| 1 | | BELLSOUTH TELECOMMUNICATIONS, INC. |
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| 2 | | DIRECT TESTIMONY OF JOHN A. RUSCILLI |
| 3 | | BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION |
| 4 | | DOCKET NO. 010098-TP |
| 5 | | JUNE 8, 2001 |
| 6 | | |
| 7 | Q. | PLEASE STATE YOUR NAME, YOUR POSITION WITH BELLSOUTH |
| 8 | | TELECOMMUNICATIONS, INC. ("BELLSOUTH") AND YOUR BUSINESS |
| 9 | | ADDRESS. |
| 10 | | |
| 11 | A. | My name is John A. Ruscilli. I am employed by BellSouth as Senior Director for |
| 12 | | State Regulatory for the nine-state BellSouth region. My business address is 675 |
| 13 | | West Peachtree Street, Atlanta, Georgia 30375. |
| 14 | | |
| 15 | Q. | PLEASE PROVIDE A BRIEF DESCRIPTION OF YOUR BACKGROUND |
| 16 | | AND EXPERIENCE. |
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| 18 | A. | I attended the University of Alabama in Birmingham where I earned a Bachelor |
| 19 | | of Science Degree in 1979 and a Master of Business Administration in 1982. |
| 20 | | After graduation I began employment with South Central Bell as an Account |
| 21 | | Executive in Marketing, transferring to AT&T in 1983. I joined BellSouth in late |
| 22 | | 1984 as an analyst in Market Research, and in late 1985 moved into the Pricing |
| 23 | | and Economics organization with various responsibilities for business case |
| 24 | | analysis, tariffing, demand analysis and price regulation. I served as a subject |
| 25 | | matter expert on ISDN tariffing in various commission and public service |

commission ("PSC") staff meetings in Tennessee, Florida, North Carolina and Georgia. I later moved into the State Regulatory and External Affairs organization with responsibility for implementing both state price regulation requirements and the provisions of the Telecommunications Act of 1996, through arbitration and 271 hearing support. In July 1997, I became Director of Regulatory and Legislative Affairs for BellSouth Long Distance, Inc., with responsibilities that included obtaining the necessary certificates of public convenience and necessity, testifying, Federal Communications Commission ("FCC") and PSC support, federal and state compliance reporting and tariffing for all 50 states and the FCC. I assumed my current position in July 2000.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A.

The purpose of my testimony is to present BellSouth's policy positions on two issues raised by Florida Digital Network, Inc. ("FDN") in its Petition for Arbitration ("Petition") filed with the Florida Public Service Commission ("Commission") on January 23, 2001. Specifically, I respond to issues 4 and 8 as contained in Appendix A of the Commission's Order Establishing Procedure, dated June 7, 2001. In addition to my testimony, BellSouth is filing the testimony of Mr. Tommy Williams who will address issue 1 and Mr. Jerry Kephart who will address issues 3, and 10. The parties have reached agreement on Issues 2 and 9, and FDN has withdrawn Issues 5, 6, and 7 from this arbitration.

Issue 4A: Is the issue regarding due dates for move orders as stated in 4(B) below, a 1 performance measure issue? If so, is it appropriate to arbitrate the issue in this 2 proceeding? 3 4 Q. WHAT IS BELLSOUTH'S POSITION REGARDING THIS ISSUE? 5 6 A. In Issue 4(B) below, FDN is seeking a specific remedy that would apply if 7 BellSouth misses a due date for an FDN move order. What FDN is seeking, 8 therefore, is the establishment of a performance measurement and the imposition 9 of a penalty if BellSouth fails to meet that measurement. 10 11 The Commission has convened a generic docket in which it is considering the 12 establishment of permanent performance measurements and a penalty plan. 13 14 (Docket No. 000121-TP). All alternative local exchange carriers ("ALECs") that may be affected by performance problems (including FDN) had the opportunity to 15 participate in that docket and offer input into the appropriate performance 16 17 measurements to be established and the appropriate penalties to impose when these measurements are not met. The outcome of the generic performance 18 measurements docket will properly and adequately resolve this issue as raised by 19 FDN. 20 21 It would be an inefficient use of the Commission's resources to address the same 22 issues in a two-party arbitration decision that it currently is addressing in a 23 generic docket. Additionally, it would be inappropriate if one outcome is reached 24 on this issue in this two-party arbitration and another outcome is reached on this 25

| 1 | | issue in the generic docket. Finally, adopting FDN's position in this docket could |
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| 2 | | improperly result in a double-penalty for BellSouth. Assume, for example, that in |
| 3 | | the generic docket the Commission adopts a performance measurement and |
| 4 | | corresponding penalties that would apply to missed move orders. If BellSouth |
| 5 | | subsequently misses an FDN move order, it could suffer two penalties - having to |
| 6 | | provide free retail service to FDN's end user and having to comply with the |
| 7 | | penalty established in the generic docket – for one incident. This is an improper |
| 8 9 | | result that should be avoided. |
| 10 11 | Q. | HOW DOES BELLSOUTH RECOMMEND THAT THE COMMISSION RULE |
| 12 | | ON THIS ISSUE? |
| 13 | | |
| 14 | A. | The Commission should rule that Issue 4(B) below is a performance measure |
| 15 | | issue, and it should refer that issue to Docket No. 000121-TP. |
| 16 | | |
| 17 | Issue | 4B: For purposes of the new BellSouth/FDN interconnection agreement, in the |
| 18 | event | BellSouth misses a due date for a customer move order, should BellSouth be |
| 19 | requi | red to provide retail phone service to FDN at the new address at no charge until |
| 20 | the m | ove order is completed? |
| 21 | | |
| 22 | Q. | PLEASE RESPOND TO FDN'S REQUEST FOR "FREE RETAIL SERVICE" |
| 23 | | WHEN BELLSOUTH CANNOT MEET THE REQUIRED DUE DATE ON |
| 24 | | MOVE ORDERS FOR FDN'S END USERS. |

| 1 | A. | BellSouth is not obligated by the Act, by the FCC's rules, or by this |
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| 2 | | Commission's rules to provide free service to an ALEC or to an ALEC's |
| 3 | | customers. Moreover, FDN's proposal is impractical and unrealistic. If |
| 4 | | BellSouth is unable to establish a new UNE loop at the customer's new location |
| 5 | | by the due date, it is highly unlikely that BellSouth would be able to establish |
| 6 | | retail service at the same new location any sooner because the same facilities |
| 7 | | would most likely be used to provide either service. This is nothing more than an |
| 8 | | attempt by FDN to obtain an unwarranted and, as noted above, possibly |
| 9 | | duplicative penalty from BellSouth. |
| | | |

Q. PLEASE RESPOND TO FDN'S ALLEGATION IN ITS PETITION THAT "IN MOST CASES" BELLSOUTH MISSES A DUE DATE FOR ESTABLISHING A NEW UNE LOOP AT THE CUSTOMER'S NEW LOCATON.

A.

BellSouth attempts to execute all orders in a timely fashion. While there are occasions when it is unable to do so, BellSouth denies that "in most cases" it misses a due date for an FDN move order. In fact, a review of BellSouth's performance data from January through April 2001 indicates that BellSouth met the installation appointment date on 87.5% of all of FDN's orders. Additionally, the vast majority (77%) of the appointments that BellSouth did not meet were missed due to a situation caused by FDN's end user, not by BellSouth.

Q. HOW SHOULD THE COMMISSION DECIDE THIS ISSUE?

| 1 | A. | The Commission should not require BellSouth to provide free retail service when |
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| 2 | | it misses a due date for an FDN move order. |
| 3 | | |
| 4 | Issue | 8A: Is the issue regarding due dates for move orders as stated in 8(B) below, a |
| 5 | perfor | mance measure issue? If so, is it appropriate to arbitrate the issue in this |
| 6 | proceeding? | |
| 7 | | |
| 8 | Q. | WHAT IS BELLSOUTH'S POSITION REGARDING THIS ISSUE? |
| 9 | | |
| 10 | A. | In Issue 8(B) below, FDN is seeking a specific remedy for what it apparently |
| 11 | | perceives to be a problem regarding the time it takes BellSouth to fill FDN's work |
| 12 | | orders. For all of the reasons I mentioned in support of BellSouth's position on |
| 13 | | Issue 4(A), the Commission should refer this issue to Docket No. 000121-TP. |
| 14 | | |
| 15 | Issue | 8B: For the purposes of the new BellSouth/FDN interconnection agreement, |
| 16 | should | l BellSouth be required to allow FDN the option of a BellSouth frame attendant |
| 17 | who n | orks exclusively on FDN orders, if FDN agrees to fully fund this frame |
| 18 | attendant? | |
| 19 | | |
| 20 | Q. | PLEASE RESPOND TO FDN'S REQUEST THAT THE COMMISSION |
| 21 | | ORDER BELLSOUTH TO PROVIDE FDN THE OPTION OF HAVING A |
| 22 | | BELLSOUTH FRAME ATTENDANT WHO WORKS EXCLUSIVELY ON |
| 23 | | FDN ORDERS. |
| | | |

| 1 | A. | BellSouth is not required under the Act, the FCC's rules, or this Commission's |
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| 2 | | rules to provide such option to FDN. If FDN desires such an option, it should |
| 3 | | submit a request through BellSouth's Bona Fide Request ("BFR") process. |
| 4 | | Through the BFR process, BellSouth can properly evaluate the feasibility of |
| 5 | | FDN's request. Handling such a request through the BFR process would afford |
| 6 | | BellSouth the opportunity to evaluate the many factors likely to be associated |
| 7 | | with such an option, such as supervision and control, liability, union issues, wages |
| 8 | | and overtime policies, and various administrative issues. |
| 9 | | |
| 10 | Q. | IF FDN IS WILLING TO "FULLY FUND" SUCH A FRAME ATTENDANT, |
| 11 | | WHY IS BELLSOUTH NOT WILLING TO OFFER THIS OPTION TO FDN? |
| 12 | | |
| 13 | A. | The issue is whether BellSouth should be required to include such an option in the |
| 14 | | new BellSouth/FDN interconnection agreement. Frame attendants simply are not |
| 15 | | "network elements" that BellSouth is required to unbundle, nor are they necessary |
| 16 | | on a per ALEC basis for interconnection and resale. If Congress, the FCC, or the |
| 17 | | Florida Legislature felt it necessary to obligate incumbent local exchange carriers |
| 18 | | ("ILECs") to dedicate personnel to individual ALECs, they would have clearly |
| 19 | | expressed such a requirement. They have not done so, and BellSouth simply is |
| 20 | | not obligated to offer FDN "a BellSouth employed technician dedicated to FDN |
| 21 | | cutovers." |
| 22 | | |
| 23 | | Additionally, there are numerous practical ramifications that must be considered. |
| 24 | | If BellSouth provided a technician dedicated to FDN cutovers, for example, it |
| 25 | | would be obligated to offer a technician dedicated to cutovers for other ALECs. |

This could lead to significant workforce administration issues. For instance, how is BellSouth supposed to handle a situation in which ALEC 1, which has not paid for or authorized overtime, has more work than its dedicated technician can handle, while ALEC 2's dedicated technician does not have a full workload? How is BellSouth supposed to handle the union issue that could arise if the technician dedicated to ALEC 2 asks for the opportunity to work overtime like his coworkers? Can BellSouth assign ALEC 2's dedicated technician overtime and have the technician work on ALEC 1 orders or on BellSouth's own orders?

12.

Furthermore, requiring BellSouth to provide frame attendants dedicated to particular ALECs could result in the need for expanded parking spaces and work areas. Who is going to fund those expansions? Moreover, ALEC 1's technician may need a vehicle to travel from a frame in one central office to a frame in another central office. This leaves fewer vehicles for ALEC 2's technician and for BellSouth's general body of technicians to use, and this could lead to the need for more vehicles. Who is going to pay for the additional vehicles? Additionally, if the technician is "employed" by BellSouth but "funded by" and "dedicate to" FDN, is BellSouth or FDN going to be liable if the employee runs a red light and damages a third party's car?

Clearly, the remedy sought by FDN would be administratively and financially burdensome. It is also unnecessary. As I noted above, BellSouth's performance data from January through April 2001 indicates that BellSouth met the installation appointment date on 87.5% of FDN's orders, and the vast majority (77%) of the appointments that BellSouth did not meet were missed due to a situation caused

| 1 | | by FDN's end user, not by BellSouth. Finally, the performance measurements |
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| 2 | | and penalties the Commission adopts in Docket No. 000121-TP will provide FDN |
| 3 | | an adequate remedy for missed due dates that may occur. |
| 4 | | |
| 5 | Q. | HOW SHOULD THE COMMISSION RULE ON THIS ISSUE? |
| 6 | | |
| 7 | A. | The Commission should not require BellSouth to provide a BellSouth employed |
| 8 | | technician dedicated to FDN cutovers. |
| 9 | | |
| 10 | Q. | DOES THIS CONCLUDE YOUR TESTIMONY? |
| 11 | | |
| 12 | A. | Yes. |
| 13 | | |
| 14 | (#39094 | 42) |