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BELLSOUTH TELECOMMUNICATIONS, INC.

TESTIMONY OF DAVID P. SCOLLARD

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 991267-TP

NOVEMBER 24, 1999

**Q. PLEASE STATE YOUR NAME, ADDRESS, AND POSITION WITH
BELLSOUTH TELECOMMUNICATIONS, INC.**

A. I am David P. Scollard, Room 26D3, 600 N. 19th St., Birmingham, AL 35203. My current position is Manager, Wholesale Billing at BellSouth Billing, Inc., a wholly owned subsidiary of BellSouth Telecommunications, Inc. In that role, I am responsible for overseeing the implementation of various changes to BellSouth's Customer Records Information System ("CRIS") and Carrier Access Billing System ("CABS").

Q. PLEASE SUMMARIZE YOUR BACKGROUND AND EXPERIENCE.

A. I graduated from Auburn University with a Bachelor of Science Degree in Mathematics in 1983. I began my career at BellSouth as a Systems Analyst within the Information Technology Department with responsibility for developing applications supporting the Finance organization. I have served in a number of billing system design and billing operations roles within the billing organization. Since I assumed my present responsibilities, I have overseen the progress of a number of billing system revision projects such as the

1 implementation of the 1997 Federal Communications Commission ("FCC")
2 access reform provisions, billing of unbundled network elements ("UNEs"), as
3 well as the development of billing solutions in support of new products offered
4 to end user customers. I am familiar with the billing services provided by
5 BellSouth Telecommunications to local competitors, interexchange carriers
6 and retail end user customers.

7

8 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
9 **PROCEEDING?**

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11 The purpose of my testimony is to provide the commission with an
12 understanding of the work that has been done within BellSouth's Carrier
13 Access Billing System ("CABS") to process usage records for calls originating
14 from an ALEC (such as Global NAP) bound for Internet Service Providers
15 (ISPs) served by BellSouth.

16

17 **Q. WHAT IS CABS?**

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19 **A. CABS is a system that BellSouth uses primarily for billing interexchange**
20 **carriers for services ordered from the FCC and state Access Tariffs. BellSouth**
21 **also uses CABS to bill ALECs for a number of services such as local**
22 **interconnection trunking and usage charges, unbundled designed loops and**
23 **unbundled dedicated interoffice transport. CABS is designed to accept service**
24 **orders which are initiated from IXC, ALECs and other customers as they**
25 **order access, local interconnection and UNE types of services. In addition,**

1 CABS processes the massive numbers of call records that are produced in the
2 BellSouth central offices associated with access, local and other types of
3 facilities. For example, when an ALEC sends a call across one of its
4 interconnection trunks, the BellSouth switch to which that trunk interconnects
5 generates a usage record. CABS processes that record and bills the applicable
6 rate elements to the ALEC or other interconnecting carrier based on whether
7 the call is local, intra-LATA toll or inter-LATA.

8

9 **Q. WERE THERE ANY CHANGES MADE TO CABS TO SEPERATELY**
10 **METER OR OTHERWISE SPECIFICALLY HANDLE USAGE**
11 **RECORDS FOR CALLS BOUND FOR ISPs SERVED BY**
12 **BELLSOUTH?**

13

14 **A.** Yes. As early as January 1997 BellSouth began a project to identify methods to
15 separate ISP traffic from local traffic by identifying specific 10-digit telephone
16 numbers of ISP providers served by BellSouth. Through this process,
17 BellSouth could then identify and separate out ISP traffic that originated on
18 ALEC networks to ensure that such traffic would not be considered when
19 calculating reciprocal compensation bills that BellSouth submitted to ALECs.
20 In June 1997 BellSouth instituted a work request to implement this
21 enhancement in CABS. Although originally targeted for completion by
22 August 1st, the enhancement was not implemented in CABS until September
23 1997. In September 1998 CABS was revised again to specifically detail the
24 ISP traffic on the ALEC's bill pages to illustrate that these calls were being
25 zero-rated and to aid the ALECs in bill verification efforts.

1 Q. WERE ON-GOING PROCESSES DEVELOPED TO MAINTAIN THIS
2 CABS CAPABILITY?

3

4 A. Yes. A process was put in place to maintain the database of telephone numbers
5 identified as being used by an ISP. This process allowed for new numbers to be
6 added and for numbers to be removed as the ISP's use of them ended. These
7 updates were made on a periodic basis as new information became available.

8

9 Q. HAS BELLSOUTH BILLED ALECS RECIPROCAL COMPENSATION
10 FOR ISP TRAFFIC?

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12 A. No. BellSouth has never intentionally billed reciprocal compensation for ISP
13 traffic to any ALEC. In October 1995, a process was implemented in CABS to
14 create an error record for any call originating from NPA-NXXs being used by
15 ALECs. These records were to be held while CABS was being revised to
16 implement the various provisions of the ALEC contracts. This process was
17 intended to ensure that ALECs were not billed any reciprocal compensation,
18 including for ISP traffic, while the local contract billing requirements were
19 implemented in the systems. As BellSouth implemented the enhancements to
20 CABS to appropriately bill for reciprocal compensation the usage held
21 beginning in October 1995 was written off.

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23 Q. WAS THE TRANSITION FROM THE PROCESS IMPLEMENTED IN
24 CABS IN 1995 TO THE ISP PROCESS IMPLEMENTED IN
25 SEPTEMBER 1997 A SEAMLESS ONE?

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A. Not entirely. In some isolated instances reciprocal compensation usage was billed from CABS prior to the time that the ISP process was ready for operation. I want to emphasize that this limited billing did not impact Global NAP and to the extent that BellSouth included any ISP traffic within the billing associated with any of this billing, it was included in error. In the fall of 1997, BellSouth attempted to negotiate a settlement to this as well as a number of other reciprocal compensation issues with one ALEC with little success owing to the very different positions of the parties on the billing of ISP traffic. Based on this experience, and given the small amounts of billing involved, no further attempts were made to settle this issue at that time.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.