



ORIGINAL

Florida Cable Telecommunications Association

Steve Wilkerson, President

VIA HAND DELIVERY

September 10, 1999

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd.
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RE: Docket No. 990649-TP

Dear Ms. Bayo:

Enclosed for filing in the above docket are the original and fifteen (15) copies of the Rebuttal Testimony of William J. Barta on behalf of the Florida Cable Telecommunications Association. Copies have been served on the parties of record pursuant to the attached certificate of service.

Please acknowledge receipt of filing of the above by stamping the duplicate copy of this letter and returning the same to me.

Thank you for your assistance in processing this filing. Please contact me with any questions.

Sincerely,

Michael A. Gross
Michael A. Gross

Vice President, Regulatory Affairs &
Regulatory Counsel

MAG/mj

Enclosure

cc: All Parties of Record
Steven E. Wilkerson
William J. Barta

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Rebuttal Testimony of William J. Barta on behalf of the Florida Cable Telecommunications Association in Docket 990649-TP has been served upon the following parties by U.S. Mail this ~~10th~~ day of September, 1999:

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Michael A. Gross

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

**In re: Investigation into)
pricing of unbundled network)
elements)** **Docket No. 990649-TP**

**REBUTTAL TESTIMONY
OF
WILLIAM J. BARTA**

**ON BEHALF OF
THE FLORIDA CABLE TELECOMMUNICATIONS ASSOCIATION**

**HENDERSON RIDGE CONSULTING, INC.
CUMMING, GEORGIA
SEPTEMBER 10, 1999**

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1 **REBUTTAL TESTIMONY OF WILLIAM J. BARTA**

2 **BEFORE THE**
3 **FLORIDA PUBLIC SERVICE COMMISSION**
4 **DOCKET NO. 990649-TP**

5 **Q. Please state your name and business address.**

6 A. My name is William Barta and my business address is 7170 Meadow Brook Court,
7 Cumming, Georgia, 30040.

8
9 **Q. Have you previously submitted prefiled testimony in this proceeding?**

10 A. Yes. I submitted direct testimony in this proceeding on August 11, 1999.

11
12 **Q. What is the purpose of your rebuttal testimony?**

13 A. The purpose of my rebuttal testimony is to respond to the claims of BellSouth and GTE-
14 Florida ("GTE") that the network unbundling requirements should be reduced and any
15 UNEs that are made available should be priced well-above their economic costs.

16
17 **Q. Please summarize your testimony.**

18 A. BellSouth and GTE urge the Commission to severely restrict the availability of
19 unbundled network elements ("UNEs"). The incumbent local exchange carriers
20 ("ILECs") claim that new market entrants can obtain the necessary network functionality
21 through self-provisioning or third party vendors. The reality is that a ubiquitous
22 telephone network requires the significant economies of scale, scope, and density of the
23 ILEC to justify self-provisioning. The competitive local exchange carriers ("CLECs")
24 do not exhibit such economies nor are they expected to in the foreseeable future. Third
25 party vendors face the same types of challenges when trying to replicate the network

1 functionality of the incumbent local exchange carrier. CLECs using the services of third
2 party vendors have found that they cannot match the reliability and quality of service
3 offered by the ILEC.

4
5 The fact is that CLECs have little choice but to rely upon the unbundled network
6 elements of the ILECs. Self-provisioning and third party vendors are not viable
7 business alternatives for a CLEC. A new market entrant must have access to the ILECs'
8 unbundled network elements in order to respond quickly to customer requests and to
9 extend service beyond the existing footprint of the CLEC's network.

10
11 The widespread availability of UNEs does little good if the rates established are above
12 the economic costs of the ILEC. Excessive rates for UNEs will frustrate the CLECs'
13 ability to use necessary unbundled network elements and further delay the development
14 of local competition. BellSouth and GTE recommend recovery of actual costs and
15 suggest that other factors such as market conditions and regulatory requirements should
16 drive the rates of UNEs. BellSouth dismisses the risk of pricing UNEs too high using
17 the strained logic that CLECs will be incented to construct their own network facilities
18 in an effort to overcome the ILECs' excessively priced UNEs. Aside from the scarcity
19 of capital and long lead times in deploying a network that can rival the massive scale
20 and scope enjoyed by the ILECs, BellSouth's and GTE's pricing proposals are
21 inconsistent with the Telecommunications Act of 1996 and the rules promulgated by the
22 Federal Communications Commission.

23
24 Facilities-based carriers would like to minimize their reliance upon the ILECs for UNEs
25 given the contentious nature of the relationship between the parties and the ILECs

1 incentives and opportunities to restrict the growth of competition. But access to the
2 ILECs' unbundled network elements at economic cost-based rates is essential if the
3 Commission wishes to fulfill the objective of the 1996 Act and speed the development
4 of local competition.
5

6 **Q. What is the status of network unbundling requirements at the federal level?**

7 A. As a result of the January 25, 1999 decision of the United States Supreme Court, the
8 Federal Communications Commission ("FCC") must revisit its initial ruling with respect
9 to the seven unbundled network elements that it required incumbent local exchange
10 carriers to make available to requesting carriers. The FCC is currently examining the
11 issue of a minimum national list of UNE requirements in the Second Further Notice of
12 Proposed Rulemaking in CC Docket No. 96-98 (April 16, 1999).
13

14 **Q. In what ways does BellSouth believe the Supreme Court's decision will affect UNE
15 availability?**

16 A. BellSouth's interpretation of the Supreme Court decision is consistent with its
17 continuing effort to frustrate the development of local exchange competition. The
18 Company's policy witness in this proceeding, Mr. Alphonso J. Varner, makes startling
19 claims and arrives at remarkable conclusions regarding network unbundling
20 requirements. In discussing the decision of the Supreme Court to vacate the FCC's Rule
21 51.319 which established the initial set of UNEs, Mr. Varner concludes that "Because
22 that rule is vacated, there is no required set of UNEs that must be made available either
23 individually or on a combined basis" (Varner Direct Testimony, page 3, lines 23 through
24 25). Mr. Varner further twists the Supreme Court's basis for remanding Rule 51.319 to
25 reach the conclusion that "Incorporating these requirements into the FCC's

1 consideration should reduce the number of required UNEs" (Varner Direct, page 5, lines
2 12 and 13).

3 **Q. How does the position of BellSouth frustrate the development of competition?**

4 A. It is clear from Mr. Varner's initial statements in his direct testimony that BellSouth is
5 resisting the obligation to provide access to its network to requesting carriers. But Mr.
6 Varner overlooks the fact that Congress considered access to an incumbent local
7 exchange carrier's unbundled network elements essential as a form of market entry to
8 spur local exchange competition. In order to ensure UNE availability as an option for
9 competitive entry, Section 251(c)(3) of the Telecommunications Act of 1996 ("the 1996
10 Act") specifies the requirements for network unbundling. The FCC shares Congress'
11 view on the importance of UNE availability: "The ability of requesting carriers to use
12 unbundled network elements, including combinations of unbundled network elements,
13 is integral to achieving Congress' objective of promoting rapid competition in the local
14 telecommunications market" (Second Further Notice of Proposed Rulemaking, CC
15 Docket No. 96-98, paragraph 2). Mr. Varner's position that there is no requirement to
16 provide UNEs individually or on a combined basis is not only inconsistent with the
17 1996 Act but will soon be at odds with federal regulations when the FCC completes its
18 rulemaking in CC Docket No. 96-98.

19
20 **Q. Do you agree with Mr. Varner that the number of required UNEs will be reduced
21 as a result of the FCC's rulemaking proceeding?**

22 A. No. Although it is difficult to anticipate exactly what the federal list of required UNEs
23 will include, the list could be expanded since the FCC is examining the issue of UNE
24 combinations and advanced services as part of the proceeding. It is important to keep
25 in mind that the list of UNEs adopted by the FCC represents minimum unbundling

1 requirements. This Commission may find that the FCC's minimum unbundling
2 requirements are not sufficiently broad to accommodate the circumstances in Florida
3 and/or its objectives. The FCC is keenly aware that its list is a foundation upon which
4 other UNEs may be added: "We do not propose to eliminate the states' authority to
5 impose additional unbundling requirements, pursuant to the standards and criteria we
6 adopt in this proceeding" (Second Further Notice of Proposed Rulemaking, CC Docket
7 No. 98-96, paragraph 14).

8
9 **Q. Please identify the initial set of UNEs required to be made available under the**
10 **FCC's Section 51.319.**

11 A. The initial set of UNEs required by the FCC in Section 51.319 includes (1) local loops;
12 (2) network interface devices; (3) local switching; (4) interoffice transmission facilities;
13 (5) signaling networks and call-related databases; (6) operations support systems; and
14 (7) operator services and directory assistance.

15
16 **Q. Does BellSouth concur that these UNEs should be part of an incumbent local**
17 **exchange carrier's minimum network unbundling requirements?**

18 A. No. Mr. Varner asserts that "There is a significant amount of self-provisioning and a
19 significant number of competitive alternatives that exist primarily in urban areas and to
20 a lesser extent in rural areas with respect to these capabilities" (Varner Direct
21 Testimony, page 8, lines 17 through 19). Mr. Varner relies upon the existence of some
22 competitive alternatives and certain instances of self-provisioning as support for
23 BellSouth's proposal to eliminate most unbundling requirements and/or to severely
24 restrict the remaining UNEs' availability.

25

1 **Q. What is the extent of the network unbundling requirements proposed by**
2 **BellSouth?**

3 A. As part of Mr. Varner's proposal, local loops would not be provided to larger businesses
4 in urban areas or to "mass market customers" where cable telephony is offered.
5 Interoffice transmission facilities would not be required to be unbundled in urban areas
6 and may not even be available in rural areas subject to some type of impairment
7 standard. The unbundling obligation for switching services would also be eliminated in
8 urban areas. Signaling networks and call-related databases would be available only to
9 CLECs who are using BellSouth's local switching facilities (presumably restricted to
10 rural areas). According to Mr. Varner, operator services and directory assistance can be
11 obtained through self-provisioning and therefore an unbundling obligation for these
12 services is unnecessary. Mr. Varner did not discuss unbundling requirements for
13 network interface devices and operations support systems.

14
15 In summary, it seems that the most network functionality and capability a requesting
16 CLEC could obtain in urban areas through an incumbent local exchange carrier's UNEs
17 is an unbundled loop serving small businesses and residential subscribers who are not
18 being offered "cable telephony." In rural areas, that capability may be stretched to
19 possibly include interoffice transmission and switching facilities depending upon
20 whether an impairment standard is satisfied.

21
22 **Q. What is the position of GTE-Florida with respect to an incumbent local exchange**
23 **carrier's network unbundling requirements?**

24 A. GTE's policy witness, Mr. Dennis B. Trimble, presents the Company's position on
25 network unbundling requirements: "GTE's basic premise is that where CLECs already

1 are self-supplying network elements, there is no economic or legal rationale for
2 requiring carriers to unbundle their facilities" (Trimble Direct Testimony, page 4, lines
3 8 through 10).

4

5 **Q. What is the extent of UNE availability proposed by GTE-Florida?**

6 A. The Company's proposal is to restrict UNE availability much in the same manner that
7 BellSouth has proposed its unbundling requirements. Switching, operator services and
8 directory assistance, signaling and call-related databases, and network interface devices
9 would not be subject to unbundling. Interoffice transport would be made available only
10 in those wire centers serving under 15,000 access lines. Unbundled loops would not be
11 provided to serve business customers with over 20 access lines or multiple dwelling unit
12 complexes. In addition, unbundled loops would not be available to serve new
13 residential or commercial developments that are installed after the effective date of the
14 rules adopted in the FCC remand proceeding. Operations support systems would only
15 be unbundled when a CLEC uses the systems in support with another service or element
16 of GTE. Thus, the Company's unbundling obligation would not extend beyond loops
17 and interoffice transport under limited conditions.

18

19 **Q. Do you agree with Mr. Varner and Mr. Trimble that third party alternatives and
20 self-provisioning capabilities relieve the incumbent local exchange carriers of the
21 obligation to provide, at a minimum, the initial set of UNEs required by the FCC?**

22 A. No. While there are a few CLECs self-provisioning some elements and independent
23 suppliers offering other services (e.g. directory assistance), the combined resources from
24 these undertakings cannot be construed as an adequate substitute for any of the elements
25 outside the ILECs' networks.

1 Both Mr. Varner and Mr. Trimble exaggerate the ease with which a CLEC's need for
2 BellSouth's UNEs can be displaced through self-provisioning and third party
3 alternatives. At some cost, each UNE on a stand-alone basis could be self-provisioned
4 or possibly obtained from an alternative source. In contrast, the networks of BellSouth
5 and GTE-Florida were constructed over a period of decades under a regulatory compact
6 with ample funding available from its ratepayers. One cannot simply assume that the
7 economies of scale and scope inherent in BellSouth's or GTE's network can soon be
8 replicated by a competitor or any group of competitors.

9
10 In addition to the formidable capital hurdles that must be overcome, there are service
11 quality and reliability issues that must be weighed. Trying to pry customers away from
12 the entrenched rival is a daunting challenge. Once the customer is won, the CLEC
13 cannot afford to strain the relationship with service quality and reliability shortcomings.
14 The same set of concerns exist with outsourcing the network functions to third party
15 vendors. In many instances, CLECs have abandoned third party alternatives due to
16 higher than expected expenses as well as service quality and reliability issues.

17
18 **Q. Is the level of local exchange competition in Florida as pervasive as Mr. Varner**
19 **and Mr. Trimble would lead the Commission to believe?**

20 **A.** No. Mr. Trimble states that "Market data from GTE's serving area in Florida show that
21 the company's unbundling obligation should not extend beyond loops and interoffice
22 transport under the conditions that I described earlier" (Trimble Direct Testimony, page
23 29, lines 4 through 6).

1 Mr. Varner presents the *Florida Fact Report* -- a study prepared by BellSouth -- as
2 support for his contention that a significant level of competition exists in Florida
3 (Varner Direct Testimony, page 6, lines 22 through 25). The Introduction section of the
4 *Florida Fact Report* states that "This analysis describes the highly competitive local
5 exchange service market that currently exists within BellSouth's Florida service area"
6 (page 1).

7
8 The GTE market data and the *Florida Fact Report* should be tempered by the objective
9 analysis conducted by the Division of Communications of the Florida Public Service
10 Commission. In the December 1998 report published by the Division of
11 Communications, the level of local competition is not nearly as robust as portrayed by
12 Mr. Trimble and Mr. Varner:

13 "In determining the level of competitive entry, the number of
14 access lines the competitors are actually serving may be more
15 significant than the number of competitors in an exchange. The
16 total number of business and residential access lines served by
17 the 51 ALECs is 194,142. In comparison, the total number of
18 access lines served by the LECs is over 10.6 million. The total
19 number of business access lines served by all entrants combined
20 is 143,959, and the total number of residential access lines is
21 50,183. The LECs serve approximately 3.1 million business
22 lines and 7.5 million residential access lines. ALEC residential
23 access lines increased from approximately .2% to .7% of total
24 residential lines; their share of total business access lines
25 increased to around 4.3%, up from 1.4%. The competitors' share
of the total access lines served has risen to approximately 1.8%
compared to .5% in 1997" (Competition in Telecommunications
Markets in Florida, December 1998, pages 45 and 46).

22 **Q. Will you briefly provide support as to why each of the network elements identified**
23 **in the FCC's initial set of UNEs should continue to be made available by the**
24 **incumbent local exchange carriers at forward-looking, economic cost-based rates?**

1 A. Yes. The loop is widely recognized as a bottleneck facility and presents the most
2 formidable barrier to entry. In the absence of an unbundled loop available from the
3 ILEC, a CLEC would have to deploy facilities to serve a large number of projected
4 customers in a targeted service area prior to offering service. In the alternative, the
5 CLEC could construct the necessary facilities after the customer has requested service --
6 an unlikely scenario that requires the customer to endure lengthy delays before service
7 provision. The self-provisioning of local loops is not only expensive; it requires
8 significant lead times to secure rights of way and to negotiate structure sharing
9 agreements with the incumbent carriers. The substantial financial burdens and delays
10 that the self-provisioning of local loops pose to CLECs cannot be avoided through use
11 of alternative facilities. While technologies with promise of bypassing the incumbent
12 carriers' facilities are being developed, there are no practical alternatives to the ILECs'
13 loop at the present time. Thus, if widespread local competition is to develop (a goal of
14 Congress), then unbundled loops must be made available at forward-looking, economic
15 cost-based rates by the incumbent local exchange carriers.

16
17 CLECs also require access to unbundled switching if they are expected to reasonably
18 compete with the incumbent carriers. As in the case of self-provisioning loops, the high
19 costs associated with the broad-scale deployment of switches requires a substantial
20 investment and long lead times to find the technicians and engineers to engineer,
21 furnish, and install such an aggressive level of deployment. Not only is that massive
22 undertaking expensive, it would be terribly inefficient for the CLECs. The CLECs
23 would be expected to design and construct a switching network without knowing who
24 their customers are and what their traffic patterns may be.

25

1 The self-provisioning of the switching function will result in a CLEC incurring costs
2 over and above those of the ILEC in yet another form. Since the loops of the incumbent
3 carrier's customers terminate at the ILEC switch, a CLEC will incur charges from the
4 ILEC to connect the subscriber's loop to its collocated or remotely located switch.
5 Viewed collectively (or even separately), these barriers are so formidable that they
6 preclude a CLEC from deploying its own switches on a broad scale. Thus, the
7 Commission should require that the incumbent local exchange carriers provide
8 unbundled switching.

9
10 The ILECs should be required to make to unbundled interoffice transmission facilities
11 available in order for CLECs to realize the benefits of unbundled switching. As is the
12 case with loops and switching, the ILECs enjoy significant economies of scale, scope,
13 and density in providing transport facilities. A new market entrant cannot hope to
14 achieve such efficiencies in the near future. If such a project was undertaken, it would
15 likely suffer from unavoidable inefficiencies (e.g. excessive blocking or unnecessary
16 costs) as the CLEC lacks the data on traffic volumes and routing patterns that must be
17 considered in the design of an efficient network.

18
19 The signaling networks and call related data bases are an integral component of the
20 ILECs' networks. Signaling networks enhance the overall efficiency of the network by
21 instructing tandem and end-office switches and controlling the flow of traffic. The
22 signaling networks are also designed to access a centralized call processing database
23 such as the 800 Number database. The signaling links that are part of the signal system
24 networks are designed to feature diversity and redundancy in order to assure reliability.
25 The diversity of the ILECs' signaling networks prevents frequent outages and cannot

1 be matched by any third party alternative or through self-provisioning. CLECs' ability
2 to compete with the ILECs will be impaired if they are subject to the consequences of
3 system failures from less reliable signaling networks.
4

5 The ILECs' claims that operator services and directory assistance can be self-
6 provisioned or can be obtained from third party vendors are misleading. The fact is that
7 the ILECs control the only complete and reliable directory assistance database. Third
8 party vendors are not able to update these databases as frequently as those of the ILECs
9 which are updated daily or in real time. The reliability and accuracy of the directory
10 assistance services of the ILECs simply cannot be matched by third party vendors
11 without adequate access to the databases at economic cost-based rates.

12 The self-provisioning of operator services and directory assistance is not a viable option
13 for a CLEC who would encounter the same reliability and accuracy concerns of the third
14 party vendors. In addition, a CLEC would be required to incur a substantial investment
15 in real estate, switch facilities, personnel and training, trunking and other expenses in
16 an attempt to approach the quality of the ILECs' services.
17

18 The CLECs must have access to the operations support systems ("OSS") of the ILECs
19 as these systems are complementary to all of the other unbundled network elements.
20 The availability of OSS offers the CLECs the opportunity to efficiently perform the
21 tasks of pre-ordering, ordering, provisioning, maintenance and repair, and billing.
22 Absent access to OSS, a CLEC will find it difficult to fairly compete with the ILECs.
23
24
25

1 As CLECs have learned -- including those that have already invested millions of dollars
2 deploying their own facilities -- the broad availability of UNEs is essential if there is to
3 be a reasonable chance for local competition to develop.

4 **Q. How does BellSouth and GTE propose to price UNEs?**

5 A. Both Mr. Varner and Mr. Trimble recommend that the rates for UNEs be designed to
6 recover the actual costs of the incumbent local exchange carrier. Mr. Varner believes
7 that the prices for individual UNEs should be "equal to full actual costs" (Varner Direct
8 Testimony, page 23, line 1) and should consider market conditions and regulatory
9 requirements. Mr. Varner feels that UNE combinations can be offered under a different
10 pricing arrangement because the FCC did not tacitly refer to UNE combinations when
11 promulgating its general pricing rules.

12
13 **Q. Do you believe the proposals to price UNEs presented by BellSouth and GTE will
14 encourage the development of local competition?**

15 A. No. The recommendation to recover "full actual costs" offered by BellSouth and GTE
16 is a thinly disguised plea from these utilities to "keep us whole." Competitors should
17 not be expected to reimburse the dominant rival in the marketplace for inefficient
18 practices and/or network configuration strategies that add excessive costs to the services
19 requested by the CLECs.

20
21 Mr. Varner would like to have this Commission believe that there is little risk in erring
22 on the high side when establishing UNE rates. According to Mr. Varner, CLECs will
23 react to these inappropriate pricing signals by being incited to construct their own
24 network facilities (Varner Direct Testimony, page 19, lines 9 through 14). Mr. Varner's
25 cavalier dismissal of the consequences of setting UNE rates above economic costs

1 simply ignores the economic and market realities that constrain a CLEC's effort to
2 deploy a telephone network as robust as that of the incumbent carriers. Aside from the
3 issues of a scarcity of capital and the lack of an existing subscriber to spread the
4 recovery of the costs of the network over, the long lead times associated with a complete
5 facilities build-out would place the CLEC at a severe competitive disadvantage.

6
7 **Q. What costing methodology should be adopted to set the rates for UNEs and UNE**
8 **combinations?**

9 A. The Total Element Long Run Incremental Cost approach as defined by the FCC in its
10 First Report and Order in CC Docket No. 96-98 (August 6, 1996) will send the
11 appropriate pricing signals to CLECs and spur the growth of competition. TELRIC
12 allows the incumbent carriers to recover their forward-looking economic costs,
13 including a reasonable return and a reasonable allocation of shared and common costs.
14 The Commission, like many other state regulatory authorities, is already familiar with
15 this methodology and should continue to require that the incumbent carriers submit
16 TELRIC studies in support of proposed UNE rates.

17
18 The Commission's decision to establish UNE rates based upon TELRIC studies will
19 ensure that the UNEs that are made available are actually used by competitors.
20 Facilities-based carriers who have already invested millions of dollars into self-
21 provisioning network functions recognize that the broad availability of UNEs is
22 essential to furthering competition. The availability of UNEs at economic cost-based
23 rates will assist CLECs in their need to respond quickly to customer requests and extend
24 service beyond the existing footprint of their facilities.

1 **Q. Is the deaveraging adjustment charge proposed by GTE witness Mr. Michael J.**
2 **Doane likely to encourage the use of UNEs by competitors?**

3 A. No. The deaveraging adjustment charge ("DAC") proposed by Mr. Doane not only
4 poses an administrative burden on ILECs and CLECs, it defies the purpose of
5 conducting TELRIC studies in the first place. The administrative burden arises when
6 UNEs are used to provide a service and a continuous series of debits and credits between
7 the CLECs and the ILECs is immediately triggered depending upon the costs to serve
8 a residential or a business subscriber. But this deaveraging adjustment charge serves no
9 real purpose as it merely sets the final UNE rate at a level that is equivalent to a finished
10 service's resale rate (i.e. the tariff rate less the Commission-approved avoided retail
11 costs percentage). There is little point in reviewing and debating detailed TELRIC
12 studies when the results will simply be adjusted upwards to achieve the equivalent of
13 the already known resale rate for a service.

14 I appreciate that the deaveraging adjustment charge proposed by Mr. Doane is designed
15 to address the inconsistency between the retail rate structures of the incumbent carriers
16 and UNE rates. But the remedy is not to distort the level of unbundled network element
17 rates so that they mirror the uneconomic pricing mechanisms embedded in existing retail
18 rates.

19
20 **Q. Are there any other concerns you have with respect to the recommendation of**
21 **BellSouth's or GTE's witnesses?**

22 A. Yes. Mr. Varner recommends that "Furthermore, geographic deaveraging of UNEs
23 should not be considered until the issues of universal service funding and rate
24 rebalancing are adequately addressed" (Varner Direct Testimony, page 29, lines 16
25 through 18). Mr. Varner's concern with universal service funding and rate rebalancing,

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however, can be addressed by the Commission in a separate proceeding. In order to stimulate local competition, the task of setting economic cost-based UNE rates should be taken up as quickly as possible. There is no reason to further delay the widespread availability of UNEs or unduly complicate this undertaking with other issues that may be relevant but can be better addressed in a separate proceeding.

Q. Does this conclude your testimony?

A. Yes.