1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION 2 In re: Consideration of :DOCKET NO. 960786-TL BellSouth Telecommunications, Inc.'s entry into interLATA services pursuant to Section 271 of the Federal Telecommunications 5 Act of 1996. 6 7 SIXTH DAY - AFTERNOON SESSION VOLUME 28 8 9 PAGE 3087 through 3203 10 PROCEEDINGS: HEARING 11 BEFORE: CHAIRMAN JULIA L. JOHNSON COMMISSIONER J. TERRY DEASON 12 COMMISSIONER SUSAN F. CLARK COMMISSIONER DIANE K. KIESLING 13 COMMISSIONER JOE GARCIA 14 Wednesday, September 10, 1997 DATE: 15 TIME: Commenced at 3:00 p.m. 16 17 PLACE: Betty Easley Conference Center Room 148 4075 Esplanade Way 18 Tallahassee, Florida 19 REPORTED BY: NANCY S. METZKE, RPR, CCR 20 21 APPEARANCES: 22 (As heretofore noted.) 23

BUREAU OF REPORTING

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PROCEEDINGS

(Transcript continues in sequence from Volume 27)
Whereupon,

LANS CHASE

Continues his testimony under oath from Volume:

BY MR. MARKS:

- Q When did BellSouth and ICI enter into an interconnection agreement?
 - A I believe it was June or July of '96.
- Q Okay. And I think you've already indicated that you or ICI began providing BellSouth retail services for resale in October of last year; is that correct?
- A Yes.
- Q What is your understanding, Mr. Chase, of the concept of order clarification or paper clarification?
- A My understanding is that if an order that we submit to either the LCSC on a manual basis or through EDI, if there is some type of error in the order, it kicks out to the LCSC, and they then produce a paper clarification which is then faxed back to Intermedia.
- Q And asking you to essentially clarify what the order is?
- A Yes, it essentially says, you know, it's lacking before or, you know, what are you talking about, you know,

depending on -- to clarify the order, please clarify the order, that's basically what it does.

- Q Are there any circumstances in which ICI may not respond to those orders, those order clarifications or paper clarifications?
- A Not that I'm aware of, if we didn't receive them for some reason because of a fax error, but not that I'm aware of.
- Q What exactly does ICI do then when it receives one of these paper clarifications?
- A The clarifications contain the actual purchase order number of the order that we had sent to BellSouth, so those are logged in and worked by the ICI reps to clarify that order and then resubmit a supplemental order reflecting those clarifications.
- Q Would you repeat the last part of that for me, please? I'm sorry, I missed it.
- A Yes, they take the -- the ICI coordinator takes the clarification, makes the appropriate changes to the order and resubmits a supplemental order correcting those errors.
- Q Would that essentially start the process all over again when you do that?
- 24 A Yes.

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25 Q Now there were some questions during the course

of your deposition that were asked by staff related to some orders that had been submitted manually, as I understand it, and they were eventually sent back via IDI -- by EDI rather by ICI. Do you recall that testimony in your deposition?

A Yes.

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Q Am I to understand correctly that you sent back some 125 orders using EDI that were previously manually processed?

A That is correct.

Q Okay. What is the current status of those back orders, if we can call them that?

A As of yesterday evening, of the 125 orders that we resubmitted, there are still 29 outstanding.

Q Okay. Of those that were resubmitted, those 125 that were resubmitted, is it possible that some of those orders that were resubmitted using EDI were already being addressed by BellSouth as a result of the original manual submission?

A It's possible.

Q So there could be some confusion in terms of those 125 orders as to how they were being processed either through the EDI system or through -- or they were being processed through the manual system with BellSouth?

A There could be; however, the 125, again, were

reflective of the manual, I call it backlog, and a lot of those represented some that were very, very old that we had not, you know, received anything via the manual process for a long period, therefore, we chose, once we had this new way to submit orders, to resubmit them via EDI.

Q Okay. And if I'm not mistaken, as of one point there were 33 orders on backlog, and then on Monday of this week you say there were 29 on backlog?

A I believe on Monday -- or Friday or Monday the number was 33, and as of yesterday, which was Tuesday afternoon, there were 29.

Q Showing that essentially these orders, these backlog orders are being addressed by BellSouth and ICI in some fashion or form?

A It appears that it is.

Q Is it safe to say that BellSouth and ICI are attempting to work together to address this backlog problem?

A Yes. I would like to add that that 125 just represents a batch of backlog orders. You know, as soon as we began using the EDI, we also submit just your standard, you know -- how do I say it? Your regular day to day orders that we are receiving.

O All right. And --

A So those are -- we also have had problems with

- backlog on those orders which we are trying to address with 2 BellSouth.
 - And BellSouth is working with you through the EDI system trying to address all those backlogs as well; is that right?
 - I should hope so, yes. Α
 - Just a few more questions. Mr. Chase, were you in the room when Mr. Bradbury testified?
 - Α Yes, most of the time I believe.
- Do you recall him addressing an issue related to 10 the percentage of completion notice received? 11
- No, not off the top of my head. 12
- 13 On that -- do you have a copy of exhibit, I think 14 it's part of Mr. Bradbury's exhibit, JB-10?
- Mr. Wiggins, do you have a copy of that by any chance? 16
- No, I do not. 17 Α

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- Let's see if Mr. Wiggins has a copy of it. 18 Q
- What's that exhibit again? 19 Α
- I'm looking at page 6 of 13, to be very specific, 20 of Exhibit JB-10. 21
- MR. WIGGINS: Could you use the number that it 22 was marked for evidence in this docket? 23
- MR. MARKS: I think it's exhibit -- I'm told 24 it's Exhibit 99. 25

MR. WIGGINS: Thank you.

- A I'm looking at Exhibit 100, I think, JB-10, Page 1 of 13 pages.
- Q That sounds to be the correct one. Maybe we've got it --
- A The first page reads "Provisioning Performance, BellSouth Telecommunications, 3/17 through 8/23/97."
- Q I might have been given some misinformation in terms of the exhibit number. You're correct, it's Exhibit 100. Would you turn to page 6 of that exhibit?
 - A Okay.
- Q And just take a look at it for a minute and see if you can make out what they are attempting to show with that exhibit.
 - A Okay.
 - Q Do you have an idea what it's showing, Mr. Chase?
- A It looks like it's showing the weekly percentage of completion notifications broken down into those that are more than two days late, those that are two days late, those that are on time.
- Q All right. If you look in the last column which at the bottom is 8/23, would that indicate that 98% of the completion notices was received on time?
 - A Yes, that's what it appears to show.
- Q And do you understand that AT&T also uses EDI?

Yes, that's my understanding. Α 1 Okay. Would you expect that ICI would receive a 2 О similar percentage of completion notices on time when EDI 3 is fully operational with ICI? 4 Α I would hope so. 5 6 0 Would this aid in alleviating the backlog 7 problem? Α Yes. 8 9 Q All right. I have no further questions. 10 MR. MARKS: CHAIRMAN JOHNSON: Staff. 11 12 CROSS EXAMINATION BY MS. BARONE: 13 Good afternoon, Mr. Chase. Have you been 0 14 15 provided a redacted version of BellSouth's response to the subpoena in this docket? 16 Yes. 17 Α 18 O And you've reviewed the information regarding resale -- resold services? 19 Yes. The ones pertaining to Intermedia, yes. 20 Α I'd like to go ahead and try to clarify if we can 21 22 what, in fact, ICI has ordered and the types of service they have ordered and that type of information. 23 And Commissioners, we are looking at SUB-CON, and 24

the information will begin on page 19 of that exhibit.

Mr. Chase, are these all of the services ICI has ordered for resale purposes?

A No. I believe that this is an incomplete list.

Let me clarify. You are talking, there are two pages of services listed, correct?

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A Only, two, okay. Based on those two pages, I believe it's not a complete list.

- Q Okay. Are all of the services located on those two pages services that you have ordered? We'll start there.
 - A Yes, it appears that they are.
- Q And there are some that are not listed that you have ordered; is that correct?
 - A Yes.
- Q For the services that are listed there, are the quantities correct for the services that you have ordered?
- A Subject to check, the quantities do not look out of line, no.
 - Q You're providing local exchange service via BellSouth's resold services to business customers in Florida; is that correct?
- A Yes.
- 24 O What about residential customers?
- 25 A Yes, some residential customers.

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Mr. Chase, would you provide a late-filed exhibit
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   that indicates the status of ICI's resale operations in
   Florida? And I would like you to include in that exhibit
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   what services ICI has ordered that's not included in the
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   list that they've already provided. I would also like you
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   to provide the number of business customers ICI is
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   providing service to through the resale of BellSouth
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   services and also the number of residential customers ICI
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   is providing service to through the resale of BellSouth's
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   services.
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MS. BARONE: And Madam Chairman, staff would request that that exhibit be identified as Late-filed Number 107, the short title being status of ICI resale operations in Florida.

CHAIRMAN JOHNSON: It will be identified as such.

MS. BARONE: Thank you.

A Can I clarify the three things that you are asking for?

Q Certainly.

A First you said a list of the services that are not on the list of this exhibit; is that correct?

Q Yes.

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A Secondly, the number of business resale customers in Florida?

Q Right.

A And third, the number of residential resale customers in Florida?

- Q That's right.
- A Okay.

- Q With respect to the experience that you have had in Florida, have you experienced any problems with any of the resold services once they have been provided from BellSouth?
- A Let me get you to clarify the question. What do you mean by once they have been provided?
- Q Well, in the provisioning of those services, have you experienced any problems?
 - A Yes.
- Q And could you identify which services and the problems you've had with those services?
- A I don't believe I can give you specifically, you know, service X and this is the problem I have. I think I can just give you generally the problems that we've had to this point. Generally, the first major problem would be receiving the firm order confirmation in a timely manner for the switch "as is" orders so that once we submit the order that we are getting that back in a timely manner and able to bill our customers and then move on.

The second major problem that we have had is in the order of the moves, adds and change orders with the

lack of the OSS systems being fully functional and operational and tested. A lot of times we have, we struggle with getting the services turned up for customers. For example, when a customer calls in and they want to add a line or add a custom calling feature such as call waiting, caller ID, that is something that they, you know, 99% of the time they want as soon as possible if not yesterday. So in order to do that, the processes that are in place, it does not allow us to do that in a timely manner at this time. So I think in general those are the two main areas for resale that ICI has experienced.

Q I would like to go back to what you said. You said that you haven't been receiving your FOCs in a timely manner and that -- and I'm not sure, I may have missed something here. I think you said that this hinders ICI's ability to bill its customers?

A Correct.

Q Would you explain how that is?

A Yes. For example, if we send an order to convert customer X, Y, Z today, which is September 10th and BellSouth -- say we do not receive an FOC back for a couple of weeks, which would be the 24th of September, we cannot begin to bill our customers until we know that that order has been completed. The customers, therefore, are saying, you know, what is taking so long? And then once we do get

that information and put it in our billing system, then they receive a large first bill which, you know, then they are upset because, you know, what is this bill? This is twice as much as I was paying; so that's really the major factor with the delays in the FOCs.

Q So it's not a matter of delays in provisioning, but it's a delay in billing?

A Well, both. It could be that -- We've had instances where, say, we submitted an order on September 10th, maybe they provisioned it, they switched it to ICI on September 12th, but if we don't have that -- if we have not received that notice, then we cannot bill our customers yet. So then through trying to work these things out with BellSouth, you know, we are saying, where is this FOC? And maybe we finally get it October 1st. Well, when we put in our billing system, we've got to put it in as switched to ICI on September 12th because that's when BellSouth will now begin to bill ICI. So when the customer receives their first bill in October, it's going to go all the way back to September 12th and, hence, be a very large bill and they'd be very upset.

Q Can you quantify for me the percentage of orders that would, you would say encompass that problem?

A Based on my experience, you know, over the past year of doing this, you know, it's a -- We started off,

obviously as a paper LSR process, and it is an evolutionary process, so that's where most of the history as far as the data lies with us; so in those experiences, we rarely get the FOC in a timely manner. I would say a third of the time that it is out, you know, two, three weeks. That, again, is the manual process.

We would hope that the new operational support systems being developed by BellSouth and Intermedia would help improve that, but so far, you know, like I said, we have a month's experience. Maybe you can look at the 125 that we did submit via EDI and, you know, we are still waiting for 29 of those. So I'm not really comfortable that it's getting any better, so I don't know.

Q Okay. So your experience with the billing problem really has to relate -- relates to the manual ordering process; is that correct?

A Well, no, and -- Yes, in the majority of it has been manual that we have done, but yet so far in our limited experience with the EDI, we still seem to have some delays, but yet it's early.

Q Okay. So you've had 125 orders that were resubmitted, and your experience is about a month long and you have 29 outstanding orders. Of the 125 orders that were resubmitted, how many of those would you say had, or have they had any delay problems that affects your billing?

A Well, all 29 are delayed because they are not provisioned yet.

- Q I understand that, but we'll go back to what we were originally talking about, which is you stated that there was a delay in billing because you weren't getting firm order confirmations in a timely manner. Is that still the case?
- A Yes. Of the -- Like I said, since we have been doing this for about four weeks, in talking to my provisioners that are submitting the orders, even if they do get provisioned, it seems to be not in the, you know, that 48-hour period; therefore, my same concerns would be there for the billing, the large billing, even using the EDI.
- Q Okay. Of those 125, how many of those did you not receive the firm order confirmation within 48 hours?
- A I do not know. And again, that only represents the 125 specific, the manual backlog. It does not represent the day-to-day orders that we are sending, you know, above and beyond that, that we are experiencing delays.
- Q What kind of delays are you experiencing? Is it still with the FOC? Can you tell me what delays you are referring to?
 - A Yeah, I mean specifically the receiving of the

confirmation that BellSouth has switched the customer to ICI for local resale.

- Q And how do you receive those FOCs now?
- A Via the EDI completion notification.

Q And when do you receive that typically?

A Typically it is just based on this one month. I mean I don't have with me the exact percentages like as contained in that earlier exhibit that represented AT&T, but based on working it day to day for the past month, it seems that there are a high percentage of them past the 48 hours, delays in receiving confirmation.

Q Have you received any correspondence or any reason why there have been delays from BellSouth?

A No. We have attempted to once -- You know, what we have set up now and what we are trying -- We are trying to develop a process that can track this and so we can work with BellSouth. But as of yesterday, we have had to submit several times basically a list of, hey, BellSouth, where are these 50 orders? We sent these to you via EDI X-number of days ago, X-number of weeks ago, we still haven't got anything; and we have submitted that to our customer account manager at the local carrier service center. And as of yesterday afternoon, I believe they are working on them, but we still do not have resolution on several of those backlog, I call, requests.

- Q And you're referring to what, 50?
- A I do not know how many, but I know it's --
- O How old are those?

- A Well, what we generally do is if they are over a week old, we have not received an FOC back, then we compile a list of those that are a week or so old and then submit them to BellSouth and then wait for them to respond to us; but we still have not, again, resolved that.
- Q How many orders would you say you have that are over a week old at this point?
- A I mean I really don't have the numbers. In speaking with my provisioners, I would say in the hundreds. I don't know. I really --
 - Q You don't know?
 - A I'm not comfortable answering that.
- Q Okay. Of the 29 outstanding orders that were a part of the 125, why are they still outstanding?
- A I'm not sure. It appears that they are somewhere at BellSouth. I don't know if they are at the LCSC or somewhere in the system, hung up in the system. I don't know, but I know that we have also verified that we do not have any clarifications on those 29 orders pending.
- Q You stated there are two general problems, and we have just exhausted, I think, the timeliness of FOCs. I believe the other one you referred to had to do with move,

adds and changes. Could you again briefly tell me your concern about moves, adds and changes?

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Sure. When a customer calls in to request a move, add or change, it's a high priority for them and it's also a high priority for us. But at this time, as I stated earlier, we are still using paper or a manual LSR to submit those orders to BellSouth. We are working very hard to try to get that function up on the EDI so that it will hopefully improve that. But a lot of times when we send an order for that, since it is manual, you know, faxes get lost and some are unreadable or, you know, whatever the reason, and we don't find out the problem until the customer is, you know, screaming at you saying, where is my service? And so then it's a scrambling act on both us and BellSouth then at that point. You know, you didn't receive that order and then resubmit it, and then, you know, you have to try to expedite, and it's just a lot of headaches. So I think a lot of that is due to the fact that it is a manual process, but in addition, it is due to the fact that the whole OSS or the pre-ordering and ordering is not implemented, operational and tested.

Q I think you stated earlier that you're currently using EDI on a test basis to order services for resale, and I think you stated that you were using that or testing EDI for moves, adds and changes; is that correct?

1 A That's correct.

- Q Are you testing EDI for any other purpose?
- A No, not to my knowledge.
- Q Have you experienced any particular problems during the testing phase of EDI for moves, adds and changes?

A Not that I'm aware of. I know that we are starting to try to implement it. It's my understanding that we have to successfully complete certain type of moves, adds and change orders before they'll say, okay, you're ready to go, start submitting us live production stuff data. So then we started to do that, but yet we had -- there is a process of obtaining security, like IDs for the actual user or setting up the specific mail box with Harbinger, a lot of steps that, you know, just take time and that we are sort of in the middle of that right now.

- Q When do you think ICI is going to begin using EDI on a permanent basis?
 - A For moves, adds and changes, is that --
 - Q Well, first, for moves, adds and changes.
- A Hopefully soon. I would hope by the end of this month, hopefully.
- Q And do you think that that's going to resolve your concerns about moves, adds and changes?

- A I don't know if it's going to resolve them totally. I hope it will improve them.
- Q How long has the testing been going on with EDI with respect to moves, adds and changes?
 - A I would say mid August.
- Q And you haven't experienced any problems with that to date, have you?
 - A None that I'm aware of, no.
- Q Are you planning on using EDI as a permanent interface for other services?
- A I would think so since it is the industry standard.
- Q Now ICI is using LENS to order services for 14 resale; is that correct?
 - A No, we are not.
 - Q You're not. Have you used LENS for pre-ordering?
- 17 A Yes, we have.

- Q Have you experienced any problems in that respect?
- A Not beyond the general -- you know, sometimes the system is down, but that has been minimal. I guess it's -- I mean I like LENS for what it is now, but again, I want -- you know, we'd need to see it integrated with ICI's system as opposed to having to rekey a lot of things but, you know, that's what both sides are working on, I hope so.

Q Has ICI and BellSouth been able to iron out any of the problems you've been experiencing since you filed 2 your direct testimony? 3 I mean like all problems; is that what you're Α 5 talking about? Any of them. 6 O It appears the -- I know initially we, on the 7 Α switch "as is" orders, sometimes the customer would lose 8 dial tone even though it was just, you know, a records 9 change, basically; but that seems to be corrected. But 10 11 other than that, you know, even with the EDI so far, you know, it doesn't seem or yet it's too early to tell if it's 12 going to improve the delays and the things I've described. 13 14 0 Thank you, Mr. Chase. MS. BARONE: That's all I have. 15 CHAIRMAN JOHNSON: Commissioners? 16 17 (NO RESPONSE) CHAIRMAN JOHNSON: Redirect. 18 MR. WIGGINS: Yes, ma'am. 19 20 REDIRECT EXAMINATION BY MR. WIGGINS: 21 Mr. Chase, how would you describe your working Q 22 relationship with the LCSC? 23 Very good. 24 Α

So that means they are happy with you and you are

happy with them in terms of their effort? 2 Α Yes. 0 Okay. You had a couple of questions from Mr. Marks about using LENS and EDI for ordering and 4 5 pre-ordering, and I believe there were some compound questions in there, so I'd like to just break this out, and 6 I think Ms. Barone followed up on this. Do you currently 7 8 use EDI for any pre-ordering functions? No, it does not support ordering at this time. 9 Α 10 And you do not use LENS --Q I mean, excuse me, does not support pre-ordering 11 Α 12 at this time. 13 Q And you do not use LENS for any ordering? That's correct. 14 Α 15 0 So you use LENS for ordering -- I mean for 16 pre-ordering? 17 Α Yes, LENS for pre-ordering. 18 Okay. And currently, what types of services do you use EDI to order? 19 20 Α Your basic resale services. 21 O Okay. Does that include complex services? 22 Α No, not the ones because I don't believe it 23 supports all -- I mean supports complex services. Okay. How do you handle complex services? 24 Q

Back to the manual process and working with the

BellSouth account team.

Q All right. You had a number of questions on the 125 backlogged orders. Those backlog orders occurred during your manual submission of paper LSRs?

A Yes, that's correct.

Q Was that 125 orders typical of a backlog on any day?

A Yes, that's like just at that time of my deposition there was 125 backlog, but throughout the months of resale, we were constantly fighting with the backlog in the -- you know, it could be more but usually in the hundreds each month that we are trying to get back from BellSouth.

Q Okay. I believe Mr. Marks asked you some questions about one of Mr. Bradbury's exhibits. Do you have that in front of you?

A Yes, I do.

Q Okay. And I would like to turn to that graph on the bar for 8/23 and would like to ask you the following question --

A I'm sorry, is that on page 6?

Q Yes, sir. For Intermedia, using the manual paper LSR process for submitting simple resale services, typically what percentage of your orders would take more than two days for you to receive the firm order

confirmation and CSR?

- A The manual? I'd say at least 70%.
- Q Okay. Of the 70% that took more than two days, what would be the typical time period in working days for you to get the FOC and CSR?
 - A I'd say at least ten working days.
- Q Okay. Was there any percentage of that 70% or any portion of that 70% that took longer than 10 days for you to get your FOC and CSR?
 - A Yes, I mean it could be as long as four weeks.
- Q And about what percentage of the total paper LSRs that you would submit at any given time would it take for, it would take two to four weeks to provision?
 - A I guess 30 or 40% of the time.
- Q Okay. But now you're using EDI interface,
 Harbinger software to process your switch "as is", simple
 resale services, correct?
 - A Yes.
- Q Okay. Let's take a look at those same percentages. Based on your experience over the past month, for every -- and let's not think about the backlog orders -- for every hundred orders you place, what percentage would you expect to be beyond two days in your receiving an FOC?
- A A high percentage. I don't know the exact but,

you know, it wouldn't surprise me to be 70, 80%.

- Q Are you comfortable with saying more than half?
- A Yeah, more than half.

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- Q Okay. What percentage of those hundred orders would it take two to four weeks for you to get a firm order confirmation?
 - A Again, probably a third.
- Q Okay. I would like to draw your attention to a difference between what I understand to be manual processes versus electronic, or EDI. How do you under the EDI process handle customer service records, the CSR portion?
- A Well, we don't, it doesn't really have anything to do with the EDI. We view it via the LENS interface.
- Q Okay. Did you do that when you were submitting paper LSRs?
- A For the most part, no, because we've just recently obtained the LENS.
- Q Okay. So under the manual system, you needed to get an FOC and a CSR back from BellSouth, but under the EDI system -- under the system you use with LENS, you take care of that before you submit the EDI order?
 - A That's correct.
 - Q Okay. Has that improved your processes?
 - A Yes, it should improve the quality of the order.
- Q All right. Have the folks who work at the LCSC

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ever given Intermedia feedback on the quality of their
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   LSRs?
              Yes. Generally, they say that they are good
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    quality, they enjoy doing them.
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         0
              Okay.
              MR. WIGGINS: I think I'm through. If I could
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 7
    just take one minute to check.
 8
              (Mr. Wiggins reviews documents)
 9
              MR. WIGGINS: I have no further questions.
10
   you.
              CHAIRMAN JOHNSON:
                                 Exhibits.
11
              MR. WIGGINS: Yes, I would like to move 105.
12
              MS. BARONE: Staff moves 106.
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              MR. MARKS: No objection.
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              MS. WHITE: I have a preliminary matter before we
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16
   go on to the next witness.
17
              CHAIRMAN JOHNSON:
                                 One second.
              MS. WHITE: I believe that BellSouth and AT&T
18
    have resolved AT&T's motion to compel and that Mr. Stacy
19
   will not be required to be called back as a witness.
20!
21
              CHAIRMAN JOHNSON: Okay.
22
              MS. WHITE: We gave them additional information,
23
    I believe it was Friday. I'm losing my days, but I think
24
    it was Friday, and AT&T I believe and BellSouth have agreed
   to resolve their differences with the addition of answers
25
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to a couple of more interrogatories which I believe
Ms. Rule is working on.

MS. RULE: Yes, as soon as I get done writing them, I will give them to BellSouth.

MS. WHITE: And as soon as she gets them to us, we will get the answers to her as soon as possible. I guess it's a possibility they may not be done, be answered before the end of the hearing.

MS. RULE: Well, I think probably the best way to handle that is to agree that Mr. Stacy's, or the responses to the interrogatories or PODs that are still up in the air between BellSouth and AT&T may be submitted as a late-filed exhibit without objection between the two of us. It would be some interrogatory responses and a minimal amount of documents.

MS. WHITE: That would be fine.

CHAIRMAN JOHNSON: Then at the appropriate time we need to -- You said that they will be providing -- You are still waiting on information from them?

MS. RULE: I am sitting right back there writing the interrogatories now.

CHAIRMAN JOHNSON: Ah, not only are you waiting --

MS. RULE: And as soon as I get done -- We are trying to do this in order to avoid pulling Mr. Stacy back

in to respond to a few questions, so I would propound the interrogatories. BellSouth would agree to respond within 2 some amount of time that we have not yet specifically 3 discussed, and the responses as well as some of the earlier 4 responses to AT&T's first set of discovery would go into 5 the record as a late-filed exhibit. CHAIRMAN JOHNSON: Okay. That will be fine. 7 Do 8 you we need to go ahead and identify that now? 9 MS. WHITE: We can, or we can wait until the end of the --10 CHAIRMAN JOHNSON: Just remind me. 11 MS. WHITE: Maybe it would be better to wait 12 until BellSouth gets AT&T's last couple of interrogatories 13 14 so we make sure there is no problem. CHAIRMAN JOHNSON: Okay. That will be fine. 15 MS. RULE: Thank you. 16 Thank you. 17 CHAIRMAN JOHNSON: MR. BOND: Good afternoon, Commissioners. Tom 18 Bond on behalf of MCI. MCI would like to call James S. 19 Gulino as its next witness in this matter. 20 21 Whereupon, 22 JAMES S. GULINO 23 was called as a witness on behalf of MCI and, after being 24 first duly sworn, testified as follows: 25

-		Ditto: Himilivii Ion
2	BY MR. BO	ND:
3	Q	Mr. Gulino, have you been sworn?
4	A	Yes, I have.
5	Q	Please state your name and business address.
6	Α	My name is James Gulino. I'm at 4890 West
7	Kennedy B	oulevard in Tampa, Florida.
8	Q	By whom are you employed and in what capacity?
9	А	I work for MCI Communications, and I'm director
10	of opera	tions for Florida and five other states located ir
11	BellSouth	territory.
12	Q	Have you prefiled direct testimony in this docket
13	consistin	g of 40 pages?
14	А	Yes, I have.
15	Q	Do you have any changes or corrections you would
16	like to m	ake to that testimony?
17	А	Yes, I do.
18	Q	If you'd do so now, please?
19	А	On page 24 of my direct testimony, on line 22, I
20	would lik	e the words stricken, "once such trunks."
21		COMMISSIONER KIESLING: Could you give me that
22	again?	
23		MR. GULINO: Yes, ma'am. On page 24, line 22,
24	the words	at the end of the sentence, "once such trunks."
25	And on pa	ge 25, we can strike lines 1, 2 and 3 in its

entirety and line 4 ending at the word "feasible." That's 1 the only changes. 2 3 BY MR. BOND: 4 Could you explain please why you are making these 5 changes? 6 Α Well, since my testimony, Mr. Milner has testified that this is now technically possible or 7 feasible. 9 Q Okay. Subject to the changes that you just made, if I were to ask you the same questions today, would your 10 answers be the same? 11 Yes, they would. 12 Α MR. BOND: Chairman Johnson, I would ask that 13 Mr. Gulino's prefiled direct testimony be inserted into the 14 15 record as though read. CHAIRMAN JOHNSON: It will be inserted into the 16 record as though read. 17 18 19 20 21 22 23 24 25

1		BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
2		DIRECT TESTIMONY OF JAMES S. GULINO
3		ON BEHALF OF MCI TELECOMMUNICATIONS CORPORATION
4		DOCKET NO. 960786-TL
5		JULY 17, 1997
6		
7	Q.	PLEASE STATE YOUR NAME, BUSINESS AFFILIATION AND
8		ADDRESS.
9	A.	James S. Gulino. I am a Director, South Territory Operations for MCI
10		Telecommunications Corporation, 4890 West Kennedy Blvd., Tampa, Florida.
11		
12	Q.	PLEASE PROVIDE A SUMMARY OF YOUR EDUCATIONAL
13		BACKGROUND AND EXPERIENCE IN THE
14		TELECOMMUNICATIONS INDUSTRY.
15	A.	I have 28 years experience in the telecommunications industry. The following is
16		an outline of my telecommunications experience beginning with my employment
17		with Western Electric:
18		
19		- 1969-74 Installer for Western Electric in the New York Telephone Company
20		Central Office located at West 50th St., New York, New York.
21		Responsibilities included installing and testing #5 XBAR systems.

1		- 1975-77 MCI Communications, Central Office installer covering the Tri-State
2		Area, New York, New Jersey, and Connecticut.
3		- 1977-79 MCI, worked as a technician for Private Line and Switch Network
4		Services, located at 55 Water Street, New York, New York.
5		- 1979-80 MCI, Promoted to Supervisor of Installation in MCI's newest
6		facility at 39 Broadway, New York, New York.
7		- 1980-81 MCI, Promoted to Manager of 39 Broadway facility. Responsible
8		for all technical operations.
9		- 1982-83 MCI, Promoted to Senior Manager of Northwest Operations,
10		located in San Francisco. Responsible for all operations in San Francisco, San
11		Jose, Oakland, Sacramento, and Fresno.
12		- 1983-90 MCI, Senior Manager of New York City and State for Coordination
13		and Operations.
14		- 1991 to Present MCI, Director of South Territory Operations.
15		
16		Throughout my career in the telecommunications industry, I have taken selected
17		management courses.
18		
19	Q.	WHAT ARE YOUR CURRENT RESPONSIBILITIES?
20	A.	As Director of South Territory Operations I am responsible for all installation
21		and maintenance of access/network facilities supporting local and long distance
22		customers/services for Florida, Alabama, Mississippi, Louisiana, Kentucky, and

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I		Evidence of Bellsouth's reluctance to provide access to important
2		components of its network on a reasonable and non-discriminatory
3		basis.
4		
5		■ Evidence in the form of examples that even where BellSouth is not
6		reluctant to provide access, they are unable to do so at this time in an
7		adequate manner.
8		
9	Q.	PLEASE PROVIDE YOUR OPINION OF BELLSOUTH'S
10		PERFORMANCE FROM AN ENGINEERING PERSPECTIVE.
11		(Commission Issues No. 2 to 15)
12	A.	From an engineering perspective, the fundamental problem with BellSouth's
13		performance is that it leaves too many important questions unanswered.
14		Although I understand that on paper BellSouth has offered many (but not all) of
15		the items required by the checklist, it is far less forthcoming about how these
16		many requirements are actually to be implemented, and how quickly they can be
17		implemented. The obvious test for determining whether BellSouth can
18		implement what it claims to offer is to actually provide those items. BellSouth
19		fails this test.
20		
21	Q.	HOW DOES THIS UNCERTAINTY FROM AN ENGINEERING
22		PERSPECTIVE RELATE TO A BUSINESS PERSPECTIVE?

(Commiss	ion Issues	No. 2	2 to	15)
(Commings	1011 T99HF9	11U. 4		

From both an engineering and a business perspective, I am very skeptical about any claim that a contractual undertaking in and of itself can mean that the competitive checklist requirements are fully implemented or can easily be implemented so as to make the purchase of elements and interconnection feasible. Having an interconnection agreement is just the "first step." The concept of unbundled network elements is new. There are no time-tested processes in place through which a customer can order, bill, and maintain the critical elements needed to actually participate in the local market. The lack of reliable processes is particularly important in the telecommunications industry where customers are extremely sensitive to quality of service problems.

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Q. HOW CAN THE COMMISSION DETERMINE WHETHER ANY OF BELLSOUTH'S PROMISES WILL BE IMPLEMENTED IN A WAY THAT COMPLIES WITH THE CHECKLIST?

(Commission Issues No. 2 to 15)

For many of the checklist items, determination of the extent of implementation is the difficult task for this Commission. Of course for others, BellSouth's promises simply do not satisfy the checklist even if those promises could be or were fully and fairly implemented. In evaluating whether BellSouth's promises can fairly be translated into actual performance, the Commission must look to the implementation plan, the benchmarks provided by BellSouth (where some

1		are provided), and the operation of the bona fide request ("BFR") process when
2		BellSouth does not make concrete assurances about precisely what is promised
3		and on what terms. The Commission should also consider the success, or lack
4		thereof, of implementation in the limited experiences where provisioning has
5		been attempted.
6		
7	Q.	WHY ARE THESE PROCEDURAL PROVISIONS RELATING TO
8		IMPLEMENTATION SO CRITICAL? (Commission Issues No. 2 to 15)
9	A.	Procedural provisions are critical because local competition as a concept is new,
10		involving terms that by their nature cannot be supplemented by the past practice
11		of the parties or historical practice in general, because there is no such past
12		practice.
13		
14	Q.	ARE YOU SAYING THAT THE COMMISSION'S CONSIDERATION
15		OF THE DETAILS OF INTERCONNECTION DURING THE
16		ARBITRATIONS BETWEEN MCI AND BELLSOUTH AND AT&T
17		AND BELLSOUTH WAS NOT ADEQUATE? (Commission Issues No. 2
18		to 15)
19	A.	No. I applaud the Commission for its efforts. The Florida Commission has
20		signaled that it intends to continue to tackle these complex issues. It is my
21		understanding that the Commission has a pending docket in which it will set
22		permanent rates for those unbundled network elements which still only have

ì		interim rates. It is also my understanding that the Commission has instructed
2		MCI and AT&T to negotiate with BellSouth for recurring and nonrecurring
3		rates for combinations of unbundled elements - which, from a practical business
4		perspective, will be the most important UNE rates for new entrants.
5		
6		The fact that the Commission and the parties spent so much time over the past
7		several months considering the terms of local interconnection is evidence of the
8		complexity and importance of the details when it comes to effective
9		interconnection. Put simply, when it comes to adequate interconnection in
10		order to provide for local competition - "the devil is in the details." And the
11		details are in the implementation process.
12		
13	Q.	HOW CAN THE FACT THAT THE DETAILS MAY NOT BE
14		FULLY UNDERSTOOD STYMIE LOCAL COMPETITION?
15		(Commission Issues No. 2 to 15)
16	A.	Many of the terms and conditions have no commonly understood meaning
17		either in the industry in general or specifically as between BellSouth and would-
18		be competitors. Nor are there general understandings or past practice to fall
19		back on should there be a dispute about how quickly a particular term can be
20		implemented, or how a particular requested item is expected to work. For these
21		reasons, detailed and specific implementation provisions, benchmarks,
22		performance standards, and definitions are critical to moving from a contractual

framework to actual implementation.

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It is my understanding that in other 271 proceedings before the commissions of other states, BellSouth's witnesses have recognized the uncertainty with regard to many of the implementation issues and described the process of implementing key operational interfaces as "evolutionary." (See In Re: Consideration of BellSouth Telecommunications, Inc.'s Entry into InterLATA Services Pursuant to Section 271 of the Telecommunications Act of 1996, Before the Georgia Public Service Commission, T. 390). I agree with this characterization. Even BellSouth cannot know at this point when systems which are critical to implementation, such as operational interfaces, will be available. Indeed, it would be irresponsible for BellSouth to promise more than it can deliver. And, given the state of the information systems that are needed to support pre-ordering, ordering, provisioning, and billing of checklist items, it is hardly surprising that on matter after matter BellSouth simply refers to other documents, such as its handbooks, which will change over time, or defers until a later date the difficult questions of implementation. A good example is in the area of collocation which is discussed later in my testimony. Simply put, the necessary systems are for the most part not yet present to

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support effective checklist compliance.

Q.	PLEASE DESCRIBE THE ORGANIZATION OF THE REMAINDER
	OF YOUR TESTIMONY.
A.	I will provide a discussion of interconnection (checklist item 1), access to
	unbundled network elements (checklist item 2), unbundled loops (checklist
	item 4), unbundled transport (checklist item 5), unbundled switching (checklist
	item 6) and access to call-related databases and signaling links (checklist item
	10). I then discuss problems that MCI has encountered (checklist items 1, 2, 7,
	11 and 12). MCI witness Martinez will appear in this proceeding to discuss
	operational support systems (OSS).
	INTERCONNECTION
	(Checklist Item 1; Commission Issue No. 2)
Q.	WHAT DOES THE FEDERAL ACT SAY WITH REGARD TO
	INTERCONNECTION FOR PURPOSES OF MEETING THE
	CHECKLIST?
A.	The Act states that the checklist requirement for interconnection is met when
	access and interconnection is provided consistent with Sections 251(c)(2) and
	252(d)(1) of the Act.
	A. Q.

1	Q.	PLEASE BRIEFLY DESCRIBE THE REQUIREMENTS OF
2		SECTIONS 251(c)(2) and 252 (d)(1) OF THE FEDERAL ACT.
3	A.	Section 251(c)(2) of the Act requires that BellSouth provide, for the facilities
4		and equipment of any requesting carrier, interconnection (A) for the
5		transmission and routing of telephone exchange service and exchange access,
6		(B) at any technically feasible point within the carrier's network, (C) that is at
7		least equal in quality to that provided to BellSouth by itself or to any subsidiary
8		or affiliate of BellSouth, and (D) on rates, terms and conditions that are just an
9		reasonable, nondiscriminatory and in accordance with Section 252 of the Act.
10		
11		Section 252(d)(1) of the Act sets forth the pricing standards pursuant to which
12		BellSouth must provide network interconnection and provision network
13		elements. With regard to network elements, BellSouth must provide elements
14		pursuant to rates which are (1) based on cost and (2) nondiscriminatory. With
15		regard to interconnection, BellSouth must provide interconnection in a manner
16		which provides for mutual and reciprocal recovery by each carrier of costs
17		associated with transport and termination on the network facilities of each
18		carrier. Additionally, that section includes the pricing standard for wholesale
19		purchase of services by would-be competitors.
20		
21	Q.	DOES BELLSOUTH MEET THE REQUIREMENTS OF THE
22		TEST OF CHECKLIST ITEM 1?

1	A.	No. BellSouth has not yet fully implemented interconnection in part because it
2		has not yet fully implemented collocation. The duty to interconnect that the
3		Act imposes on BellSouth includes the duty to permit collocation, because
4		collocation (both physical and virtual) is a primary method of interconnection.
5		The FCC recognized this requirement in its Rules which implement the Act.
6		(First Report and Order of FCC ¶¶ 543, 550-53). It is clear that the checklist
7		requirement of interconnection pursuant to § 271(c)(2) incorporates the
8		various obligations of BellSouth with respect to collocation. BellSouth has not
9		fully met those obligations.
10		
11		To date, BellSouth has received 7 requests for physical collocation in Florida
12		and has not completed installation of any of them. The jury is still out with
13		regard to whether BellSouth will meet its obligations on these requests. Of
14		course, even if this limited number is completed, that is a long way from the
15		demonstration of the ability to deliver collocation in a reliable and dependable
16		way or ongoing basis. It is certainly premature to conclude that BellSouth has
17		met any of its obligations with regard to collocation.
18		
19	Q.	WHY IS FAIR AND REASONABLE COLLOCATION SO
20		IMPORTANT?
21	A.	Collocation represents the only way from an engineering perspective that any
22		carrier can truly provide competition to BellSouth. I understand that BellSouth

does not dispute that it is currently not providing unbundled physical collocation to MCI. Indeed, we have not seen any evidence that BellSouth is providing unbundled physical collocation to any new entrant in Florida. Given that implementation is still being worked out, it is no surprise that BellSouth is not currently furnishing unbundled physical collocation to any would-be competitor and that the proposed terms are so uncertain.

A.

8 Q. ARE FIXED INTERVALS FOR COLLOCATION IMPORTANT?

Yes. Would-be competitors must have a reliable and set time period for collocation in order to plan and market in a way which will sustain competition. Indeed, the Commission needs fixed intervals in order to determine whether BellSouth is implementing the collocation requirements adequately and in good faith. Even BellSouth witness Scheye has agreed in other 271 proceedings that it is critical for a would-be competitor to know how long it will take to obtain collocation. (See In Re: Consideration of BellSouth Telecommunications, Inc.'s Entry into InterLATA Services Pursuant to Section 271 of the Telecommunications Act of 1996, Before the Georgia Public Service Commission, T. 769). Despite the undisputed need for fixed intervals for physical collocation so as to measure performance, BellSouth has proposed that the intervals for providing collocation should be determined pursuant to BellSouth's Negotiations Handbook for collocation. It is my understanding that, BellSouth proposes to control this "handbook" and reserves the right to

1		change it substantively at any time.
2		
3		Even if BellSouth's ever-changing "handbook" contains set and reasonable
4		intervals, whether BellSouth will be successful in meeting these intervals
5		remains to be seen, since no physical collocations have yet been completed.
6		Most importantly, the fact that the intervals are contained in a handbook that
7		BellSouth can easily modify at its pleasure, is cause for great concern and
8		should not be endorsed.
9		
10	Q.	ONCE BELLSOUTH ADEQUATELY DEFINES THE INTERVALS
11		FOR THE PROVISION OF COLLOCATION, WILL THE CHECKLIST
12		REQUIREMENT FOR COLLOCATION BE MET?
13	A.	No. In addition to the still-developing procedures for obtaining physical
14		collocation, there are other implementation issues relating to collocation.
15		
16		With respect to the power requirements for collocated equipment, for example,
17		MCI's plan has been to order from BellSouth (and to pay for) sufficient power
18		to accommodate its immediate needs plus reasonable equipment growth, to
19		install its own power distribution frame in its collocation cage, and to distribute
2 0		the power itself to its collocated equipment. Thus, when MCImetro needs to
21		augment its capacity, it has sufficient power available and can do so rapidly.
22		However, it is my understanding that BellSouth has informed MCI that it will

1		not permit MCI to implement this strategy. Instead, it appears that BellSouth
2		will require a new power lead for each collocation bay, thus allowing BellSouth
3		to retain control of the speed with which MCI can augment its capacity. By
4		controlling power augmentation at a CLEC's collocation site, BellSouth
5		controls, for example, that CLEC's ability to capture additional unbundled
6		loops. BellSouth's policy thus creates an unnecessary and unreasonable
7		limitation on CLECs' potential competitive expansion.
8		
9	Q.	PLEASE EXPLAIN THE DIFFERENCE BETWEEN VIRTUAL AND
10		PHYSICAL COLLOCATION?
11	A.	As the different terms suggest, in the case of physical collocation, would-be
12		competitors are actually allocated designated space in a BellSouth central office
13		for location of their equipment, while virtual collocation refers to an
14		arrangement where CLEC equipment is controlled by the ILEC and is located
15		among other ILEC equipment, not in a segregated space.
16		
17	Q.	UNDER BELLSOUTH'S PROPOSAL, HOW ARE ARRANGEMENTS
18		MADE FOR COLLOCATION?
19	A.	BellSouth asserts that the process for making the arrangements for physical and
20		virtual collocation are covered by the "handbook."
21		

1	Q.	WHO DECIDES WHETHER A WOULD-BE COMPETITOR WILL BE
2		ALLOWED PHYSICAL OR VIRTUAL COLLOCATION?
3	A.	BellSouth witness Scheye has stated in other 271 proceedings that the
4		"BellSouth collocation people" will make that determination. (See In Re:
5		Consideration of BellSouth Telecommunications, Inc.'s Entry into InterLATA
6		Services Pursuant to Section 271 of the Telecommunications Act of 1996,
7		Before the Georgia Public Service Commission, T. 772). This means that
8		BellSouth will control the response to a request for collocation. According to
9		Scheye, BellSouth's response will include case-by-case negotiations with regard
10		to the arrangements necessary for physical collocation.
11		
12	Q.	SHOULD THE COMMISSION BE CONCERNED THAT BELLSOUTH
13		WILL BE THE SOLE DETERMINER OF THE TERMS AND
14		CONDITIONS UPON WHICH THEY WILL ALLOW PHYSICAL
15		COLLOCATION.
16	A.	Yes. It is axiomatic that physical collocation will be more time consuming than
17		virtual collocation. Because the process for obtaining collocation will be
18		controlled by BellSouth in every way under their proposal, there will be great
19		opportunity and incentive for them to use that process for a competitive
20		advantage. Put simply, by virtue of their bottleneck monopoly position, absent
21		any controls, they will be able to easily delay the deployment of MCI facilities.

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Q. WHAT OTHER POLICIES OF BELLSOUTH WILL PUT MCI AND

OTHER CLECS AT A DISADVANTAGE?

Additional delays are also made possible as a result of BellSouth's policy of requiring that CLEC technicians be escorted by BellSouth personnel at all times while performing maintenance and repairs upon collocated equipment. This policy necessitates coordination with BellSouth whenever a CLEC needs access to its collocation cages, as well as additional and unnecessary expense. Again, this is another place where BellSouth retains a measure of control over CLECs' success in local competition -- a CLEC can only perform as well as BellSouth permits. The issue here is time (and money since BellSouth will not be providing these escort services for free). MCI should not be at the mercy of the BellSouth escort schedule. BellSouth's collocation policies seem to be a moving target. This includes its policies - or lack thereof - relating to security escorts. MCI could be required to provide BellSouth with adequate notice that it needs access to perform maintenance and repairs to collocated equipment. BellSouth would then have to provide an escort or simply allow MCI unescorted access at that noticed time. MCI should not be forced to wait for BellSouth to decide when it would be convenient to allow repairs and maintenance of MCI facilities by MCI employees. The Commission should strongly endorse policies which favor MCI's freedom of entry to maintain MCI facilities. As a practical matter, the Commission should require BellSouth to

	fully explain its fationale for this security requirement. Are they trying to
	protect BellSouth equipment from MCI personnel or MCI equipment from
	BellSouth personnel?
Q.	ARE THERE ANY OTHER REASONS WHY BELLSOUTH DOES NOT
	MEET THE REQUIRMENTS OF THE TEST OF CHECKLIST ITEM
	1?
A.	Yes. To date, BellSouth still will not provide interconnection at local tandems.
	While BellSouth has apparently agreed in principle to eventually provide such
	interconnection, BellSouth does not currently allow such interconnection and
	has not committed to a date when it will actually make such interconnection
	available. Hence traffic won by the ALEC is removed from the BellSouth local
	network and local access tandem and placed on the IXC toll network. This has
	the net effect of enhancing the BellSouth local service at the cost or degradation
	of the IXC toll network.
	UNBUNDLED NETWORK ELEMENTS
	(Checklist Item II; Commission Issue No. 3)
Q.	FOR CHECKLIST PURPOSES, WHAT DOES THE FEDERAL
	ACT SAY WITH REGARD TO THE REQUIREMENT FOR
	UNBUNDLED NETWORK ELEMENTS?
	A .

Item 2 of the checklist requires that BellSouth provide nondiscriminatory access A. 1 to network elements in accordance with the requirements of sections 251(c)(3) 2 and 252(d)(1) of the Act. 3 The Act requires BellSouth to provide nondiscriminatory access to unbundled 5 network elements at any technically feasible point. 47 U.S.C. § 251(c)(3). The 6 7 FCC has found that these elements must be provided, moreover, in any technically feasible combination. 47 C.F.R. § 51.315. BellSouth has failed to 8 9 satisfy these requirements, particularly with respect to combinations of network elements, subloop elements, and directory assistance databases. 10 11 Section 252(d)(1) has been described above. That section requires that network 12 elements be priced by BellSouth "based on cost." BellSouth has failed to meet 13 the part of the requirements of item 2 of the checklist which require cost based 14 15 rates. The Commission is currently conducting a further proceedings in the AT&T and MCI Arbitration Dockets, Docket Nos 960833-TP and 960846-TP, 16 for purposes of determining the economic forward looking cost of the 17 following network elements: a) 4-wire analog port -- recurring and NRC; b) 18 DS-1 level dedicated transport -- NRC only; c) directory transport/switched 19 20 local channel and directory transport/switched dedicated DS-1 -- recurring and NRC; d) physical collocation -- recurring and NRC; e) virtual collocation -21

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recurring and NRC; f) NID access -- NRC only; g) unbundled 2-wire and 4-wire

sub-loop distribution -- recurring and NRC; and, h) unbundled NID -- recurring only. These elements currently only have interim rates.

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More importantly, it is my understanding that the Commission has not finalized rates for combinations of unbundled network elements. In the AT&T and MCI arbitrations with BellSouth, the Commission stated that the rates it had set for UNEs were only for individual UNEs. For both recurring and non-recurring rates, the Commission recognized that when combinations of UNEs were ordered, the appropriate rate might be less than the sum of the rates for the individual UNEs. The Commission therefore ordered that BellSouth not include duplicate charges or charges for functions or activities that MCI does not need when two or more network elements are combined in a single order. Final Order on Motions for Reconsideration and Amending Order No. PSC-96-1579-FOF-TP, Order No. PSC-97-0298-FOF-TP, pp. 27 and 31. It is my understanding that while MCI has requested negotiations with BellSouth to set the NRCs for combinations, BellSouth has not yet responded to MCI's request and no combination rates have to date been agreed to by the parties or set by the Commission.

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Q. PLEASE TELL THE COMMISSION WHY BELLSOUTH DOES NOT MEET THE SECTION 251(c)(3) REQUIREMENT OF ITEM 2 OF THE COMPETITIVE CHECKLIST?

22		ORDER TO FACILITATE COMPETITION BEFORE THE
21	Q.	WHAT CAN THE FLORIDA COMMISSION REQUIRE IN
20		
19		certain recipe for delay.
18		combinations, and reliance on the BFR process proposed by BellSouth is a
17		not at all clear how easy it will be to order additional technically feasible
16		feasible combination of elements, not just those identified by BellSouth. It is
15		Furthermore, satisfaction of the checklist requires provision of any technically
14		
13		These processes simply have not yet been completed.
12		forms exist, systems and interfaces must be developed to permit mechanization.
11		be identified and manual ordering forms must be created. Once the manual
10		Before these things can happen, the information necessary for provisioning must
9		process for ordering and provisioning of combinations of unbundled elements.
8		been developed, and BellSouth has not yet fully implemented a mechanized
7		standards such as BellCore OBF (Ordering and Billing Forum) have not yet
6		that would facilitate provisioning of combinations of elements. Industry
5		equally important. BellSouth has not yet implemented the necessary processes
4		interface with BellSouth in the ordering of unbundled network elements is
3		entrant's ability to compete. The need to be able to efficiently and accurately
2		Appropriate operational interfaces in the context of resale are vital to a new
1	Α.	I will begin with the issue of combinations of unbundled network elements.

FIII.I.	DEVEL	OPMENT	OF	INDUSTRY	STAND	ARDS?
		/ L/A 1711/17 1	VI.	THEORETIES		

2 A. BellSouth likely will proclaim that network elements may be combined in any
3 manner. However, absent any standard industry practice, there needs to be
4 detailed definitions of the combinations. To date, BellSouth has not provided
5 such definitions.

A.

Q. WHY IS THIS ISSUE SO IMPORTANT?

These issues are important because CLECs, including MCI, are likely to order combinations of unbundled elements from BellSouth as soon as they are truly available. As one example of the value of combinations of elements, combinations of unbundled local transport, multiplexing/concentration, and unbundled loops would eliminate the need to collocate at a given facility, saving a CLEC significant expense. Although an interexchange carrier could order precisely that series of facilities to reach an access customer, CLECs cannot order the same combination as unbundled elements. The requisite systems simply are not yet in place. That is the reason that BellSouth is not yet providing combinations of elements.

Additionally, based on a complaint filed by AT&T, it appears that, without any authorization from this Commission, BellSouth has taken it upon itself to be the decision maker relative to pricing for combinations of unbundled elements. See Motion to Compel Compliance, Docket No. 960833-TP. If this unilateral

1		action by BellSouth is any indication of now it will treat other contentious
2		issues which arise as new entrants attempt to enter the local market, then it
3		appears that all of my apprehensions in considering BellSouth's proposals are
4		well founded.
5		
6		UNBUNDLED LOOPS
7		(Checklist Item IV; Commission Issue No. 5)
8		
9	Q.	PLEASE PROVIDE A DESCRIPTION OF THE REQUIREMENTS OF
10		THE CHECKLIST WITH REGARD TO UNBUNDLED LOOPS
11	A.	The checklist expressly requires that BellSouth provide unbundled access to
12		local loops. 47 C.F.R. § 271(c)(2)(B)(iv). In addition, loops are network
13		elements, which BellSouth is required to provide on a non-discriminatory basis.
14		47 U.S.C. § 251(c)(3), 271(c)(2)(B)(ii). This requirement dictates that
15		BellSouth provide unbundled network elements to MCI in a manner that is
16		equivalent to the manner in which they provide such elements to themselves,
17		their affiliates, or other carriers.
18		
19	Q.	PLEASE EXPLAIN.
20	A.	Although we know BellSouth provisions loops to itself in 48 hours or less, it
21		has not demonstrated that it can provision unbundled loops to its competitors a
22		parity. MCI received its first unbundled loop from BellSouth last month on a

21		(Checklist Item V; Commission Issue No. 6)
20		UNBUNDLED TRANSPORT
19		
18		would-be competitors on a level playing field.
17		incentives are clear: BellSouth does not want an ordering system that will put
16		"technical" problem is the lack of fully implemented ordering systems. The
15		demanding for BellSouth than furnishing loops to itself. Indeed, the only
14		There is no reason that furnishing loops to CLECs should be technically more
13		several days to begin service when it is provided by the would-be competitor.
12		initiating new service are less likely to sign up with a CLEC if it will take
11	A.	The effect of the long interval is clear: customers particularly customers
10		LOOPS?
9		TREATMENT WITH REGARD TO PROVIDING UNBUNDLED
8	Q.	WHAT IS THE PRACTICAL IMPACT OF DISPARATE
7		
6		can provide parity when orders come in on a commercial scale.
5		with only a trickle of orders coming in, it is certainly folly to imagine that they
4		weeks to complete this one order. If BellSouth's systems cannot provide parity
3		Interconnection Agreement, Attachment 8, p. 27, it took BellSouth almost two
2		network elements to MCI within 48 hours 98% of the time, see BellSouth/MCI
1		test basis. Although BellSouth has agreed on paper to provide unbundled

ì		
2	Q:	PLEASE DESCRIBE THE CHECKLIST REQUIREMENT WITH
3		REGARD TO THE PROVISION OF UNBUNDLED
4		TRANSPORT.
5	A :	The Act requires that BellSouth provide local transport from the trunk side of a
6		wireline local exchange carrier switch unbundled from switching or other
7		services. The FCC has stated that this requires shared transport facilities
8		between its end offices and its switches, as well as all technically feasible
9		transmission facilities, features, functions, and capabilities that ALECs could
10		use to provide telecommunications service. 47 C.F.R. Sec. 51.319(d)(1),
11		(d)(2)(i), and (d)(2)(ii).
12		
13	Q.	PLEASE EXPLAIN THE PRACTICAL PROBLEMS WITH
14		REGARD TO BELLSOUTH'S PROPOSED RESTRICTIONS ON
15		UNBUNDLED TRANSPORT.
16	A.	The "shared transport" offered by BellSouth raises many practical questions that
17		remain to be answered, such as sharing of information, costs, and maintenance.
18		In short, although BellSouth promises to provide local transport, it will not
19		furnish the common transport that would result in the most efficient
20		development of competition in its local markets. Thus far, BellSouth's promise

fails to embody the Act's requirement of unbundled transport in that it does not

provide for transmission over "multi-jurisdictional" trunks. once such trunks

21

become technically feasible. Although interLATA traffic cannot currently be segregated from intraLATA and local traffic on the same trunk, such segregation will soon be possible; allowing BellSouth to collect the appropriate access charges as to each type of traffic. When it is technically feasible, MCI should be permitted to put all traffic types on multi-jurisdictional trunks. It is important, for purposes of efficient network engineering, to have the flexibility to carry traffic of any type over the same trunks -- such flexibility prevents inefficient duplication of trunks, which would unnecessarily raise CLECs' costs. MCI's agreement, however, does not contemplate multi-jurisdictional trunks or provide for their use at any time during the term of the agreement. Thus, BellSouth asks the Commission to impose an arbitrary limitation on transmission that will continue despite the imminent technical feasibility of multi-jurisdictional trunks.

Q.

A.

WHAT IS BELLSOUTH'S PROPOSAL WITH REGARD TO ORDERING AND PROVISIONING LOCAL TRANSPORT?

This is unclear. BellSouth has at times referred to a BellSouth document entitled "OLEC-to-BellSouth Ordering Guideline (Facilities-based)." This appears to be a document which is similar to the collocation "handbook" referred to earlier in my testimony. As such, BellSouth will be in complete control of the terms and conditions contained in this document. Of course, the fact that ordering and provisioning policies remain entirely in BellSouth's

1		control should give the Commission great concern. Such control provides
2		BellSouth with the opportunity to abuse its monopoly bottleneck position.
3		Such opportunity combined with the strong incentive to BellSouth to protect its
4		local monopoly is a recipe for disaster.
5		
6		UNBUNDLED SWITCHING
7		(Checklist Item VI; Commission Issue No. 7)
8		
9	Q.	PLEASE PROVIDE A DESCRIPTION OF THE REQUIREMENT
10		THAT BELLSOUTH PROVIDE UNBUNDLED SWITCHING.
11	A .	The checklist requires that BellSouth provide local switching unbundled from
12		transport, local loop transmission, or other services.
13		
14	Q.	HAS BELLSOUTH MET THIS REQUIREMENT OF THE
15		CHECKLIST?
16	A.	No. I understand BellSouth concedes that it is not yet furnishing any substantial
17		CLEC with any switching functions or capabilities. BellSouth seems to assume
18		that CLECs are not purchasing unbundled switching because of different entry
19		strategies; but, in fact, unbundled switching simply has not been and is not now
20		available. BellSouth has provided little information on how MCI can actually
21		order switching elements, on the time frames for ordering, or on billing and
22		auditing. I understand that BellSouth witness Scheye finally conceded in a

proceeding in Louisiana that BellSouth is simply not providing unbundled switching, in spite of its promises to do so. In this area, BellSouth at one time referred to a document entitled "OLEC-to-BellSouth Ordering Guidelines (Facilities-based)" for information regarding ordering and delivery of unbundled switching. I'm not sure if this is still BellSouth's position. If so, BellSouth intends to control any changes and the implementation of these guidelines. Of course, leaving the provisioning in the hands of BellSouth creates great opportunity for it to provide favorable treatment to itself and thus disadvantageous treatment to MCI.

In addition to the terms being completely in control of BellSouth, the Guidelines are short on valuable details. Again, this is not surprising. This is a new area, and there are not even fully developed industry standards. Until standards are set, absent a body of actual experience with unbundled switching, contractual or other commitments to a regulatory body will mean little. Moreover, that actual experience is not likely to come until competition has developed to the point where CLECs unbundled switching requirements are defined by their customers' needs. It is just too early, in terms of both operational systems support and competitive development, for BellSouth to claim it has fully implemented unbundled switching.

1	A	CCESS TO CALL-RELATED DATABASES AND SIGNALING LINKS
2		(Checklist Item X; Commission Issue No. 11)
3		
4	Q.	PLEASE DESCRIBE THE CHECKLIST REQUIREMENT FOR
5		ACCESS TO CALL-RELATED DATABASES AND SIGNALING
6		LINKS.
7	A.	The Act requires that BellSouth provide nondiscriminatory access to databases
8		and associated signaling necessary for call routing and completion. Put simply,
9		as the FCC has found, access to BellSouth's Advanced Intelligent Network
10		(AIN) database and Service Creation Environment (SCE)/Service Management
11		System (SMS) is required by the checklist. 47 U.S.C. § 271(c)(2)(B)(x).
12		
13	Q.	HAS BELLSOUTH ADEQUATELY ADDRESSED THIS ISSUE?
14	A.	No. Again, this is not surprising. Many carriers have barely implemented these
15		features within their own networks, much less interconnected to others' AIN
16		networks. It is highly unlikely that a CLEC could get access to BellSouth's AIN
17		databases today, or create programs via their SCE/SMS.
18		
19		IMPLEMENTATION PROBLEMS
20		(Commission Issues 1, 2, 3, 8, 12, 13)
21		

1	Q.	DOES MCI HAVE ANY PRACTICAL EXPERIENCES WITH
2		BELLSOUTH WHICH DEMONSTRATE THE FACT THAT
3		THE LOCAL MARKETS IN FLORIDA ARE NOT OPEN TO
4		COMPETITION?
5	A.	Yes. Below, I briefly describe a few experiences which bring to light the
6		practical difficulties currently existing in BellSouth's markets. The Commission
7		must consider these experience in light of the sensitivity of customers in a new
8		market. If MCI local customers in Florida experience difficulties immediately
9		after switching from BellSouth, they likely will switch back to BellSouth and be
10		lost from the competitive markets for a long time. This will be true regardless
11		of the cause of the difficulties. Again, the incentive for BellSouth to
12		aggressively protect its now monopoly market is a strong one. That incentive,
13		combined with the many opportunities for abuse created by the terms and
14		conditions of BellSouth's promises and the proposed guidebooks which would
15		govern ordering and provisioning of local services, are a recipe for disaster.
16		
17		Dialing Problems (Commission Issue 13)
18	Q.	PLEASE DESCRIBE THE DIALING PROBLEMS ENCOUNTERED
19		WHEN MCI ATTEMPTED TO LAUNCH LOCAL SERVICE IN
20		ORLANDO.
21	A.	In Orlando, MCI attempted a launch of local service. The NXX's of MCI's
22		customers were not opened to the BellSouth network. Thus, MCI local

1		customers were unable to get through to BellSouth local customers. On
2		October 30, 1996, MCI informed BellSouth of the problems associated with the
3		MCI NXX's. The problem had left MCI's customers isolated - without the
4		ability to reach BellSouth customers. This isolation lasted until November 5,
5		1996.
6		
7 .	Q.	DID BELLSOUTH OR MCI CAUSE THE ORLANDO SITUATION?
8	A.	BellSouth caused the problem by failing to activate MCI's NXX codes. The
9		problem likely was caused by human error. It is not clear why the problem was
10		not corrected before six days passed.
11		
12		What is more important is that the Commission recognize that regardless of
13		who is at fault, in many areas, MCI and BellSouth are ploughing new ground.
14		In Orlando, BellSouth's Cliff Bowers apologized to MCI and stated that:
15		
16		The activation of codes is a new experience for
17		BellSouth. As is unfortunately too often the case with
18		the implementation of new procedures and processes,
19		especially in the complex area of code activations,
20		unanticipated problems may occur.
21		

The Orlando experience serves to illustrate the unreliability of the new systems and processes required to make local competition work. Of course, my concern is that as we work out the kinks, great damage may be done to the marketplace.

Particularly if problems occur with MCI customers as a result of the deliberate or inadvertent failures to implement interconnection terms by BellSouth, MCI will pay the price.

A.

Q. PLEASE EXPLAIN.

While I am not an expert in retail customer service, it is common sense that for MCI to compete with BellSouth, the transition of a customer from BellSouth to MCI must not include six days without local service. The Orlando situation is an experience that we hope BellSouth will address, but it serves as a valuable illustration of the difference between "paper" or theoretical terms for interconnection and the actual ability to provide competitive experience.

Α.

Q. HAS THERE BEEN ANY OTHER EXPERIENCES SIMILAR TO ORLANDO?

Yes. MCI customers in Atlanta, Georgia, were unable to call BellSouth customers for approximately two days. BellSouth incorrectly routed MCI customers to wrong numbers. Again, this likely was caused by simple human error. For example, MCI customers calling 404-377-XXXX were routed to 404-373-XXXX numbers. The problem was reported to BellSouth on

1		November 13, 1996 and was not corrected until November 13, 1996.
2		Apparently, BellSouth was routing MCI customer calls over a separate trunk
3		group designated for ALEC's rather than over the common trunks used to carr
4		BellSouth local traffic. This is a continuing and ongoing problem.
5		
6		As was the case in Orlando, BellSouth apologized for its mistake. Significantly
7		BellSouth stated that "[b]ecause the methods and procedures for dealing with
8		ALEC problems and issues are so new, and in many cases untested, there was
9		some confusion [as to which BellSouth division should analyze the problem].
10		
11		Ultimately, BellSouth concluded that several of the trunk groups were
12		built incorrectly.
13		
14		I inform the Commission of the Atlanta and Orlando experiences not to point
15		fingers at BellSouth or accuse them of ill-will. Rather, these experiences serve
16		as examples of the difference between the theoretical terms for competition and
17		provision of actual competition.
18		
19	Q.	Are you aware of any other dialing parity problems? (Commission Issues
20		No. 8 and 13)
21	A.	Yes, with regard to access to directory service listings for independent
22		telephone companies and other ALECs, BellSouth refuses to provide the

1		necessary data. Thus, an MCI local customer would need to be transferred by
2		MCI to BellSouth's directory assistance or to dial a special code to bypass MCI
3		and reach the BellSouth's directory assistance group to obtain the telephone
4		numbers of end users served by other ALECs or independent telephone
5		companies. This is hardly dialing parity and creates a situation where MCI's
6		local service is less attractive than BellSouth's.
7		
8		Interconnection Problems (Commission Issue 2)
9	Q.	PLEASE DESCRIBE THE INTERCONNECTION DIFFICULTY
10		WHICH CAME TO LIGHT AS A RESULT OF THE MEMPHIS
11		EXPERIENCE.
12	A.	Customers in the city of Memphis are served by two ILECs. West Memphis,
13		Arkansas is served by SBC and Memphis, Tennessee is served by BellSouth.
14		However, the entire city of Memphis is part of a single local calling area. In this
15		regard, Memphis is identical to a number of local calling areas in Florida.
16		
17	Q.	WHY DOES A DIVIDED LOCAL CALLING AREA CAUSE
18		PROBLEMS FOR LOCAL COMPETITION?
19	A.	In order to provide competitive local service, MCI will need to be able to
20		terminate traffic throughout a local calling area. Otherwise, MCI will be
1		offering a service of a much lesser quality than that offered by BellSouth.

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Q. HOW HAS BELLSOUTH USED THIS PROBLEM TO THWART

LOCAL COMPETITION?

A. In Memphis, MCI attempted to launch local service. However, MCI calls between BellSouth's Memphis service area and Southwestern Bell Telephone Company's ("SBC's") Memphis service area were blocked by BellSouth. This occurred despite the assurance on at least two occasions that BellSouth was ready to terminate MCI traffic in Memphis. BellSouth informed MCI that it would not pass MCI traffic to SBC until MCI and SBC had an interconnection agreement. BellSouth claimed this was at SBC's request, although there is no evidence that SBC has made such a request. Attached hereto as Exhibit 108 (JSG-1), is a copy of a letter from BellSouth which explains BellSouth's position and the difficulty created by this situation.

Q. WHY IS THIS REQUIREMENT ILLOGICAL?

A. Where MCI obtains a customer for local service in BellSouth's territory by utilizing the BellSouth network and that customer requires termination on SBC's network, MCI interconnection with SBC's network is not needed.

Rather, it is BellSouth's network that must be interconnected with the network of SBC. MCI believes BellSouth and SBC have an interconnection agreement.

MCI traffic carried on the BellSouth network can be terminated pursuant to the agreement between BellSouth and SBC.

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O	HAS RELLS	OUTH TAKEN	THE SAME	POSITION V	WITH
v.				LOSITION	** * * *

REGARD TO FLORIDA LOCAL CALLING AREAS WHICH

4 ARE SPLIT BETWEEN BELLSOUTH AND AN INDEPENDENT

5 LEC?

6 A. I do not know. I assume that BellSouth's positions are consistent throughout its service area.

Q. PLEASE STATE THE CRITICAL ISSUE BROUGHT TO LIGHT BY THE MEMPHIS SITUATION.

A. The issue this Commission must consider is: does BellSouth meet the checklist when MCI cannot terminate local traffic for its customers throughout all Florida local calling areas which are served at least in part by BellSouth. The clear answer to this question is "no". To allow BellSouth to offer customers service throughout a local calling area while MCI cannot provide a similar calling scope makes it impossible for MCI to compete for customers. Where local calling areas are split between BellSouth and another LEC, MCI's customers will be isolated - in some cases literally unable to call home from the office, not to mention unable to call local hospitals, schools and other important community locations.

Regardless of whether BellSouth or MCI is right about the Memphis situation,
it is a clear example where the implementation of the terms of interconnection
are more important than any representations on paper. Even if the terms of
interconnection in Memphis on paper complied with the provisions of the Act,
as a practical matter, there can be no effective competition in the local markets
in Memphis until this issue is resolved. As a result MCI's launch in Memphis
was delayed, postponing the day when effective competition can exist in
Memphis. MCI believes Florida will suffer from this same delay if BellSouth
continues its policy with regard to local calling areas which are split between
BellSouth and other LECs. This is but one example of the difficulties of
implementation of local competition.
Installation Delays (Commission Issues 2 and 3)
PLEASE PROVIDE ADDITIONAL EXAMPLES WHERE
IMPLEMENTATION PROBLEMS DEMONSTRATE THAT
SUBSTANTIAL TECHNICAL BARRIERS TO LOCAL COMPETITION
REMAIN IN PLACE?
One time of making acquire vibore Bell South commits to pravide a gardine has
One type of problem occurs where BellSouth commits to provide a service by a
certain date fails to meet that date. For example, MCI submits a request for
certain date fails to meet that date. For example, MCI submits a request for

Q.

A.

1		engineering facilities have been verified to be available to support MCI's
2		request.
3		
4		Many times BellSouth commits by way of a FOC, but later claims that it
5		discovered there are no physical cable facilities available to support the MCI
6		customer's location. As one would expect, MCI's customers strongly desire a
7		commitment from MCI to install service on a date certain. Based on
8		BellSouth's FOC, MCI commits to delivery of service.
9		
10		When BellSouth fails to deliver the access facilities on the committed date,
11		MCI fails to meet its customer commitments and forever damages MCI's
12		ability to compete. Recent examples include MCI commitments to two
13		Georgia customers. In both cases, BellSouth committed through a FOC to
14		delivery in late May, 1997 - one on May 21, 1997, and the other on May 22,
15		1997. In both cases, it took approximately two weeks after the FOC date
16		before BellSouth delivered. Keep in mind, the FOC date is not the date service
17		is ordered. It is the date BellSouth provided to MCI as its Firm Order
18		Commitment. This is a continuing and ongoing problem.
19		
20		Local Number Portability Delays (Commission Issue 12)
21	Q.	ARE THERE RECENT EXAMPLES OF DIFFERENT TYPES OF
22		PROBLEMS MCI HAS ENCOUNTERED?

1	A.	Yes. MCI has experienced numerous problems with the scheduling of Interim
2		Local Number Portability ("ILNP") cutovers. MCI must have the ability to
3		schedule and postpone ILNP conversions. However, BellSouth often will
4		ignore an MCI request for postponement and will make the ILNP conversion.
5		By doing so, BellSouth forwards the customer's working BellSouth number to
6		an MCI number that is not operational.
7		
8		The result is an MCI customer's service being out of order. This results despite
9		MCI's warning to BellSouth that the MCI line was not yet connected and that
10		the ILNP cutover should not be made. This is a continuing and ongoing
1		problem. In one recent case in Georgia, the customer was out of service for
12		five hours before BellSouth restored service.
13		
4	Q.	DO YOU HAVE EVEN MORE DIFFERENT TYPES OF PROBLEMS
.5		THAT YOU WOULD LIKE TO BRING TO THE COMMISSION?
6	A.	Yes. It is my understanding that BellSouth has a two-hour window in which to
7		complete a Remote Call Forwarding ("RCF") cutover. I do not intend to

to complete the cutover process.

debate the merits of this time allowance which is quite generous and may

represent a worst case scenario interval. However, it is noteworthy that a

cutover involves actual work of approximately 2 minutes per telephone number.

It has become routine for BellSouth to take every minute of the 2 hour window

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The significance of this time period cannot be understated. When MCI requests the RCF cutover, BellSouth "busy's out" the customer's number and places a "number has been disconnected" message on the line. They then take the full two hours to complete a two minute task. Recently, MCI requested an RCF cutover for Coloplast of Marietta, Georgia. As has become routine, the cutover was made right at or slightly over the 2 hour period. The customer was greatly inconvenienced by the long duration of time the "number has been disconnected" message was on the line and blamed MCI. As usual BellSouth simply responded by telling MCI that the work was finished within the 2 hour period. Using the maximum periods allowable to gain a competitive advantage seems to be a BellSouth strategy. Of course, doing so at a time when the law would seem to create an incentive for BellSouth to take extraordinary efforts to facilitate local competition does not bode well for BellSouth's performance if that legal and regulatory incentive is removed.

A.

Q. WHAT SHOULD THE COMMISSION DO TO PREVENT THESE PROBLEMS IN THE FUTURE?

MCI's concerns with implementation which are outlined in my testimony call for the Commission to proceed deliberately and not rush to claim the local markets in Florida are open. The problems described will be much less likely to occur once solid standardized ordering and provisioning systems are in place. It

l		is true that such systems will take time to develop, regardless of whether
2		BellSouth has a strong incentive to facilitate their development. It is clear that
3		development of reliable systems will be greatly facilitated if BellSouth's
4		strongest incentive - potential interLATA authority - remains in place. Without
5		the "carrot" of potential interLATA authority, the outlook is not good for the
6		speedy development of reliable systems to implement the components necessary
7		to open BellSouth's Florida markets.
8		
9	Q.	DOES THIS CONCLUDE YOUR TESTIMONY?
0	A,	Yes, at this time.
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Mr. Gulino, did you have one exhibit to that Q testimony identified as JSG-1?

Yes, I did. Α

Do you have any changes you would like to make to that exhibit?

Α No changes.

MR. BOND: Chairman Johnson, I would ask that this exhibit be marked for identification, I believe the next number is Exhibit 108.

CHAIRMAN JOHNSON: It will be marked as 108. 10 11

BY MR. BOND:

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Mr. Gulino, could you please summarize your 0 testimony?

The purpose of my testimony is to review Α and update network related issues from a technical perspective. Let me begin by saying that I'm very skeptical about any claim that says a contractual obligation in and of itself can mean that all elements can be successfully implemented. The Commission should consider the success or lack thereof of actual implementation and the limited experience in delivery of maintenance of local services.

Concepts such as collocation are new. Although processes are in place to order a collocation, there is no practical experience to fall back on to demonstrate that

collocations can be successfully implemented. In the case of Florida, MCI has ordered four physical collocations. At last update, none were yet implemented and only one had been issued a permit to commence the actual build-out of physical collocation cage.

As written in our interconnection agreement,
BellSouth has 90 days from the time we submit a firm order
for collocation to provide the completed space. MCI
ordered these four collocations in April of 1997. More
than four months have passed, and we are still waiting for
the activation of our first collocation.

Until these collocations are implemented and operational, it would not be possible to assess whether the mounds of paper printed on collocation really work in day-to-day operations. As director of operations for MCI, part of my responsibilities include service delivery and service assurance for customers -- local customers in both Florida and in Tennessee. I am positioned to speak to issues concerning the installation and maintenance of local services.

Since inception of local services in Florida, MCI has experienced problems. In particular, we have experienced translation problems that result from BellSouth not properly loading MCI NXX codes in BellSouth's central office switches. These problems have been so bad that I

have used all of my field technicians in a statewide effort to manually test for call completion problems. If MCI's NXX codes are not loaded in BellSouth's switches, then there is no path available to reach the MCI local switch, and BellSouth customers who place calls to MCI customers simply cannot complete their calls.

Other issues such as interim local number portability cutovers, missed firm order commitment dates and maintenance issues still continue to be problems as well. Just last Thursday, one of MCI's local customers, a food store, was without service for seven hours resulting in the inability to use their card swipe machines. Other examples of problems include premature disconnective services and cutovers not conducted at agreed-upon time schedules. These problems cause our customers to look negatively towards MCI's ability to provide local services.

Since I have responsibility for both local and long distance at MCI, I can tell you that there is definitely a difference in our customers tolerance level when it comes to local and long distance. While the customers on the long distance side of our business are more tolerant of a one-hour outage, this is totally unacceptable to a customer who has lost the ability to make or receive local calls.

While one day competition will thrive in the 1 local arena in Florida and throughout the country, 2 benefitting customers with lower cost and the freedom of 3 choice, that day has not yet arrived. BellSouth's request 4 5 to gain entry in the long distance market is simply premature at this time. That concludes my summary. MR. BOND: MCI tenders the witness for cross 7 examination. 8 CHAIRMAN JOHNSON: Any questions from any of the 9 other parties? 10 11 (No response) CHAIRMAN JOHNSON: BellSouth. 12 MR. CARVER: Thank you, Chairman Johnson. 13 CROSS EXAMINATION 14 BY MR. CARVER: 15 Mr. Gulino, let me -- I hate to ask you to do 16 17 this right off the bat, but could you give your change one more time because it surprised me a little bit, and I want 18 to make sure I understood what you were saying. 19 I'm sorry, I didn't hear your question. 20 Α The change that you made in your testimony? 21 Oh, sure. The changes were on my direct 22 Α testimony, page 24, line 22, the end of that sentence, 23

reads "once such trunks," that should be deleted.

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25

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Okay.

A And on page 25, lines 1, 2 and 3 delete, and line 4, delete that line at the end of the word "feasible."

- Q And what's the reason you are making this change?
- A At the time of my testimony, I had indicated that it may not be technically feasible, and since hearing from Mr. Milner's testimony he indicates that it is technically feasible now.
- Q Okay. So it's your understanding that he said that when he testified from the stand last week?
- A I'm not sure that I heard that last week. I think I read it in his rebuttal.
- Q Okay. Do you have any personal knowledge about this one way or the other as to whether or not it's technically feasible?
- A I believe the knowledge I got is from what I have read, and all along I think that -- Since my testimony, I've talked to some of our people at MCI, and there was no reason why it should not be technically feasible to put different types of trunks or services over common trunks.
- Q Okay. We'll get back to that. Let me start in a different area though. I want to ask just a little bit about what MCI is currently doing in Florida in terms of providing service to customers and also a little bit about what you're buying from BellSouth. To begin with the former, is MCI currently providing local service to any

1 customers in Florida?

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- A Yes, we are.
 - O These would be business customers?
 - A Yes, business customers.
 - Q Are you serving any residential customers?
- A Well, the only residential customers we serve are our own employees at this point.
- Q So how many residential customers are you serving?
- A I think a total of 70 from a resold point of view, resell services and one who has ordered an unbundled loop.
- Q If someone who wasn't an MCI employee called up and asked to buy local service from you on a resale basis, would you sell that service to them?
- A I'm not in that -- I'm not in sales. I think that my limited experience with resale and some of the problems we may have witnessed from it, I would be hesitant at this point.
- Q Do you know if from a marketing perspective if MCI is making that service available to customers though?
 - A Not at this time.
- Q Okay. So the 70 customers that you've told us about on a resale basis, that would essentially be a trial?
- 25 A I consider that a trial, yes.

Does MCI currently have plans to serve Q residential customers in Florida? 2 Again, I don't know the answer to that as far as the timing of when. Ultimately I think the answer is a 4 definite yes. As to when, I can't speak to. 5 Okay. And when MCI does begin to serve customers 7 in the residential market at some point in the future, do you know how they will be served? In other words, will it be resale? Will it be facilities based? 9 10 I think that the way we would serve them is 11 through our collocations. Okay. So then you are doing a trial of resale 12 13 but you don't plan to serve customers on a broad basis 14 through resale? I didn't say that. I don't know what the plans 15 16 specifically are. I'm sure it will be a combination of both. 17 Okay. So as far as you know, it will be a 18 19 combination of resale and facilities-based service? Yes, sir. 20 Α Okay. But would it be fair to say that you 21 really don't know any of the specifics of MCI's marketing 22 23 plans? That would be very fair. Α 24 Okay. Now the interconnection arrangements that 25 0

MCI has with BellSouth are being utilized to serve business 1 2 customers, correct? Α Yes. 3 0 How many switches does MCI have in Florida that 4 5 are currently used to serve these business customers? Α Local switches in Florida, we have two that are 6 active today. 7 8 Q And where are they? One is in Miami and the other is in Orlando. Α 9 And you have two other switches that are 10 currently being installed; is that correct? 11 That is correct. Α 12 And where are they? 13 0 One is in Tampa, and the other one would be in 14 Α Ft. Lauderdale. 15 Do you know when those will be turned up to begin 16 0 to provide service to local customers? 17 Both are expected to be turned up before the end 18 19 of this year. As to the two switches that are currently 20 operational, do you know how many business customers in 21 total are being served by MCI in the local market? 22 Α I don't have a number to give you, sorry. 23 Does MCI have plans to serve customers in any 24

area of the State of Florida other than the four that

you've just told me about?

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- A Ultimately our plans would be to be throughout the state, but at this point these are the only firm dates I have in terms of physically having switches on location and being worked on for activation.
- Q Are any of the customers that you are serving in Florida now, any of the business customers, being served exclusively through MCI's facilities?
 - A In some cases, yes.
- Q Okay. So in those cases you are providing the switch, the loop, everything else, there is no collocation, and you are not using BellSouth's facilities in any way?
 - A That's correct.
 - Q Okay. And where are those customers located?
- A Well, they are either in Orlando or they're in -They are both a combination of Orlando and Miami.
- Q Would it be fair to say that up until this point that on balance MCI's experience to date serving local customers in Florida has been fairly limited?
- A Excuse me, you said our experience be fairly limited?
- Q To date. Would you say that the experience
 you've had serving customers to date in Florida is fairly
 limited?
- 25 A I don't consider it that way. I deal with local

1 issues day in and day out. I think that we have been very 2 active, so I don't consider it limited at all.

- Q Okay. But again, you don't really know how many customers you are serving in the business market, and you are not serving any in the residential, correct?
- A That's correct, except for that -- you know, my job is usually when I hear about problems, it's not usually when I hear about how many new ones we have installed today.
- Q Now the interconnection that you have with BellSouth, this is by way of dedicated facilities between MCI and BellSouth; is that correct?
- A Yes.

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- Q And you are using these facilities to transport and terminate local traffic between the MCI network and the BellSouth network; is that correct?
- 17 A That's correct.
 - Q So this interconnection is direct? In other words, it's switch to switch?
- 20 A It is switch to switch.
 - Q And you connect at BellSouth's end offices; isn't that correct?
- 23 A In a lot of cases to the end office, and in some 24 cases access from the access tandem at BellSouth.
- Q Okay. With the end office connection, were you

involved in any instances in making that come about through negotiations or otherwise?

A None at all.

- Q Okay. Do you have any knowledge as to whether MCI has had any problems arranging to interconnect at BellSouth's end offices?
 - A I have no first-hand knowledge of any problem.
 - Q Okay. So you're not aware of any problems?
 - A I'm not aware of any problems, no.
- Q And currently, I don't believe, correct me if I'm wrong, but I don't believe you are experiencing any problems with the sizing of interconnection trunks; is that correct?
 - A At this particular point in time, I haven't heard of any recent problems. Now there were some several weeks and months ago, but I haven't heard any as recently as this week or last week.
 - Q And in those instances when you were having problems, you added additional trunks, and the problem was remedied, correct?
 - A That will always fix the problem, if you have capacity problems, to add trunks, yes.
- Q Okay. And in these specific instances, that is what occurred, right?
- 25 A That occurred.

- Q Thank you. Let me ask you if you know, does the MCI/BellSouth interconnection agreement address each of the 14 checklist items?
 - A I would assume they do.

- Q Well, then let me ask you this, if BellSouth complied fully with that agreement, and by fully, I mean to MCI's complete satisfaction, would BellSouth be compliant with all 14 of the checklist items in your opinion?
- A I don't, I can't speak to all the checklist items. I don't have that much familiarity with all of them or each and every one of them. If you asked if, you know, if were we satisfied with each and every element, each and every checklist item, we probably wouldn't be here today. So, you know, the answer is if they showed and implemented all of the ingredients of that checklist, I guess we would be somewhat satisfied.
- Q Okay. So in your opinion, if BellSouth complied fully with the agreement, BellSouth would be checklist compliant?
- A Again, I really can't say with any certainty because I'm not sure of all of the -- what the interconnection agreement says in its entirety.
 - Q So you really don't know?
- A I would say I really don't know at this point.
- Q Okay. Now to get back to the

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multi-jurisdictional trunk issue for a moment, your
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    understanding again, and I just want to make sure that I'm
    clear on this, that Mr. Milner said it's technically
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    feasible?
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         Α
              Yes, he did.
              And when did he say that, in his rebuttal
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         Q
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    testimony?
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         Α
              I believe I read it in the rebuttal testimony,
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    yes.
              Okay. And do you have his rebuttal testimony
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         Q
    with you?
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         Α
              Let me just check here if I can for a second.
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              (Witness reviewed documents)
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              I believe, although I can't reference a document,
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    but I do have a page 211 from what I believe to be
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    Mr. Milner's rebuttal, and he says technically it's
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   possible.
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              I'm sorry, this is page 11?
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              If it's correct, if this is his rebuttal, it's
    page 211, and it would be line --
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              I'm sorry, Mr. Gulino, the testimony that I have
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         Q
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    for Mr. Milner ends at page 39.
              I think I'm looking at his rebuttal, but --
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    Then I don't have a copy of it, I'm sorry. You'll have to
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show me something that he --

COMMISSIONER CLARK: It could be his deposition.

A It could be. I don't know. This is just an excerpt from it.

- Q Okay. Well, I'm curious, so could you just read me whatever it is that you have? Because I would like to know if he said that at some point.
- A There was a question asked, "What is your understanding of the technical feasibility of mixing interLATA, intraLATA and local traffic on the same trunk group?"

The answer was, "I don't know that there is a technical limitation, despite the fact that Mr. Gulino admits that there is one." And then he goes on to say that -- the question is, "Let me ask this, is BellSouth willing to allow multi-jurisdictional traffic to be placed on a single trunk group?"

And Mr. Milner's response was, "I don't know the answer to whether or not we would. I can't speak to the technical capabilities. Technically it's possible." So that's where I got my response from.

- Q Okay. Now I believe you say in your testimony, don't you, that the MCI agreement does not contemplate the use of multi-jurisdictional trunks; is that correct?
- 24 A I believe I say that, yes.
 - Q Okay. Now if MCI wanted to use trunks in this

way, then it certainly could have negotiated that in the agreement, could it not have?

A I suppose I wasn't -- you know, again, I wasn't part of that agreement. I think in the agreement though it does state that BellSouth and MCI will go off and look at that possibility, and again, I'm not an engineer so, you know, from what point of view our engineers would take this, why we would want multi-jurisdictional trunks carrying several different traffic, you know, is an engineering question; but similar to some testimony I heard earlier today, any opportunities we got to engineer our service the way we see fit should be left to the CLEC.

- Q Okay. But again, just so we are clear on this, it's not a requirement of the MCI/BST interconnection agreement, is it?
 - A It depends on how you interpret it. I --
- Q Mr. Gulino, could I have a yes or no to that before you explain?
 - A No.

- Q Okay. Is there an explanation you want to make? I didn't mean to cut you off. I just wanted the record to be clear.
- A The explanation is that by virtue of it being written in the agreement, that there would be discussions on multi-jurisdictional trunks. To me that leaves it open

ended and the possibility exists for us to either choose to do so or not do so or work together with BellSouth to come up with an agreeable solution.

- Q So basically your position is that there was an agreement to talk about it but there was not a binding agreement to provide it by BellSouth; would that be fair?
 - A Yeah, I would say that's fair.

- Q Okay. One thing I would ask about in your testimony is the situation that occurred in West Memphis, and just to save time, if I may, let me try to paraphrase that and tell me if you think my statement of it is fair. As I understand it, this was a situation in which traffic originated, MCI traffic originated in BellSouth's territory and it would have been terminated in the territory of Southwestern Bell. I believe it originated in Memphis, Tennessee and it would have been terminated in West Memphis, Arkansas and BellSouth declined to terminate that MCI traffic there, and the reason BellSouth gave was that there was no interconnection agreement between Southwestern and MCI; is that accurate?
 - A That is accurate.
- Q Okay. And in regard to that situation, you have attached to your testimony an exhibit which I believe was initially identified as JSG-1 which was a letter; is that correct?

A That is correct.

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- Q And is that letter the only exhibit that you have to your testimony regarding the situation?
 - A That's the only exhibit, yes.
- Q Okay. Let me bring to you a letter that I want you to take a look at, and Ms. White will also hand out some copies while I'm doing that.

(Document tendered to the witness)

- Q Mr. Gulino, have you seen this letter before?
- 10 A No, I have not.
- Q Okay. Have you testified on this issue in other states?
- 13 A No.
 - Q Okay. And in other states, Mr. Martinez has testified on this issue, in the 271 proceedings in other states; is that correct?
 - A I'm not certain of that. It's possible.
 - Q Okay. Well, would it surprise you if I told you that this letter was attached to Mr. Martinez's testimony in the Kentucky 271 proceeding on this issue?
 - A I don't know if I would be surprised or not. If you say it was attached, I guess it was.
 - Q Okay. Let me ask you to look at the second paragraph. It says, "BellSouth confirmed yesterday with Marvin Thomason of Southwestern Bell that his company, in

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fact, will require an interconnection agreement with MCIm
    before terminating traffic in West Memphis as you request."
    Now do you have any reason to believe that statement is not
    true?
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              Could I just reread it please? Because this is
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    kind of --
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              It's the second paragraph. It's a little hard to
    read.
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         Α
              Yeah, it is pretty hard to read. I couldn't make
    it out.
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              It begins, "BellSouth confirmed yesterday."
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   you see where I am?
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         Α
              Yes, I do.
              Okay. Take your time and read through it, if
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    you'd like.
              (Witness reviewed document)
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              Have you had a chance to read it?
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              Yes, sir. And the question was?
              Yeah, my question is, do you have any reason to
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    believe that this statement is not true?
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              I have no reason to believe it's not true.
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              Okay. So let me make sure I understand your
    position on this issue. We have a situation -- assuming
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    that this letter is accurate and true -- where another
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    local carrier has refused to accept the MCI traffic, the
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termination of it because there is no interconnection agreement. Is it your position that in this situation BellSouth should nevertheless attempt to terminate it on the other carrier's network over their objections and against their will?

A Yes, because, first, I don't think it was against their will or over their objections. BellSouth chose not to send that traffic to Southwest Bell. Southwest Bell did not indicate that they wouldn't accept traffic. It wasn't sent to them for it to be denied. BellSouth chose to block those calls because their network is set up such that they could send local calls between West Memphis, Arkansas and Memphis, Tennessee.

Q Well, the letter that -- or the line that we just read didn't it, in fact, state that Mr. Thomason of Southwestern Bell stated that Southwestern would require an interconnection agreement with MCI before terminating traffic in West Memphis? I mean you agreed that that's what it said and you --

A I agree that that's what it said.

Q And you said that you had no reason to think that wasn't true, didn't you?

A That that's saying they need an agreement. That doesn't suggest that if you sent traffic to them that they would not have accepted it.

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So it's your position that no matter what they
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    tell us, we should have gone ahead and sent it anyway to
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    see what happened?
              Absolutely that would be my position.
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              Okay.
              MR. CARVER: Madam chairman, could I have this
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   marked as the next exhibit, please?
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              CHAIRMAN JOHNSON: I'll mark it as 109. And a
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    short --
              MR. CARVER: Let's say letter dated February 5,
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    1997 as a short title.
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              CHAIRMAN JOHNSON: Okay. From, that was only --
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              MR. CARVER: Well, actually it's from Mark
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   Fiedler to Marcell Henry.
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              CHAIRMAN JOHNSON: How do you spell that last
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          I just can't read it very well either.
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              MR. CARVER: Yeah, I can't read it very well
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    either. I'm told that F-i-e-d-l-e-r is the Fiedler.
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              CHAIRMAN JOHNSON: Okay.
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              MR. CARVER: Okay. And the recipient --
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              CHAIRMAN JOHNSON: It will be so marked.
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              MR. CARVER: I'm sorry.
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              CHAIRMAN JOHNSON: I'll mark it, mark the letter
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    from Fiedler.
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    BY MR. CARVER:
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Q Now Mr. Gulino, have you read Mr. Milner's rebuttal testimony on this point?

A I'm sure I read it. I can't recollect all of the ingredients of it though.

Q Okay. And let me read to you an excerpt from it because I'm going to ask you an opinion here in a second. This is on page 18 of his rebuttal testimony, lines 14 through 18. "On the afternoon of March 19, 1997, SWBT, notified BellSouth that the interconnection agreement with MCI was in place to support their terminating MCI's traffic. BellSouth began terminating MCI traffic to West Memphis, Arkansas later that same day." Now do you have any reason to believe that statement is not true?

A No, I believe that statement was true.

Q Thank you. And I believe you also say in your testimony that in any event this situation has not occurred in Florida; is that correct?

A No cases in Florida that I know of, correct.

Q Let's talk about collocation specifically a little bit, please. I think you told me earlier that you didn't know whether compliance with MCI agreements would constitute checklist compliance for BellSouth, but let me ask you the same question with regard to collocation specifically. If BellSouth complied fully with the requirements, or the collocation requirements of the

interconnection agreement between MCI and BST, in your opinion would BellSouth be compliant with Checklist Item Number 1?

- A I believe so, yes.
- Q Okay. The first thing about collocation I would like to talk to you about are the power requirements for collocating equipment, and you state on page 14, lines 1 through 3 the following: "It appears that BellSouth will require a new power lead for each collocation bay thus allowing BST to retain control of the speed with which MCI can augment its capacity." Now this is your testimony?
 - A Yes, sir.

1.8

- Q Now have you reviewed Mr. Milner's rebuttal testimony on this point?
- A I have. I'm not sure that I agree or understand it in its entirety, but I have.
- Q Okay. Now he states -- well, if you have read it, let me ask you this. Would you agree that he states that the bottom line is that MCI is not prohibited from providing power distribution feeds into its collocation space as long as MCI complies with the standards outlined by BellSouth which are addressed in his testimony? Is that, based on your reading of his testimony, is that a fair representation of what he says?
 - A That's a fair representation of what he says.

It's just it's not understood if that means there will be additional power feeds or additional power ample to support additional equipment when and if MCI needs to install additional equipment.

- Q Well, let me ask you first of all, do you take issue with the standards that he outlines in his testimony?
- A I'm vaguely familiar with them to be honest, so --
- Q So there is no specific objection to them that you can note?
 - A None subject to check I would assume.
- Q Okay. Well, then let me ask you this, again on page 13, lines 4 through 8, Mr. Milner describes some options regarding power configurations, and he says specifically that MCI can do one of two things, and I'll just quote it to you from his testimony.
 - A Okay.

- Q "One, provide the PDFs, or two, provide one PDF for isolated ground equipment and obtain power distribution for the transmission equipment for BellSouth BDFB," which is battery distribution fuse bay. Now do you take issue with either of these possibilities?
- A The issue I have with that -- I guess the answer is yes, I do have an issue with that. If it's only for the equipment that we are putting in a collocation cage, then

all we have is ample power to support the equipment that we are put putting in. What concerns me is when we have to augment our equipment and then we have to wait for additional power feeds, and just having a PDF does not indicate a power feed. It could very well need a breaker at that point. Who supplies that breaker I believe would be BellSouth.

Q So you're saying having a power distribution feed doesn't mean that you have power?

A No. If you have a feeder for power, you definitely have it. What I believe he is saying in his testimony is that they will provide for each piece of equipment we have in the collocation cage a power feed. He does not speak to additional requirements, future requirements where they may bring in additional power where it just sits and waits for our next augment of equipment. It may be a clarification thing, but that's the way I understand it.

Q Let me ask you, Mr. Gulino, do you recall giving your deposition in this case on August 11th, 1997?

A I do.

Q Let me read to you a question and an answer and have you tell me please if this is your testimony, and it appears on page 18. It's a question from Mr. Pellegrini beginning on line 3, ending on line 7. "Question, on page

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1 13 at lines 4 through 8, Mr. Milner describes or identifies
2 some power configuration options, I believe. Do you take
3 issue with what he says there?"
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Your answer: "I can't see any issues that come to mind. I'm not really too familiar."

Is that the way that you testified a little less than a month ago?

- A Can you recite the page again please?
- Q Yes, page 18, lines 3 through 7.
 - A 3 through 7. I did say that.
- Q Now let me ask you, are you aware that the collocation section of the MCI/BST interconnection agreement contains specific requirements regarding BellSouth's provision of power to MCI collocated equipment?
- A I haven't seen it, but if you say it's there, yes.
- Q Are you familiar with the agreement?
 - A Parts of it.

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- Q Well, if you haven't seen it, would it be fair to say that you don't know whether what Mr. Milner has proposed is consistent with the provisions of that agreement?
- 23 A I couldn't say.
- Q And just to be sure, you're not aware of any of the sections in that agreement that, of the collocation

portion of the agreement that deal with power requirements? You're not familiar with those at all?

- A I've read, you know, on the subject of collocation, but I didn't -- I wasn't involved with the interconnection agreement and the arbitrating of it, so I do not know.
- Q Now in your testimony, you also express concern that, in your words, and I'm quoting from page 15, lines 13 through 15, "BellSouth will be the sole determiner of the terms and conditions upon which they will allow physical collocation." Is that correct?
 - A That is in my testimony or deposition?
- Q Yes, sir, I'm sorry. Again, that is your direct testimony, page 15, lines 13 through 15. Would you like for me to read it a again?
- A Page 15, I don't have the same lines, so I don't know if I have a different copy of it. Yeah, would you please repeat it?
- Q Yeah, actually what I've read is an excerpt from the question that begins on line 12 and goes into 13, and the entire question is, "Should the Commission be concerned that BellSouth will be the sole determiner of the terms and conditions upon which they will allow physical collocation?" Do you see that?
 - A Yes, I do.

- So your question, you would agree, assumes the 0 1 statement that I made, that BellSouth will be the sole 2 determiner of the terms and conditions, et cetera? 3 Your question again? 4 Okay. What I've done here is I took a question 5 0 6 that has an assumption in it, and I'm asking you if that is a fair statement of your position, that BellSouth will be 7 the sole determiner of the terms and conditions upon which 8 they will allow physical collocation. 9
- 10 A I think that's an accurate statement, yes.
 - Q Okay. Would you agree that physical collocation cannot be provided if there is no floor space available in the particular central office?
 - A Right. I understand that.
 - Q Now wouldn't you agree that BellSouth is in the best position to determine if the physical floor space exists to accommodate physical collocation?
 - A They should be, yes.

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- Q And along those same lines, do you know whether the BellSouth/MCI agreement addresses circumstances in which BellSouth may refuse to provide physical collocation?
- A I know there are environmental issues that may, asbestos (phonetics) and things like that that might cause it to be rejected.
- Q But you don't know whether the specific standards

relating to floor space --

A No, and floor space as well. You can't put something in without space.

- Q Okay. So again, that's something that is specifically addressed by the agreement?
- A I don't know specifically. If you tell me it's in the agreement, then I suppose it's covered.
- Q So then you wouldn't know whether BellSouth refusing to provide floor space because it's not available is consistent with its rights under the agreement, you wouldn't know that either, would you?
- A Not having read it. I mean it sounds to be consistent with it from the point of view that if there is no space, you can't put a physical collocation cage in.
- Q Now again, a different collocation issue. As to the escort situation, and the situation I'm referring to are the instances you talk about in your testimony when an escort would be required for MCI personnel into BellSouth central office. Would it be fair to say that MCI currently has no experience with the escort requirement?
- A We have no collocation, so we have no experience with escorts of collocations.
- Q Well, or more accurately, you have virtual collocation but not physical, would that be correct?
 - A Say it again, please.

Q I said to put it a little more accurately, you have virtual collocation arrangements but not physical collocation arrangements currently, correct?

A Correct.

Q Now in his rebuttal testimony, Mr. Milner states the following on behalf of BellSouth, and this is page 15, lines 12, he says, "Security escorts are available to BellSouth 24 hours a day, seven days a week. The procedure is the same regardless of the time of day or the day of the week." Now do you have any reason to believe his statement is not true?

A I think -- I won't say it's not true. I think that it stretches the capabilities of what BellSouth can do as far as escorts are concerned. And I'll explain. Being in, you know, mostly dealing with BellSouth in the long distance side, often when there is problems outside of the normal business hours, the wee hours of the morning perhaps or on weekends, it is the most difficult thing to do to try to get a technician or a person out to their own central offices that are not covered by any manpower. So if the same rule of thumb is applied to an escort getting dispatched or called at home and asked to go to collocation such and such for MCI, they need access, I think they'll meet with the same difficulty in getting someone dispatched.

Q But you have no information, do you, one way or the other as to whether BellSouth has made arrangements so that escorts will be provided as Mr. Milner states? In other words, you are just analogizing from a different experience, correct?

A That's correct.

Q Now Mr. Milner also states in his testimony, and this is on page 15 also, that security escorts will be required only when a BellSouth central office has not or cannot be reconfigured to provide a separate entrance for collocated carriers. Do you have any reason to believe that this isn't true?

A I don't know what access they are providing for that, that are currently in progress, but in fact, if there is a separate entrance, then we would be allowed unescorted access.

Q Okay. Assuming that Mr. Milner's statements are true, assuming that MCI would be required to have an escort only when crossing restricted areas of BellSouth's central office and that the escort would be available 24 hours a day, with those two provisos, would BellSouth's policy be reasonable in your opinion?

A As long as I could get an escort when I have my technician there and not have to wait several hours perhaps until they hunt one down. If he is there when I'm there, I

could do what I need to do to repair a problem.

- Q And let me ask you a question similar to the one I've asked you before, do you know if the collocation section of the agreement between BellSouth and MCI deals with this issue?
 - A In our agreement?
- Q Yes.

- A I don't believe it does.
- Q You don't believe it does? Okay, let me bring you a document. I'm going to ask you to take a look at it.

(Document tendered to the witness)

- Q Mr. Gulino, I have the entire agreement here we can look at it if we need to, but let me ask you, if I represent to you that this page is from attachment five, section 2 of the BellSouth/MCI interconnection agreement, will you accept that?
 - A Yes, sir, I would.
- Q Okay. I would like for you to look halfway down the page, and there's -- actually it's probably a typo because it looks like there are two Section 2.3s, but the second one, which is the third paragraph down, do you see that, that begins with the words "A security escort?"
- 24 A Yes.
- 25 Q Now would you read that first sentence, please?

A "A security escort may be required for access to BellSouth premises or MCImetro space in some locations for non-BellSouth personnel.

Q So the agreement not only addresses it, but the agreement actually authorizes the escort provision that BellSouth has, correct?

A Correct.

Q Thank you.

MR. CARVER: I have no further questions.

CHAIRMAN JOHNSON: Okay. Staff.

MR. PELLEGRINI: Chairman Johnson, I have two exhibits to be marked at this time for identification purposes. The first is JSG-2 consisting of Mr. Gulino's August 11, 1997 deposition transcript together with Late-filed Deposition Exhibits Numbers 1 through 4 and Deposition Exhibit Number 5.

CHAIRMAN JOHNSON: It will be marked 110.

MR. PELLEGRINI: 110, yes. The second is identified as JSG-3 consisting of, first, responses to staff's first set of interrogatories, items 1 through 22; second, responses to staff's second set of interrogatories, items 23 through 43; and third, responses to staff's third set of interrogatories, items 44 through 109.

CHAIRMAN JOHNSON: That will be marked as Composite Exhibit 111.

MR. PELLEGRINI: Thank you. 1 2 CROSS EXAMINATION 3 BY MR. PELLIGRINI: Good afternoon, Mr. Gulino. 4 Good afternoon, Mr. Pellegrini. 5 Α My name is Charlie Pellegrini on behalf of 6 7 Commission staff. 8 Mr. Gulino, in your deposition, as I recall, you identified or you mentioned that MCI had made four 9 requests, four collocation requests to BellSouth; is that 10 11 correct? 12 Α That is correct, sir. Have there been any additional requests since 13 0 that time? 14 I'm not exactly sure. I think there might have 15 Α been one, one additional request for collocation. 16 Would you know where that was? 17 Q 18 I'm assuming the Ft. Lauderdale area since we are 19 very close to putting our own switch there. I'm sorry, I didn't --20 0 The Ft. Lauderdale area. 21 22 0 Yes. Do you know whether these requests were for 23 physical or virtual collocation? They all started as virtual back some time ago, 24 25 but they are all physical collocation requests today.

Q Including the one additional, the one in Ft. Lauderdale?

A I'm assuming that fifth, or there is a fifth; and if it were a request, then it would be for physical as well.

- Q Again, at your deposition you stated that, at that time at least, only one collocation permit had been issued by BellSouth. Do you recall that?
 - A Yes, I do.

- Q What in the first place are we talking about in terms of permits? Are these permits to be issued by local governments?
- A Yes, I believe so. The local city for BellSouth. I mean for BellSouth to go and get a permit allowing them to do construction work on their premises.
- Q All right. Is it still the case to date that there has only been one such permit issued?
- A At my last update, that is what I was told. My last request to get updated on that subject, the answer was still, yes, just one permit exists.
 - Q And when did you make that inquiry?
 - A As early as last week.
- Q Last week? The issuance of a permit does not mean that a collocation arrangement has been implemented, does it?

A Not at all. That's just the first step, actually.

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Q All right. And is it a fact that BellSouth cannot set up a collocation arrangement without the issuance of a permit? I mean is a permit a necessary first step?

A I believe it is. I don't know of any circumstances that they could do construction in their own site without one, but there may be some ways, but none that I'm aware. It seems like the permit is the correct procedure to follow before you do work in your facility.

Q Well, then tell me, assuming that -- well, we don't have to make that assumption, after the issuance of a permit, tell me what remains to be done before collocation becomes commercially functional.

A Well, I may not have all of the details of what has to be done, but obviously this cage that they have to put around a perimeter where we are going to house our equipment has to be constructed, all of the environmentals, whether they're, you know, ceiling, lighting, air conditioning, if there is not ample air conditioning, I guess would have to be augmented; and then once that physical cage is built and all those ingredients, including power are there, then we could send our own people in to lay the equipment in and bolt it down to the floor and

1 start to activate it.

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- Q At what site has the one collocation permit been issued?
- A I'd be guessing, quite frankly, if I -- I thought it was in Orlando, but I don't have those details.
- Q But then would you know if work has -- would you know then to what degree the work has progressed since the issuance of the permit?
- A No, I didn't check that status before I came. I probably should have, but I know that -- well, I can't say for certain.
- Q All right. Do you know when each of these collocation requests were made?
 - A I could tell you that all four collocation requests were in a firm order to BellSouth in April of '97.
- 16 Q And the fifth one?
- A Again, don't keep quoting me on the possibility.

 There may not be a fifth one.
- 19 Q All right.
- 20 A But if it was, it was recent.
- Q All right. Your answer was that the four that
 you are certain of were --
- 23 A April of '97.
- Q April of '97. Do you know whether provisioning periods for collocation are specified in your agreement

with BellSouth, in MCI's agreement with BellSouth?

A I'm sorry?

Q Are provisioning periods for collocation specified in the arbitrated agreement with --

A Yeah, I checked on it, and I believe it says in the interconnection agreement that it's a 90-day interval from the time we place a firm order.

- Q Then would you have knowledge then whether or not BellSouth is or is not meeting that provisioning period?
- A Well, four months have passed since April, and if we had a 90-day agreement, they have missed it at least by a month at this point.
- Q Under those circumstances, what steps has BellSouth -- what steps has MCI taken to determine what the problems might be in the apparent delays?
- A I'm sure through our provisioning group, the people that do the ordering of the collos., they have a better -- it's probably discussions on a regular basis on status and what the holdups are. I'm sure BellSouth may be communicating that to us as well.
- Q You have not been personally involved in these contacts with BellSouth?
 - A No.
- Q Do you know whether or not revised and current completion schedules are in place for these four

collocations?

A I seem to remember something along the lines of September 30th, but again, with only one permit and one actually in progress, I mean it's questionable whether they can meet that.

Q Are you saying that you believe that all four of these collocations are intended to be completed now by the end of September?

A No, I don't believe they can be completed by the end of September. I think that's what they finally came back and said that they could probably get them done by.

Q So then you believe that they are scheduled for completion by September 30, but you don't believe that that is realistic; is that your testimony?

A If my status is correct and only one has a permit, that's absolutely right.

Q Mr. Gulino, can you describe for me what a meet-point arrangement is and contrast it with a collocation arrangement?

A I guess a collocation could be considered a meet-point arrangement because it's a point of interconnection. It could be at a collocation. It could be out in a manhole somewhere. It could be at a multiplexer or a concentrator. It could be anywhere along a route or along a system where you can physically and

technically connect to each other.

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- Q Are there differences between a -- are there differences in functionality and value between a physical collocation and a meet-point arrangement other than physical collocation?
- A No, I don't think there is any difference. It may be less expensive to do it in another arrangement which I'm not sure which would be the least expensive route, but the technical piece of that remains the same; it doesn't matter where you interconnect that.
- Q A meet-point arrangement other than a physical location would be less expensive to install?
- A I knew you were going to ask that. No, I don't know that to be a fact. I'm saying that may be a factor in determining where you interconnect that.
- Q I see. Just one or two more questions,

 Mr. Gulino. Do you have your Late-filed Deposition Exhibit

 18 1 at hand?
- 19 A Yes, I do.
- 20 Q Do you have it?
- 21 A Yes.
- Q There you state that BellSouth has remote call forwarded only 49 numbers out of 540 that MCI had requested and for which they had received confirmation from BellSouth; is that correct?

- 1 A Yes, sir.
- Q Has this situation changed?
 - A For those 540 numbers that need to be remote call forwarded?
 - Q Yes.

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- A Yes, they were done on the 24th as the reschedule date shows.
- Q I'm sorry, the problem has been resolved for all 9 540 at this point, is that --
- 10 A Absolutely, yes.
- Q Oh, I see. Then the problems have been resolved with this service, is that --
- 13 A For that particular customer, yes.
- Q All right. Are there ongoing problems of this nature?
 - A You know, I wouldn't be in business I guess if -or in my job if there weren't problems there, but, yes,
 The problems still continue, they may be different. There
 may be number link. It could be some other facility-based
 problem or a host of other problems. So, no, the problems
- 21 have not gone away entirely. This particular problem has
- 22 been resolved.
- Q All right. Do you know of any other specific problems of this nature?
- 25 A None at this time, no.

- 1 Q All right. Thank you, Mr. Gulino.
- 2 A Thank you.

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- Q Oh, I'm sorry, excuse me. I do have a few more questions. You mentioned that MCI had switches in both Miami and Orlando, I believe; is that correct?
- A That's correct, sir.
- Q Has MCI requested of BellSouth any ducts, conduit, pole attachments or rights of way in the Miami area?
- 10 A I don't believe we have, no.
- 11 0 What about in the Orlando area?
- 12 A You know, to my knowledge, no.
- 13 Q What area does the Miami switch service?
- A It has, you know, downtown Miami and probably a 15 20- to 25-mile radius around the city.
- 16 0 I'm sorry, a 20 to --
- A Downtown Miami, the business section of downtown Miami.
- 19 O Limited to that?
- A It's not limited to that. You know, we bring
 that service to our local ring and then transport it back
 to our switch, so I don't know what that radius is.
- Q You approximate it as 25 or 30 miles, is that --
- 24 A 20-mile radius probably.
- 25 Q 20-mile radius. How far would it extend north

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and south? Can you give me an idea in those terms?
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              I really couldn't say.
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              Into Broward County, into Monroe county?
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              I'm not certain. I would rather not venture a
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   guess.
              What about Orlando, can you describe for me the
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    service area for the Orlando switch?
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              It's the same as in the case of Miami. I'm not
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   really sure what the radius is or the local calling area
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    is.
              But there again, roughly 25 or 30 miles in
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         0
    radius?
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              You might say that, yes.
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         Α
              That will do it, Mr. Gulino.
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              MR. PELLEGRINI:
                               Thank you.
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              WITNESS GULINO: Thank you.
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              CHAIRMAN JOHNSON: Commissioners?
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              (NO RESPONSE)
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              CHAIRMAN JOHNSON: Redirect.
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              MR. BOND: Thank you, Chairman.
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                       REDIRECT EXAMINATION
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    BY MR. BOND:
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              Mr. Gulino, you had mentioned a statement by
    Mr. Milner and you had a cite to page 211. Do you have
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    before you an Exhibit 33? And if not, I can bring you this
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- A I don't believe I do.
- Q If you could, take a look at Exhibit 33 that's been identified as the deposition of Mr. Milner, and if you wouldn't mind turning to page 211 and telling us whether that's where you quoted from earlier today?
 - A That's it, yes.
- Q Okay. Thank you. Mr. Gulino, do your everyday job duties include interpreting the MCI/BellSouth interconnection agreement?
- 11 A No, it does not.
 - Q Okay. Thank you. Mr. Carver had given you a letter that has been marked as Exhibit 109. It's a letter to Marcell Henry, and I believe Mr. Carver asked you if you had any reason to believe that the statement in Paragraph 2 was not true. Mr. Gulino, do you have any reason to believe that it is true?
- A I have no reason to believe it's true or untrue.

 19 It's the first I have seen it.
 - Q Okay. Thank you. Now this is a letter from BellSouth; is that correct?
 - A I would have to look at it again. Yes, is it.
- Q Okay. Have you ever seen any documentation from Southwest Bell as opposed to BellSouth, stating that this was their position?

No, not at all. Α

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0 Thank you. Okay. If you could, Mr. Carver had you read from page 18 of your deposition. Would you mind turning to page 17 of your deposition and reading lines 11 through 17 for us, please?

Α I believe this is it.

MR. CARVER: I'm sorry, could I have that reference again please?

MR. BOND: Page 17 of the deposition, lines 11 through 17?

Line 11 says, "Has not committed to a date when Α it will actually make such interconnection available, hence traffic won by the ALEC is removed from the BellSouth local network and local access tandem and placed on the IXE toll network.

Q Let me give you my copy. Yours seems to be paginated differently.

Sorry, I was reading from the wrong thing. concern comes in when there are augment requirements and there is not enough sufficient power. I haven't seen or heard anything that demonstrates that there is going to be unlimited power and where at times when we reach capacity constraints we would have the opportunity to schedule an appointment to put our equipment in and power it up shortly thereafter."

1 Q Thank you. Mr. Gulino, Mr. Carver asked if MCI 2 had experienced any problems with their security escorts for physical collocation. Do you remember that? 3 4 Α Yes, I do. Would it be fair to say that the reason MCI has 5 no experience with those escorts is because BellSouth has 6 7 not complied in a timely manner with giving MCI physical collocation? 8 Α That's exactly correct. 9 10 0 Okay. Thank you. I have no further questions. 11 MR. BOND: CHAIRMAN JOHNSON: Okay. Exhibits. 12 13 MR. BOND: MCI moves exhibit 109. CHAIRMAN JOHNSON: 108. 14 15 MR. BOND: 108 I'm sorry. 16 MR. PELLEGRINI: Staff moves 110 and 111. MR. CARVER: BellSouth moves 109. 17 CHAIRMAN JOHNSON: Show them all admitted without 18 19 objection. We are going to take a 15-minute break. (Transcript continues in sequence in Volume 29) 20 21 22 23 24 25