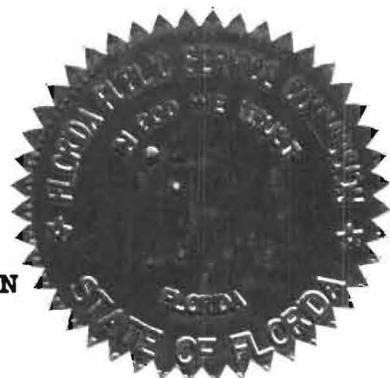


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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of
Consideration of BellSouth
Telecommunications, Inc.'s
Entry into interLATA services
pursuant to Section 271 of the
Federal Telecommunications
Act of 1996.

DOCKET NO. 960786-TL



FOURTH DAY - MORNING SESSION

VOLUME 15

Pages 1597 through 1698

PROCEEDINGS: HEARING
BEFORE: CHAIRMAN JULIA L. JOHNSON
COMMISSIONER J. TERRY DEASON
COMMISSIONER SUSAN F. CLARK
COMMISSIONER DIANE K. KIESLING
COMMISSIONER JOE GARCIA
DATE: Friday, September 5, 1997
TIME: Commenced at 9:05 a.m.
PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida
REPORTED BY: JOY KELLY CSR, RPR
Chief, Bureau of Reporting
H. RUTHE POTAMI, CSR, RPR
Official Commission Reporters
APPEARANCES:
(As heretofore mentioned.)

DOCUMENT NUMBER - DATE

08971 SEP -86

FPSC-RECORDS/REPORTING

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25**WITNESSES - VOLUME 15**

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P R O C E E D I N G S

(Hearing reconvened at 9:05 a.m.)

(Transcript follows in sequence from
Volume 14.)

CHAIRMAN JOHNSON: We're going to go back on
the record. Mr. Melson.

MR. MELSON: Just one preliminary matter.
Yesterday I cross examined Mr. Stacy about a document
that had been confidential that Bell had waived
confidentiality on. I excerpted that out and handed
it out this morning. It's a four-page document labled
"Stacy Deposition Late-filed Exhibit 10." I wonder if
I might have that separately identified. I believe it
would be No. 53.

CHAIRMAN JOHNSON: We'll mark it Exhibit 53.
I'm sorry. What did you say this was?

MR. MELSON: It's the list, Proposed Changes
to LENS.

CHAIRMAN JOHNSON: We'll just call it "List
of Proposed Changes to LENS. Is that it?"

MR. MELSON: Yes, ma'am.

(Exhibit 53 marked for identification.)

CHAIRMAN JOHNSON: Ms. Rule.

MS. RULE: Thank you.

MS. KAUFMAN: Excuse me, I have one

1 preliminary matter relating to the order of witnesses.
2 And that is Mr. Kinkoph, who is one of the
3 Association's witnesses, just found out this morning
4 is not available on Monday. I don't think that's
5 going to be a problem considering that there seem to
6 be a lot of witnesses that want to testify on Monday.
7 But it would be our preference, if it's possible that
8 he testify on Wednesday, or after that time if we're
9 still in session. Thank you.

10 **COMMISSIONER DEASON:** Thank you. Any other
11 preliminary matters?

12 **CHAIRMAN JOHNSON:** Ms. Rule.

13 **MS. RULE:** Thank you.

14

- - - - -

15

WILLIAM N. STACY

16 resumed the stand as a witness on behalf of BellSouth
17 Telecommunications, Inc. and, having been previously
18 sworn, testified as follows:

19

CROSS EXAMINATION

20 **BY MS. RULE:**

21 **Q** Good morning, Mr. Stacy.

22 **A** Good morning.

23 **Q** I'd like to ask you a question about your
24 exhibits attached to your direct testimony WNS-E and
25 F. Those were the exhibits that you revised yesterday

1 correct?

2 A Yes.

3 Q And the title of WNS-E is local

4 Interconnection Interim Report; the title of F is

5 Resale Parity Report.

6 Now, in your deposition Staff asked you to

7 prepare a late-filed exhibit and add some

8 Florida-specific information to those exhibits,

9 correct?

10 A That's correct.

11 Q And that's the revised information you

12 supplied yesterday?

13 A Yes.

14 Q The revised information that you filed

15 yesterday is not the first version of the late-filed

16 exhibit, is it?

17 A No. There was an earlier produced a few

18 weeks ago.

19 Q Do you have that with you? (Pause)

20 A No, I do not.

21 Q Do you have your deposition with you?

22 A Yes.

23 Q Staff handed that out yesterday as an

24 exhibit.

25 A Somewhere. (Pause.)

1 Q Well, I'd give you my copy but I gave my
2 other copy to Ms. Calhoun the other day and forgot to
3 ask her for it back.

4 A I have it here. I apologize. I just put it
5 in the wrong stack.

6 Q I think we can all be forgiven for losing
7 track of a couple of papers here.

8 A All right.

9 Q I'd LEC you to turn to Page 56 of your
10 deposition.

11 A All right, sir.

12 Q And looking at -- could you quickly just
13 read over Lines 6 through 18. (Witness complies.)

14 A Yes.

15 Q Now, that's the portion of the deposition
16 where Staff asked you to prepare some Florida-specific
17 information for BellSouth's operations; is that
18 correct?

19 A Yes.

20 Q And at Lines 16 through 18, Staff asked you
21 if the information -- if BellSouth had the
22 information. You said it was available and would have
23 to be reassembled into that format, correct?

24 A That's correct.

25 Q Now, you indicated you don't have the first

1 version of Late-filed Exhibit No. 2 so I'd like to
2 read that to you and ask you a question about it. And
3 I'm sorry, I don't have another copy to give you right
4 now.

5 Okay. Late-filed Exhibit No. 2 was the
6 request -- here comes another copy for you -- (Hands
7 document to witness.)

8 Okay. This was a request we just discussed.
9 Could you read your response, please?

10 A "BST Florida information, except as part of
11 the BST total, was not being accumulated under the
12 interim format of the reports upon which exhibits
13 WNS-E and F were based. Such information is part of
14 the design for the AT&T-type formats which become
15 available beginning in September to reflect August
16 1997 data."

17 Q Now, in your revised exhibits WNS-E and F
18 you've added Florida-specific information for
19 BellSouth, some of it for June, July and August.
20 Isn't this the same information you said was not being
21 accumulated in your first response to the
22 interrogatory?

23 A Yes, that's true. Let me finish explaining
24 that. I see the discrepancy you're searching for now.

25 The information in total was being

1 accumulated, it was not being split out in a
2 state-specific manner. In the process of preparing
3 for the AT&T reports that we owe you all in September,
4 we went back and aggregated the June and July data.
5 In between I prepared my first late-filed and
6 yesterday when we prepared this and we have managed to
7 extract the data on a state-specific basis from June
8 forward. There's some hope we'll be able to extract
9 the data backwards for other months.

10 Q Now, Mr. Stacy, you just referred to some
11 performance data being collected for AT&T?

12 A For all ALECs.

13 Q But it was pursuant to the AT&T agreement
14 that you just mentioned?

15 A Pursuant to the -- no, the data has been
16 being collected as raw data since the middle of
17 January. When we signed the Performance Agreement
18 with AT&T in May we begin dividing the data into
19 different groups than our traditional measurements.
20 For some of those groups I'm able to go back and
21 extract data that lets us split it into
22 dispatched-out/nondispatched out categories. For some
23 of those groups I'm not able to go back because of the
24 way the data was kept originally. We've changed the
25 data design in May when the AT&T agreement took shape

1 and we knew how we were going to be counting the data
2 for the next several months.

3 Q You mentioned that the data you would be
4 producing this month was for August, and it was going
5 to be given to AT&T, correct?

6 A It is going to be given to AT&T as -- in the
7 following form: AT&T will receive a report that shows
8 for each of the states where it is doing business the
9 performance for AT&T in that state, the performance
10 for all ALECs in that state, and BellSouth's
11 comparable performance in that state, as well as
12 region totals. That will be produced proprietarily
13 for AT&T.

14 In addition to that, state reports which
15 aggregate all CLECs at the state level will be
16 produced in a similar fashion.

17 Q And when in September do you anticipate
18 doing that?

19 A About the 15th. We close the report month
20 on the 13th. Close the data warehouse and begin
21 producing the reports.

22 Q Now, you're aware that AT&T and BellSouth
23 have disputed each other's characterization that the
24 September production of data complies with the
25 interconnection agreement, are you not?

1 **A** Yes, I am.

2 **Q** I'd like to hand you a letter dated August
3 26th, 1997, from Pamela Nelson to Jan Burriss. Who is
4 Jan Burriss?

5 **A** I do not know who Jan Burriss is. I believe
6 she may be a member of the AT&T account team but I
7 can't confirm that.

8 **Q** The letter is from Pamela Nelson of AT&T.
9 To whom is it addressed?

10 **A** To Jan Burriss.

11 **Q** And her address?

12 **A** BellSouth Telecommunications, 1960 West
13 Exchange Place, Tucker, Georgia.

14 **Q** So in her role as a member of the AT&T
15 account team, and an employee of BellSouth, she would
16 be directly involved in the performance data
17 production that you're talking about?

18 **A** No. As a member of the account team she's
19 not directly involved in the performance -- in the
20 production of performance data. She is an interface
21 between the folks who actually do the production and
22 AT&T.

23 **MS. RULE:** I'd like this marked as an
24 exhibit, please.

25 **CHAIRMAN JOHNSON:** It will be marked as

1 Exhibit 54.

2 (Exhibit 54 marked for identification.)

3 Q (By Ms. Rule) I'd like to direct your
4 attention to the last paragraph of the first page and
5 have you read the first three sentences, please.

6 A "In closing, for the record, let me be
7 clear -- once again. Our agreement requires BellSouth
8 to provide data on a monthly basis. AT&T has never
9 agreed to BellSouth providing data starting in
10 September or to limit the data to be provided to
11 August data."

12 Q Did you testify in the recent Kentucky 271
13 hearings?

14 A I did not.

15 Q Who testified with regard to performance
16 measurements and testing?

17 A Jerry Moore.

18 Q And is it safe to assume that BellSouth's
19 position to that issue was pretty much the same as it
20 is here in Florida?

21 A Yes, it is.

22 Q Pretty safe to assume that AT&T's position
23 was the same, too?

24 A Yes, it is.

25 Q Okay. If we can agree that the BellSouth

1 and AT&T -- that BellSouth and AT&T disagree on the
2 extent of BellSouth's obligation to provide
3 performance measurement data, and we can agree that
4 this letter represents some of the disagreement, I
5 don't have any more questions on this. Do you agree?

6 A No, I do not agree with that because there
7 is a continuing dispute about what data is being
8 produced when.

9 Q Exactly.

10 A Let me characterize the longer version of
11 the matter for the Commission.

12 Q I'd like you to go back and answer the
13 question first. Has there been such a dispute?

14 A There has been such a dispute.

15 Q And it continues to this day?

16 A And it continues to this day.

17 Q And this letter represents some of the
18 disagreement; is that correct?

19 A This letter does represent some of the
20 disagreement. It does not represent the complete
21 scope of the disagreement.

22 Q For example, it would not represent
23 BellSouth's response to this letter, would it?

24 A Correct.

25 MR. ELLENBERG: Madam Chairman, if Mr. Stacy

1 has an additional explanation, which I believe he was
2 about to give until he was cut off by counsel for
3 AT&T, I believe he is entitled to give that.

4 **MS. RULE:** Chairman, I don't believe this
5 answer calls for any explanation. And certainly
6 BellSouth can elicit whatever explanation they believe
7 is necessary to redirect.

8 **CHAIRMAN JOHNSON:** Mr. Stacy, did you want
9 to provide any follow up?

10 **WITNESS STACY:** I did, Madam Chairman.

11 **CHAIRMAN JOHNSON:** Go ahead.

12 **WITNESS STACY:** The agreement with AT&T
13 that was signed in May was signed with the knowledge
14 that the data would be very difficult to produce by
15 BellSouth. So at that time we told them that the
16 production of that data would not be fully capable
17 until September, and that that would include at least
18 the August data. Since then, AT&T has disputed in
19 several forums, including the account team, how much
20 data we should produce under the agreement.

21 It is BellSouth's intent to produce every
22 month of data for AT&T, and for the other ALECs, where
23 we have valid data. However, as Mr. Moore testified
24 in Kentucky, we are not certain that we have
25 completely valid data in the newly revised format for

1 any month except August. When we have the August
2 reports produced, we will begin working backwards in
3 the data we have to determine if valid reports can be
4 produced for the proceeding months. And that's the
5 extent of our disagreement with AT&T. Thank you.

6 Q I'd now like to hand you some
7 interrogatories to which you responded. (Hands
8 document to witness.)

9 MS. RULE: I'd like this marked as
10 Exhibit 55. I'd note that some of these
11 interrogatories are included in a Staff exhibit,
12 others are not.

13 Q (By Ms. Rule) Do you have those,
14 Mr. Stacy?

15 A Yes.

16 Q I'd like you to turn to the second page,
17 Item No. 22, and the request is "State whether
18 BellSouth has agreed or committed itself to provide
19 FOCs, or firm order commitments, to ALECs within a
20 specified time interval. If your answer is in the
21 affirmative, describe the time interval by order and
22 type." Would you read your response, please?

23 A My response was that "BellSouth has agreed
24 to develop a performance measurement which will show
25 the percentage of FOCs provided within 24 hours of

1 receiving a correctly completed order for service."

2 Q I have two questions about your response:

3 Has that performance measurement been developed?

4 A That measurement is being developed. It is
5 not complete.

6 Q And when you say within 24 hours of
7 receiving a correctly completed order for service,
8 that means -- or does that mean a service order that
9 has not been rejected?

10 A That means a service order that has not been
11 rejected or is not in the process of clarification for
12 data, additional data.

13 Q Thank you. And turn to the next page,
14 please, Item No. 23. And that requests information to
15 the extent that BellSouth has agreed to provide FOCs
16 within a specified time interval. It asks for
17 information with regard to how that interval was met,
18 no later within 24 hours, between 24-48, 48 and 72 and
19 after 72 hours. Could you read your response, please?

20 A Response was that "BellSouth is still in the
21 process of developing a process, which will produce
22 the information needed to respond to this question.
23 The initial report is anticipated in September 1997 to
24 reflect August 1997 results for orders received over
25 the electronic interface."

1 Q Okay. So that would only be results for
2 electronic -- for orders electronically received,
3 correct?

4 A That is correct.

5 Q And is this the information that you just
6 stated you were going to provide to AT&T in a
7 proprietary form in September?

8 A And there will be information produced on
9 all orders received electronically for all ALECs.

10 Q Could you turn to the next page, please.
11 Item No. 24. And the request is for you to "State
12 whether BellSouth has agreed, or committed itself, to
13 provide Notice of Order Completion (or an 865.)"
14 What's a 865?

15 A An 865 is a purchase order acknowledgement
16 abbreviation for a particular EDI form.

17 Q That's a code that might show up in
18 BellSouth records somewhere?

19 A No. That's a code that applies to a
20 particular EDI form. As far as I know it's never on
21 the record. It's the name of a kind of EDI form.

22 Q So to the extent that BellSouth has agreed
23 or committed itself to provide Notice of Order
24 Completion, or 865, within a specified period after a
25 completion date. That requests time periods and

1 interval information. Could you read your response,
2 please?

3 A "BellSouth has agreed to provide Notice of
4 Order Completion as soon as practical after completion
5 of an order but has not agreed to a specific time
6 interval, nor to develop information which would
7 permit it to respond further to this question."

8 Q So this type of information is nowhere in
9 the record of this case; is that correct?

10 A That is correct to the best of my knowledge.

11 Q Turning to Item 25 on the next page. The
12 request is to state "With respect to all ALEC orders
13 completed during 1997, both for Florida and for the
14 BellSouth region, the number and percentage of such
15 order that were completed by BellSouth." And it's got
16 various time intervals.

17 In your response you've broken out a number
18 of orders as requested. The first response says that
19 on or before the due date specified in the service
20 order nearly 46,000 orders in Florida were completed.
21 What types of orders are included in this category?

22 A That category is supposed to capture all
23 ALEC orders, both resale and unbundled network
24 elements that were completed in Florida during the
25 time period; from January of '97 to date.

1 Q I don't believe the record in this case
2 shows that there are, for example, 46,000 ALEC
3 customers. So could you tell me what an order might
4 be and how it would be counted in this number?

5 A An order is -- any one of several categories
6 of transactions, asking BellSouth to switch a customer
7 as is, convert a customer's record, disconnect a
8 customer, change a customer's order, transfer a
9 customer from one location to another. Those are all
10 the major categories.

11 Q So one customer service order might have
12 several orders being counted in here if there were
13 several of those transactions involved?

14 A That's correct.

15 Q Now, with regard to ALEC trunks, is every
16 trunk ordered by a carrier with an ALEC certificate
17 included in this count?

18 A To my knowledge it is not. This is a count
19 of resold services and UNEs, and if we have included
20 trunks, it's not to my knowledge.

21 Q Okay. With regard to the UNEs?

22 A Each UNE was supposed to be included in this
23 report. Excuse me, each end user UNE. He should be
24 more specific. Loops and ports would have been
25 counted in this number. Trunks would not have been

1 counted in this number.

2 Q Some of the information in this docket
3 regarding the number of customers is proprietary. Is
4 it your understanding, without going into various
5 company-specific information, that there are 45,000
6 customers of ALECs in Florida?

7 A That is not my understanding. The question
8 was the number and percentage of orders that were
9 completed and orders and customers are two different
10 things. I believe you will find in Mr. Milner's
11 testimony the latest count of customers by category,
12 at least the latest count of lines and service by
13 category.

14 Q And his count of lines and service, I
15 believe, included the number of trunks, did it not?

16 A No. His count of lines and service -- I'm
17 going by memory here, I haven't looked at his
18 documents in a couple of weeks, but they are divided
19 very finely by category, showing resold services in
20 one category, UNEs a different category and trunks in
21 yet a third category.

22 Q So his testimony included interconnection
23 trunks, too, didn't it?

24 A His testimony includes every service sold to
25 an ALEC in Florida showing the individual categories

1 that they were counted in.

2 Q AT&T to your knowledge is an ALEC in
3 Florida, correct?

4 A Yes.

5 Q But AT&T is also an IXC in Florida, correct?

6 A That's correct.

7 Q So AT&T would show up in this category even
8 though the testimony in this docket shows they've only
9 placed four loop combination orders in Florida?

10 A Those orders would have been counted, yes.

11 Q And other orders placed in connection with
12 its IXC business would be included, too, would it not?

13 A Absolutely not.

14 Q There are two different ordering codes for
15 AT&T ordering as an IXC and AT&T ordering as an ALEC
16 in Florida. They are kept in two different databases
17 and are counted differently.

18 Q I'd like you to take a look at Item No. 26.
19 And the request is for you to state with respect to
20 all ALEC orders completed during 1997 for BellSouth
21 Florida and regional, the number and percentage of
22 orders that meet the time interval stated in the
23 question. And your response was "See response to Item
24 No. 25." Well, Item No. 25 that we just talked about
25 has the same numbers we talked about. Why did you

1 refer back to 25 in order to respond to 26?

2 **A** Simply to avoid producing the same
3 information in the same form twice. The due date on
4 the service order is the due date specified on the
5 firm order commitment. They are one and the same.

6 **Q** So did BellSouth provide a firm order
7 commitment on all of the orders referenced in No. 25?

8 **A** To to best of my knowledge we did.

9 **Q** Okay. Turning to Item No. 27, total number
10 of ALEC orders submitted during '97 where BellSouth
11 claims that due dates were met, please state the
12 number of such orders that were initially rejected by
13 BellSouth systems for Florida and the BellSouth
14 region. And your response was "BellSouth does not
15 maintain data with which to respond to this request."

16 Has BellSouth begun keeping data to respond
17 to this type of information?

18 **A** We have not. We have a continuing, both
19 internal and external, discussion about what to do
20 about rejected orders and whether they should be
21 counted simply as rejected orders or whether we have
22 to track them in multiple versions through the system.
23 At the moment when an order is rejected because the
24 data was incomplete or inaccurate, the next time that
25 data is received it's a new order as far as we're

1 concerned.

2 So I don't have any way at the moment of
3 following rejected orders, into the system, out of the
4 system, into the system, out of the system and finally
5 through when they are completed.

6 Q I believe you stated in your testimony that
7 your information in WNS-E and F was based on good
8 orders; that is orders that were not rejected that
9 went completely through the system?

10 A Yes. It is based on orders that were
11 actually worked and service provided.

12 Q And I assume then that Items No. 25 and 26
13 were also based on orders that went completely through
14 the system?

15 A Yes. Those are service orders that were
16 actually completed and that's the status we assign to
17 an order that's been worked.

18 Q So then if I were to add back the total
19 number of orders, including those that were rejected
20 for some reason or another, then the percentages
21 listed in 25 and also in 26 would be different, would
22 they not?

23 A No, they wouldn't, because of the way the
24 question was asked. 25 and 26 asked for the number of
25 orders completed during 1997. An order cannot be

1 completed unless it can be worked. An order that's
2 rejected cannot be worked by definition. So you're
3 talking about two pieces of data that are exclusive to
4 each other.

5 Q Well, if I were to ask then of the total
6 orders submitted, and ask for the same information,
7 it's likely that the percentages that were completed
8 on or before the due date would be much lower?

9 A The percentages would be different but they
10 would be totally meaningless, because asking BellSouth
11 whether or not it completed an order that it rejected
12 on the due date has no meaning.

13 Q Well, I'm not sure if that was a yes or a
14 no. If you added in more orders and divided by the
15 same number that were completed, that would change the
16 fraction you gave me, would it not?

17 A Yes, it would change the fraction and yes,
18 the answer would be meaningless.

19 Q Okay. Take a look at Item No. 29. "To the
20 extent that BellSouth has processed ALEC service
21 orders manually since January 1st, 1997, state both
22 for the entire BellSouth region and for each state in
23 the region the percentage of such orders for which due
24 dates were met, and the percentage of such orders for
25 which due dates not met." Could you read your

1 response, please?

2 **A** "BellSouth does not maintain data with which
3 to respond to this question since orders are
4 indistinguishable once they are entered into the
5 operating systems by LCSC personal. However, since
6 most orders to date have been received in a manual
7 fashion, the response to Item 25 provides an reliable
8 surrogate response."

9 **Q** And Item No. 30 asked you an analog to that
10 question: "With respect to ALEC orders that BellSouth
11 processed without manual or human intervention," give
12 those percentage, and you refer back to the previous
13 answer.

14 Okay, do I understand correctly that
15 BellSouth basically does not track and has no way to
16 know how many orders were submitted more than one
17 time?

18 **A** That is correct.

19 **Q** I'd like Mr. Hatch to hand out another
20 exhibit and I'd like it marked as No. 56.

21 **MS. WHITE:** It don't have a number 55.

22 **MS. RULE:** That would be the interrogatory
23 responses.

24 **MS. WHITE:** Okay. I didn't recall you
25 identifying it as an exhibit.

1 MS. RULE: Maybe I just wrote it.

2 CHAIRMAN JOHNSON: You did.

3 MS. RULE: In that case, I'd like it marked
4 as 55 and the next one marked as 56.

5 (Exhibits 55 and 56 marked for
6 identification.)

7 Q (By Ms. Rule) Mr. Stacy, would you accept,
8 subject to check, that this appears to be some
9 information from BellSouth's Web Site.

10 A Subject to check, yes.

11 Q At the top of the page there is the
12 BellSouth logo, and at the bottom of the page it looks
13 like a hypertext string directed to BellSouth's web
14 site?

15 A Yes, that's correct.

16 Q What is the date on the lower right of the
17 page?

18 A September the 4th, '97.

19 Q And at the top right of the page do you see
20 where it says "1995 Source Book"?

21 A Yes.

22 Q At the left side of the page and the
23 left-hand column under, Source Book, it says "1995
24 Source Book", "1996 Source Book (Under Construction.)
25 I'd like you to turn to Page 2 of 3 and read

1 the paragraph entitled "Service While You Wait." I'd
2 like you to read it aloud, please.

3 A "A key project underway is the reengineering
4 of the entire customer service delivery process from
5 start to finish. All aspects of service delivery,
6 including network provisioning, ordering negotiate,
7 central office, dispatch and premise work are being
8 integrated to greatly expedite service activation.
9 Our service representatives will access a system that
10 provides precise pricing, appointment information,
11 installation status and other information while they
12 are on-line with the customer. Our ultimate goal is
13 to be able to provide a substantial number of
14 customers with service while they wait on line.
15 Testing of the integrated service delivery system
16 began in late 1995."

17 Q Do you know what kind of testing is being
18 referred to here?

19 A I do not. I know that the project exists
20 but I do not know what kind of testing they are
21 referring to.

22 Q Do you know the status of this project?

23 A No, I do not.

24 Q Do you know if customer service
25 representatives, or BellSouth's representatives

1 currently have access to the system that is described
2 here?

3 A I know that they do not have access to the
4 system that this project referred to.

5 Q What system is that?

6 A It does not even have a system name. It's
7 called "Service Activation" is the project.

8 Q Does BellSouth anticipate making these
9 services available to ALECs as soon as they are
10 available to BellSouth representatives?

11 A Yes. This is actually talking about
12 services that appear downstream from the service order
13 control system to activate services in a more precise
14 manner. So as they are available to BellSouth retail
15 units, whenever those system changes improvements are
16 made, they will be available at the same time to the
17 ALECs.

18 Q And in order to access those downstream
19 systems, ALECs would have to either modify or build an
20 interface to match, would they not?

21 A Or add to the gateways that are now being
22 created, that's correct.

23 Q And in order for that to happen they would
24 have to have a substantial amount of data about
25 BellSouth's systems and how to build to it. Would

1 that be correct?

2 A That is correct.

3 MS. RULE: No further questions.

4 CROSS EXAMINATION

5 BY MS. CANZANO:

6 Q Good morning, Mr. Stacy.

7 A Good morning.

8 Q I'm Donna Canzano. I have several topics to
9 address.

10 The first one is provisioning. What are the
11 BellSouth's standard pricing periods for DS-1 and for
12 5664 digital data service?

13 A I'm sorry, I do not know the standard
14 provisioning periods. I know where the guide is to
15 find them but I do not have that with me. That was
16 furnished to the ALECs in a letter in early June that
17 Ms. Calhoun referred to yesterday, and those are the
18 BellSouth standard intervals both for BellSouth
19 internally and for the ALECs.

20 Q What about for BellSouth customers, does
21 that include --

22 A Those intervals were supplied by BellSouth's
23 Network and Carrier Services Group which serves both
24 sets of customers: the ALEC customers and the retail
25 customers.

1 Q Would that information also be included in
2 the BellSouth tariffs?

3 A In some states it is included in the
4 tariffs. In some states it is not. I'm not sure
5 about Florida.

6 Q Is the provisioning period for each of those
7 services the same between the ALEC -- I mean for ALEC
8 customers of BellSouth as for BellSouth's customers?

9 A Those provisioning periods are supposed to
10 be identical.

11 Q On average are they identical?

12 A I do not know on the average.

13 Q Do you know whether there's a difference
14 between the provisioning period of a DS-1 as an
15 unbundled loop and BellSouth's retail service offered
16 through BellSouth's tariff for its customers?

17 A I do not know for sure. I would expect that
18 there is some difference.

19 Q Does that mean that BellSouth is
20 establishing different standards for loops provided to
21 BellSouth's end users than loops provided to CLECs?

22 A It means that BellSouth is establishing
23 different standards for services provided to resale
24 customers, whether they are retail customers of
25 BellSouth and ALECs, and customers purchasing

1 unbundled network elements. We have never provisioned
2 unbundled network elements until late 1996 and do not
3 have the experience in provisioning those that we have
4 in provisioning resale or retail services, and so the
5 processes and the intervals are still somewhat
6 different.

7 Q What I'd like to do right now is walk
8 through a couple -- a few hypothetical situations.

9 First, let's assume that I'm an end user and
10 I call BellSouth for basic B1 service.

11 A Excuse me, basic --

12 Q B1 service.

13 A That acronym --

14 Q Oh. Is that Florida-specific?

15 A It must be Florida-specific.

16 Q Okay.

17 A Is that --

18 Q I think that's equivalent to flat rate
19 business?

20 A Flat rate business. I'm sorry. We have too
21 many codes.

22 Q It makes it fun, doesn't it?

23 How long does it take BellSouth to provide
24 that service to me, a BellSouth end user?

25 A I don't know in Florida.

1 Q What about for BellSouth and the region if
2 you don't know for Florida?

3 A I don't know the averages in which we
4 provide those services. The data I have been looking
5 at reflects the way we meet the due date committed. I
6 haven't particularly looked at the promised date, or
7 interval of any kind.

8 Q Do you know in Florida whether there is a
9 rule requiring BellSouth to produce -- provide B1
10 service in aspecified time?

11 A I assume there probably is or you wouldn't
12 have asked me. But I don't know what the Florida rule
13 is.

14 Q Let's assume I'm a CLEC and that same
15 customer calls me and asks me to provide the customer
16 basic B1 service. You may not know the answer to this
17 question but how long will it take BellSouth to
18 provision the DS0 loop to me on an unbundled basic if
19 I'm a CLEC?

20 A I'm sorry. You have mixed metaphors there.
21 You asked for a B1 service and you talked about a DS0.

22 Q What I'm doing is if I'm a CLEC and the
23 customer calls me and I ask for a request from
24 BellSouth for a DS0 on an unbundled?

25 A Oh, excuse me, on a --

1 Q -- on an unbundled basis, not for resale.

2 A All right. And you're asking for a DS0.

3 Q Yes.

4 A Not for a 2-wire analog loop.

5 Q Let's try that one.

6 A 2-wire analog loop.

7 Q Yes.

8 Let's try that one?

9 A The target interval for that one, which is
10 part of my testimony, is five days.

11 Q Do you know whether or not that is longer
12 than the time it takes Bell to provide basic B1?

13 A I'm not certain. I believe, however, it is
14 longer because it's a different process.

15 Q So if that particular customer shopping
16 around and it calls Bell, and then it calls me, the
17 CLEC, and time is of the essence, which company do you
18 think that customer is going to choose for basic B1
19 service?

20 A I don't know.

21 MR. ELLENBERG: I object to the extent it
22 calls for the witness to speculate about what a
23 hypothetical customer might think or act.

24 CHAIRMAN JOHNSON: Could you repeat that?
25 Could you repeat your objection?

1 **MR. ELLENBERG:** I guess it's two-pronged.
2 One, he's already clarified that it's two different
3 processes; it's unbundled loop and the DS-1 service
4 are different things. Number two, she's asking --
5 asking Mr. Stacy to speculate about what a customer
6 might or might not do.

7 **CHAIRMAN JOHNSON:** Response?

8 **MS. CANZANO:** My response to that would be
9 that assuming all things are the same except for
10 time -- and this is a hypothetical.

11 **CHAIRMAN JOHNSON:** I'm going to allow the
12 question.

13 **WITNESS STACY:** I don't know. It's going to
14 depend on what else is in the offer.

15 **Q** **(By Ms. Canzano)** Okay. Let's go to the
16 next hypothetical situation. Let's assume I'm a
17 business customer and I have a lot of volume and I
18 want a DS-1.

19 **A** I'm sorry, you're a business customer and
20 you have?

21 **Q** A lot of volume.

22 **A** Oh, volume. Okay.

23 **Q** How long will it take BellSouth to provide a
24 DS-1 to me?

25 **A** I do not know what the retail provisioning

1 interval for a DS-1 is, I'm sorry.

2 Q Do you know what that interval would be if
3 I'm a CLEC on an unbundled basis?

4 A I'm looking at Exhibit D to my testimony
5 which specifies some of those intervals, and I believe
6 that one is there. That interval is five days.

7 Q Do you know whether or not on an unbundled
8 basis that is -- that takes more time to provide that
9 to a CLEC customer of BellSouth than it would to
10 BellSouth's own customer?

11 A I am not certain, but I believe because the
12 processors are different it is a different time
13 interval. The unbundled network element, again, has
14 to be -- go through the same processes that it goes
15 through for BellSouth retail unit. And then it has to
16 be interconnected to the CLEC's connecting facility.
17 The incremental time required to first design and then
18 perform that operation causes the two services to be
19 activated in different amounts of time.

20 Q Now, let's suppose I'm a customer and I want
21 BRI ISDN from BellSouth. Again, how long will it take
22 BellSouth to provide me that service?

23 A I'm not certain on basic rate ISDN again.

24 Q Do you know what that time would be to
25 provide that on an unbundled basis to a CLEC?

1 A The specified interval for that, again are
2 you ever referring to Exhibit D in my testimony, is a
3 target date interval of five days for a single, up to
4 ten basic rate loops.

5 Q And, again, is that longer than it would be
6 to BellSouth's own customer, do you know?

7 A I don't know for certain. I do know that
8 the processes are different, however.

9 Q Would those processes tend to require more
10 time to a CLEC?

11 A They would tend to require more time because
12 there's coordination between two companies.

13 Q On the average that would be a yes?

14 A I'm not completely sure, but on the
15 aggregate they are different and I would expect it to
16 be somewhat longer.

17 Q And also what about for PRI ISDN, does
18 BellSouth provide that service to CLECs on an
19 unbundled basis?

20 A Yes, BellSouth does. And the sequence of
21 answers is basically the same. I believe the interval
22 is still five days.

23 Q Thank you. Now, I'm going to switch gears
24 here and talk about due dates.

25 When a CLEC uses LENS in the inquiry mode,

1 the CLEC has access to the BellSouth's due date
2 calendar; is that correct?

3 A That's correct.

4 Q The CLEC actually has to affirmatively take
5 another step to look at the calendar; is that correct?

6 A I'm sorry, I'm not clear what you mean,
7 "affirmatively."

8 Q They have to actually take another step
9 instead of just -- it doesn't automatically pop up on
10 their screen. Do they need to do something to look at
11 the calendar?

12 A They need to click the button that activates
13 the calendar for that particular central office, if
14 that's what you're talking about.

15 Q When a CLEC uses LENS in the ordering mode,
16 how does the CLEC look at the calendar?

17 A In the firm ordering mode the calendar is
18 replaced by the due date calculator. And when you
19 activate the button to go to the due date calculation
20 screen, you go to the due date calculator. It's a
21 similar process but you're going to a different point.

22 Q When the CLEC is in the inquiry mode, the
23 order has not been processed at that point; is that
24 correct?

25 A That's correct.

1 Q And if a CLEC were to choose a date based on
2 the calendar in inquiry mode, the due date would only
3 be an estimate at that point; is that correct?

4 A That is correct.

5 Q And when a CLEC submits an order, there are
6 a number of reasons a due date could not be met; is
7 that correct?

8 A There are a number -- yes, on any order
9 there are reasons why the due date could are could not
10 be met.

11 Q And, in fact, the order could be rejected,
12 couldn't it?

13 A That's correct.

14 Q Four services that are in the category of
15 simple resold services, when BellSouth processes those
16 types of services for itself when providing them to
17 its customers, the service representative obtains the
18 due date quickly? Is that correct?

19 A Yes. Service representatives obtains the
20 due date from the same due date processor from the
21 testimony that I offered yesterday in about the same
22 times you do through LENS.

23 Q And how quickly would the BellSouth
24 representative obtain that information?

25 A Typically if you look at the comparison

1 figures or RNS and LENS, that information is obtained
2 somewhere between zero and six seconds for both LENS
3 and RNS.

4 Q But the service representative looking at
5 its calendar, is that an estimate or is that --

6 A It is the same estimate that's being
7 furnished to the CLECs. It's the next available due
8 date in that office. And is not reserved until such
9 time as an order is placed and accepted.

10 Q I'm going to switch gears now and talk about
11 what I call the September report. The report that's
12 going to be produced at some point mid-September?

13 A Yes.

14 Q Since it has not been produced yet, it has
15 not been filed in this docket; is that correct?

16 A That's correct. The data that is being used
17 to produce that report, some portion of the data is
18 reflected in my exhibits E and F, but not all of the
19 data.

20 Q And it's correct to assume, is it not, that
21 the performance measurements of this September report
22 include voice?

23 A Include --

24 Q Voice. I mean voice data.

25 A Yes. As a category of service there is not

1 a separate category for voice services. They're
2 classified as business or residence, unbundled loops,
3 trunks or designed services. And in all of those
4 there are categories of voice services.

5 Q What about data circuits?

6 A Data circuits are included in the designed
7 category or as an unbundled loop.

8 Q So specifically 56 and 64 kilobite 4-wire is
9 included?

10 A Yes. Depending on whether it was ordered as
11 a resold service or an unbundled network element, it's
12 included either in the design specials group or in the
13 unbundled network element requiring dispatch group.

14 Q What about DS-1?

15 A It could be, again depending on whether it
16 was ordered as an unbundled network element or resold
17 service, it is there, but you don't know which group
18 it is in unless you know how it was provisioned.

19 Q And it would only be there if somebody has
20 requested it?

21 A Yes. Those are in-service -- measurements
22 of completed services.

23 Q Is that also true for the 2-wire ISDN and
24 4-wire ISDN?

25 A Yes. They are, again, in one of those two

1 categories.

2 Q And I assume that's also true for the 2-wire
3 and 4-wire ADSL and HDSL?

4 A To my knowledge we don't have any orders for
5 those but they fall into one of those two categories,
6 yes.

7 Q For your exhibits that have been updated
8 WNS-E and F, the Local Interconnection Unbundled Loops
9 Interim Report, and the Resale Parity Report, do those
10 particular reports include the data circuits we just
11 discussed?

12 A These particular reports do not. Excuse me.
13 I'm sorry. If those -- no, they do not include those
14 reports. I do not have a produced report that covers
15 the special services. If they were ordered as
16 unbundled loops, they are part of WNS-E in the
17 unbundled loop total. But the resold services --
18 designed resold services are not included in that
19 report yet.

20 Q Mr. Stacy, are win-backs to BellSouth
21 reflected in this report? And by win-backs I mean if
22 a customer doesn't like a CLEC service for whatever
23 reason, BellSouth wins back the customer.

24 A Yes. I mean they are reflected in this
25 report in the -- would be reflected if there were any

1 in the BST number as a new connection.

2 Q But it's not separately identified?

3 A It is not separately identified.

4 Q Now, I'm going to switch gears for the final
5 time here.

6 Do you have a copy of Exhibit No. 22
7 regarding BellSouth's LCSC?

8 A Yes, I do.

9 Q Could you please turn to the July 8th, 1997
10 report, Pages 4 and 5.

11 A Yes.

12 Q Are you familiar with this document?

13 A I am familiar with it in a general sense. I
14 did not assist in the production nor in the readouts
15 from this, but I have seen the document before.

16 Q These pages set forth standards to measure
17 CLEC orders; is that correct? In part? (Pause)

18 A These pages set forth standards to measure
19 work processes internal to the LCSC. Insofar as the
20 LCSC's business is managing CLEC orders, they do
21 reflect some -- in some sense an objective about how
22 LCSC orders are to be processed, but they are not
23 standards for CLEC-ALEC orders.

24 Q But they have been measured, that's correct,
25 in this report?

1 A In this report manually handled orders in
2 the LCSC were measured as part of the process
3 improvement effort.

4 Q What are organizations internal to BellSouth
5 that provide the same functions for processing orders
6 for BellSouth's own customers?

7 A There are actually three large
8 organizations.

9 Q And what are they called?

10 A The Customer Services Organization, which is
11 organized to process orders from BellSouth's retail
12 residential customers; the BellSouth Small Business
13 Organization, which handles that category of
14 customers; and BellSouth Business Systems which
15 handles business customers that are classified in a
16 group called large businesses.

17 Q Also on Pages 4 and 5 I'd like to know
18 whether or not BellSouth is currently measuring for
19 its internal processes for its own orders the
20 following: percent first time quality; service orders
21 pending on the questionable; order process duration;
22 percent LSRs processed within 48 hours, and percent
23 calls abandoned.

24 And before you respond to that, could you
25 please define percent calls abandoned?

1 A I will attempt to. Percent calls abandoned
2 is a measurement that's made on an automatic call
3 distributor coming into a service location where a
4 customer places a call to the service location, is
5 answered by the machine, goes into a queuing status
6 waiting normally with an announcement of some kind on
7 hold, and hangs up the call before they talk to a
8 customer service representative. I need you to go
9 over those measurements again because I'm not certain
10 I can answer all of those questions.

11 Q Certainly.

12 A The first time quality.

13 Q Percent first time quality; service orders
14 pending on the questionable; order processed duration;
15 percent LSRs processed within 48 hours, and percent
16 calls abandoned.

17 A To the best of my knowledge those first four
18 measures, percent the first time quality, service
19 order pending, duration, and LSRs processed within 48
20 hours are not being measured by any of BellSouth's
21 internal units. I believe -- and I could stand to be
22 corrected on this, because this is outside of my part
23 of the business -- I believe percent calls abandoned
24 is being measured, at least for the consumer unit.
25 I'm not certain whether it is for the other two units.

1 Q So the customer unit is one of the three
2 organizations we discussed previously, correct?

3 A Yes.

4 Q Now, could you please turn to the August
5 15th, 1997 report? That's part of Exhibit No. 22.

6 A Yes.

7 Q Specifically, on Page 4 there's a third
8 bullet under the heading called "Phase 3." That
9 describes a CLEC evaluation that was developed -- that
10 tracks the percentage of clarifications from each
11 CLEC. Do you see that?

12 A Yes.

13 Q Does BellSouth keep track of clarifications
14 for itself for its retail services?

15 A To my knowledge we do not.

16 Q Mr. Stacy, if the Commission finds that it's
17 necessary for BellSouth to collect this information
18 for measuring parity as we have just discussed, is
19 there any reason why BellSouth could not collect each
20 of these measurements for itself?

21 A I'm simply not prepared to answer that.
22 There are millions of pieces of data involved in
23 collecting that on the BellSouth units and I'm not
24 certain what of that data exists and can be captured
25 or cannot. I'm familiar with the CLEC data because

1 that's the part of the business I work in. But I'm
2 not certain what's available or capable of being
3 captured for the retail units.

4 Q Would it be possible to develop something to
5 capture that information for BellSouth?

6 A I'm not even sure if it's possible the way
7 the systems are built. I just don't know.

8 Q So you just don't know. That's your
9 response?

10 A Right.

11 MS. CANZANO: Thank you very much, no
12 further questions.

13 CHAIRMAN JOHNSON: Mr. Boyd.

14 **CROSS EXAMINATION**

15 **BY MR. BOYD:**

16 Q Good morning, Mr. Stacy. I'm Everett Boyd
17 for Sprint.

18 A Good morning.

19 Q I've just a couple of follow-up questions.

20 First, with respect to what was marked this
21 morning the -- your Late-filed Exhibit 10, the LENS
22 Status Working Report.

23 A Yes.

24 Q Which is now hearing Exhibit 53. I ask you
25 to look at the first page with respect to the second

1 item is "LOOP." Over under the column headed "State"
2 it seems the two categories are "open" and "working".
3 Can you tell me what those two categories mean,
4 please?

5 A Yes. I believe we clarified that yesterday,
6 but the "open State "means that the change request,
7 which is what this system of managing changes is
8 called, has been created, and that there is a group of
9 people called requirements writers writing down the
10 business requirements for what the piece of software
11 is supposed to accomplish.

12 When the state is shown as working, the
13 requirements have actually been delivered to the
14 software group that is responsible for doing the
15 coding, and they have started translating the
16 requirements into the code required to make the
17 process work on -- the software required to make the
18 process work.

19 Q And, for instance, with the item for "LOOP",
20 once that activity is completed, will an unbundled
21 loop be able to be ordered entirely in a mechanized
22 fashion through the LENS system?

23 A Yes. When that activity has been completed,
24 there will be an ordering form for a unbundled loop in
25 the LENS system that is similar to and parallel to the

1 ordering form that's in the EDI system today for an
2 unbundled loop.

3 Q Well, today for an order for an unbundled
4 loop that's placed in the EDI system or through that
5 interface, does that not still require a manual
6 intervention before it becomes entirely mechanized?

7 A Yes, it does. I'm sorry. Perhaps I
8 misunderstood your question.

9 Q And when this work is completed in the LENS
10 system, will such an order for the loop bypass that
11 manual intervention?

12 A No. I did misunderstand your question. It
13 will flow to the same point and require manual
14 intervention. There is another project going on to
15 mechanize the service order generation for that loop.

16 Q And is that project reflected on this report
17 also?

18 A It is not.

19 Q What category does that fall in if it's not
20 open or working then?

21 A It's for a different system.

22 Q A system other than LENS?

23 A Yes.

24 Q And what is that system?

25 A That particular function is a function of

1 LESOG, the service order generator.

2 Q And will the end result of that work or that
3 project be that the unbundled loop is ordered in the
4 LENS or through the EDI?

5 A The end result of that combination of
6 projects will be that if an unbundled loop is ordered
7 in the EDI system, both in the main frame version and
8 the PC version, or through LENS, when those projects
9 are completed, some types of unbundled loops will be
10 provisioned without human intervention.

11 Q Do you know what the timetable is for that
12 project?

13 A I know that the project exists and that we
14 have not put a terminating date on it because the
15 coding for the service order generation has proved to
16 be difficult, so I do not have a completion date for
17 that yet.

18 Q Is this report that's Exhibit 53, is this a
19 regularly produced report?

20 A It is regularly maintained. It's not
21 produced as a report on a -- it's updated -- when
22 something changes, it's updated. It's not produced as
23 a printout.

24 Q This is a working list?

25 A Yes.

1 Q Of projects. So when this loop item is
2 completed, I think we went through yesterday on the --
3 through the demonstration to order the unbundled loop
4 in the port, you have to type it in the remarks
5 section.

6 A In LENS that's correct.

7 Q I'm sorry, in LENS.

8 A In the PC EDI that's not.

9 Q When this item is completed instead of
10 having to type it in there there would be a box to
11 check?

12 A Well, several boxes to fill in.

13 Q And does the same apply for a port and for
14 interim number portability?

15 A Yes, it does.

16 Q And are -- is the interim number portability
17 being worked on in the same sense as the loop for
18 entirely mechanized ordering?

19 A Yes. All of -- the four that are listed
20 there, loop, port, interim number portability and a
21 loop with interim number portability are being worked
22 on for complete mechanization, flow through.

23 Q I know you said you weren't entirely sure of
24 an expectation date. Are we talking '97, '98, '99?

25 A No, we're talking probably in this calendar

1 year, but one thing I have learned not to do is
2 predict outcomes for software projects.

3 Q Thank you. Let me ask you just a couple of
4 follow-up questions about the August 15th LCSC audit
5 Report and a couple of the interrogatory responses.

6 A Yes.

7 Q First, with respect to the LCSC Audit
8 Report. The report was sent to Crista Tillman,
9 Operations Vice President. Is that the person to whom
10 you report?

11 A No. She is a peer of mine; has a different
12 segment of the organization.

13 Q You're also an operations vice president?

14 A Yes.

15 Q And to whom do you all report in that
16 section?

17 A We report to an officer of the company named
18 Bill McNair.

19 Q And is Joe Baker on an equal level in terms
20 of hierarchy?

21 A Yes. Joe is on an equal level with Crista
22 and myself. We all carry titles that change randomly
23 as assistant vice president, operations vice
24 president, general manager or whatever the business
25 decides they want to call us that week.

1 Q Depending on which day of the week?

2 A No, it's less frequent than that but fairly
3 often.

4 Q In the audit report there are attached
5 charts and graphs, the first one of which is
6 percentage of LSRs, FOC'd in less than 48 hours. Do
7 you propose to include in your schedule of
8 measurements anything similar to this kind of
9 measurement?

10 A Yes. That is -- the first proposed
11 measurement in the SGAT is the -- I'm sorry, the
12 percentage of -- the percentage of FOCs delivered in
13 time intervals. It's actually more specific than
14 that. The first set shows it in four-hour increments
15 after 24 hours and then over 24 hours, but it's the
16 same measurement just put in different categories.

17 Q Do you propose to include in that
18 measurement only those that are received via an
19 electronic interface?

20 A Yes. That's the proposal at the moment.
21 We're hoping that our customers will move to an
22 electronic interface, at least the large customers.

23 Q And, again, looking at the interrogatory
24 response that Ms. Canzano asked you about --

25 A I'm sorry. Which --

1 Q Item No. 23. It was there that you
2 qualified the answer that the report, the September
3 report that's been mentioned?

4 A I'm sorry. Just a second. I laid that
5 down. (Pause)

6 Q That the report will include results for
7 orders received over the electronic interface?

8 A Yes.

9 Q Now, what I want to ask is -- will that
10 report only include orders that are placed in a
11 fashion that they flow through in a entirely
12 mechanized fashion?

13 A No, I'm sorry. It includes all orders
14 placed through the electronic interface. It does not
15 include orders that are received on paper, whether
16 it's a fax or a copy, delivered piece of paper.

17 Q So it will include orders that are sent for
18 an item for a service that has to have the manual
19 intervention in your system?

20 A Yes. If that order is delivered to
21 BellSouth through LENS, EDI or PC EDI.

22 Q What about for orders placed through the
23 EXACT system?

24 A This particular measurement was not
25 envisioned to capture those places through the EXACT

1 system. We have some contractual commitments with
2 different companies that provide a similar measurement
3 on that, but we did not intend to include it in
4 general because that's a trunk ordering system and
5 somewhat different.

6 Q What is the interval or intervals that
7 BellSouth has agreed to provide the FOCs in terms of
8 48 hours, 24 hours?

9 A There are different intervals in the
10 different contracts and arbitration agreements. In
11 general the agreed-to interval is either 24 hours or
12 48 hours for resold services and unbundled network
13 elements except trunks. And in general the interval
14 for trunks is five days.

15 Q And do you classify an unbundled loop that's
16 ordered via the EXACT interface a trunk or a loop?

17 A I classify it as a loop. We are trying to
18 move -- the companies that were using the EXACT
19 interface have been requested to move to the industry
20 standard interface, EDI, to do that ordering but it's
21 still classified as a loop. I just have to go to some
22 different extremes to capture that data. That is not
23 the standard ordering mechanism. It was an ordering
24 mechanism that the industry adopted in 1996 that was
25 replaced near the end of '96, and we still have some

1 customers who are using EXACT to place orders for
2 unbundled loops and it's making the ongoing process
3 very cumbersome.

4 Q I'm sorry, I didn't fully understand --

5 A EXACT is not the proper ordering mechanism
6 for unbundled loops and has not been since January.
7 We have not drawn a line in the sand and told the
8 companies that you cannot order an unbundled loop
9 using EXACT anymore, but there is some point in time
10 coming -- and my particular point in time was the end
11 of this year, when we'd have to say stop doing it this
12 way. We cannot track your unbundled loop orders in
13 two systems. We need them in one system. And that
14 system is EDI, the standard ordering system.

15 There are still, I believe, two companies
16 using EXACT to place unbundled loop orders but we're
17 trying to get them to transition off of that because
18 those orders do not come together at the right place
19 in the system with the tracking mechanisms that we've
20 put in place, and we have to do some tracking
21 manually.

22 Q Does the order for an unbundled loop placed
23 through the EXACT system end up being processed and
24 handled by the LCSC?

25 A Yes, it does. What doesn't happen is that

1 it doesn't get into the database in the right place
2 for the FOC tracking mechanism, among other things.

3 Q The next chart on the report is duration
4 time for LCSC. Do you propose to include in the
5 measurements you have proposed a measurement similar
6 to this?

7 A I have not because this is a measure of
8 internal efficiency on manual orders. We're proposing
9 the measurements based on the assumption that the
10 large customers -- and that most of the customers with
11 significant volume will move to electronic ordering
12 very quickly. So the measurements are based on the
13 electronic ordering system.

14 Q Do you propose to include in -- let me
15 rephrase that.

16 Do you include in the measurement that you
17 have proposed any form of measurement of the service
18 provided to ALECs through the LCSC?

19 A Yes. There are multiple measurements and
20 let me go through them for you.

21 The first measurement provided is the time
22 to get a firm order confirmation. So if the order
23 came in electronically, regardless of whether it
24 required manual intervention to further process, an
25 FOC is returned and that order is going to be

1 measured. That is the measure of the duration time in
2 the LCSC in a another form. How long did it take that
3 group to handle it, whether it was handled completely
4 electronically or whether it required human
5 intervention. So that captures this number.

6 The charts you see is that same measure
7 where the order was not entered by electronic means.
8 It's a measurement of how long the order was in the
9 LCSC. So it's the same data it's just from two
10 different input streams.

11 Q And do you propose to include a figure --
12 any of the internal LCSC measurements, the LSRs per
13 hour?

14 A We have not proposed to include that. We're
15 proposing measurements in total that are based on the
16 outcome of the provisioning to the end user. So you
17 will see a few measurements that deal with our ability
18 to accept the order and return a FOC in a timely
19 manner to the service provider, to the ALEC, and then
20 you will see a group of measurements focused on
21 whether or not the commitment to the end user was met.
22 The percentage due date met; whether the installation
23 or maintenance was done in a quality manner, and
24 that's reflected in the number of reports you receive.
25 And then the whole set of normal repair reports, what

1 are the incidences of trouble? How long does it take
2 you to repair them? So they are focused on the result
3 for the end user of the process.

4 Q In preparing the measurements that you have
5 proposed in your testimony, did you consult to any
6 degree with DeWolf, Boberg & Associates (ph), the
7 author of the audit report, August 15, 1997?

8 A No, I did not, they were engaged as
9 consultants to improve of the processes used in the
10 local carrier service center, not as measurement
11 consultants.

12 Q Do you know the number of times BellSouth
13 has consulted with this organization in 1997?

14 A I do not. I know of two specific instances,
15 but I'm not certain whether those are all of the
16 incidents or not.

17 Q Have you worked with them yourself on other
18 projects?

19 A I have not.

20 Q Thank you, Mr. Stacy.

21 CHAIRMAN JOHNSON: Staff.

22 MR. HORTON: Chairman.

23 CHAIRMAN JOHNSON: I'm sorry. Mr. Horton.

24 MR. HORTON: I keep sneaking in here.

25 CROSS EXAMINATION

1 BY MR. HORTON:

2 Q Mr. Stacy, I'm Doc Horton are for ACSI.

3 A Yes, sir.

4 Q Just clarification, I think in response to
5 some questions from Ms. Canzano didn't you indicate
6 you did not know the average installation time for a
7 business customer requesting service from BellSouth?

8 A That's correct.

9 Q And the same answer for residential
10 customers?

11 A The average installation time, that is
12 correct.

13 Q Okay.

14 Q Do you know if that information is provided
15 to or compiled by the Public Service Commission?

16 A I do not know.

17 Q Do you know if that information is collected
18 by BellSouth internally?

19 A To my knowledge it is not collected by
20 BellSouth internally, but that's outside of the
21 business unit that I operate in so that's beyond the
22 scope of what I'm normally involved in.

23 MR. HORTON: That's all questions I have.

24 Thank you.

25 CHAIRMAN JOHNSON: Staff? Mr. Horton, are

1 you finished?

2 MR. HORTON: Yes, ma'am. I'm sorry.

3 CROSS EXAMINATION

4 BY MS. BARONE:

5 Q Good morning, Mr. Stacy. Staff is going to
6 hand out what has been identified in Exhibit No. 52 as
7 WNS-CON that is your confidential exhibit. I'm going
8 to ask you several questions regarding that.

9 And before you get that, I'd like to first
10 ask you, have Time Warner and BellSouth reached
11 agreement on performance standards?

12 A Yes, they have.

13 Q And when did they do that?

14 A They reached agreement -- I'm sorry. Is
15 today Friday?

16 Q Yes, it is.

17 A Reached agreement on Wednesday. The
18 agreement is actually being signed this morning.

19 Q Are those performance standards similar to
20 AT&T or are they different from the AT&T performance
21 standards?

22 A They are, to a large part, identical to
23 AT&T. If you look at the groups of services to be
24 measured, there are one or two changes in the way the
25 groupings are made, but they're 99% identical to the

1 AT&T set.

2 Q Mr. Stacy, could you tell me generally why
3 performance standards might differ from ALEC to ALEC?

4 A In general, we believe that there are some
5 differences from ALEC to ALEC simply because of the
6 focus of their business.

7 If they are interested, for instance, in
8 doing only facility-based business, there are a number
9 of the measures we proposed that are of little
10 interest to them, and there are some others that are.

11 If they were focused solely on retail
12 business, there are a number of the measures we
13 proposed that are useless to them. So it's a matter
14 of the ALEC's business intent.

15 What we developed with AT&T originally,
16 because they had come to us both as a reseller and
17 facility-based carrier, was an attempt to cover the
18 entire range in a general fashion so that we could
19 then negotiate either additional or -- added or remove
20 measurements if a specific ALEC was interested in
21 another specific thing.

22 Q So basically they would be the same when you
23 go from resale to resale to resale and UNES to UNES to
24 UNES, but if one company only purchases UNES and
25 didn't purchase resale services, then it would only be

1 different based on the functionality? Is that your
2 testimony?

3 A I believe that's a good way to say that.

4 Q Now I'd like to begin a discussion with you
5 about TCG's position that it's received blocking
6 complaints from customers.

7 And first I'd like to refer you to
8 Confidential Exhibit WNS-CON, and we will begin on
9 Page 3. Mr. Stacy, would you please explain for the
10 record what a P.01 blocking rate or grade of service
11 is?

12 A That is a technical descriptor of a
13 measurement of the blocking of a trunk group. The "P"
14 stands for a particular distribution of traffic called
15 "Poisson," P-O-I-S-S-O-N, that relates to how the
16 amount of calls and the duration of calls on that
17 trunk group are spread in time, and .01 relates to the
18 blocking that no more than 1% of the calls should be
19 blocked in what's called the average busy hour using
20 that distribution.

21 It's a set of mathematical formulas that
22 let's you determine if you know how many calls are
23 going to be placed and how long those calls are going
24 to be, how many trunks you need to provide to achieve
25 a certain level of performance.

1 Q And I believe you just stated that P.01 is
2 typically meant -- or expressed in terms of a busy
3 hour; is that correct?

4 A Average -- average busy hour -- busy hour,
5 average busy day. That's two technical traffic
6 engineering terms. But there are ways of categorizing
7 it so that you don't measure every trunk group, every
8 hour, all month. You look for the busiest periods and
9 measure those.

10 Q Now, in your Late-filed Deposition
11 Exhibit No. 4, and looking at Page 3 of Exhibit
12 WNS-CON, you show various tandems and end offices in
13 the southeast LATA; is that correct?

14 A Yes.

15 Q And you show the design criteria, as well,
16 expressed in terms of blocking rates; is that correct?

17 A That's correct.

18 Q And you've designed these trunk groups to
19 have these grades of service as shown; is that
20 correct?

21 A That's correct.

22 Q And that was done at TCG's request?

23 A That was done -- the grade of service? I'm
24 sorry. I don't quite follow your question. The trunk
25 groups were installed at TCG's request, or at

1 BellSouth's request in the case where the traffic went
2 from BellSouth to TCG. I'm not quite sure I got that
3 question now.

4 Q Now, the blocking -- I guess my question
5 was, were the blocking rates that are shown here, were
6 these designed at TCG's request?

7 A No. The blocking rates that are shown there
8 were agreed to by BellSouth and TCG as part of the
9 specification of what kind of trunk group was being
10 installed, whether it's an end office direct or a high
11 usage group or -- so they're not set by either one.
12 It's determined -- when you agree on what kind of
13 trunks you're going to provide, in doing that you are
14 agreeing on a blocking rate.

15 Q Now, is it your position that these grades
16 of services are being provided to TCG at these points?

17 A It is my position that these grades of
18 service are being provided except in instances that
19 we've discussed earlier where traffic changes were not
20 anticipated and the trunk group size had to be
21 increased at a later date to continue to provide the
22 grade of service.

23 Q Now, this diagram shows the number and
24 placement of TCG trunk groups where they interconnect
25 with BellSouth's facilities; is that correct?

1 **A** At the particular point in time that this
2 document was produced, yes. There are additional
3 groups and additional trunks being added constantly as
4 the network changes.

5 **Q** What do you mean?

6 **A** TCG is growing and changing their network.
7 They have ordered from BellSouth additional trunks in
8 several of these groups. They have ordered new trunk
9 groups to be created. And as the network -- the
10 network configuration that's shown on this diagram,
11 I'm sure, is not accurate this morning, because there
12 has work been done in the last two weeks to change the
13 configuration.

14 **Q** Now, TCG has testified that it has received
15 complaints from its customers that calls from
16 BellSouth subscribers to TCG subscribers are getting
17 blocked. Is that your recollection?

18 **A** As I understand it, that has been their
19 complaint.

20 **Q** I'd like you now to turn to your Late-filed
21 Deposition Exhibit No. 6, which is also contained in
22 the packet before you, and that's on Page 20.

23 **A** Yes.

24 **Q** Now, on Page 21, you've provided some
25 traffic studies showing data for both TCG and other

1 ALECs operating in the southeast LATA; is that
2 correct?

3 A On Page 21 and following; yes, that is
4 correct.

5 Q Now, these studies show where and when
6 blockage is occurring; isn't that correct?

7 A That is correct.

8 Q I know you went over some of the headings
9 yesterday with Mr. Willingham, but I would look to go
10 through these again, and I'd like to go over the
11 formats of the data provided to make sure we're
12 reading it correctly.

13 A All right.

14 Q You've providing blocking percentages over
15 the last six months for several ALECs operating in the
16 southeast LATA, correct?

17 A Yes.

18 Q Now, sir, I'd like you to go through this
19 and explain all the codes and abbreviations for me
20 beginning at the top and going over.

21 A And I apologize. There may be one or two
22 that we don't use that I cannot explain, but I'll
23 attempt all of them.

24 The code in the top left-hand corner, RESP
25 followed by a colon is the capacity manager

1 employment -- the employee in BellSouth, who is called
2 a capacity manager, who is responsible for monitoring
3 the traffic on this trunk group and for doing what we
4 call servicing the trunk group, he or she looks at the
5 trunk group on a weekly basis, does the analysis, and
6 determines whether additional trunks are required or
7 not.

8 Q I'm sorry. What kind of manager was that?
9 I didn't hear you.

10 A They're called a circuit capacity manager is
11 their job title. And the code in this particular case
12 SE34 identifies a particular individual. I do not
13 know who that is, but it's an individual in southeast
14 Florida, which is one of our organizational divisions,
15 and that's a particular individual.

16 The TGSN code below that is the trunk group
17 serial number. That's just an identifier for our
18 system as far as how this trunk group is tracked and
19 identified. "M day" is the measurement day, and
20 that's a code for -- the particular code on this sheet
21 is average busy day. The SPL abbreviation is
22 explained. That's study period loads.

23 The line immediately below the dotted line
24 shows the common language location identifications of
25 the two offices involved, and following that, the

1 series of codes that specify the format, the signaling
2 and the design criteria for the trunk group. And I
3 apologize; I cannot give you all those codes. That's
4 kind of a long book, but --

5 Q I'm sorry. Can you tell me which one that
6 was again?

7 A The first line with printing on it below the
8 dotted line. The line starts out "WPBH". I won't go
9 any further than that. That identifies the BellSouth
10 office, the TCG office, the type of trunk group in the
11 little coding that follows that, and the use of the
12 trunk group in the five alpha characters that follow
13 that.

14 There are a large number of those codes, and
15 I apologize. I -- that particular group is a tandem
16 group. That's the TD abbreviation, but I would have
17 to look up the rest of it.

18 Q And then the CNST?

19 A Those fields are not used. They refer to an
20 acronym called "trunk data servicing program".
21 They're not used as far as this report is concerned.

22 Q And then the next one?

23 A Next line down, the study period -- I'm
24 sorry.

25 Q Sir, no. To the right.

1 A Oh. Again, that is part of the trunk data
2 servicing program that's simply not used.

3 Q Okay. Now, the first item on that line that
4 you began with, WPB, are those the BellSouth switches
5 connecting to the trunks in question?

6 A It could be -- in this particular case it is
7 the BellSouth switch. Depending on the directionality
8 of the trunk group, it could be either the BellSouth
9 switch or the ALEC's switch. You have to look at the
10 code to know whose -- you have to look at the book
11 that has the coded ID in it to know whose switch that
12 is. In that particular case that is the BellSouth
13 switch.

14 Q Okay. And then the left-hand column coming
15 down, that's the study period?

16 A Study period. That's the day the traffic
17 data, the actual data, was collected on over the
18 period of time.

19 Q And this is weekly data, correct?

20 A Yes.

21 Q And the next column indicates the number of
22 trunks in service and the number of trunks required,
23 correct?

24 A Right; the number of trunks in service at
25 that particular point in time and the number that the

1 traffic data indicate are required. So the data on
2 the right-hand side is collected, and then that number
3 of trunks in the required column is calculated from
4 that.

5 Q Are the numbers --

6 COMMISSIONER CLARK: Let me ask a question
7 on that. I guess I'm confused. You calculate the
8 blockage, right, to see what's needed as far as
9 trunks?

10 WITNESS STACY: Right. We start off with an
11 assumption about how the trunk group is going to be
12 designed, and you actually start off with an
13 assumption in the column that's marked "OFFD", which
14 is "offered", about how many hundred call seconds are
15 going to be offered to that trunk group. That takes
16 you through a design calculation and comes back to a
17 required number.

18 COMMISSIONER CLARK: So it's speculation.

19 WITNESS STACY: Yes, to start with it's
20 speculation. Then after you've done that the first
21 time, you begin to collect this actual data --
22 actually, speculation is probably too loose a word.
23 It's a forecast.

24 You take the forecast and you make your
25 initial assumptions. Then you begin to collect this

1 data, and as you collect the data, you continue to
2 adjust the number of trunks in the group on a weekly
3 basis or after, in a more normal situation, you go to
4 a monthly or even a three-month basis.

5 **COMMISSIONER CLARK:** Let me ask you this:
6 Your forecast determines your required trunks?

7 **WITNESS STACY:** Only for the initial
8 placement of the trunk group.

9 **COMMISSIONER CLARK:** Well, let me ask it
10 this way. I guess I have difficulty understanding how
11 you -- all right. Only initially you do it by
12 estimate and forecast?

13 **WITNESS STACY:** Right.

14 **COMMISSIONER CLARK:** And then how soon do
15 you do it by actual data?

16 **WITNESS STACY:** Generally within a month,
17 but it could be as quickly as the first week. There
18 are series of parameters about when you can tell if
19 you have valid data in terms of the total number of
20 calls that were offered and how many call seconds.

21 And the capacity manager's job -- one of the
22 columns we haven't talked about over there in far
23 right-hand side is called V-A-L. That's the number of
24 days in that month -- or in that study period --
25 excuse me -- that he was able to get valid data to

1 look at. And there are a whole set of criteria for
2 when data is valid or not. So when there's enough
3 valid data they start making adjustments.

4 **COMMISSIONER CLARK:** Okay.

5 **Q** (By Ms. Barone) Mr. Stacy, under the
6 "Trunks" column what does the pound sign mean?

7 **A** Under that column, it meant that there
8 was -- that there was not enough of a significant
9 difference between the calculated number and the
10 in-service number. It actually means you hit it right
11 on that week.

12 **Q** Are the numbers in the "trunks required"
13 column based on a particular grade of service, such as
14 P.01 or P.02?

15 **A** Yes. And that grade of service -- and I
16 apologize. I cannot translate that without a book --
17 is coded into the trunk usage code, which is on the
18 line we were discussing, that has the office names on
19 it.

20 That particular trunk group is coded as an
21 AF-4, an "alternate final", and that goes back to a
22 grade of service code. I believe in this particular
23 case -- well, actually we can look at the other
24 diagram and make that translation. That particular
25 grade of service in AF translates to a P.01.

1 Q And, again, the next column that's headed TD
2 and FCST are blank.

3 A Right. Those are data elements that we do
4 not use. The F -- trunk traffic data and forecast are
5 the places -- if you started a brand new trunk group,
6 they let you use this same system to plan trunk sizes.

7 So if you had a theoretical case where you
8 wanted to determine what -- how many trunks would be
9 required, you can create a theoretical group in this
10 system and fill in those columns and get trunk numbers
11 to do planning work with. In this case this is a real
12 group, so that data simply doesn't exist.

13 Q Now the column headed "HR" is busy hour,
14 correct?

15 A The busy hour that was measured.

16 Q And "OFFD", is that "offered"?

17 A Offered --

18 Q Does that mean number of all call attempts?

19 A Hundred call seconds. You'll see the
20 abbreviation CCS used.

21 Q And "BLKG" means "blocking rates"?

22 A That's the blocking rate for that study
23 period.

24 Q Yesterday you said the blocking percentage
25 reflects the percentage of calls blocked. On that

1 exhibit we don't have the number of calls on the page;
2 on this page, do we?

3 **A** No. The way the traffic engineering data is
4 collected, we do not collect the number of calls.

5 **Q** And all we have is the number of CCSs; is
6 that correct?

7 **A** Right. So translating that to a specific
8 number of calls is -- I'm not sure whether it's
9 possible or not.

10 **Q** So what does the percentage reflect?

11 **A** The percentage reflects the estimate of the
12 blocking on the group. It is the percentage of calls
13 offered to the group that would have been blocked, but
14 it's done through a calculation that doesn't actually
15 show the number of calls.

16 **Q** On Page 1 of this deposition exhibit, you
17 say that the blocking column reflects a four-week
18 moving average of call blockages per the respective
19 study period.

20 **A** Yes.

21 **Q** Does that mean that each figure shown for
22 each week actually represents an average of that week
23 and the three prior weeks?

24 **A** Yes. That's the way it's calculated.

25 **Q** What's the ZFAC?

1 A That's a term called the Z factor. That's
2 what FAC is the abbreviation for. It is a traffic
3 engineering design tool that's called peakedness.
4 That's P-E-A-K-E-D-N-E-S-S. It is a measure of how
5 closely the traffic matches the ideal distribution
6 that's specified by the Poisson rule that I mentioned
7 earlier.

8 If it matches it very closely, that factor
9 is one. If it has a sharper peak in the middle -- if
10 you can imagine the normal mathematical curve for a
11 normal distribution that we call a Bell curve
12 sometimes -- it has a smooth shape. If it is very
13 pointed in the middle, the Z factor is higher. And
14 the more pointed it gets in the middle, the larger the
15 Z factor gets.

16 That helps you to -- it's one of the factors
17 that's used in determining how many trunks are
18 required, because it varies from the Poisson
19 distribution.

20 Q And what does the D/D column mean?

21 A That is another measure of volatility is the
22 way we term it. It's called day-to-day volatility.
23 If -- during the traffic engineering period, you're
24 using the busy hour to determine how many trunks you
25 need. If that changes radically from day to day, the

1 volatility is rated by this program as high, medium or
2 low. That's what the letters in the column stand for,
3 and that's another factor that goes into the
4 calculation of how many trunks are required.

5 Q And what does the VAL column mean?

6 A VAL is how many valid days of data are in
7 the study. There are a number of criteria for
8 collecting the data to ensure that you get enough data
9 to make an accurate depiction of the number of trunks
10 required.

11 Q I'd like to try to summarize this, and you
12 tell me if I'm correct. So this data basically shows
13 when the traffic increases, when the blocking rates go
14 up, and when BellSouth adds trunks to accommodate the
15 increased traffic; is that correct?

16 A In addition, it will also show when the CLEC
17 adds trunks for the trunks that are in the other
18 direction. There are some two-way trunk groups
19 included in here, not on the sheet we have been
20 looking at.

21 Q How long does it take BellSouth to get the
22 reports that show significant increases in traffic?

23 A We get the reports weekly.

24 Q And how long does it take to add trunks once
25 BellSouth realizes that traffic growth requires

1 augmentation of trunks?

2 **A** As short as 30 days, as long as four months
3 depending on whether central office equipment has to
4 be added or not.

5 **Q** I believe TCG states that the blockage
6 problems that it's concerned about are not those
7 occurring in the interconnection facilities, but
8 rather they believe blockages that are occurring in
9 the trunk groups behind the BellSouth tandem.

10 In other words, blockage is occurring in
11 BellSouth's own trunk groups before the calls ever get
12 to TCG. Is that your understanding of TCG's position?

13 **A** I'm somewhat confused by their statements
14 because they have indicated both -- they've indicated
15 concern over both areas in the trunk groups between
16 the tandem and their switches, and in BellSouth's
17 network. But I have heard them express both concerns,
18 yes.

19 **COMMISSIONER DEASON:** If the blockage is on
20 your side, that affects your retail customers as well
21 as TCG?

22 **WITNESS STACY:** Yes. And that was one of
23 the reasons we had a little difficulty understanding
24 their concern. If you can envision the simplest
25 traffic pattern, the traffic from a BellSouth end user

1 calling TCG goes to the switch that BellSouth calls
2 its LATA tandem. The trunk group that that's routed
3 on carries all of the traffic destined for every IXC
4 in that LATA, all of the independent companies that
5 are served by interLATA, intraLATA services all
6 together with the ALEC's traffic.

7 And those trunk groups are very, very, very
8 carefully watched to make sure that we don't have
9 blockage on them, because among other reasons, we get
10 a lot of grief from the IXCs; but we're very
11 interested in making sure that we complete as many
12 calls as we possibly can that route on those trunk
13 groups.

14 So we have not understood their concern
15 about blockages on that side of the interface. We
16 have worked with them and other companies about
17 blockages that occur between us and them when dramatic
18 changes occur in the traffic.

19 Q (By Ms. Barone) Could you expound on
20 the -- I think earlier you said it could take anywhere
21 from a week to 30 days to -- I'm sorry. Was it 30
22 days to four months to be able to add trunks once you
23 realized that you've got a problem?

24 A Yes.

25 Q Can you explain why it would take four

1 months. And really walk me through it; give me an
2 example and why and what needs to be added.

3 A And let me take a specific office as an
4 example. The tandem we've been talking about here is
5 BellSouth's tandem at Grande, which is in Miami.

6 Q And I want to clarify this for you. I'd
7 like to know of an example that would take four months
8 and then compare it to an example that would take 30
9 days.

10 A Yes. BellSouth orders -- does a forecast of
11 the amount of equipment required to terminate trunks
12 in that office. And when I say terminate -- I'm
13 sorry. If I lapse off into technical language here,
14 stop me. BellSouth has to order equipment for that
15 office periodically.

16 In general, because of the fact that you're
17 going into a working central office and changing the
18 switch, it is not cost-effective or efficient to do
19 that very often. There is a danger anytime you go
20 into a working central office and add equipment that
21 you'll do something to disrupt service.

22 So in general, the orders to add equipment
23 to those central offices are spaced out some period of
24 time. In a very small central office that might be
25 spaced out as far as once a year.

1 So we look at the entire forecast for the
2 next year, try to get a grip on all of the demands
3 that are going to be placed on that central office for
4 additional services, and order all the equipment and
5 get it put in.

6 In a large central office like Grande, those
7 jobs typically are worked at shorter intervals,
8 generally as short as about three to four months.

9 So if you get to a situation where you have
10 used up all of the trunk equipment that you had
11 forecast for that period of time, and the demand
12 changes and you have to go purchase, install and
13 provision new equipment, you might be in the cycle
14 where it actually requires four months to do a job.

15 On the other hand, if you have just
16 completed working the equipment installation and you
17 have spare capacity, you might be at the interval
18 where it takes 30 days or even less to work the job to
19 add trunks.

20 So it's very difficult to predict, until you
21 get to a specific situation with a specific office
22 with a specific number of trunks, whether it's going
23 to be provisioned immediately, a week, 30 days, or
24 four months later.

25 In general, if the forecasts are good, we

1 try to keep those intervals underneath 30 days. But
2 when we have to add equipment, when we have to go back
3 to the manufacturer, purchase additional equipment and
4 have it installed, that interval can be as long as
5 four months.

6 Q Would you please turn to Page 23 of the
7 exhibit?

8 COMMISSIONER DEASON: Before you leave, I
9 have a couple questions on that page. The last
10 column, days of valid data, the second entry there, is
11 that enough days of valid data to make a decision, or
12 does it take more days than that?

13 WITNESS STACY: That is enough, but barely
14 enough. What happened on that particular group, if
15 you'll look -- and I won't talk about the numbers --
16 but if you'll look beginning on June the 9th, there
17 were significant changes in the traffic offered to
18 that group, and the traffic engineer went in and
19 started studying short periods of days trying to
20 determine what the requirement for that group was.

21 That valid period -- he can actually go in
22 and order the computer to do the normal study, which
23 is about 20 days worth of data, or he can order the
24 study to be spit out.

25 If you think of it as a moving line, he's

1 telling the computer, don't look at the data older
2 than five days old because something happened to
3 change and I want to forget about the old data in your
4 calculation. I want you to look only at the most
5 recent data.

6 So five days is valid if a design
7 professional has made that decision looking at the
8 data that the change -- a change has happened and he
9 needs to look at the short interval.

10 **COMMISSIONER DEASON:** Okay.

11 **Q** **(By Ms. Barone)** Mr. Stacy, it appears on
12 that page that trunks were added in two places at
13 one-week intervals on this page.

14 **A** Yes.

15 **Q** And I guess I want to understand --

16 **A** There were -- that's at the bottom of my
17 comments. If we have spare facilities and equipment
18 in place, then trunks can be added in five days or so,
19 and the interval goes from there on out. It depends
20 on whether you have spare capacity in both offices.
21 Remember, the trunks have to be terminated not only in
22 BellSouth's office, but in this case in TCG's office.
23 So they have to be able to match that capacity on a
24 one-for-one basis.

25 **Q** On Page 32 of that exhibit --

1 A Excuse me. 32?

2 Q Yes, sir. It's titled "Final Trunk
3 Groups-CLEC." Would you describe the type of trunk
4 groups that are considered final trunk groups?

5 A In the traffic design system, a final trunk
6 group is the last choice that traffic going between
7 two companies has before it runs into a blocked
8 condition.

9 So if there were in the network -- as I
10 described earlier, there are three points of
11 interconnection to BellSouth for ALECs. They can
12 connect directly from their switch to BellSouth's end
13 office; they can connect directly from their switch to
14 BellSouth's local tandems; and they can connect
15 directly from their switch to BellSouth's access
16 tandems.

17 Almost all of the companies started their
18 interconnection trunking with us at the access tandem
19 level, because that gives you the ability to reach the
20 most customers with the fewest points of
21 interconnection, but it's a multiple network.

22 And a final group is the last choice. So if
23 you envision that all three of those groups existed,
24 the traffic that could not be handled by the end
25 office trunk group between BellSouth and an ALEC would

1 then be routed to an alternate trunk group, a final
2 trunk group, that went either to the local tandem or
3 to the LATA tandem. And those are called final trunk
4 groups and have a different design criteria.

5 Q Mr. Stacy, when BellSouth local traffic gets
6 blocked, how does the overflow get routed? Does it
7 get routed to the access tandem like the ALEC traffic?

8 A BellSouth's finals for its local traffic are
9 generally at the local tandem level. They do not get
10 routed to the LATA tandem.

11 Q To the what tandem?

12 A The LATA tandem -- the access tandem. I'm
13 sorry. I called it two different things.

14 Q You don't design the network to have ALEC
15 traffic overflow to the local tandem; isn't that
16 correct?

17 A That design is a mutual decision between
18 BellSouth and the ALEC. If they have a point of the
19 interconnection at the local tandem, that overflow
20 would be designed that way. But the points where they
21 interconnect to the network are their business choice,
22 and then once they've made that decision, we have to
23 sit down and design the routing.

24 Q Back to the final trunk groups. If you'll
25 look at diagram -- the diagram located on Page 3 which

1 is in your Late-filed Deposition Exhibit No. 4, are
2 any final trunk groups shown on that diagram?

3 A Yes. In general -- there's not quite enough
4 information here to be 100% sure. But in general, all
5 of those trunk groups where the design criteria is
6 shown as .005, that is a design that's reflected --
7 reflected that that is a final group.

8 Q Now, do final trunk groups for ALECs always
9 connect to access tandems?

10 A No, they do not. They can connect at any of
11 the three points, although generally -- I don't ever
12 remember seeing an end office trunk group that was a
13 final, but there's -- that's not a physical
14 limitation. It's just a design choice.

15 Q Does any of the data reflected here serve to
16 prove or disprove TCG's argument that the blockage it
17 complains about is on BellSouth's side of the network?

18 A To the best of my knowledge, this data set
19 does not prove or disprove that particular contention.
20 It's responsive to the questions that were asked in
21 the deposition about how the network was managed.

22 The proof or disproof of that particular
23 condition -- contention is in the ARMIS Report that's
24 delivered normally to the FCC that demonstrates the
25 blockage on the groups that go to the LATA tandem.

1 Q So BellSouth hasn't provided any information
2 in this proceeding that shows whether and to what
3 degree BellSouth calls to TCG's customers are not
4 being blocked?

5 A To my knowledge, in this exhibit that data
6 has not been provided. But, as I've described the
7 design of the trunking network to you earlier, TCG's
8 customers are treated on that side of the network no
9 differently than any other of BellSouth's customers or
10 any other -- or any interexchange carrier's customers
11 trying to reach them, and that's why we have not
12 attempted to produce data to specifically refute that,
13 because there is no TCG specific data that exists.

14 Q And the portion of the ARMIS Report hasn't
15 been produced in this proceeding either?

16 A I thought that it had been produced as one
17 of the exhibits, but I do not have it in my hand, and
18 I'm possibly confusing with having produced it for
19 some other purpose. That report is publicly available
20 and, I believe, is furnished to the Commission
21 regularly as part of our reporting, but I'm --.

22 Q Has BellSouth provided any data to TCG that
23 shows the blockage rates occurring in the BellSouth
24 network versus those occurring in the interconnection
25 facilities between BellSouth and TCG?

1 A To my knowledge, we have not furnished any
2 specific data to TCG about blockages on our side of
3 the network. Where we have furnished data is the
4 blockages between BellSouth and TCG.

5 Q Has TCG asked you for that?

6 A To my knowledge, TCG has not asked us for
7 that. This set of information was responsive to the
8 questions that they ask about percent blocked in the
9 network in South Florida, and I believe we were
10 responsive to each question with the set of data that
11 they were looking for.

12 Q Has BellSouth ever provided this data to any
13 ALEC?

14 A To my knowledge, we have not.

15 Q Has any ALEC ever requested this information
16 from BellSouth?

17 A No; to my knowledge, they have not.

18 Q I'd like now to refer you to Late-filed
19 Deposition Exhibit No. 5, which is on Page 6, and we
20 have --

21 A I'm sorry. That's not in the confidential
22 group, right?

23 Q Yes, it is, and it's no longer confidential.
24 Let's check with Ms. White on this. Page 6.

25 **WITNESS STACY: Yes.**

1 **MR. WILLINGHAM:** Are we talking about the
2 page that starts with "communication"?

3 **MS. BARONE:** Yes, that's it.

4 **MR. WILLINGHAM:** Is there a bullet at the
5 top that says "communication"? Is that the page?

6 **MS. WHITE:** Yes.

7 **MR. WILLINGHAM:** My pages are not numbered.

8 **MS. WHITE:** TCG has said that that page and
9 those two paragraphs are not confidential.

10 **MR. WILLINGHAM:** But only this page, not
11 this entire --

12 **MS. BARONE:** Yes, just this page. And what
13 we've done is we've made a copy. If you want to,
14 Mr. Greer, give a copy to the attorneys so that they
15 can see that.

16 We have made a copy of this page and we will
17 ask that it be identified as an exhibit since it is no
18 longer confidential.

19 **CHAIRMAN JOHNSON:** It will be identified as
20 Exhibit 57.

21 **MS. BARONE:** Madam Chairman, was that
22 Exhibit 57?

23 **CHAIRMAN JOHNSON:** Uh-huh. What's the short
24 title on this?

25 **MS. BARONE:** TCG Communication.

1 Communication between TCG and BellSouth.

2 (Exhibit 57 marked for identification.)

3 Q (By Ms. Barone) Would you read this aloud,
4 please, sir?

5 A Yes. "Held joint planning meeting in May at
6 which time we indicated a desire to initiate end
7 office trunking. TCG was unresponsive and did not
8 know which central offices would benefit from this
9 trunking arrangement.

10 The South Florida CCMS have developed an
11 excellent rapport with the local TCG operations people
12 as well as the centrally located provisioning
13 personnel. We've always found them cooperative, and I
14 believe they've always found us receptive and anxious
15 to assist them."

16 Q What I'm trying to do is reconcile the two
17 paragraphs. And the first paragraph says that TCG was
18 unresponsive. The second it appears that TCG
19 cooperates. Can you expound on this or shed light on
20 this?

21 A The unresponsive, I believe, was
22 specifically directed to the question of when and
23 where end office trunking might benefit TCG. And
24 unresponsive is that in that meeting in May, as best I
25 understand that, they simply were unable to determine

1 whether they wanted end office trunking installed and
2 if so, where they wanted it installed.

3 But then the second paragraph is a summary
4 provided by the circuit capacity manager that
5 indicates that the overall relationship, they believe,
6 has been going quite well.

7 Q Thank you. With respect to ordering
8 interconnection trunks, what are the usual intervals
9 required for BellSouth to install trunk groups on its
10 own network?

11 A They range over the same range because we
12 use the same processes. If equipment facilities are
13 available, the installation can take place in as short
14 as a week. It can be an interval as long as six
15 months.

16 Q Sir, before I turn to my next line of
17 questioning, I'd like to ask if you can provide a
18 late-filed exhibit of the agreement between BellSouth
19 and Time Warner regarding performance standards?

20 A Yes.

21 MS. WHITE: Yes, we can do that, but as of
22 this second, I'm not sure whether it is signed. We
23 can provide it after it has been signed.

24 MS. BARONE: Okay. And I would like that
25 identified as Late-filed Exhibit 58, Performance

1 Standards Agreement between BellSouth and Time Warner.

2 CHAIRMAN JOHNSON: Okay.

3 (Late-Filed Exhibit 58 identified.)

4 MS. BARONE: Thank you.

5 Q (By Ms. Barone) I have one quick question
6 about interim number portability. In your deposition
7 transcript you stated that BellSouth will measure the
8 interim number portability service failure rate. Has
9 BellSouth done so?

10 A We are beginning to do so. We have not
11 produced a report on that, but the report that's to be
12 produced counts interim number portability as an
13 unbundled network element not requiring a dispatch.
14 So incidents of troubles related to that will begin
15 showing up in that category.

16 Q So have you measured the rate yet?

17 A We have not. It's being done right now as
18 part of the August data, but it's not complete.

19 Q Is there any industry performance standard
20 for interim number portability service?

21 A There is none that I know of.

22 Q When do you think that report will be
23 complete in terms of measuring the interim number
24 portability failure rate?

25 A I believe it will be complete on about the

1 15th of this month. The folks are working on it right
2 now.

3 Q Sir, now I have some other questions
4 regarding your deposition.

5 A Yes.

6 Q On Page 29 you state that the September
7 report will compare the performance of BellSouth to
8 ALECs' retail services. Is BellSouth also compiling a
9 comparative report for UNEs?

10 A The report will include UNEs, but there is
11 no comparison to BellSouth, because BellSouth does not
12 provide UNEs to its own retail units. So the data
13 will be there, but it's -- what it's intended to say
14 is that there's no comparison.

15 Q On Page 30 of your deposition at Lines 22
16 through 23, you're discussing the September report
17 that you just referred to. You state that "We are
18 using this set of performance measurements." Are you
19 referring to the performance measurements set out in
20 the AT&T/BellSouth agreement?

21 A Yes.

22 Q Then on Page 33 and 34 you discuss the SPC.
23 That's the statistical process control?

24 A Yes.

25 Q Does SPC show an ALEC its average

1 performance intervals compared to BellSouth's average
2 performance intervals?

3 A I'm sorry. We'll have to be specific about
4 that. There is no SPC data that we have proposed to
5 report that shows intervals except in average duration
6 in maintenance.

7 Otherwise, it's comparing a performance
8 measure like percentage due dates met. But it will
9 show the ALECs' average for each of the categories as
10 well as BellSouth retail average for each of the
11 categories when the chart form is produced. So I
12 don't know if I got to your question quite there or
13 not.

14 Q Well, do you use SPC for provisioning?

15 A Yes, but we don't report intervals for
16 provisioning under this proposed standard. We report
17 percent due dates met for provisioning. So there is
18 no comparison of the intervals proposed.

19 Q Can the SPC's lower and upper limits be set
20 using less than three standard deviations?

21 A Yes, they can. The statistical -- the
22 control process that we use internally normally uses
23 three standard deviations to account for the
24 variations in the performance that occur from month to
25 month, but they can be set at different points.

1 Q What criteria did you use to set your upper
2 limit?

3 A Three standard deviations, the process
4 control series of statistical advisors that we use
5 have given us the criteria of setting that at three
6 standard deviations, so that on a month-to-month basis
7 you are not looking at pieces of data and trying to
8 explain pieces of data that are aberrations. You want
9 to determine whether or not a fundamental component of
10 the process has changed.

11 And the indications they have given to us is
12 that three standard deviations is the appropriate
13 place to make that determination. So that's why we
14 have suggested setting them at that point.

15 Q On Page 35 you stated that since BellSouth
16 has not traditionally provisioned UNEs, that BellSouth
17 has had to set these performance targets. Are these
18 performance targets the ones specified in your SGAT?

19 A They are specified in the SGAT in terms of
20 the data to be measured. The intervals that become
21 the basis of the targets are specified in the letter
22 that I believe is attachment D to my direct -- yes,
23 attachment D to my direct testimony. They have to be
24 taken together.

25 Q Were these performance targets set using

1 historical data?

2 A No. There is no historical data available
3 on unbundled network elements. They were set using an
4 analysis of BellSouth's systems.

5 Q On Page 42 you state that you have not done
6 a detailed step-by-step comparison of the LCUG with
7 BellSouth's proposed performance measures. Has this
8 changed?

9 A That has not changed. We have looked at the
10 LCUG proposal, and having an agreement with AT&T and
11 now an agreement with Time Warner, we have set down
12 the path of negotiating agreements with the individual
13 carriers in making proposals to the Commission and
14 have not addressed the LCUG proposal specifically.

15 Q On Page 43 you indicate that you have not
16 set measurements on unbundled switched ports because
17 of the low number of provisions so far.

18 Now, these measurements you're referring to,
19 are they related to the SPC?

20 A Yes, I have collected the data on unbundled
21 switch ports, but we've not done anything with that
22 data simply because the total volume of unbundled
23 switch ports provided is tiny and the data is not
24 reflective of anything meaningful.

25 Q Can BellSouth use this low number to set

1 average intervals for provisioning these unbundled
2 switch ports?

3 A No. We have made a determination of the
4 interval using our best efforts, but this number will
5 be useful to do that until someone orders these in
6 volume. There's no historical data to work from here.

7 Q Is it your position that the Commission
8 should outline performance standards in this
9 proceeding?

10 A It's our position that we would encourage
11 the Commission to adopt the performance measures and
12 that if the Commission wishes to establish performance
13 standards in addition to the standards it has already
14 established in Florida as part of this proceeding,
15 that we believe that could be appropriate.

16 Q I'd like to refer you to your Exhibit WNS
17 attached to your direct testimony where BellSouth
18 shows BellSouth business performance using SPC.
19 Yesterday you responded to Mr. Melson --

20 A I'm sorry. Which exhibit?

21 Q WNS-C.

22 A I'm sorry. Yes.

23 Q You stated yesterday that this exhibit was
24 missing the monthly average performances; is that
25 correct?

1 **A** Yes. It's simply not plotted on this the
2 way this exhibit was prepared. On the form of the
3 exhibits -- or the form of the chart that's proposed
4 going forward, there would be two additional lines
5 near the middle of the chart, one of which shows the
6 BST average and one of which shows the ALEC average
7 performance.

8 **Q** Earlier you mentioned that there will be a
9 report on the 15th. Will this report be based on SPC
10 standards?

11 **A** Where it will be based on SPC standards for
12 those services where they exist; and that's in general
13 the retail services that are offered through the ALECs
14 at resale.

15 **Q** Will that graph include the average monthly
16 performances of both the ALEC and BellSouth?

17 **A** Yes, it will.

18 **MS. BARONE:** Thank you. That's all I have.

19 **CHAIRMAN JOHNSON:** Commissioners? Redirect?

20 **MR. RANKIN:** I have a few questions. Thank
21 you, Madame Chairman.

22 **REDIRECT EXAMINATION**

23 **BY MR. RANKIN:**

24 **Q** Mr. Stacy, would you turn back with me to
25 Late-filed Exhibit No. 6 for just a moment?

1 A Yes.

2 Q Are you there? Does the data that Staff
3 asked you about reflect blockage on certain days in
4 the trunks that run specifically to TCG?

5 A Yes, it does.

6 Q And whether there was a blockage in the
7 BellSouth portion of the network would be reflected, I
8 believe you said, in ARMIS data?

9 A That's correct.

10 Q And could you tell me a little bit more
11 about what that data is?

12 A That data is a national standard report from
13 BellSouth to the FCC that's produced at varying
14 intervals. At the present time, I believe the
15 interval is quarterly when that report is produced,
16 but that interval has changed from year to year.

17 And that is a requirement of the FCC to
18 determine whether the common transport trunk groups
19 that we've referred to as finals that go from all of
20 BellSouth's end offices and local tandems to the
21 access tandems are providing adequate service.

22 The FCC has used that as a determinant for
23 the design of the whole incumbent local exchange
24 carriers' network and their interaction with the
25 interexchange carriers for some period of time.

1 Q Is that information publicly available --

2 A Yes, it is.

3 Q Is the information pertinent to this
4 blocking issue with respect to TCG, how big a part of
5 that is it?

6 A That information is the most reflective
7 information that we have of the block -- of any
8 blocking on BellSouth's network for customers
9 attempting to reach the access tandem to transit the
10 tandem for any kind of call.

11 So that data indicates clearly -- although I
12 don't have the report with me -- since it's very
13 widely publicized that BellSouth's network does not
14 block calls going to the access tandem.

15 Q How many pieces of paper are we talking
16 about relative to --

17 A The summary report is at the company level,
18 and then there are reports that go all the way down to
19 the individual access tandem level. So we're talking
20 in that particular case maybe 50 or 60 separate
21 reports.

22 Q Is there a report specific to TCG, then?

23 A There is not a report specific to TCG,
24 because all trunk customers are treated exactly the
25 same way behind the tandem, whether they're a customer

1 trying to reach TCG or a customer trying to reach AT&T
2 or Sprint or Worldcom to complete a call, or a
3 customer trying to reach an independent company that's
4 connected at the access tandem. All the calls are
5 treated the same.

6 Q How could we get the information specific to
7 the TCG blocking issue out of that ARMIS Report?

8 A To my knowledge, there is no way to compile
9 TCG specific information, simply because the customers
10 are all treated the same.

11 Q I believe you said the ARMIS Report is
12 specific to tandems?

13 A Specific to access tandems, yes.

14 Q And if we knew which tandems that TCG --

15 A We could tell how all customers at those
16 tandems were treated. But, again, that includes TCG's
17 customers as a subset.

18 But I guess what I'm trying to say and have
19 been trying to say here is, if there were a problem in
20 that part of BellSouth's network, we would have heard
21 about it from an interexchange carrier long before we
22 would have heard about it from TCG, because they are
23 very sensitive to calls not being completed for their
24 customers in both directions; and that's the reason
25 those trunk groups are designed so tightly and are

1 watched so closely. There are not problems in that
2 part of BellSouth's network.

3 Q Mr. Stacy, would you be able to provide the
4 most recent ARMIS Report on blockage?

5 A Yes.

6 Q As a late-filed in this proceeding?

7 A Yes, we will.

8 MR. RANKIN: I'm trying to remember what
9 number are we on.

10 CHAIRMAN JOHNSON: 59. What was the title?

11 MR. RANKIN: ARMIS Blockage Report.

12 CHAIRMAN JOHNSON: The entire ARMIS?

13 WITNESS STACY: The -- I'm sorry. I didn't
14 mean to interrupt. The trunk blocking portion of the
15 ARMIS Report.

16 CHAIRMAN JOHNSON: Okay.

17 (Late-Filed Exhibit 59 identified.)

18 MR. RANKIN: That's all I have. Thank you,
19 Mr. Stacy.

20 WITNESS STACY: Thank you.

21 CHAIRMAN JOHNSON: Exhibits?

22 MR. RANKIN: BellSouth moves Exhibit 51.

23 CHAIRMAN JOHNSON: 51.

24 (Exhibit 51 received in evidence.)

25 MS. BARONE: Staff moves 52 and 57.

1 **CHAIRMAN JOHNSON:** 52 and 57.
2 (Exhibits 52 and 57 received in evidence.)
3 **MR. MELSON:** MCI moves 53.
4 **CHAIRMAN JOHNSON:** 53.
5 (Exhibit 53 received in evidence.)
6 **MS. RULE:** AT&T moves 54, 55 and 56.
7 (Exhibits 54, 55, 56 received in evidence.)
8 **CHAIRMAN JOHNSON:** Okay. Show them all
9 admitted without objection.
10 Any other matters for this witness? You may
11 be excused. And we're going to take a ten-minute
12 break. Ms. Rule?
13 **MS. RULE:** Chairman Johnson, Ms. White and I
14 talked this morning about the possibility of recalling
15 Mr. Stacy, if necessary, after she produces some of
16 the discovery responses we discussed on Tuesday.
17 **CHAIRMAN JOHNSON:** Okay, then. You may not
18 be excused.
19 **MS. WHITE:** And if that becomes necessary,
20 Mr. Stacy has a rather full schedule next week, so it
21 may have to be a specific day at a specific time.
22 **CHAIRMAN JOHNSON:** Okay. Just let me know
23 as soon as possible.
24 **MS. WHITE:** I will. Thank you.

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1 (Transcript continues in sequence in
2 Volume 16.)

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