BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

IN RE:

IMPLEMENTATION OF THE FEDERAL COMMUNICATIONS COMMISSION'S TRIENNIAL REVIEW ORDER – 9 MONTH PROCEEDING – HOT CUTS)	)))	**DOCKET NO. 03-00526**

REBUTTAL TESTIMONY OF MARK DAVID VAN DE WATER

ON BEHALF OF

AT&T COMMUNICATIONS OF THE SOUTH CENTRAL STATES, LLC

MARCH 12, 2004

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Mark David Van de Water. My business address is 7300 East Hampton Avenue, Room 1102, Mesa, AZ, 85208-3373.

Q. ARE YOU THE SAME MARK DAVID VAN DE WATER WHO PREVIOUSLY FILED DIRECT TESTIMONY IN THIS DOCKET ON FEBRUARY 27, 2004?

A Yes, I am.

I. INTRODUCTION

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. My testimony refutes the claims of BellSouth's witnesses that their proposed batch process is capable of providing high quality, seamless migrations in sufficient volumes, and thus demonstrates that they do not remove the impairment that manual hot cuts create for Competitive Local Exchange Carriers ("CLECs").

Q. BEFORE ADDRESSING THE DETAILS, COULD YOU PLEASE PROVIDE A HIGH LEVEL SUMMARY OF YOUR REACTION TO BELLSOUTH'S PROPOSAL?

A. In its purported effort to comply with the Triennial Review Order ("TRO"), BellSouth offers the same manual provisioning process from the 271 case, along with a batch ordering process, both of which were created before, and make no effort to comply with, the TRO mandates that govern this case. BellSouth unabashedly ignores the findings of the Federal Communications Commission ("FCC") that rejected Incumbent Local Exchange Company ("ILEC") arguments regarding the relevance of 271 decisions and current performance measurement

results to the TRO hot cut requirements. Moreover, it makes no effort to comply with the FCC's directive that the state commissions establish a batch hot cut process Instead, despite a national finding of impairment, BellSouth maintains that nothing needs to be done to its existing individual hot cut process While it dresses up that process by adding the "batch" tag to it, even BellSouth admits that its hot cut process is the same as it was before the FCC issued the TRO.

BellSouth also ignores the FCC's purpose for establishing a batch hot cut process, to reduce the economic and operational barriers posed by the present hot cut process Instead, it offers the inadequate batch ordering/individual hot cut provisioning process to be used to migrate the embedded base of Unbundled Network Element Platform ("UNE-P") in the event of a finding of no impairment And, while BellSouth promises it will achieve the anticipated increase in volumes, I have numerous concerns about un-addressed issues I describe in more detail later in my testimony. BellSouth's feeble proposal exacerbates the "haves" and "have nots" environment that removal of unbundled switching would create: CLECs will be handicapped by a manual, high-cost process for their customers while BellSouth enjoys an electronic, low-cost process for most of its customers

BellSouth also ignores that its performance for hot cut migrations is inferior to UNE-P migrations for ordering and provisioning, forcing CLECs and their customers to inferior and inefficient service if unbundled local switching is no longer available as an option. Finally, BellSouth ignores the basic reality that its "batch" ordering process excludes customers who obtain Digital Subscriber Line ("DSL") services via a line-splitting arrangement

In short, BellSouth's batch process falls short in a number of key aspects of the TRO's mandates regarding the hot cut process

II. THE 271 CASE AND CURRENT PERFORMANCE RESULTS ARE IRRELEVANT TO THIS PROCEEDING

Q. WHAT IMPACT DOES THE TENNESSEE REGULATORY AUTHORITY'S DECISION TO RECOMMEND THAT BELLSOUTH BE PROVIDED 271 APPROVAL HAVE ON ITS REVIEW OF THE ADEQUACY OF BELLSOUTH'S HOT CUT PROCESS IN THIS PROCEEDING?

A Very little The FCC noted that because of the new competitive environment being considered (without CLEC access to unbundled local switching), decisions made in 271 proceedings were not adequate to support a finding that competitive carriers would not be impaired if they were required to rely on the hot cut process to serve all mass market customers The FCC specifically found that:

> [T]he Commission's prior findings in section 271 orders do not support a finding here that competitive carriers would not be impaired if they were required to rely on the hot cut process to serve all mass market customers. . . . [T]hese orders examined the adequacy of hot cuts at a time when competitive LECs were principally using unbundled local circuit switching to compete for mass market customers. . . Here, we must consider the adequacy of current hot cut practices for handling the volumes that would be expected if competitive LECs were denied unbundled access to unbundled local circuit switching - something that was by no means "reasonably foreseeable" in the context of the section 271 orders. ***The section 271 orders thus tell us very little about a BOC's ability to provision large batches of cut overs in a timely and reliable manner under these circumstances.***

TRO at n.1435 (emphasis added).

In spite of these very clear, explicit findings by the FCC, BellSouth starts in exactly the place the FCC said this Authority should not start. BellSouth goes to great lengths to repeatedly remind this Authority that it has previously reviewed BellSouth's hot cut process and found it sufficient to recommend 271 relief for BellSouth (See Direct Testimony of BellSouth witnesses Kathy Blake at page five, Kenneth Ainsworth at pages three, ten, and sixteen, and Ronald Pate at page fifteen.) BellSouth would have this Authority take its individual hot cut process considered as part of the 271 review and apply it going forward, relying on BellSouth's promises that it can be scaled to handle the anticipated increase in volume However, as the FCC has said, BellSouth's processes must be examined anew to determine if they constitute impairment when considered in conjunction with the elimination of the local circuit switch as an unbundled network element that must be provided by ILECs.

Q. ON PAGE 15 OF HIS TESTIMONY, MR. PATE DISCUSSES THE VOLUME TESTING CONDUCTED BY THE FLORIDA KPMG THIRD PARTY TEST. DID KPMG CONDUCT VOLUME TESTING OF HOT CUTS?

A No The testing to which Mr Pate refers was for ordering only, provisioning was not subject to volume testing. Further, the types of orders tested do not appear to be, for the most part, the type of orders involved in hot cuts As page 263 of the KPMG Final Report notes

> The majority of the orders transmitted during the test were limited to those that flow through BellSouth's order processing systems without human intervention Transactions submitted during the POP Volume

Performance Test (TVV2) did not go through the physical provisioning process

Only 29.0% of BellSouth's loop with LNP orders in Tennessee did not require manual handling, and are therefore not representative of the "majority" of the order types tested by KPMG. In other words, the results of the volume testing do not reflect the ability of BellSouth to handle any volume of hot-cut orders Moreover, the third-party test did not even attempt to review BellSouth's ability to provision any volume of hot cuts. Accordingly, although the Florida volume testing was a worthwhile part of the overall testing of BellSouth's OSS, it has no relevance in this proceeding

Q. WHAT IMPACT SHOULD BELLSOUTH'S CURRENT LEVEL OF PERFORMANCE IN EXECUTING HOT CUTS AND PROVISIONING LOOPS HAVE ON THIS AUTHORITY'S REVIEW OF THE ADEQUACY OF BELLSOUTH'S HOT CUT PROCESS IN THIS PROCEEDING?

A. As currently reported by BellSouth, it is of little value to the Authority for two primary reasons. First, the FCC specifically rejected ILEC arguments that performance data showed that current hot cut performance was satisfactory (the same arguments BellSouth's witnesses make in their direct testimony). The FCC found "the issue is **not** how well the process works currently with limited hot cut volumes . . . ." TRO at ¶ 469 (emphasis added) Second, in explaining why state commissions might review commercial performance data, the FCC noted that "[t]his review is necessary to ensure that customer loops can be transferred from the incumbent LEC's main distribution frame to a competitive LEC collocation ***as promptly and efficiently as incumbent LECs can transfer customers using unbundled local switching***." TRO at n. 1574 (emphasis added). The

performance data provided by BellSouth in this proceeding provides no such analysis It does not allow a comparison between the efficiency of transferring a customer using unbundled local switching and the efficiency of transferring a customer using a hot cut

III. THE INADEQUACY OF BELLSOUTH'S BATCH PROCESS

A. BellSouth Has Not Developed a Viable Process

Q. DOES BELLSOUTH'S HOT CUT PROVISIONING PROCESS PROPOSED IN THIS PROCEEDING DIFFER FROM THE PROCESS IT PROPOSED DURING THE FCC'S TRIENNIAL REVIEW DELIBERATIONS?

A. No. In spite of the FCC's findings that "the overall impact of the current hot cut process raises competitors costs, lowers their quality of services, and delays the provisioning of service" (TRO at ¶ 473), BellSouth has made no effort to improve its current hot cut process through the establishment of a batch hot cut provisioning process In fact, BellSouth's witness Ainsworth admits "the provisioning process I discuss here entails the same core functions as process reviewed during the 271 case." (See Ainsworth Direct at page 10).

Q. HAS BELLSOUTH BEEN WILLING TO COLLABORATE WITH THE CLEC COMMUNITY REGARDING THE DEVELOPMENT OF A "BATCH" ORDERING PROCESS?

A. No. In recent informal workshops held by the Alabama Public Service Commission and this Authority, BellSouth indicated that it felt its process was satisfactory and it saw no need to collaborate with CLECs regarding changes to its process. Similarly, BellSouth resisted efforts by CLECs to have a batch

process addressed in the Change Control Process ("CCP") meetings. (See Rebuttal Exhibit MDV-R1). Recently, BellSouth has indicated that CLECs could request changes via the Change Control Process (CCP). However, on January 28 BellSouth announced it was making changes to the process without using the CCP it requires CLECs to use. (See Rebuttal Exhibit MDV-R2)

Q. HAVE OTHER ILECS MADE CHANGES TO THEIR BATCH HOT CUT PROCESS IN RESPONSE TO CLEC WORKSHOP COMMENTS?

A. Yes. While these changes have not resolved all the issues between CLECs and the ILEC regarding how batch hot cut processes should operate, they have resulted in improvements to the process, and narrowed the scope of the issues to be addressed by the state commissions. For example, SBC has proposed a batch hot cut process that includes the following proposed advantages over their existing process:

- Flexible scheduling
- Eliminates negotiation steps and time involved
- Provides defined interval to allow for CLEC resource planning
- Provides CLECs an ability to reserve time
- Wire center based to provide CLEC the ability to convert multiple central offices on the same day
- Includes requests involving IDLC cuts
- Mechanized order flow
- Reservation tool
- Pre-order IDLC tool

Q. ON PAGES 2-3 OF HIS TESTIMONY, MR. AINSWORTH STATES THAT THE HOT CUT PROCESS IS NOT DIFFICULT OR CUMBERSOME. DO YOU AGREE?

A No. As I described in detail in my direct testimony, hot cuts are much more complex, manual, and costly than UNE-P migrations, requiring numerous steps which must be coordinated if a cut is to be successful in limiting the time the customer is out of service

It is also noteworthy that BellSouth is not usually so dismissive of the work activities associated with hot cuts For example, in 271 testimony filed in Tennessee, BellSouth witness Milner pointed out that coordinated loop cutovers "involve a number of steps," and that "the loop cutover is much more complicated in terms of the work steps involved (on the part of both BellSouth and the CLEC) than the number porting." (See Rebuttal Exhibit MDV-R3)

Q. ON PAGE 13 OF HIS TESTIMONY, MR. AINSWORTH INDICATES THAT DURING 2003 THE END-USER HAS BEEN "WITHOUT CALLING CAPABILITY" DURING A HOT CUT FOR AN AVERAGE OF ONLY 2.48 MINUTES. PLEASE RESPOND.

A First, this statement only addresses the capability to make outgoing calls. An end-user will not have incoming call capability until BellSouth has notified the CLEC that the cut-over is complete and the CLEC ports the telephone number to its switch. Further, while BellSouth reports performance of three minutes, it insists in performance measures proceedings on being able to keep the customer out of service for 15 minutes, should it so choose In a mass market scenario where thousands of residential customers will have their service disrupted through loop migrations, it is likely that E-911 services will be needed, but inaccessible, during this 15-minute period. The Authority should establish performance standards that provide a greater level of consumer protection For example, a standard of 5

minutes would be more than adequate to provide BellSouth the time it ostensibly needs, but puts the customer at less risk for an unnecessary service outage.

Q. IN YOUR DIRECT TESTIMONY, YOU POINTED OUT THAT BELLSOUTH'S BATCH ORDERING PROCESS DID NOT PERMIT TIME SPECIFIC CUTS. HAS BELLSOUTH ACCOMMODATED AT&T'S' NEEDS?

A. No. For example, although Mr. Ainsworth states on page 25 of his testimony that BellSouth has recently enhanced the batch process to guarantee a four hour window, he provides no information regarding how many lines can be cut in that window, and does not make clear what parameters exist around the start and stop time of the cut.

Q. ON PAGE 4 OF HIS TESTIMONY, MR. PATE REFERENCES LANGUAGE FROM AT&T'S NOVEMBER 2000 CHANGE REQUEST FOR UNE TO UNE BULK MIGRATIONS. DID MR. PATE INCLUDE ALL OF AT&T'S PROCESS DESCRIPTION?

A No. Mr Pate's Exhibit RMP-1 is a copy of AT&T's change request That request includes the following additional language not mentioned by Mr. Pate. "An option for doing the migrations (done by another ILEC) is that BellSouth and AT&T would schedule the cuts by central office to take place over a weekend. Our experience with this process has been a very low number of customer outages." Unfortunately, BellSouth remains unwilling to implement a process that permits CLECs and BellSouth together to select and manage the timing of the cuts, despite the FCC's finding that "the record evidence strongly suggests that the hot cut process could be improved if cutovers were done on a bulk basis, ***such***

that the timing and volume of the cutover is better managed." TRO at ¶ 474 (emphasis added).

Q. DO YOU HAVE OTHER CONCERNS WITH BELLSOUTH'S PROPOSED BATCH ORDERING PROCESS?

A. Yes. Attached as Exhibit MDV-R4 is a comparison of AT&T's recommendations for issues related to a batch hot cut process compared to BellSouth's February 18, 2004 batch process revisions

Q. ON PAGE 2 OF HIS TESTIMONY, MR. AINSWORTH APPEARS TO INDICATE THAT THE PURPOSE OF THE BATCH PROCESS IS TO CONVERT THE EMBEDDED BASE OF UNE-P TO UNE-L ARRANGEMENTS. DO YOU AGREE?

A. No As I described in my direct testimony, AT&T has attempted to obtain a suitable bulk process from BellSouth to address customer service and cost issues, even with the availability of unbundled switching Further, the TRO is replete with instances citing the need for a batch hot cut process. For example, in ¶ 487 the FCC found "that a seamless, low cost batch cut process or switching mass market customers from one carrier to another ***is necessary, at a minimum***, for carriers to compete effectively in the mass market" (emphasis added) (fn. omitted) I am unaware of any portion of the TRO that directs the establishment of a batch hot cut process simply for the use of migrating the embedded base of UNE-P. Indeed, given the FCC's findings that the hot cut process creates operational and economic impairment, and that "[***a]fter*** a batch cut process has been put into place, we expect state commissions in ***subsequent*** reviews to reevaluate the circumstances surrounding self provisioning [of local switches]," it

is clear that the FCC contemplated the continuing use of the batch hot cut process.[1] TRO at ¶ 502 (emphasis added)

B. BellSouth Has Not Demonstrated that it Could Perform Hot Cuts at the Volumes that Will Be Required if Unbundled Local Switching Is Not Available for Mass Market Customers.

Q. WHAT DID THE FCC FIND REGARDING THE ILEC'S ABILITY TO HANDLE THE INCREASED VOLUME OF HOT CUTS THAT WOULD BE EXPECTED IN THE ABSENCE OF UNBUNDLED SWITCHING?

A. The FCC noted that "While incumbent LECs state that they have the capacity to meet any reasonable foreseeable increase in demand for stand-alone loops that might result from increased competitive LEC reliance on self-provisioned switching, **there is little other evidence in the record to show that the incumbent LECs could efficiently and seamlessly perform hot cuts on a going-forward basis** for competitors who submit large volumes of orders to switch residential subscribers." TRO at n. 1437(emphasis added). The FCC also found "incumbent LECs' **promises** of future hot cut performance **insufficient** to support a Commission finding that the hot cut process does not impair the ability of a requesting carrier to provide the service it seeks to offer without at least some sort of unbundled circuit switching." *Id.* (emphasis added).

[1] As I indicated in my direct testimony, AT&T supports the voluntary use of a batch provisioning process for its use to migrate customers from UNE-P to UNE-L when it is otherwise feasible to do so.

Q. HAS BELLSOUTH DEMONSTRATED THAT IT CAN PERFORM HOT CUTS AT THE VOLUMES THAT WILL BE REQUIRED IF UNBUNDLED LOCAL SWITCHING IS NOT AVAILABLE FOR MASS MARKET CUSTOMERS?

A. No. While BellSouth made some assumptions about volume and used this information in a force model, the net result is that they intend to "throw bodies" at the problem. They provided no plans regarding quality improvement and automation, hallmarks of progressive management throughout industry, indicating instead their intention to attempt to custom design and manually implement mass market services, and pass the unnecessary and prohibitive costs on to CLECs.

Q. DOESN'T MR. MCELROY STATE ON PAGE 2 OF HIS TESTIMONY THAT THE PURPOSE OF HIS TESTIMONY IS TO "DEMONSTRATE THAT BELLSOUTH'S BULK MIGRATION PROCESS SERVICE IS BOTH SEAMLESS AND EFFECTIVE?"

A. Yes, he does, but in fact he makes no such demonstration Mr McElroy goes on to say that to corroborate this fact, BellSouth engaged PricewaterhouseCoopers ("PwC") to provide an attestation on the effectiveness of the process. However, PwC only attested that the process worked as designed, except for the times it did not PwC made no representations regarding the seamlessness or effectiveness of the process.

Q. MR. MCELROY'S TESTIMONY DESCRIBES PWC'S OPINION, THAT BELLSOUTH UTLIZED THE BULK MIGRATION PROCESS TO COMPLETE A TEST OF BULK MIGRATION SERVICE REQUESTS, EXCEPT FOR THE DEVIATIONS DESCRIBED IN ITS REPORT. PLEASE COMMENT.

A. I would have surprised with any other outcome AT&T is very familiar with and even occasionally uses BellSouth's hot cut process AT&T has never asserted

that BellSouth could not perform multiple migrations (especially under conditions of it own choosing), using its bulk ordering process and individual hot cut process The ability to execute an unacceptable process (conducted under unclear parameters), does nothing to reduce the concerns I have described with BellSouth's manual hot cut process, and the impairment caused by that process which render them unacceptable for the mass market (whether or not you place a bulk order).

Q. GIVEN THAT YOU KNEW BELLSOUTH COULD PERFORM HOT CUTS AND MAKE CHANGES TO ITS ORDERING OSS, DO YOU HAVE CONCERNS REGARDING HOW THE TEST WAS CONDUCTED AND THE RESULTS?

A. Yes. First, it is unclear when and over what period of time the pre-wiring (the most time intensive part of the hot cut) was completed Second, no information is provided regarding how the non-hot cut central office work was handled. While much of such work could be postponed for a day during the time a special test is being conducted, that obviously is not the case when the "test" or greater volumes continue in a business as usual environment. Third, BellSouth implemented 80% of the cuts using its most simple method (non-coordinated) cuts even though such cuts comprise less than 2% of migrations today. Fourth, even while being observed by an outside group (PwC), which is likely to result in best behavior or performance, BellSouth had 64 deviations on 724 migrations (9%). These problems included missed due dates, no dial tone, no cut notification so that customer could not receive incoming calls, and failing to test for dial tone prior to cutting customer The fact that this myriad of problems, which occurred under

ideal conditions, is the best case BellSouth could put forward, is chilling when contemplating unleashing this process on hundreds of Tennessee end-users every day.

Q. WHAT WAS PWC'S VIEW OF THE EXCEPTIONS TO BELLSOUTH MANAGEMENT ASSERTIONS?

A. PWC simply reported the exceptions. They explicitly did not comment on their relative significance in their report (See Attachment A of Exhibit MM-1 of Mr. McElroy's testimony.) In the affidavit of Paul Gaynor of PwC, he stated that all exceptions were reported, based on the nature of the hot cut process and the importance to all parties (See page 21 of Exhibit MM-2 of Mr. McElroy's testimony)

Q. GIVEN YOUR POSITION THAT THE PWC ATTESTATION DOES NOT ESTABLISH THAT BELLSOUTH HAS AN ADEQUATE HOT CUT PROCESS FOR THE MASS MARKET, WHAT VALUE DO YOU BELIEVE ITS HAS FOR THIS COMMISSON?

A. The myriad of problems described in this report, which occurred under "best case" circumstances, is strong evidence of the dangers of relying on a manual provisioning process to deliver seamless, high quality service To that end, this report is useful in reinforcing that CLECs are impaired without access to unbundled switching

Q. WHAT TESTING DOES AT&T RECOMMEND?

As I indicated in my direct testimony, BellSouth should be not be permitted to rely on promises, but should required to prove it has the systemic

capability to handle the provisioning of hot cuts at volumes anticipated across all its markets in the absence of unbundled local switching. Therefore, once an appropriate batch process is designed and appropriate performance measures are in place, the batch cut process must be subject to both pre-implementation and post-implementation testing. Pre-implementation testing should include third party "time and motion" study of the hot cut process, and third party-monitored ILEC testing using its own collocation and sustained migration of significant numbers of its own customers through hot cuts from direct connection to its switch to its collocation equipment installed to operate as a pseudo-CLEC specifically for this test. Post-implementation "testing" would include continuing commission review to determine if the batch hot cut process meets the needs of commercial mass markets in a manner that permits effective and efficient competition. CLECs should not have to use a batch process until measures are in place and robust testing has been conducted

Q. ON PAGE TWO AND AGAIN BEGINNING ON PAGE TWENTY-TWO OF HIS TESTIMONY, MR. MCELROY BRIEFLY DESCRIBES ANOTHER BELLSOUTH "BATCH" PROPOSAL, THE MASS MIGRATION CONVERSION PROCESS. WHICH BATCH PROCESS IS BELLSOUTH ASKING THIS AUTHORITY TO APPROVE AS TRO COMPLIANT?

A. It is not entirely clear, but it appears that BellSouth is indicating its belief that its batch process is sufficient, and thus this mass migration process is not required to establish a TRO compliant process (See Exhibit MDV-R5)

Q. DO YOU HAVE CONCERNS ABOUT BELLSOUTH'S "MASS MIGRATION CONVERSION" PROCESS?

A Yes. While the information provided by Mr. McElroy was sketchy, the Mass Migration process appears to suffer from the following fatal flaws:

First, it is designed for a very narrow application. It appears to be available only to embedded base lines, only for non-coordinated cuts, and only when migrating those lines in large quantities (a minimum of 500 lines).

Second, it deprives CLPs of control over its end-users customer experience in at least three respects:

1. It prevents a CLP's customer from making changes to their account for up to 180 days.

2. It prevents the CLP or the end-user from having control over or even knowledge of the time of day or even day of week that the customer's service will be interrupted.

3. It prevents the CLP from monitoring the quality of the cut during the critical period between the cut-over of the loop and activation of the telephone number

Third, this process has not been tested, and has no "hot cut" performance measures to monitor results. In short, it is clearly not TRO compliant, and is not a process AT&T would consider using.

Q. ON PAGE 19 OF HIS TESTIMONY, MR. AINSWORTH ASSERTS THAT BELLSOUTH'S CUTOVER OF OVER 260 LINES IN A SINGLE CENTRAL OFFICE IN ONE DAY DEMONTRATES BELLSOUTH'S ABILITY TO PERFORM HOT CUTS AT FORESEEABLE VOLUMES. DO YOU AGREE?

A. No First, Mr. Ainsworth's testimony provides no information regarding the quality of the work performed or the experience of the customers whose lines were cut over It does not indicate whether these lines included IDLC, and if so how those approximately 94 dispatches, each taking approximately one hour, were handled Additionally, this single event, which may have been achieved with days of pre-work, around-the-clock scheduling, and other extraordinary means, is no indication that the same volume work could be performed in that or any other central office on a day-in and day-out basis

Q. YOU MENTIONED THAT BELLSOUTH MADE A FORECAST OF HOT CUT VOLUMES AND USED THAT INFORMATION IN A FORCE PLANNING MODEL. DO YOU HAVE ANY OTHER CONCERNS REGARDING THIS APPROACH?

A Yes, I have several concerns about the forecast process used by Messrs Ainsworth and Heartley and the subsequent modeling outcomes In Mr. Heartley's Exhibit AH-1, it stated that 1,379 UNE-P to UNE-L conversions per day were forecast in Tennessee [2] This falls far short (37%) of the 2,200 per day I recommend in my direct testimony [3]

Second, BellSouth assumes that in 50% of the hot cuts will be non-coordinated, despite the fact that over the 12-month period from November 2002 to October 2003, less than ***two per cent*** of hot cuts were non-coordinated hot cuts

[2] Despite the heading of "Daily UNE-P to UNE-L Conversions" in the force model, it appears that new loop migrations is included in the model and not just UNE-P to UNE-L conversions If my assumption is incorrect, then staffing needs are under forecast

[3] Indeed, BellSouth witness Blake reports on page 20 of her testimony that BellSouth has performed only 2,505 coordinated hot cuts in Tennessee in the 11 month period of November 2002 to October 2003

(See Varner Direct at page 8).[4] BellSouth provides no explanation for this dramatic change This is a critical issue as it takes 28% less central office work time to perform a non-coordinated cut than a coordinated one. Therefore, underestimating the number of cutovers that will require coordination will result in significant understaffing.

Third, BellSouth's model assumes that there will be uniform distribution of hot cuts to transfer the entire embedded base to UNE-L. For example, for each of the three seven month periods during which BellSouth forecasts that one third of the embedded base of UNE-Ps will be migrated to UNE-L, it assumes that an equal amount will occur each month [5] BellSouth fails to take into account that in many central offices the CLECs are not going to have the collocated facilities and network equipment in place to support the migration of the embedded base of UNE-P customers over to the CLECs' facilities. In fact, in many instances CLECs will not even have a collocation arrangement in place to support these migrations.[6] Before these CLECs can issue their conversion orders, they will need to establish new collocation facilities and/or augment existing arrangements The CLECs ability to do this to meet the balanced schedule that BellSouth assumed will be gated by a number of factors outside of the CLECs' control. These factors include: a CLEC's ability to raise the capital it will need for these

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[4] In a non-coordinated cut, CLECs do not receive, for example, pre-due date verification and coordination and pre and post cut coordination on the due date

[5] See Exhibit KLA-7 of BellSouth Witness Ainsworth

[6] To compound the problem, many CLECs are currently UNE-P only providers Unless a finding of non-impairment is intended to drive these CLECs out of business, the schedule must account for the time it will take these CLECs to get the funding they will need to purchase and install their network facilities (circuit switch, SS7 signaling capabilities, database access, collocated facilities, etc)

facilities; BellSouth's ability to manage and keep up with the collocation demand; the ability of BellSouth's approved vendors to establish the required collocation arrangements; and the CLEC's equipment manufacturer's ability to deliver and install the equipment in the CLEC's new or expanded collocated space. The CLECs cannot begin to negotiate a conversion schedule with BellSouth until the CLECs have sufficient facilities to support the embedded base of their UNE-P customers Because of the time it will take to establish these collocation arrangements and install the necessary facilities, the conversions in the central offices associated with these collocation augments may well need to be "back-loaded" at the end of the schedule. BellSouth's force model and its estimate on how many additional staff members it will need for all aspects of the hot cut process is based on BellSouth's assumed even distribution of the embedded base conversion Having more of the conversions back-loaded at the end of the 27 month period specified by the FCC will result in an understatement of BellSouth's actual staffing needs

Further it is unclear if and how BellSouth accounted in its forecast for the following:

- Whether any analysis demonstrated there was sufficient physical capacity at the central office to perform the forecasted volumes;
- Travel time to unmanned central offices;
- Number of shifts worked per day per central office,

- If all lines after the first one in the batch are considered as additional lines for purposes of staffing and charges, or if only additional lines for the individual end-users were considered;
- Whether the ratio of supervision to employees was applied evenly across BellSouth territory or accounted for the geographic dispersion of the central offices; and
- The impact of the shift in traffic off of its current local switch-to-local switch network and onto the tandem transport network

All of these issues have a direct bearing on the effectiveness of the model, and its usefulness as a tool in managing the number of loop migrations required in the absence of unbundled local switching as a UNE. Clearly the model's result must be viewed with skepticism given these inadequacies.

Q. DO YOU HAVE OTHER CONCERNS REGARDING BELLSOUTH'S FORCE MODEL?

A Yes. While BellSouth's model churns out numbers of personnel "required," the Authority can gain no assurance from BellSouth's testimony that the work necessary could indeed be conducted in the central office. For example, Mr. Heartly's testimony on page 13 offered only general assurances that central office limitations could be managed, and his supporting examples cannot withstand scrutiny. First, he says that from 2 to 10 (or more) technicians can work simultaneously on the same Main Distribution Frame ("MDF") without negative impact on productivity. He provides no analysis of how often two technicians at

most can work simultaneously on BellSouth's MDFs throughout the state versus ten technicians. Second, he says that when multiple loop conversions are scheduled in a single day for a single central office, the pre-wiring work can be done over several shifts in the days leading up to the due date However, this position does not account for the likelihood that multiple loop conversions would need to occur **every** day in an environment that eliminated switching as a UNE. In fact, Mr. Heartley's own force model calls for multiple conversions in a central office on a **daily** basis (See BellSouth Exhibit AH-1). Thus, pre-wiring work for one set of migrations to UNE-L would have to occur on the same day as the actual cutovers for another set of migrations to UNE-L Both sets of activities would occur on the same day on the same MDF.

In sum, BellSouth does not provide specific analysis that illustrates that its central offices have the necessary physical capacity.

IV. BELLSOUTH HAS NOT SHOWN THEY CAN IMPLEMENT A LOW COST BATCH PROVISIONING PROCESS

Q. WHAT DID THE FCC CONCLUDE ABOUT THE COSTS OF HOT CUTS?

A. The FCC stated that the "record evidence indicates that the non-recurring costs associated with cutting over large volumes of loops would likely be prohibitively expensive for a competitive carrier seeking to provide service without the use of unbundled local circuit switching." TRO at ¶ 470 The FCC then found that "a seamless, ***low-cost*** batch cut process switching mass market customers from one carrier to another is necessary, at a minimum, for carriers to compete effectively

in the mass market" TRO at ¶ 487 (emphasis added). This batch cut process must "render the hot cut process more efficient and reduce per-line hot cut costs." TRO at ¶ 460.

Q. HAS BELLSOUTH PROVIDED THIS AUTHORITY A COST STUDY DEMONSTATING THAT ITS BATCH ORDERING PROCESS IS MORE EFFICIENT, THEREBY REDUCING HOT CUT COSTS?

A. No. In fact, BellSouth's current rates for its batch process are very high They are the same as the rates for individual cuts. BellSouth witness Ruscilli, in response to AT&T Interrogatory No 130, indicated that the results of the cost study reflected that the efficiencies that may be realized as a result of performing the hot cuts were offset by the cost of the project management. In other words, BellSouth offers nothing to satisfy the FCC's direction that the process be "low-cost."

Q. DIDN'T BELLSOUTH OFFER A 10% DISCOUNT OFF HOT CUT RATES FOR HOT CUTS ORDERED IN BATCHES?

A Yes However, I have a number of concerns with BellSouth's proposal. First, it is inadequate to eliminate the high costs of a hot cut The most utilized hot cuts cost $75.06 or $109.35, compared to a UNE-P migration cost of $1.03. According to Ms Blake's Exhibit KKB-1, the batch hot cut rates for (non-time-specific) hot cuts range from $76 19 to $82.74, or 74 to 80 times more expensive than a UNE-P migration.

Q. IF ITS OWN UNCONTESTED COST STUDIES SHOWED THAT THE NEW RATES WERE IN SOME CASES BELOW A 10% REDUCTION IN THE CURRENT RATES, WHAT ANALYSIS DID BELLSOUTH USE TO ESTABLISH A REDUCTION RATE OF 10%?

A It is unclear In response to AT&T Request for Production of Documents No. 40, which asked for all supporting documentation for the 10% discount, BellSouth responded that it had no responsive documents (See Exhibit MDV-R-6)

Q. GIVEN BELLSOUTH'S OFFERED DISCOUNT, IS THE COST TO THE CLECS FOR USING THE BATCH ORDERING PROCESS SUBSTANTIAL?

A. Yes. Because the hot cut process is manual, large numbers of personnel will be required. For example, in Florida alone, the salary and benefits of the additional LCSC and CWINS personnel required will be over $40,000,000 dollars annually, and the salary, benefits, and tools for the additional central office and field personnel will be over $58,000,000 dollars annually (See Exhibit MDV-R7) This does not include training costs, real estate, etc. for these employees This significant extra annual cost (likely well over $100,000,000 for a single state) by BellSouth will of course be passed on to CLECs, who will pay these extra charges ***for no additional value*** to the consumers.

Importantly, these extra BellSouth personnel costs do not include other costs such as the CLECs' internal costs for its own personnel, as well as the network infrastructure required to be able to provide its own switching

Q. WHAT DO YOU RECOMMEND THE AUTHORITY DO REGARDING THE ESTABLISHMENT OF TELRIC PRICING FOR A BATCH PROCESS FOR BELLSOUTH?

A. First, the Commission should establish appropriate batch processes based on AT&T's recommendation described in my direct testimony. Once processes are defined and BellSouth implements the Commission's Order, then TELRIC rates should be established. Until those rates are established, rates for UNE-P migrations should be charged for loop migrations when using the Commission approved batch process.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A Yes, it does.

CERTIFICATE OF SERVICE

I hereby certify that on March 12, 2004, a copy of the foregoing document was serviced on the parties of record, via US mail

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Henry Walker

Subject: FW BellSouth Response to Question re Bulk Migration Collaborative

-----Original Message-----
From: Change Control [mailto:Change.Control@BELLSOUTH.COM]
Sent: Thursday, November 20, 2003 2:21 PM
To: 80ta, a lee; a vincent; adsl technician; Alan Flanigan; alejandro; Amanda Hill; Annette Cook; Annette Hardy; asanjuan; B Murdo, B Shafer, B Stewart; B Swager; Becky Gorman, Bette Smith; Beverly Posey; Bill Czolba; Bill Gaboriski; Bill Grant; Bill York; Bob Buerrosse, Brenda Gant; Brian Feller, BSNotes, BSTCarrier; C & M; C Ashford; C Cassel, C Chiavatti; C Flanigan, C Larson, C Miller; C Smallwood; C Soptic; Caren Schaffner; Carol Asenjo; Catherine Gray; Cedric Cox; Change Control; Cheryl Acosta, Cheryl Haynes; Iacovelli,Christopher D (Chris) - ALABS; Christy Markley; Cindy Schneider; Colette Davis; Colleen Sponseller, Connie Nathan; Craig Davis; Burt,Diane P - ALABS; D Feinberg; D Kane; D Mitchell; D Nathanson; D Parobeck; D Petry; Daddy Max, Dale Donaldson; Darrin McClary; Townsend,David (Dave) - ALABS; David Burley; David Lee, DDL; Berger,Denise C - NKLAM; Desiree; Don; Donna Poe; E Goldberg; E Singleton; Ed; Elliott Wrann; Erick Melgarejo; Eyu; Gary; Ggotimer; H Carlton; Hawn Nguyen; Heather Thompson; J Britton; J David; J Johnson; J Mclau; J Nugent; J Oliver; J Perry; J T Wilson; J Wilwerding; Jake Hayes; James Childress; Janice Johnson; jason Bahr; Jason Lee; Bradbury,Jay M - LGCRP; jean Cherubin; Jeff Walker; Jennifer S; Jerry, Jerry Hill; JG6837; Joanne Baxter; John Boshier; John Duffey; John Fury; Jureidini,Jordana M - NKLAM; K Branch; K Pollard; K Turner; Karen Grim, Kraig Nielsen; Kyle Kopytchak; L Hopkins; L Looney; L Mitchell; L Ortega; Lacy Hamlin; Launch Now; Leon Bowles; Linda Minasola; Louis Toyama, Lorna Richards; Lorraine Watson; Louise Wilds; M Boner; M Connolly; M Dossey; M Mathews; Margaret Ring; Aquino,Maria D - ALABS; Mark; Mark Ozanick; Mary Conquest; Maya Mistry; Mel Wagner; Mer; Michael Britt; Michael Dekorte; Micki Jones; Midge Houghtaling; Mike Young; Mnoshay; Morgan Halliday; N Dreier; Nancy Thompson; Natalie Franklin; Neustar; Nicole Crauwels; Notifications (Ernest Group); One Point; OSS; P Barker; P Kinghorn; P McKay; P Pinick; Patricia D; Peggy Rehm; Peggy Rubino; Phil Nixon; Cole,Peter M (Pete) - ALABS; R Bennett; R Breckin; R Cairnes; R Harsila; R Maimon; R Munn; R Wilson; Rae Couvillion; Rebecca Baldwin; Regina McDay; Rick Williams; Robert; Robert Scordato; Ron Johnson; Ross Martin; Rubye; S Cogburn; S Sarem; Sandra Hendricks; Sandra Kahl; Schula Hobbs; Scott Emener, Scott Harper; Scottme; Sharon Eleazer; Sherry Lichtenberg; Steve Brown; Steve Moore; Steve Taff; Susan Sherfey; T Aziz; T Barton; T Carter; T Fry; T Norvell; T Wimmerstedt; TagTeam; Tim; Todd; Todd Sorice; Tom Hyde; Toni; Tonyam; TS1336; Tyra Hush; W Fletcher; Walter Carnes; Wendy Hernandez
Subject: BellSouth Response to Question re: Bulk Migration Collaborative

CLECs,

In response to the question from Benni Almas (Neustar) regarding BellSouth's plans
to establish a Bulk Migration collaborative with the CLEC community:

BellSouth has an effective, seamless Bulk Migration process in place. Consequently,
BellSouth has no plans to establish a Bulk Migration collaborative at this time.

If this changes in the future, CCP will forward the invitation to the CLEC community.

TRA Docket No 03-00526
Rebuttal Testimony of Mark Van De Water
Exhibit MDV-R1

Thanks,

Change Management Team

*****

BELLSOUTH

BellSouth Interconnection Services
675 West Peachtree Street
Atlanta, Georgia 30375

Carrier Notification
SN91083967

Date January 28, 2004

To Competitive Local Exchange Carriers (CLEC)

Subject CLECs – (Product/Service) - Enhancements for the Unbundled Network Element – Platform (UNE-P) to UNE-Loop (UNE-L) Bulk Migration Process CLEC Information Package, Version 2

This is to advise that on February 18, 2004, the UNE-P to UNE-L Bulk Migration Process CLEC Information Package, Version 2, will be posted to the BellSouth Interconnection Services Web site at

http //interconnection bellsouth com/guides/html/unes html

This package will replace the UNE-P to UNE-L Bulk Migration Process CLEC Information Package, Version 1

The UNE-P to UNE-L Bulk Migration Process CLEC Information Package, Version 2, will contain document updates as well as incorporated CLEC enhancements that CLECs suggested at various Public Service Commission workshops in the BellSouth region These updates and enhancements include

- After Hours / Weekend Migrations
- Two-Hour Go Ahead Notifications for SL1 non-coordinated migrations
- Time Windows for coordinated conversions
- Documentation update for pre and post order completion restoral process
- Process for same-day end user account migrations
- Process applicability to CLEC-to-CLEC migration (UNE-P to UNE-L)

Please contact your BellSouth Local Support Manager with any questions

Sincerely,

ORIGINAL SIGNED BY JERRY HENDRIX

Jerry Hendrix – Assistant Vice President
BellSouth Interconnection Services

BELLSOUTH TELECOMMUNICATIONS, INC.

DIRECT TESTIMONY OF W. KEITH MILNER

BEFORE THE TENNESSEE REGULATORY AUTHORITY

DOCKET NO. 97-00309

April 26, 2002

Q. 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 Assistant Vice President - Interconnection Operations for BellSouth. I have served in my present position since February 1996.

Q. PLEASE SUMMARIZE YOUR BACKGROUND AND EXPERIENCE.

A. My business career spans over 31 years and includes responsibilities in the areas of network planning, engineering, training, administration, and operations. I have held positions of responsibility with a local exchange telephone company, a long distance company, and a research and development company. I have extensive experience in all phases of telecommunications network planning, deployment, and operations in both the domestic and international arenas.

I graduated from Fayetteville Technical Institute in Fayetteville, North Carolina, in 1970, with an Associate of Applied Science in Business Administration degree I graduated from Georgia State University in 1992 with a Master of Business Administration degree.

TRA Docket No. 03-00526
Rebuttal Testimony of Mark Van De Water
Exhibit MDV-R3

and the CLEC at the time of the hot cut. The CLEC merely specifies the date upon which it wishes BellSouth to perform its cutover activities and BellSouth notifies the CLEC once the hot cut is complete.

Q. DESCRIBE IN MORE DETAIL THE PROCESS FOR COORDINATED CUTOVERS.

A. Coordinated loop cutovers involve a number of steps. Exhibit WKM-3 shows, pictorially and with a brief narrative, the various work steps involved in a typical coordinated loop cutover. These photographs were taken in BellSouth's Norcross, Georgia, central office; however, the work steps are identical in all nine states in BellSouth's region. Briefly, the work steps involved are as follows:

- The BellSouth central office technician receives a call from the Customer Wholesale Interconnection Network Services ("CWINS") Center to begin cutover and asks for the cable pair number of the loop to be cutover. This is shown on page 1 of Exhibit WKM-3.
- The technician types the cable pair number into a database to find the loop cutover work order number. This is shown on page 2 of Exhibit WKM-3.
- The technician retrieves a copy of the work order for the unbundled loop. This is shown on page 3 of Exhibit WKM-3.
- The technician in the BellSouth central office responds to the BellSouth CWINS Center's request to initiate coordination of the overall cutover of service from BellSouth to the CLEC. This is shown on page 4 of Exhibit WKM-3.
- The technician then verifies that the correct loop has been identified for cutover. This is done using a capability referred to as Automatic Number Announcement Circuit ("ANAC"). The technician plugs a test set onto the loop and dials a

special code. The telephone number associated with that loop is played audibly. This is shown on page 5 of Exhibit WKM-3.

- Next, the technician locates the existing jumper on the BellSouth Main Distributing Frame ("MDF") running between the loop and the BellSouth switch port. This is shown on pages 6-7 of Exhibit WKM-3.
- The technician locates and removes the end of the jumper connected to the BellSouth cable pair. This is shown on page 8 of Exhibit WKM-3.
- The technician then locates and removes the end of the jumper connected to the BellSouth switching equipment. This is shown on page 9 of Exhibit WKM-3.
- The technician then connects the one end of a new jumper between the loop and a connector block on a cable rack with tie cables to the CLEC's collocation arrangement. This is shown on page 10 of Exhibit WKM-3.
- The technician then weaves the new jumper wire through the cable rack to reach the tie cables to the CLEC's collocation arrangement. This is shown on page 11 of Exhibit WKM-3.
- The technician connects the second end of the new jumper to the connector block and thus the tie cable to the CLEC's collocation equipment. This is shown on page 12 of Exhibit WKM-3.
- The technician next verifies that the loop is connected to the expected switch port and telephone number in the CLEC's switch, again using ANAC capabilities. This is shown on page 13 of Exhibit WKM-3.
- Upon successful completion of the loop cutover, the technician verifies with the CLEC that the order was correctly worked, closes the work order, and notifies the CWINS Center. This is shown on page 14 of Exhibit WKM-3.
- Once the cutover is complete, the CLEC sends appropriate messages to effect

number porting.

Q DOES BELLSOUTH DO ANY TESTING IN ADVANCE OF THE CUTOVER DATE?

A. Yes, BellSouth does advance testing for all designed circuits that come with test points. For such circuits, BellSouth will check the circuit 24 to 48 hours prior to the cutover date. For non-designed circuits, BellSouth performs continuity tests within the central office from the collocation arrangement to the BellSouth switch. For both designed and non-designed circuits, BellSouth tests on the cutover due date for CLEC dialtone. BellSouth also monitors the line for use. If during the test, BellSouth does not receive CLEC dialtone, the cutover will not take place unless the CLEC corrects the problem within 15 minutes or pays for standby time. Otherwise, the CLEC must elect to reschedule the conversion.

Q. DOES BELLSOUTH PERFORM LOOP CUTOVERS SIMULTANEOUSLY WITH NUMBER PORTING?

A. No. BellSouth does not perform loop cutovers simultaneously with number porting for the very important reason that to do so leaves the end user customer at risk of the number porting being completed early and calls bound for the end user customer being misdirected to the CLEC's switch. The loop cutover process is much more complicated in terms of the work steps involved (on the part of both BellSouth and the CLEC) than the number porting process. BellSouth performs all "up front" work in anticipation of the loop cutover being successfully completed.

BellSouth Batch Options vs. AT&T Recommendation*

(*AT&T recommendation from pages 32-36 of direct testimony Mark Van de Water)

AT&T Recommendation	Ainsworth/Pate	McElroy
Include IDLC	Yes	Yes
Include UNE-L line splitting	No	??
CLEC to CLEC	Yes Few details on process.	??
Operate in conjunction with acquisition process (UNE-P)	No-embedded base only	No-embedded base only
24 hour scheduling with no overtime costs	Includes Saturday and after hours (costs?)	??
CLEC specific batches	Yes	?
Window of time specific batches—all cuts to be started and completed within window	4 hour window for coordinated Same day for end-users "account" Unclear on same day for all (See*** below.)	No. Orders will be completed in negotiated period not expected to exceed 60 or 180 days.
Sufficiently scalable to meet mass market demands	No	No
Process available on an ongoing basis	No	No
Real time electronic notification of status including order completion, e.g. Verizon's WPTS with AT&T proposed enhancements	Web based communications system "Similar" to Verizon & SBC but for non-coordinated only. Not enough information to assess. Web based scheduling tool similar to Verizon. (Not enough information to assess) (See*** below)	??
CLECs should not have to prescreen for batch eligibility	??	??
UNE-P rate until converted	Yes	UNE-L rate when service order created
ILEC should electronically notify when batch is ready	??	No

for scheduling		
Sufficient lead time to notify customers, etc--4 days from LSR submission	No/Reduced provisioning interval from 14 to 8 days	No/no customer specific due dates provided
Ability to make changes to orders with batch due date assigned	??	No
Equivalent OSS functionality to UNE-P --Pre-Order/Order --Flowthrough --One LSR --Directory Listings	No (See***below)	BellSouth issues orders/no change from today.
Self executing process to immediately switch customers back if a cut fails (regardless of fault)	Unknown-simply refers to timely restoral/does not appear to support port in error (See***below)	??
Low Cost	No. 10% discount	No. 15% to 25% discount.
Testing using collo-cation and sustained significant volume of ILEC customers	Inadequate testing	No testing
No negative impacts on processes and databases (part of test)	Not addressed	Not addressed
Trunking issues	Not addressed	Not addressed
Availability of copper/UDLC	Not addressed	Not addressed
CFA Inventories	Not addressed	Not addressed
Collocation issues	Not addressed	Not addressed
Exceptions to acquisition period	Not addressed	Not addressed
Double migration mitigation	Not addressed	Not addressed
Metrics	Not addressed	Not addressed
Meaningful SEEM	Not addressed	Not addressed
	Include DS0 EELs	

***AT&T's Proposed Batch Hot Cut Process
Descriptive Information

Includes all service configurations available for mass market customers, including

CLEC to CLEC
IDLC
Line-split service

The starting point for the batch is UNE-P (If CLECs are found not to be impaired in any market, UNE-P should be used as an acquisition tool)

ILEC will provide an electronic scheduling tool that advises, in increments of one hour, batch availability, e.g. 8-9 a.m. March 01, 2004-available.

Batches are CLEC specific. A batch should include a minimum of 20 lines per hour. Batches should be scheduled when NPAC is available for porting numbers. As the ILEC has no stated maximum volume, there are no other restrictions on batches within or among central offices.

To minimize the manual coordination between the ILEC and CLEC and improve response times, the batch process should include a new **system** to provide real-time electronic notification of the following work activities:

- CLEC to notify ILEC of batch, including requested due date obtained from scheduler, central office, CO and # of lines to be migrated
- ILEC to confirm due date and provide batch ID within 1 day of receipt.
- ILEC will provide dial tone and ANI results. To facilitate CLEC tracking, these results will be provided in the order that the service orders will be worked.
- ILEC will provide jeopardies, e.g. facilities
- CLEC will indicate readiness for actual migration to occur 24 hours before due date and time (or no exception message is default concurrence).
- Frame technicians will input completion information as each cut is complete.
- CLEC will provide loop acceptance to ILEC

LSRs will be submitted by CLEC as they are today, with the addition of a batch ID code, and these orders should flow-through.

If an individual cut in a batch fails, and the number has not been ported, the ILEC should restore the service in one hour. For numbers that have been ported, the interval for restoring the customer's service should not exceed 4 hours.

If the batch process as ultimately recommended by PSC staff and approved by PSC does not have adequate measures, the FPSC should convene an industry workshop for the purpose of establishing measures.

Upon implementation of the measures, a third party test to determine if process can achieve performance standards.

AT&T recommends using ILEC retail customers in the
test, using collocation equipment installed to operate as a pseudo-CLEC
specifically for this test.
--3RD party vendor designed and monitored
--PSC oversight
--sustained daily volumes for 2 weeks
--using new performance standards

--Performance measures and testing should be successfully completed before CLECs are required the use the batch process.

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO 030851-TP

In the Matter of

IMPLEMENTATION OF REQUIREMENTS ARISING FROM FEDERAL COMMUNICATIONS COMMISSION'S TRIENNIAL UNE REVIEW: LOCAL CIRCUIT SWITCHING FOR MASS MARKET CUSTOMERS.
_____/

TELEPHONE DEPOSITION OF	MILTON MCELROY, JR.
TAKEN AT THE INSTANCE OF:	The Staff of the Florida Public Service Commission
DATE.	Friday, February 6, 2004
TIME:	Commenced at 2.34 p.m. Concluded at 3:53 p.m.
LOCATION.	Gerald L. Gunter Building Room 309 2540 Shumard Oak Boulevard Tallahassee, Florida
REPORTED BY	MARY ALLEN NEEL, RPR Notary Public, State of Florida at Large

ACCURATE STENOTYPE REPORTERS, INC.
2894-A REMINGTON GREEN LANE
TALLAHASSEE, FLORIDA 32308
(850) 878-2221

than are regularly assigned to that office?

A And my answer is I do not know I don't recall.

Q Thank you Do you know if during the day of the review of the wire work whether any non-hot cut work was being done in the CO that day?

A I am not personally aware of any work that was going on, but I am sure work was going on on those days. In other words, I was not there witnessing them doing any other work, but I do know that those are live central offices, and we install and repair and remove wire work in those offices each and every day.

Q And were there other technicians -- did you notice if there were other technicians doing that sort of work who were not involved in this PwC attestation review?

A Yes, ma'am, I do know that there were other technicians in the office during the test that were not involved in the test at all, just working in the office.

Q Okay. Thank you. You discussed earlier the three different hot cut processes, the individual hot cut process, the batch process in Mr. Ainsworth's testimony, and the mass migration process that is in your surrebuttal Which of these processes is BellSouth suggesting that the Commission should adopt and

implement to satisfy the Triennial Review Order?

A BellSouth offers now three hot cut options Obviously, the individual hot cut option would not apply here The batch migration process is the process that BellSouth is offering to migrate those customers in an efficient, effective manner from our switches to a competitor's switches.

Q So the mass migration process is not what you are offering to satisfy the requirements of the Triennial Review Order?

A I guess what I'm saying here is that the batch migration process is sufficient in and of itself We are offering the mass migration process to that set of CLECs who wouldn't mind, in essence, as I've explained earlier, moving control of the conversion process over to BellSouth, and at the same time, they would be able to experience a little deeper discount on the nonrecurring charges

Q So do I understand you to be saying that in your view, either the batch migration process proposed by Mr Ainsworth or the mass migration process proposed by you is sufficient to satisfy the Triennial Review Order?

A I'm not an attorney, so I don't know that I can answer the question that you've asked But I do know

that based on our testing, the batch migration process is sufficient to enable a CLEC to migrate their customers

Q So your testimony is that in your view, neither the process proposed in Mr Ainsworth's surrebuttal nor the mass migration process you are proposing is necessary?

MS. FOSHEE: I'm going to object to that question. I don't think that's what he said at all.

BY MS. AZORSKY:

Q Please correct me if I'm wrong, Mr. McElroy.

A Could you -- I'm not following your question. Could you --

Q All I'm trying to figure out is which process. The way I see it is that there are three processes that you've discussed One is the original batch process that was discussed in Mr. Ainsworth's original testimony, the second is the revised batch process that is discussed in Mr. Ainsworth's surrebuttal testimony, and the third is the mass migration process that is discussed in your surrebuttal testimony And what I'm trying to figure out is whether or not BellSouth is proposing one or more of those as the process the Commission should adopt to satisfy the Triennial Review Order

MS. FOSHEE And I'm going to object to that question on the grounds that it has been asked and answered, but you can go ahead and answer.

A Our batch migration process as explained by Mr. Ainsworth and as tested by PricewaterhouseCoopers is the batch process that we have in place today, and it is sufficient to move those customers over from the BellSouth switch to a CLEC switch.

Q Thank you, Mr. McElroy.

Is it your view that the mass migration process is more seamless than the batch process?

A Would you define what you mean by seamless for me, please?

Q As seamless is used in the Triennial Review Order, in your view

A In my view, both processes are seamless, and both processes are effective. The difference in the two processes again goes back to which party controls that conversion process. If it's on the batch process as described by Mr. Ainsworth, then the CLEC is more in control, whereas if it's a mass migration process, BellSouth is controlling when those conversion activities are occurring.

Q In terms of the actual cutover, the provisioning of the loop to the CLEC, the mass migration

REQUEST: Referring to Direct Testimony of John Ruscilli, page 18, provide all supporting documentation for the 10% discount.

RESPONSE: BellSouth has no responsive documents.

REQUEST: Refer to the Direct Testimony of Kenneth Ainsworth, page 36, what is the combined annual salary (with benefits), for the 425 CWINS personnel and 105 service representatives in the LCSCs BellSouth proposes to add to provision loops in the absence of unbundled local switching?

RESPONSE: For the period 2005 through 2007, the projected annual salary (with benefits) costs for the 425 additional CWINS personnel and the 105 additional service representatives would be $40,737,000 annually.

RESPONSE PROVIDED BY. Ken L. Ainsworth

REQUEST: Referring to Exhibit AH-1 attached to the Direct Testimony of Alfred Heartley, what is the combined annual salary (with benefits) for the 1000 additional personnel BellSouth is proposing to add to provision loops in Florida in the absence of unbundled local switching?

RESPONSE: Estimated expense due to salary, benefits, taxes and tools for 1,080 additional employees proposed in Florida is approximately $83.2M annually.

The projected force will be reduced due to a correction made to the Force and Load Model to be included with the Rebuttal Testimony of Mr. Heartley. The revised requirement for Florida is 759 employees. The expense for the revised force is estimated to be $58.5M annually.

The revised Force and Load Model is provided in BellSouth's response to AT&T's Third Request for Production, Item No. 42. The responsive document is proprietary and is being provided pursuant to the terms of the parties' protective agreement

RESPONSE PROVIDED BY: Alfred Heartley