that provides for one annual, aggregate level audit, as reflected in Appendix C of BellSouth's current Service Quality Measurements ("SQM") document?

Q. WHAT PERFORMANCE MEASUREMENT AUDIT PROVISION(S) SHOULD BE INCLUDED IN THE AGREEMENT?

A. As I testified previously, BellSouth's SQM, 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.

Q. ON PAGE 37 OF HER DIRECT TESTIMONY, MS. CLOSA APPEARS TO HAVE NARROWED THIS ISSUE TO "WHETHER THE AUDIT PROVISIONS SHOULD ALSO INCLUDE "MINI-AUDITS" AS PROPOSED BY SPRINT". HOW DO YOU RESPOND?

A. In Ms. Closz's direct testimony (page 38), she proposes additional "mini-audits" of individual measurements "limited to no more than five (5) requests in each calendar year". Using the same rationale described in my direct testimony, this could increase the number of audits requiring BellSouth's participation by an additional 450 audits (90 CLECs X 5 mini-audits/year) per year. Regardless of who pays for these audits, this is totally unreasonable and would dictate a tremendous burden on BellSouth resources.

Q. ARE THERE ANY ALTERNATIVES TO THE "MINI-AUDITS" PROPOSED BY SPRINT IDENTIFIED ABOVE?

A. Yes. As I testified previously, BellSouth provides the CLECs, including Sprint, with the raw data underlying many of the BellSouth Service Quality Measurements reports as well as a user manual on how to manipulate the data into reports. The CLECs, including Sprint, can use this raw data to validate the results

in the BellSouth Service Quality Measurements reports posted every month on the BellSouth web site. In addition, the underlying raw data is in the process of being audited and validated by KPMG in Georgia and Florida.

This data and the user manual allow the CLECs to build customized reports and further disaggregate reports based on individual CLEC needs. I know of no other local exchange company that provides similar tools to the CLEC community.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes

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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. 00-00691 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 A. Coon

Sworn to and subscribed
before me on 6/18/01

NOTARY PUBLIC

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

BELLSOUTH TELECOMMUNICATIONS, INC.

REBUTTAL TESTIMONY OF JOHN A. RUSCILLI

BEFORE THE TENNESSEE REGULATORY AUTHORITY

DOCKET NO. 00-00691

JANUARY 18, 2001

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

A. My name is John Ruscilli. 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. ARE YOU THE SAME JOHN A RUSCILLI THAT FILED DIRECT TESTIMONY IN THIS DOCKET ON JANUARY 5, 2001?

A. I am.

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

A. My testimony rebuts the testimony filed on January 5, 2001 by Sprint's witnesses Ms. Melissa L. Closz, Mr. Mark G. Felton, and Ms. Angela Oliver. Specifically, I will rebut Issue Nos. 3, 4, 6, 7, 8, 22, 25, 29, and 43.

Issue No. 3: Should BellSouth make its Custom Calling features available for resale on a stand-alone basis?

Q. ON PAGE 3 OF MR. FELTON'S TESTIMONY, SPRINT DESCRIBES CUSTOM CALLING SERVICES AS "RETAIL SERVICES THAT ARE PRICED AND PURCHASED SEPARATELY FROM THE BASIC LOCAL SERVICE AND ARE NOT NECESSARY FOR THE BASIC LOCAL SERVICE TO FUNCTION PROPERLY." PLEASE COMMENT.

A. Custom Calling Services are retail services that are purchased in addition to basic local service. The important thing to note is what Mr. Felton does not include. As discussed in my direct testimony, although BellSouth may price and sell custom calling services separately from basic local service, they are not stand-alone retail services. They cannot be purchased if the subscriber does not first have BellSouth's basic local service-dialtone.

Q. MR. FELTON STATES ON PAGE 4 OF HIS TESTIMONY, "BELLSOUTH SEEKS TO PLACE THIS SAME LIMITATION [PURCHASE OF LOCAL DIAL TONE]. INTENDED FOR SUBSCRIBERS WHO ARE NOT TELECOMMUNICATIONS CARRIERS, UPON SPRINT." PLEASE COMMENT.

A. BellSouth is not trying to restrict Sprint from reselling any stand-alone retail service being offered to BellSouth's end-users. Again, as I have stated previously, BellSouth does not offer stand-alone Custom Calling features to

end-users, therefore, BellSouth is not required to offer Sprint the services that it is requesting. Sprint, itself, recognizes, on page 5 of Mr. Felton's testimony, "that Custom Calling Services are optional telecommunication services that simply provide additional functionality to basic telecommunications services." (Emphasis added.)

Mr. Felton continues his argument, noting that BellSouth advertises its Custom Calling Services as "optional" services. Although this is true, BellSouth does not advertise that these services are an option that can be purchased without first having basic local service from BellSouth. Again, BellSouth is not restricting Sprint from buying a service that BellSouth offers to its end-users; stand alone Custom Calling Services are not offered to BellSouth's end-users.

Q. ON PAGE 4, MR. FELTON QUOTES A PORTION OF ¶871 OF THE FCC'S FIRST REPORT AND ORDER IN CC DOCKET NO. 96-98 ("LOCAL COMPETITION ORDER"), STATING THE FCC FOUND "'NO STATUTORY BASIS FOR LIMITING THE RESALE DUTY TO BASIC TELEPHONE SERVICES'." DO YOU AGREE?

A. BellSouth agrees that Mr. Felton's quote is correct. BellSouth, however, does not agree with Sprint's interpretation of the quote. BellSouth has not, is not, and does not plan to limit its resale duty to "basic telephone services". In fact, as stated in BellSouth's proposed language for the Sprint Interconnection Agreement (Attachment 1, Section 3.1):

At the request of Sprint, and pursuant to the requirements of the ACT,

and FCC and Commission Rules and Regulations, BellSouth shall make available to Sprint for resale all Telecommunications Services that BellSouth currently provides or may provide hereafter at retail to subscribers who are not telecommunications carriers. Notwithstanding the foregoing, the exclusions and limitations on services available for resale will be as set forth in Exhibit B. . .(emphasis added)

Neither the Agreement, nor Exhibit B specifies that BellSouth's resale duty is limited to "basic telephone services".

BellSouth has not said it will not provide Sprint with Custom Calling Services for purposes of resale. What BellSouth has said, and in compliance with ¶877 of the Local Competition Order, is that Custom Calling Services are not available to BellSouth's retail end-users on a stand-alone basis and, therefore, are not available to Sprint for purposes of resale.

Q. ON PAGE 6, MR. FELTON DISCUSSES AN EXAMPLE OF ONE SERVICE THAT SPRINT ENVISIONS OFFERING USING RESALE OF BELLSOUTH'S STAND-ALONE CUSTOM CALLING SERVICES. PLEASE COMMENT.

A. Sprint's proposal seems to overlook, or ignore, that the actual intent of providing services to CLECs for purposes of resale is to develop competition in the local telecommunications market. Mr. Felton's one specific example of an offering that Sprint has developed that requires Custom Calling Services – unified voice messaging for BellSouth local customers who have Sprint

wireless service - only proves to strengthen BellSouth's concern that Sprint is not actually trying to become a local service provider in BellSouth's Tennessee serving area. In this issue, Sprint is asking to be allowed to reap the benefits of being a local carrier (i.e., purchase Custom Calling Services from BellSouth at wholesale for purposes of resale) without even being the provider of the end-user's local service.

Q. ON PAGE 7 OF HIS TESTIMONY, MR. FELTON DISCUSSES WHY SPRINT DOES NOT WANT TO PURCHASE CUSTOM CALLING SERVICES FROM BELLSOUTH AT RETAIL RATES. PLEASE COMMENT.

A. Again, it appears that Sprint's main concern here is not offering local service competition, but how much of a discount on a local feature it can get to augment the long distance, cellular and operator services that it already provides. Sprint's concerns with regard to ordering and billing are hypothetical at best. Mr. Felton uses terms such as "might entail" and "could also result". Sprint has no basis for its concerns about being treated as an end user customer. There is no reason for Sprint to believe that it would have to submit orders over the phone or via fax rather than electronically.

Q. DO YOU AGREE WITH SPRINT'S PROPOSED CONTRACT LANGUAGE AS STATED ON PAGE 8 OF MR. FELTON'S TESTIMONY?

A. No. BellSouth asks the Authority to reject Sprint's proposed language and to deny Sprint's request to require BellSouth to make stand-alone Custom Calling Services that are not available on a stand-alone basis to its end-users, available to Sprint for resale.

Issue No.4: Pursuant to Federal Communications Commission ('FCC') Rule 51.315(b) should BellSouth be required to provide Sprint at TELRIC rates combinations of UNEs that BellSouth typically combines for its own retail customers, whether or not the specific UNEs have already been combined for the specific end-user customer in question at the time Sprint places its order?

Q. PLEASE COMMENT ON SPRINT'S DISCUSSION OF SEVERAL FCC AND COURT RULINGS WITH REGARD TO THE COMBINING OF UNBUNDLED NETWORK ELEMENTS, AS FOUND ON PAGES 4-6 OF THE TESTIMONY OF MS. CLOSZ.

A. Ms. Closz' discussion overlooks some additional, and very important rulings with regard to this issue. As discussed on pages 7 and 8 of my direct testimony, on July 18, 2000, the Eighth Circuit ruled that an ILEC is not obligated to combine UNEs, and it reaffirmed that the FCC's Rules 51.315(c)-(f) remain vacated. In addition, and also as discussed in my direct testimony (pages 8 and 9), on November 5, 1999 the FCC released its Third Report and Order and Fourth Further Notice of Proposed Rulemaking, FCC 99-238 ("UNE Remand Order"), confirming that BellSouth presently has no obligation

to combine network elements for CLECs when those elements are not "currently combined" in BellSouth's network.

Q. ON PAGE 6 OF MS. CLOSZ' TESTIMONY, SPRINT STATES "THE STANDARD THAT THE AUTHORITY SHOULD EMPLOY WOULD BE ONE OF COMPARABILITY BETWEEN AN ILEC RETAIL PRODUCT AND THE UNE COMBINATION REQUESTED BY A PARTICULAR CARRIER." PLEASE COMMENT.

A. Sprint is apparently attempting to rewrite, or at least supplement in its favor, the FCC rules. Regardless of how Sprint requests combinations of UNEs, what terminology it uses, what it compares the product to, the FCC rules and the Eighth Circuit ruling are clear: BellSouth has no obligation to combine UNEs.

Ms.Closz continues her retail comparability discussion on page 7. She states, relative to UNE combinations, "Consistent with FCC's rules the provisioning of UNE combinations should be limited only to technical feasibility." It appears that Ms. Closz is referring to Section 251(c)(3) of the Telecommunications Act of 1996 ("the Act"). Contrary to Ms. Closz' suggestion that the section applies to UNE combinations, this section refers to "The duty to provide . . .access to network elements on an unbundled basis at any technically feasible point . . ." This section refers to individual, single unbundled elements, not UNE combinations.

Q. MS. CLOSZ, AT PAGES 9 AND 10, MAKES ONE FINAL ARGUMENT WHY BELLSOUTH SHOULD BE REQUIRED TO COMBINE UNBUNDLED NETWORK ELEMENTS. PLEASE COMMENT.

A. In this argument, as in the others used by Ms. Closz on this issue, Sprint ignores the current rules concerning UNE combinations. Again, Sprint takes issue with the definition of "currently combines", arguing that "actually combined" is not appropriate, that it "imposes wasteful costs on both ILECs and CLECs." Sprint proposes that for a new customer - customer without existing BellSouth service - BellSouth provide combined UNEs to Sprint, at wholesale prices, to serve the customer. Sprint complains of the "wasteful costs" incurred, however, Sprint does not acknowledge the uncompensated costs that would be incurred by BellSouth. With no end-user to compensate BellSouth, who pays for actually connecting the customer to the network? These costs are certainly not included in the prices that BellSouth charges for the UNEs involved. Insisting that Sprint, or any other CLEC, initially provide resale service under these circumstances, is the only method that BellSouth currently has to recover its costs, costs that it incurs for Sprint.

Issue No. 6: Should BellSouth be required to universally provide access to EELs that it ordinarily and typically combines in its network at UNE rates?

Q. ON PAGE 10, MS. CLOSZ STATES "IT IS READILY APPARENT THAT ILECs HAVE THE OBLIGATION TO PROVISION EELs AT THIS TIME." DOES BELLSOUTH AGREE?

A. BellSouth agrees that there are instances where the Enhanced Extended Link combination ("EEL") is required by FCC rules. One such instance is as stated on page 10 of Ms. Closz' testimony, " 'To the extent an unbundled loop is in fact connected to unbundled dedicated transport, the statute and our [the FCC] rule 51.315(b) require the incumbent to provide such elements to requesting carriers in combined form.' " (Emphasis added.) That is to say, if the loop and transport are already combined for that customer, BellSouth may provide it at UNE rates subject to the limitations set forth by the FCC.

A second such instance is as set forth in FCC Rule 51.319(c)(2), discussed in my direct testimony, for BellSouth to avail itself of the FCC's unbundled local switching exemption. It makes no sense that the FCC would tie this exemption to, among other things, the provision of EELs, if that provision were a requirement to begin with.

It is BellSouth's position that since the EEL is not a mandatory UNE, that BellSouth should not be required to provide it at UNE rates except in the above circumstances.

Issue No.7: In situations where a CLEC's end-user customer is served via unbundled switching and is located in density zone 1 in one of the top fifty Metropolitan Statistical Areas ('MSAs'), and who currently has three lines or less, add additional lines, should BellSouth be able to charge market-based rates for all of the customer's lines?

Q. DO YOU AGREE WITH MR. FELTON'S CONTENTION, ON PAGES 8 AND 9, THAT WHEN A SPRINT CUSTOMER, IN SOME SPECIFIC GEOGRAPHIC AREAS, "WITH THREE LINES OR LESS IS SERVED VIA UNE SWITCHING AND THE CUSTOMER ADDS A FOURTH OR MORE LINES, THE THREE EXISTING LINES SHOULD BE PRICED AT COST BASED RATES"?

A. Absolutely not. The FCC drew a clear distinction between competition in the two markets being compared in this issue-customers having less than four lines and customers with four or more lines. After an exhaustive analysis, the FCC determined that a CLEC would not be impaired without access to unbundled local switching when serving a customer with four or more lines in Density Zone 1 in a top 50 MSA. No reading of the FCC's discussion on this issue, or of its rule, indicates that for a customer with four or more lines, the ILEC must provide the CLEC with access to unbundled local switching for the first three lines. Indeed, such a reading defies logic given the FCC's distinction between these two markets. If an end user has four or more lines, the end user is in one market. The end user is not in one market for the first three lines and then in the other market with regard to the fourth line.

Let's consider an example of two customers with offices on the same floor in the same office building in Nashville. Customer number 1, with four lines, moves from BellSouth to Sprint for his local service. He has four lines, so BellSouth does not have to provide Sprint with access to unbundled local

switching for Sprint to serve this customer. Assume customer number 2, who is right across the hall from customer number 1, has three lines and moves from BellSouth to Sprint. But the day after he begins service with Sprint, he decides to add one additional line. According to Sprint, BellSouth should be required to provide Sprint with access to unbundled local switching for Sprint to serve the first three lines for customer number 2. Under Sprint's proposal, two customers with the exact same service would be treated differently simply because of when they placed their orders. Such a result just does not make sense.

I can say, however, that if Sprint prefers for BellSouth to continue to provide unbundled local switching to the customer for lines one through three, or even for the rest of the customer's lines, BellSouth is willing to negotiate such an arrangement and the associated pricing. Such an arrangement, however, would not be subject to Section 251 arbitration, nor would the pricing be subject to the Act's pricing standards.

Q. DOES BELLSOUTH AGREE WITH SPRINT'S PROPOSED LANGUAGE WITH RESPECT TO BELLSOUTH'S OBLIGATION TO OFFER UNBUNDLED LOCAL CIRCUIT SWITCHING, AS SET FORTH BY MR. FELTON, ON PAGE 16 OF HIS TESTIMONY?

A. No. The Authority should reject Sprint's proposed language because Sprint is not impaired without access to unbundled local switching when serving customers with four or more lines in Density Zone 1 in the top 50 MSAs.

Consequently, Sprint is not entitled to unbundled switching for any of an end user's lines when the end user has four or more lines in the relevant geographic area, as long as BellSouth will provide Sprint with EELs.

Issue No. 8: Should BellSouth be able to designate the network Point of Interconnection ('POI') for delivery of BellSouth's local traffic?

Q. ON PAGE 12 OF MS. CLOSZ' TESTIMONY, SPRINT STATES BELLSOUTH'S POSITION ON THIS ISSUE TO BE "THAT IT (BELLSOUTH) SHOULD HAVE THE ABILITY TO DESIGNATE THE POI(s) FOR THE DELIVERY OF ITS LOCAL TRAFFIC TO SPRINT." IS THIS CORRECT?

A. Yes, BellSouth should be allowed to designate the POI for the delivery of its originating local traffic. Nothing in the Act limits BellSouth's ability to designate a Point of Interconnection for traffic BellSouth originates to Sprint. The FCC addresses the POI in its Local Competition Order, in Section IV, Interconnection. In that section, the FCC established the concept that, due to reciprocal compensation being paid by the originating company, the originating company may seek to determine its POI in order to minimize its reciprocal compensation obligation to the terminating company.

The FCC addressed the requirements for POI differently depending upon whether the traffic originates from a CLEC or an ILEC. In Subsection F, Technically Feasible Points of Interconnection, ¶209, the FCC states:

We conclude that we should identify a minimum list of technically feasible points of interconnection that are critical to facilitating entry by competing local service providers. Section 251(c)(2) gives competing carriers the right to deliver traffic terminating on an incumbent LEC's network at any technically feasible point on that network, rather than obligating such carriers to transport traffic to less convenient or efficient interconnection points. 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.

This ruling only specifies that the CLEC must establish a POI on the incumbent LEC's network for traffic originated by the CLEC. It does not obligate the ILEC to specify a POI on the CLEC's network for traffic originated by the incumbent LEC.

Q. IS BELLSOUTH IN AGREEMENT WITH SPRINT IN REGARD TO THE DESIGNATION OF A POI FOR SPRINT'S ORIGINATING TRAFFIC THAT TERMINATES ON BELLSOUTH'S NETWORK?

A. No. As is clear from the language quoted above, a CLEC may designate a POI for its originating traffic at any technically feasible point on BellSouth's network.

Q. DO YOU HAVE ANY ADDITIONAL SUPPORT FOR WHY BELLSOUTH DOES NOT AGREE WITH MS. CLOSZ' ARGUMENTS WITH REGARD TO BELLSOUTH'S RIGHT TO DESIGNATE A POI FOR BELLSOUTH'S ORIGINATING TRAFFIC?

A. Yes. In the Local Competition Order, MCI attempted to have the FCC require an incumbent LEC to specify a POI for its originating traffic on the CLEC's network. In ¶214 of that Order, the FCC states:

> *MCI also urges the Commission to require incumbents and competitors to select one point of interconnection (POI) on the other carrier's network at which to exchange traffic. MCI further requests that this POI be the location where the costs and responsibilities of the transporting carrier ends and terminating carrier begins.*

In ¶220, the FCC rejected MCI's request, stating:

> *We also conclude that MCI's POI proposal, permitting interconnecting carriers, both competitors and incumbent LECs, to designate points of interconnection on each other's networks, is at this time best addressed in negotiations and arbitrations between parties.*

By this conclusion, the FCC refused to require an incumbent LEC to designate a POI on the interconnecting carrier's network, and lift it up to the negotiation and arbitration process.

Q. MS. CLOSZ, ON PAGE 12, EMPHASIZES THE FCC'S USE OF THE WORD "EXCHANGE" WHEN DESCRIBING THE ILECS' OBLIGATION TO INTERCONNECT. PLEASE COMMENT.

A. Ms. Closz assumes, in her discussion, that the term "exchange" refers to the receipt and delivery of Sprint's traffic. In conjunction with the discussion offered in my direct testimony on this subject, it is evident to BellSouth that the FCC chose the first definition of "exchange", as found in *Webster's New World Dictionary of the American Language-Second College Edition:*

1. a) to give, hand over, or transfer

b) to receive or give another thing for

This definition does not refer to receiving and giving as purported by Sprint, but to receiving or giving, supporting BellSouth's position.

Q. ON PAGE 13 OF MS. CLOSZ' TESTIMONY, SPRINT TALKS ABOUT ESTABLISHING THE POINT OF INTERCONNECTION "SO AS TO LOWER ITS COSTS". PLEASE COMMENT.

A. BellSouth agrees that Sprint can choose its own POI for Sprint's originating traffic, wherever and however it deems most efficient. BellSouth would certainly expect Sprint to establish its POI "so as to lower its costs" and

presumably, Sprint has chosen its particular network arrangement because it is cheaper for Sprint. Lower costs for Sprint, however, are not the only consideration when establishing a POI. The FCC has issued several rulings with regard to establishing a point of interconnection, and the costs associated with interconnection. Not one of these rulings has stated that the only consideration for establishing the POI is lower costs for the CLEC. In fact, as discussed on page 31 of my direct testimony in this proceeding, "[I]n its First Report and Order in Docket No. 96-98, the FCC states that the CLEC must bear the additional costs caused by a CLEC's chosen form of interconnection." It is not appropriate for Sprint to lower its costs by having BellSouth's customers bear substantially increased costs that Sprint causes by its network design decisions.

Q. SHOULD ECONOMICS NOT BE CONSIDERED IN DETERMINING THE POI?

A. Of course economics should be considered; but economics of both parties. As the originating company, BellSouth simply seeks the option to determine at which points it is more cost effective to deliver BellSouth's originating traffic to Sprint based upon 1) providing its own service, 2) purchasing transport from a third party, or 3) paying Sprint transport reciprocal compensation. Not having the option to designate POIs based on such economic analyses would, by default, place BellSouth and its end users at the mercy of delivering BellSouth originating traffic to any Sprint-designated POI, notwithstanding the detrimental economic impact on the BellSouth network. The significant

economic impact this issue has on BellSouth is clearly demonstrated by the fact that during 1999, region-wide, BellSouth originated and delivered to CLECs 49 billion minutes of use compared to 2 billion minutes of use that CLECs originated and delivered to BellSouth.

Taken to the extreme, Sprint could designate only one POI per LATA, state or multi-state area. Sprint could then seek to require BellSouth to transport a local call between two customers in Nashville to Miami or another distant point, which Sprint has established. The most efficient option for BellSouth would be to designate a POI at each of its wire centers. In the interest of fairness and equity, a middle ground between the two extremes would appear to be the most reasonable. At most, BellSouth wants to designate no more than one POI in each flat-rated calling area. That POI could be at a tandem or at an end office.

Q. ON PAGE 13, MS. CLOSZ ALSO STATES "BELLSOUTH MAY WISH TO DESIGNATE ITS END OFFICES AS THE POINTS OF INTERCONNECTION FOR TRAFFIC IT ORIGINATES." PLEASE COMMENT.

A. I know of no reason for Sprint to believe that BellSouth would consider forcing "Sprint to build facilities to each BellSouth end office". As far as I am aware, BellSouth has never suggested this in any negotiations with Sprint. BellSouth, certainly is not attempting to force Sprint to build facilities throughout the LATA (or to "potentially decrease the entrant's network efficiencies", Closz at

p.13), as Sprint states. BellSouth does not require Sprint to duplicate BellSouth's network architecture. Sprint can configure its network in whatever manner it chooses. The issue here, however, is not how Sprint configures its network, but whether Sprint should bear the cost of getting BellSouth-originated traffic from one local calling area to another because of that network configuration.

Q. PLEASE COMMENT ON MS. CLOSZ' DISCUSSION WITH REGARD TO BELLSOUTH'S ABILITY TO DESIGNATE A VIRTUAL POINT OF INTERCONNECTION.

A. Contrary to Sprint's position, BellSouth's ability to designate a POI includes the ability to designate a Virtual Point of Interconnection ("VPOI") in a BellSouth local calling area to which Sprint has assigned a Sprint NPA/NXX, if that local calling area is different than the local calling area where Sprint has established its POI. Ms. Closz, however, has neglected to even discuss the real issue with regard to designating a POI, or a VPOI. That issue is who pays for the cost of hauling BellSouth-originated traffic from one local calling area to another calling area solely because of the manner in which Sprint has designed its local network.

The POI is the dividing line between the two company's networks. Each party is obligated to provide facilities necessary to transport traffic from the established POI to customers on that party's network. Sprint's position is that it is not required to provision facilities to locations not on its network to

provide transport service to BellSouth. BellSouth, however, as explained above is not required to establish the POI for BellSouth originated traffic at a point on Sprint's network.

It is BellSouth's contention that if Sprint wants to establish a presence in a particular local serving area, Sprint must invest in the facilities and transport to interconnect with BellSouth in that local serving area. This doesn't necessarily mean that Sprint should construct new transport facilities within that area. If BellSouth facilities exist, BellSouth may provide the transport facilities, but Sprint should compensate BellSouth for the transport from the BellSouth established POI to the point where Sprint wants the traffic transported.

Q. DOES SPRINT'S PROPOSAL WITH REGARD TO DESIGNATING THE POI ENCOURAGE COMPETITION IN THE LOCAL TELECOMMUNICATIONS MARKET?

A. No. As with several other of Sprint's proposals, this proposal does not encourage competition in the local telecommunications market. In fact, this does little more than shift costs from Sprint to BellSouth and, more specifically, to BellSouth's customers. Instead of encouraging competition, Sprint is asking BellSouth's customers to subsidize Sprint's network. Competition is supposed to reduce costs to customers, not increase them. Competition certainly is not an excuse for enabling a carrier to pass increased costs that it causes to customers it does not even serve.

Q. CAN YOU PROVIDE AN EXAMPLE OF WHY SPRINT'S PROPOSAL RESULTS IN ADDITIONAL COSTS THAT SPRINT WANTS BELLSOUTH TO BEAR?

A. In my direct testimony, I discussed a variety of call scenarios between customers located in Columbia and Nashville. The basis for the hypothetical scenario was that Sprint had a single switch in Nashville and was choosing to serve customers both in Nashville and Columbia. I have attached Rebuttal Exhibit JAR-R1 to this testimony for illustrative purposes.

The best way to describe these additional costs is to compare examples of three calls in the same local calling area. The first example shows a local call that originates with BellSouth End User B (BST EU B) in Nashville and terminates to Sprint End User B (Sprint EU B) who also resides in Nashville and is shown on Page 1 of JAR - R1. In this example, BellSouth would route the call to Sprint's switch and then pay Sprint the end office switching rate for reciprocal compensation to terminate the call. In this example, the call never leaves the Nashville local calling area. The parties have no problem with this scenario.

Next, consider the scenario shown on Page 2 of Rebuttal JAR- R1, which is a call between two BellSouth customers in Columbia. In that scenario, the call originates with BST EU A and terminates to BST EU C. Again, the call would not leave the local calling area and in this case BellSouth would be responsible for both the origination and termination of the call.

The third scenario as shown on Page 3 of Rebuttal JAR- R1, illustrates the actual issue in dispute. Again, for this example, Sprint only has one Point of Interconnection in Nashville. In this scenario, a local call originates with a BellSouth customer in Columbia and terminates to a Sprint customer also in Columbia. These two customers reside in the same local calling area and, indeed, they could even live on the same street in Columbia.

On page 3 of Rebuttal Exhibit JAR- R1 it shows that when BST EU A in Columbia calls a Sprint EU A in Columbia, the BellSouth customer draws dial tone from BellSouth's Columbia switch. The BellSouth customer then dials the Sprint customer and, under Sprint's proposal, the call has to be hauled outside of the local calling area from Columbia to Sprint's POI in Nashville. Sprint then carries the call to its switch in Nashville and connects to the long loop serving Sprint's customer in Columbia. In comparison, as shown on Page 2, that call never leaves the Columbia local calling area, but under Sprint's proposal as shown on Page 3, the same call would have to be hauled by BellSouth all the way to Nashville, simply because Nashville is where Sprint decided to designate its POI.

The issue here involves who is financially responsible for the facilities that are used to haul local calls that originate and terminate in the Columbia local calling area back and forth between Sprint's POI in Nashville and the BellSouth Columbia local calling area. Sprint believes that BellSouth should be financially responsible for hauling that call to Sprint's switch. BellSouth disagrees. There is nothing fair, equitable or reasonable about Sprint's

position. Because Sprint has designed its network the way it wants, and has designed its network in the way that is most efficient and least expensive for Sprint, Sprint must bear the financial responsibility for the additional facilities used to haul the call between Columbia and Nashville. Sprint does not have to build the facilities. It does not have to own the facilities. It just has to pay for them. BellSouth objects to paying additional costs that are incurred solely due to Sprint's network design. It is simply inappropriate for Sprint to attempt to shift these costs to BellSouth.

Q. HAVE OTHER COMPANIES ACCEPTED BELLSOUTH'S POSITION ON THESE ISSUES?

A. Yes. BellSouth negotiated this type of arrangement with several CLECs, including Time Warner, MediaOne, and DeltaCom, among others. It is not clear why and arrangement that apparently is satisfactory to these CLECs should be objectionable to Sprint.

Issue No. 10: Should Internet Service Provider ('ISP') bound traffic be included in the definition of "local traffic" for purposes of reciprocal compensation under the Sprint/BellSouth interconnection agreement?

Q. PLEASE COMMENT ON THE TESTIMONY PRESENTED BY DR. REARDEN WITH REGARD TO ISSUE NO. 10.

A. BellSouth understands that Issue No. 10 has been settled. BellSouth, however, reserves its right to offer testimony on this issue at a later date if this understanding is not correct.

Issue 11: (a) What is the appropriate test or tests to determine whether Sprint may charge the tandem interconnection rate for local traffic terminated to Sprint?

(b) Should Sprint be required to demonstrate to the TRA that it has met the test or tests identified in (a), above, for every switch in Sprint's network?

Q. PLEASE COMMENT ON THE DISCUSSION IN THE TESTIMONY OF MR. FELTON ON THE TANDEM SWITCHING ISSUE.

A. BellSouth understands that Issue Nos. 11 (a) and 11 (b) have been settled. BellSouth, however, reserves its right to offer testimony on these issues at a later date if this understanding is not correct.

Issue No. 12: Should voice-over-Internet ("IP Telephony") traffic be included in the definition of "Switched Access Traffic", thus obligating Sprint to pay switched access charges for such calls?

Q. IS THE ISSUE IN DISPUTE APPROPRIATELY STATED ON PAGE 15 OF MR. FELTON'S TESTIMONY?

A. No. What Sprint states as "the issue in dispute" is actually the outcome that BellSouth is asking from the Authority. BellSouth requests that the Authority approve the following language to be included in the definition of "Switched Access" in the Sprint – BellSouth Interconnection Agreement:

> *Switched Access Traffic. Switched Access Traffic is described in the BellSouth Access Tariff. Additionally, with the exception of computer-to-computer Internet traffic, any Public Switched Telephone Network interexchange telecommunications traffic, regardless of transport protocol method, where the originating and terminating points, the end-to-end points, are in different LATAs, or are in the same LATA and the Parties' Switched Access services are used for the origination or termination of the call, shall be considered Switched Access Traffic.*

Q. WHAT IS THE ISSUE, AS BELLSOUTH UNDERSTANDS IT?

A. The issue is the appropriate compensation for traffic that utilizes Internet Protocol ("IP Telephony") for telephone call completion. BellSouth and Sprint are in agreement with regard to Phone-to-Phone IP Telephony. The issue appears to be in the handling of computer-to-computer or computer-to-phone IP Telephony. BellSouth, as stated on page 48 of my direct testimony, is not purporting to address Computer IP Telephony in this issue.

Q. IS THIS ISSUE BEYOND THE SCOPE OF THIS ARBITRATION PROCEEDING, AS ALLEGED BY MR. FELTON ON PAGE 16 OF HIS TESTIMONY?

A. No. All BellSouth is asking the Authority to do is to determine that reciprocal compensation is **not** due, under any circumstance, for non-local traffic transmitted using Phone-to-Phone Telephony. BellSouth also is asking the Authority to determine that Phone-to-Phone IP Telephony is subject to applicable access charges if the call originates in one local calling area and terminates in another local calling area. Both of these determinations are within the province of this arbitration, notwithstanding pending proceedings at the FCC on the IP Telephony issue.

Q. DOES BELLSOUTH AGREE WITH SPRINT THAT THE INTERCONNECTION AGREEMENT SHOULD REMAIN SILENT ON THE ISSUE OF IP TELEPHONY?

A. No. All carriers are going to continue to deploy packet switching in their networks. For Sprint to ask the TRA to merely close its eyes to this issue is simply an invitation for ongoing disputes between the parties. The issue of Phone-to-Phone IP telephony can, and should, be addressed by the Authority.

Issue No. 22: Should the Agreement contain a provision stating that if BellSouth has provided its affiliate preferential treatment for products or services as compared to the provision of those same products or services to Sprint, then

the applicable standard (i.e., benchmark or parity) will be replaced for that month with the level of service provided to the BellSouth affiliate?

Q. MS. CLOSZ, BEGINNING ON PAGE 31, DISCUSSES SPRINT'S POSITION ON TREATMENT OF AFFILIATES WITH RESPECT TO PERFORMANCE MEASURES. PLEASE COMMENT.

A. Sprint's position is that "[I]f BellSouth has provided its affiliate preferential treatment for products and services as compared to provision of those same products and services provided to any alternative local exchange carrier ('CLEC'), then the standard, either parity with retail operations or a pre-established benchmark, should be replaced for that month with the superior level of service provided to the BellSouth affiliate." (Closz, p.32)

First, with respect to benchmarks, as stated in my direct testimony, Sprint's proposal is irrelevant. A benchmark is a benchmark, a predetermined level. It does not change from month to month. With regard to benchmarks, the only relevant test is whether a required level of performance is met. What Sprint is asking would be similar to asking for the benchmark to be moved to reflect the month's average, every month. This defeats the purpose of setting a benchmark.

Sprint's proposal to use BellSouth's CLEC performance, if it is better than what BellSouth provides to its retail customers in any one month, is also inappropriate. Parity is measured in comparison to BellSouth's retail

operations, not to its CLEC. If Sprint considers parity to be a comparison to BellSouth's CLEC, is Sprint also proposing to use the CLEC's results if they are worse than BellSouth's performance to its retail customers? I would doubt that. BellSouth's measurement of parity should be applied to its CLEC, just like any other CLEC. The appropriate measurement, as discussed in the FCC's Order approving Bell Atlantic's New York 271 application, is developed based upon BellSouth's retail operations, not based on its CLEC operations.

The Authority can review BellSouth's performance measurements , and can determine if BellSouth is giving preferential treatment to itself. If this were to be the case, the Authority could then decide if it is appropriate to take action to prevent such treatment. Further, as pointed out in my direct testimony, Sprint's proposal is hypothetical at best. BellSouth's CLEC is not providing local telecommunications service in the BellSouth serving area in Tennessee.

Issue 25: Should the availability of BellSouth's VSEEM III remedies proposal to Sprint and the effective date of VSEEM III be tied to the date that BellSouth receives interLATA authority in Tennessee?

Issue 26: Should BellSouth be required to apply a statistical methodology to the SQM performance measures provided to Sprint?

Q. ON PAGE 40 OF HER TESTIMONY, MS. CLOSZ STATES "SPRINT MUST HAVE A READILY AVAILABLE ADEQUATE PERFORMANCE

MEASUREMENTS PLAN AND ASSOCIATED PENALTIES." DO YOU AGREE?

A. No. BellSouth agrees that it has an obligation to provide parity service to Sprint, as well all other CLECs operating in the BellSouth service area. Neither performance measures nor penalties, however, are necessary to ensure that BellSouth fulfills that obligation.

The FCC has never indicated that enforcement mechanisms and penalties are either necessary or required to ensure that BellSouth meets its obligations under Section 251 of the Act. Enforcement mechanisms are not a part of the FCC's Local Competition Order. They are not a requirement for 271 relief. The FCC only looked at enforcement mechanisms as part of its public interest analysis in the review of Bell Atlantic's Section 271 Application. The FCC views enforcement mechanisms and penalties as additional incentive to ensure that an ILEC continues to comply with the competitive checklist after interLATA relief is granted.

Q. HOW DOES MS. CLOSZ' TESTIMONY RELATE TO ISSUE NO. 26?

A. Issue No. 26 is requesting the merger of two separate, mutually exclusive, plans. BellSouth's SQM or Performance Measurements Plan does not include the proposed enforcement plan. The statistical information being requested by Sprint is part and parcel of BellSouth's enforcement plan, not BellSouth's SQM. BellSouth has withdrawn its enforcement plan from the negotiations

with Sprint, and Sprint is therefore not entitled to the information that is being requested.

Q. WHAT IS BELLSOUTH REQUESTING OF THE AUTHORITY?

A. BellSouth has withdrawn its enforcement plan from the negotiation process with Sprint. Sprint has shown no concrete evidence why it "must have a readily available adequate performance measurements plan and associated penalties." Because performance penalties serve no purpose until after interLATA 271 relief is granted, BellSouth requests the TRA not approve Sprint's request that the BellSouth enforcement plan proposal take effect prior to BellSouth receiving interLATA authority. BellSouth further requests that the Authority rule that Sprint is not entitled to the statistical methodology of a plan that is not being offered to them.

Issue No. 29: What is the appropriate rate for dedicated trunking from each BellSouth end-office identified by Sprint to either the BellSouth Traffic Operator Position System ("TOPS"), or the Sprint operator service provider?

Q. PLEASE COMMENT ON MR. FELTON'S STATEMENT ON PAGE 17, "EVEN THOUGH THE FCC, IN THE UNE REMAND ORDER, RELIEVED THE ILECs OF THEIR OBLIGATION TO PROVIDE OS AND DA AS UNEs, THE FCC DID NOT RELIEVE THE ILECs OF THEIR OBLIGATION TO PROVIDE INTEROFFICE TRANSMISSION FACILITIES AS A UNE."

A. BellSouth acknowledges that it must provide interoffice trunking on an unbundled basis. That, however, is not what this issue is about. What Sprint is proposing is that BellSouth should be required to provide Dedicated Transport in connection with Sprint's self-provisioning of OS/DA. This is something that BellSouth is clearly not obligated to do. The FCC has held that the cost of transporting traffic in relation to Sprint's self-provisioning of OS/DA is a cost that must be borne by Sprint.

In its discussion, Sprint again conveniently omits referencing portions of an Order that are less than supportive of Sprint's position. In ¶ 450 of FCC 99-238, the FCC made it very clear that part of self-provisioning OS/DA is "the cost of transporting traffic to the facilities."

The FCC continues its analysis in ¶455, finding that the costs of self-provisioning OS/DA do not impair a CLEC from providing the service. And finally, in ¶464 the FCC finds that not requiring the ILECs to unbundle OS/DA service is consistent with the goals of the Act, by reducing competitors' reliance on the incumbent's network and creating new competitive opportunities.

Q. WHAT IS BELLSOUTH REQUESTING OF THE AUTHORITY?

A BellSouth asks the TRA, based on the above discussion, to deny Sprint's request to order BellSouth to provide interoffice transmission facilities to Sprint at cost based rates to be used by Sprint in providing OS/DA.

Issue 43: (a) Should BellSouth be required to provide Sprint with two-way trunks upon request?

(b): Should BellSouth be required to use those two-way trunks for BellSouth originated traffic?

Q. IS BELLSOUTH REQUIRED TO PROVIDE TWO-WAY TRUNKING, AS STATED BY MS. OLIVER?

A. Yes. BellSouth is required to provide two-way trunking upon request. BellSouth, however, is only obligated to provide and use two-way local interconnection trunks where traffic volumes are too low to justify one-way trunks. In all other instances, BellSouth is able to use one-way trunks for its originating traffic if it so chooses. Nonetheless, BellSouth is not opposed to the use of two-way trunks where it makes sense, and the provisioning arrangements and location of the Point of Interconnection can be mutually agreed upon.

Q. ON PAGE 14 OF HER TESTIMONY, MS. OLIVER REFERS TO EFFICIENCIES IN THE USE OF TWO-WAY TRUNKING. ARE TWO-

WAY TRUNKS ALWAYS MORE EFFICIENT THAN ONE-WAY TRUNKS?

A. BellSouth believes that, although two-way trunks may be more efficient than one-way trunks, under some circumstances, due to busy hour characteristics and balance of traffic, two-way trunks are not always the most efficient, as Sprint seems to suggest. This issue is more fully discussed on page 64 of my direct testimony.

Q. DOES BELLSOUTH AGREE WITH SPRINT'S PREMISE THAT BELLSOUTH SHOULD NOT HAVE THE RIGHT TO ESTABLISH ONE-WAY TRUNKS FOR BELLSOUTH ORIGINATED TRAFFIC?

A. No. As discussed on pages 65-66 of my direct testimony, there are several reasons that BellSouth should have the flexibility to use one-way trunks for its originated traffic.

Q. AT PAGES 13 AND 14, MS. OLIVER REFERS TO ¶ 219 OF THE FCC'S LOCAL COMPETITION ORDER TO SUPPORT HER POSITION THAT TWO-WAY TRUNKS ARE REQUIRED. PLEASE COMMENT.

A. Ms. Oliver attempts to make a case that two-way trunks are required by ¶ 219 of the FCC's Local Competition Order. However, this paragraph does not support Ms. Oliver's position. Paragraph 219 states in part:

We conclude here, however, that where a carrier requesting interconnection pursuant to section 251(c)(2) does not carry a sufficient amount of traffic to justify separate one-way trunks, an incumbent LEC must accommodate two-way trunking upon request where technically feasible. [Emphasis added]

It is clear that the FCC only requires two-way trunks where technically feasible and where there is not enough traffic to justify one-way trunks. Nonetheless, BellSouth will provide two-way trunks upon request by Sprint. BellSouth, however, will only send its traffic over those trunks when traffic volumes between BellSouth and Sprint are insufficient to justify one-way trunks.

Q. ON PAGE 14, MS. OLIVER STATES THAT "THE PROVISION OF TWO-WAY TRUNKING SHOULD INCORPORATE BOTH 'TWO-WAY' TRUNKING AND 'SUPER-GROUP' INTERCONNECTION TRUNKING AS DEFINED IN THE DRAFT INTERCONNECTION AGREEMENT." PLEASE COMMENT.

A. First, it should be understood that Super-Group interconnection trunking is simply a type of two-way trunking arrangement. Second, Super Group trunking arrangements are included in Attachment 3, Section 2.8.8.2.1, to the proposed interconnection agreement. BellSouth is not sure why Ms. Oliver has expressed concern with regard to Super Groups.

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

A. Based on the preceding discussion, BellSouth requests the TRA to adopt BellSouth's position on this issue and not require BellSouth to use two-way trunking except as required by the FCC. The Authority is requested to adopt the following BellSouth contract language that allows the parties to reach mutual agreement on the use of two-way trunks:

> 2.8.6.2.1 Two-way interconnection trunking may be utilized by the Parties to transport Local and IntraLATA Toll Traffic between Sprint's end office or switch and BellSouth's access tandem or end office. Two-way interconnection trunking may also be used to transport Local Traffic between Sprint's end office or switch and BellSouth's local tandem. Because both Parties' Local and IntraLATA Toll Traffic shall utilize the same two-way trunk group, the Parties shall mutually agree to use this type of interconnection trunking. The Parties shall mutually agree upon the quantity of trunks and provisioning shall be jointly coordinated. Furthermore, the Physical Point(s) of Interconnection for two-way interconnection trunking transporting both Parties' Local and IntraLATA Toll shall be mutually agreed upon. Upon determination that two-way interconnection trunking will be used, Sprint shall order such two-way trunking via the Access Service Request (ASR) process in place for Local Interconnection. Furthermore, the Parties shall jointly review such trunking performance and forecasts on a periodic basis. The Parties' use of two-way

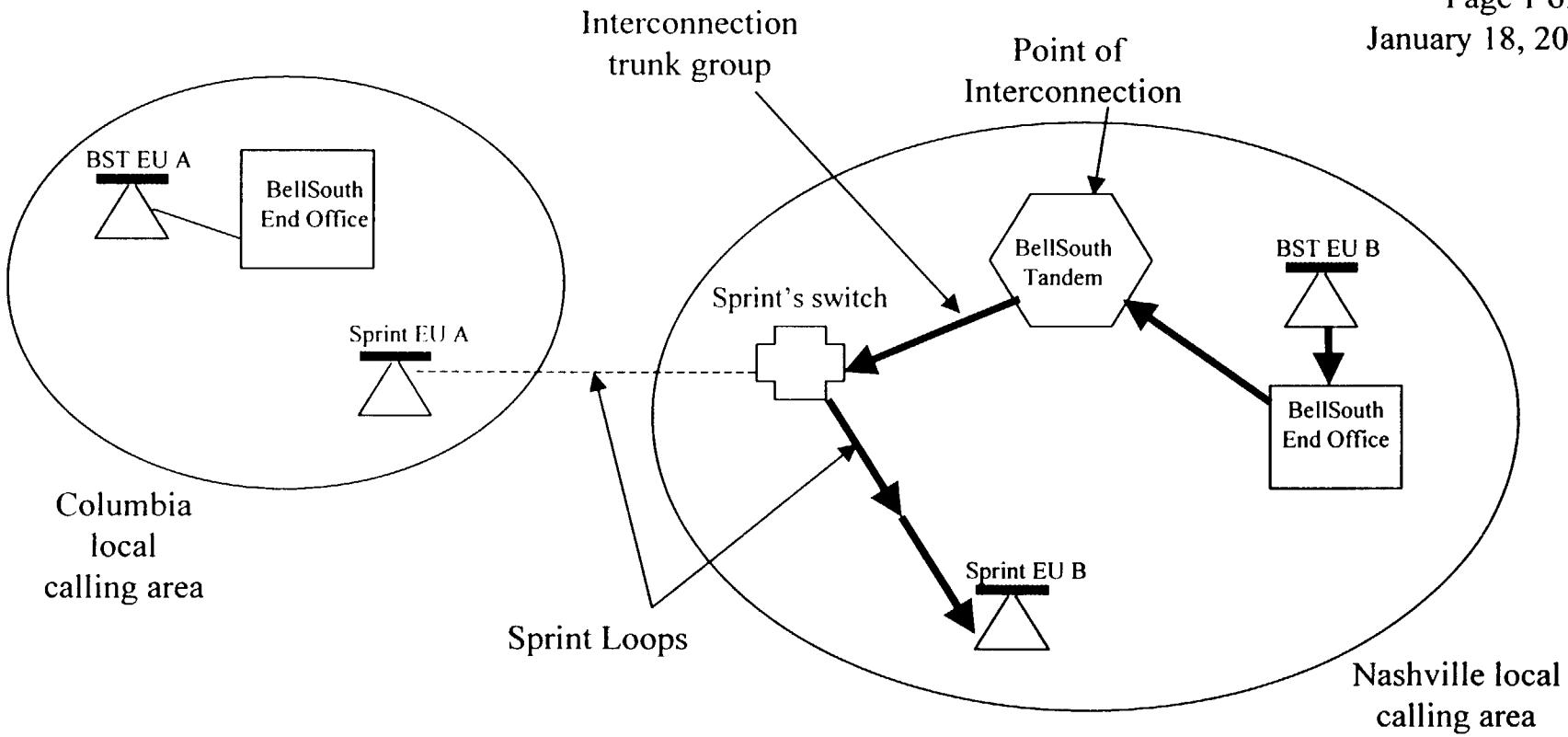
interconnection trunking for the transport of Local and IntraLATA Toll Traffic between the Parties does not preclude either Party from establishing additional one-way interconnection trunks within the same local calling area for the delivery of its originated Local and IntraLATA Toll Traffic to the other Party.

Although included in a different section of the proposed Interconnection Agreement, this language is also proposed for the provision of Super Groups, modified where appropriate to show applicability to Super Groups. The above method has proven effective where BellSouth and other CLECs have addressed the provision of two-way trunks.

Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

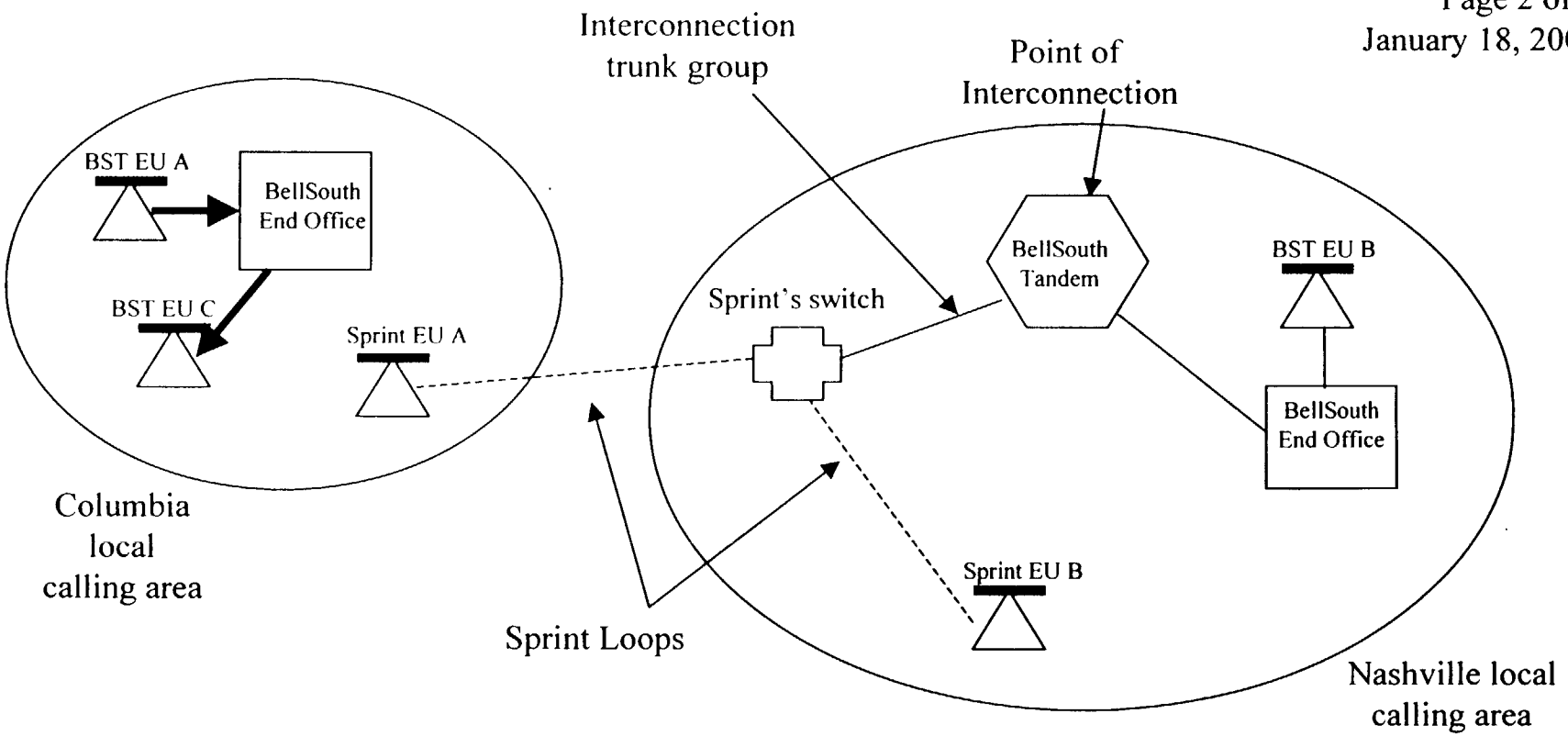
A. Yes.

Local Call from Nashville BST EU to Nashville Sprint EU



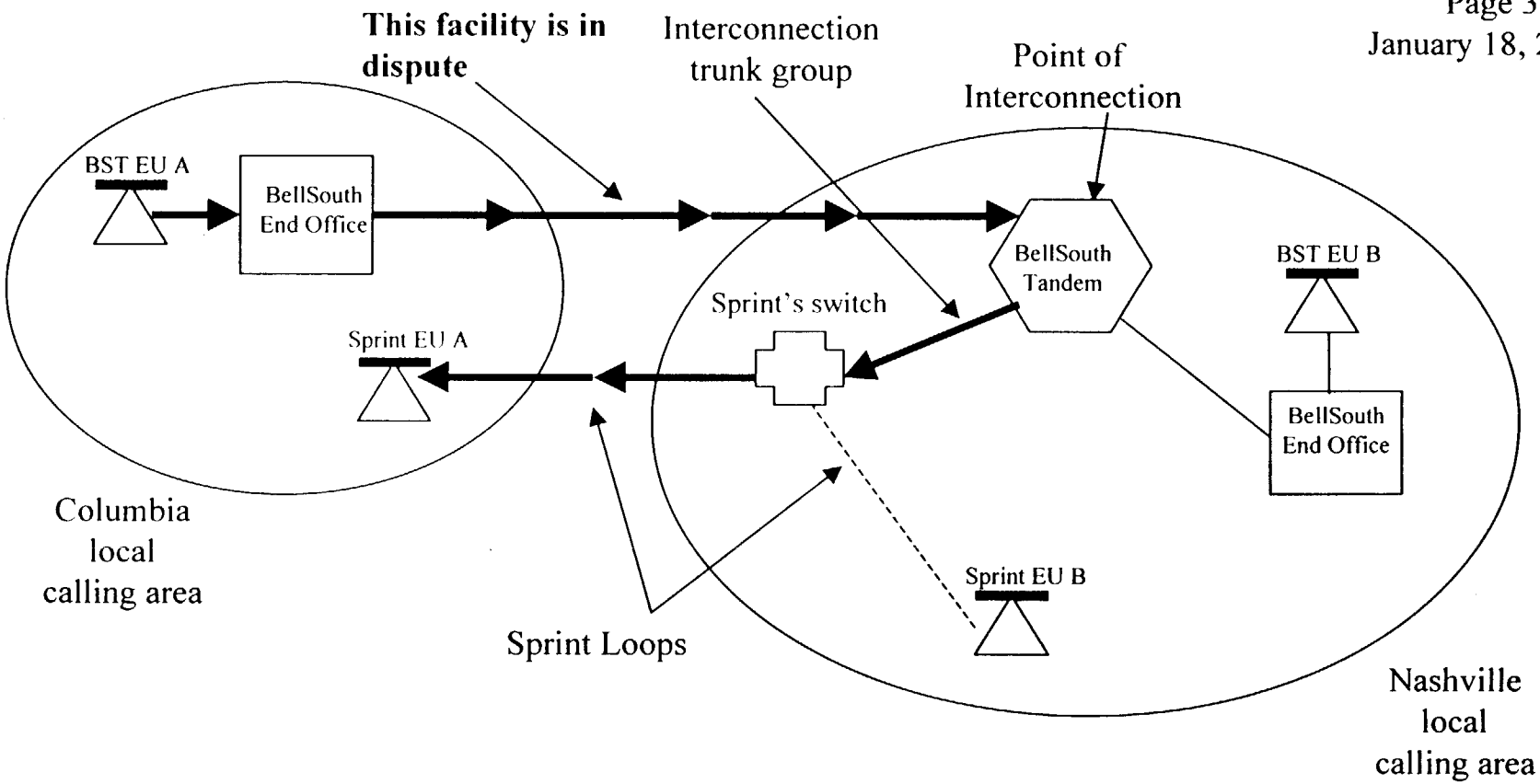
#243604

Local Call from Columbia BST EU to Columbia BST EU



#243604

Local Call from Columbia BST EU to Columbia Sprint EU



#243604

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 John A. Ruscilli –Senior Director – State Regulatory, 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. 00-00691 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 35 pages and 1 exhibit(s).

John A. Ruscilli

Sworn to and subscribed
before me on 01/18/01

NOTARY PUBLIC

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