BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Implementation of Requirements Arising From Federal Communications Commission's Triennial UNE Review: Local Circuit Switching For Mass Market Customers	)))))	Docket No. 030851-TP

REBUTTAL PANEL TESTIMONY ON BATCH HOT CUTS

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I. INTRODUCTION

Q. WHAT IS THE PURPOSE OF THIS TESTIMONY?

A. This testimony is submitted by Verizon Florida Inc. ("Verizon") in response to the direct testimony of MCI, AT&T, and the Florida Competitive Carriers Association ("FCCA") (collectively "the CLECs") concerning Verizon's batch hot cut process. We cite the CLEC testimony by the sponsoring party, witness last name, and page number. (*E.g.*, "MCI Lichtenberg 23.")

Q. WHO IS SPONSORING THIS TESTIMONY?

A. This testimony is sponsored by the following witnesses, all of whom sponsored Verizon's direct hot cut testimony, filed on December 4, 2003: Carleen A. Gray, Maryellen T. Langstine, Thomas Maguire, James L. McLaughlin, Michael A. Nawrocki, and Larry G. Richter. The Panel members have the same general areas of primary responsibility as were described in the initial testimony. *See* Verizon Panel Direct on Hot Cut Processes and Scalability at 2-4 (Dec. 4, 2003) ("Verizon Panel Direct on Hot Cuts").

Q. HAVE THE CLECS SPECIFICALLY ADDRESSED THE VERIZON BATCH CUT PROPOSAL IN THEIR DIRECT TESTIMONY?

A. No. With rare exception, the CLEC direct testimony does not substantively address the Verizon batch cut proposal in their direct testimony, notwithstanding the fact that Verizon explained its proposed batch cut process at the Commission's collaborative on October 28, 2003, and submitted written testimony on the identical process proposed here on October 24, 2003 (New York), November 7, 2003 (California), November 14, 2003 (Massachusetts),

and December 1, 2003 (Rhode Island). AT&T and MCI are active participants in all those proceedings. Nonetheless, AT&T's direct testimony offers only a two-page critique of Verizon's batch cut process (AT&T Van de Water at 30-32.), while MCI vaguely addresses "ILEC" proposals on several pages of testimony. (MCI Webber at 20, 26, 28-30). The specific arguments raised by AT&T and MCI in their testimony are addressed below. To the extent that CLECs offer additional feedback on Verizon's batch cut proposal in their rebuttal testimony, Verizon will address it in its reply testimony.

II. THE SCOPE OF THIS PROCEEDING

Q. ARE THE ALLEGED DEFICIENCIES OF THE EXISTING INDIVIDUAL HOT CUT PROCESS RELEVANT TO WHETHER THE COMMISSION SHOULD APPROVE AND IMPLEMENT VERIZON'S BATCH CUT PROPOSAL?

A. No. The CLECs allege a number of deficiencies in the current hot cut process offered by BellSouth and, to a much lesser degree, Verizon. (*See, e.g.*, AT&T Van de Water; MCI Lichtenberg). In the *TRO*, the FCC addressed the precise issues that the CLECs raise here – the timeliness, cost, and labor intensiveness of the process, as well as the alleged delays and service outages and inability to handle large volumes of cutovers. *See TRO* ¶¶ 465-71. To the disappointment of the CLECs, the FCC resolved these issues by requiring states to adopt and implement a batch cut process, rather than preserving UNE-P indefinitely. *See, e.g.*, *TRO* ¶ 475 ("[W]e take affirmative steps to reduce this impairment and promote an environment suitable for increased facilities-based competition . . . we find that the present impairment can be mitigated by an improved loop

provisioning process."); *see also id.* ¶ 487 ([T]he loop access barriers contained in the record may be mitigated through the creation of a batch cut process by spreading loop migration costs among a large number of lines, decreasing per-line cut over costs."). Thus, the Commission should disregard the CLECs' claims and instead focus on implementing a batch cut migration process that "will render the hot cut process more efficient and reduce per-line hot cut costs." *TRO* ¶ 460.

Q. PLEASE RESPOND TO THE CLECS' CLAIM THAT THE IMPLEMENTATION OF A BATCH HOT CUT PROCESS WILL NOT BE SUFFICIENT TO OVERCOME OPERATIONAL IMPAIRMENTS TO DEPLOYING THEIR OWN SWITCHES. (*SEE, E.G.*, AT&T VAN DE WATER AT 32-33.)

A. The FCC has already rejected the CLECs' claims that the batch hot cut process must eliminate all of the alleged operational and economic impairment issues that the CLECs can dream up. Verizon proposed a batch cut process that satisfies the requirements of 47 C.F.R. § 51.319(d)(2)(ii). *See* Verizon Panel Direct on Hot Cuts at 34-35. And, as discussed in the testimony of Verizon witness Orville D. Fulp, and Verizon's Motion to Clarify the Scope of the Proceeding filed on January 7, 2004, because the *TRO* "self-provisioning trigger" is satisfied in the Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area ("MSA"), which is the sole market where Verizon presently seeks the elimination of unbundled mass market circuit switching, a finding of "no impairment" is required as a matter of law. Thus, the CLECs' claims are irrelevant to this proceeding.

Q. WHAT ARE THE RULES GOVERNING APPROVAL AND IMPLEMENTATION OF A BATCH CUT PROCESS?

A. As noted above, FCC Rule 319(d)(2)(ii) governs the approval and implementation of a batch cut process.

First, this rule defines a "batch cut process" as "a process by which the incumbent LEC simultaneously migrates two or more loops from one carrier's local circuit switch to another carrier's local circuit switch giving rise to operational and economic efficiencies not available when migrating loops from one carrier's local circuit switch to another carrier's local circuit switch on a line-by-line basis." 47 C.F.R. § 51.319(d)(2)(ii).

Second, FCC Rule 319(d)(2)(ii)(A)(1) requires a state commission reviewing a batch process to "determine the appropriate volume of loops that should be included in the 'batch.'"

Third, FCC Rule 319(d)(2)(ii)(A)(2) further states that a "state commission shall adopt specific processes to be employed when performing a batch cut, taking into account the incumbent LEC's particular network design and cut over practices."

Fourth, under FCC Rule 319(d)(2)(ii)(A)(3), a state commission must "evaluate whether the incumbent LEC is capable of migrating multiple lines served using unbundled local circuit switching to switches operated by a carrier other than the incumbent LEC for any requesting telecommunications carrier in a timely

manner, and may require that incumbent LECs comply with an average completion interval metric for provision of high volumes of loops."

Finally, FCC Rule 319(d)(2)(ii)(A)(4) requires the adoption of batch hot cut rates in accordance with the FCC's UNE pricing rules.

Q. HAS VERIZON SATISFIED THIS STANDARD?

A. Yes. As demonstrated in this panel's direct testimony, Verizon's batch cut proposal satisfies the requirements of FCC Rule 319(d)(2)(ii). Specifically:

- Verizon's batch cut process can simultaneously migrate multiple loops from the Verizon switch to a CLEC switch. *See* Verizon Panel Direct on Hot Cuts at Part II.
- The Batch Cut process can migrate an "appropriate volume" of loops. Verizon proposes to perform the cuts when a "critical mass" of orders are reached. *See* Verizon Panel Direct on Hot Cuts at 29-30. The "critical mass" standard does not require any prior specification of an absolute minimum or maximum number of lines, which will vary from office to office, based on the volume of cuts and the optimal level of frame staffing.
- The Batch Cut Process takes into account Verizon's particular network architecture and cut over practices. *See* Verizon Panel Direct on Hot Cuts at Part II.
- The Batch Cut Process will perform cutovers in a timely manner. Verizon indicated that Batch Hot Cut orders would be cut over when a critical mass of orders had accumulated in the relevant central office,

but that the cut-over date would in no event be less than 10 business days, or more than 35 business days, from the date that the Batch Hot Cut LSR was submitted. *See* Verizon Panel Direct on Hot Cuts at 30. Verizon has since modified the minimum and maximum dates to 6 business days after order submission and 26 business days after order submission, respectively. To the extent the Commission wishes to address metrics issues related to batch hot cuts, those issues should be addressed in a metrics-related proceeding, rather than in this proceeding.

- Finally, as shown in our direct testimony, Verizon proposes batch hot cut rates are TELRIC-compliant rates. *See* Verizon Panel Direct on Hot Cuts at Part III.

III. SPECIFIC CLEC CLAIMS CONCERNING HOT CUTS

A. "Seamlessness" of the Batch Cut Process

Q. THE CLECS SUGGEST THAT, IN ORDER TO BE APPROVED, ANY BATCH CUT PROCESS MUST BE AS SEAMLESS AS UNE-P MIGRATIONS. DO YOU AGREE?

A. No. MCI claims that UNE-P cannot be eliminated until the "ILECs' daily processes can support the seamless and reliable provisioning of loops to multiple carriers at commercial volumes consistent with the manner in which they currently accommodate CLEC orders via the UNE-P." (MCI Webber at 7, 9.) AT&T likewise asserts that "the appropriate comparison must be whether the ILEC can move customers served by the UNE-L at the same volumes and performance levels as UNE-P" (AT&T Van de Water at 61).

The CLECs fundamentally misstate the standard imposed by the *TRO*. The conversion of loops from Verizon retail to UNE-P is not a valid benchmark because the process of migrating a customer from UNE-P to UNE-L is fundamentally different. Computer-generated switch translations are able to move a customer from one carrier to another automatically in a UNE-P migration because a customer's line remains connected to Verizon's switch throughout the process. By contrast, migrations from Verizon's switch to UNE-L arrangements cannot solely be handled by computer software and require the *physical* movement of the customer's line from Verizon's switch to the CLEC's switch.

Indeed, the *TRO* recognized that hot cuts are, by their nature, a "largely *manual* process requiring incumbent LEC technicians to *manually* disconnect the customer's loop, which was hardwired to the incumbent LEC switch, and *physically re-wire* it to the competitive LEC switch . . . ." *TRO* ¶ 465 n. 1409 (emphasis added). Acknowledging these differences, the *TRO* nevertheless calls for a batch process to "improve" the "hot cut process" by allowing the "timing and volume" of the cut over to be better managed and "spread[] loop migration costs among a larger number of lines, decreasing per-line cut over costs." *TRO* ¶¶ 487. *See also id.* ¶ 488 ("State commissions must approve . . . a batch cut migration process . . . that will address the costs and timeliness of the hot cut process."). In other words, the FCC did not envision that the batch cut process would be fundamentally different than existing hot cut processes, but rather would achieve economies of scale absent from existing, individual hot cut procedures.

By contrast, a fully automated process like the one by which UNE-P orders are provisioned is, by definition, not a hot cut process at all. The FCC never stated, and there is certainly no reason to believe, that a hot cut process cannot provide timely and high-quality service unless it matches the non-manual, fully automated UNE-P provisioning process. Indeed, the FCC's rejection of AT&T's Electronic Loop Provisioning proposal in the *TRO* confirms that the FCC could not have believed that end-to-end "hands-off" provisioning was an essential component of a batch hot cut process.

Q. AT&T HAS ARGUED THAT UNE-P SHOULD NOT BE ELIMINATED UNTIL ELECTRONIC LOOP PROVISIONING ("ELP") IS AVAILABLE FOR ALL CUTOVERS. (VAN DE WATER AT 70.) DO YOU AGREE?

A. No. Although AT&T does not acknowledge it, the FCC already considered, and explicitly rejected, AT&T's proposal that ELP be a prerequisite to a finding of no impairment. (AT&T Van de Water at 70.) In the *TRO* proceeding, AT&T advocated a form of ELP. The FCC concluded that AT&T had failed to demonstrate that such a system existed and could be implemented. In particular, the FCC stated that an effective ELP process would require "a fundamental change in the manner in which local switches are provided" and "dramatic and extensive alterations to the overall architecture of every incumbent LEC local telephone network," at a cost estimated at more than $100 billion. *TRO* ¶¶ 491 & 487 n.1517. The FCC therefore rejected AT&T's proposal, stating that "the record in this proceeding does not support a determination that electronic provisioning is currently feasible." *TRO* ¶ 491 &

n. 1517. This Commission should likewise reject AT&T's suggestion that the adoption of ELP is a pre-requisite to the elimination of unbundled mass market switching.

B. Non-Batch Process for "Everyday" Hot Cuts

Q. PLEASE RESPOND TO MCI'S CLAIMS THAT, IN ADDITION TO A BATCH HOT CUT PROCESS, THE COMMISSION MUST ALSO APPROVE A PROCESS FOR "EVERYDAY" HOT CUTS BEFORE UNE-P CAN BE ELIMINATED. (*E.G.*, MCI WEBBER AT 17-18; LICHTENBERG AT 48-49)

A. MCI argues that, in addition to a batch cut process, Verizon must adopt a new process for switching mass market customers from one carrier to another on a going-forward basis – what MCI calls the "Mass Market Hot Cut Process." (*E.g.*, MCI Webber at 17-18). According to MCI, this new Mass Market Hot Cut Process will be needed *after* the initial conversion of the "embedded base" of UNE-P loops following the elimination of unbundled mass market circuit switching. (MCI Webber at 18; MCI Lichtenberg at 48-49.) Indeed, MCI argues that the establishment of a new process for such "everyday" hot cuts following the conversion of the embedded base is "far more critical" than the adoption of a "transitional" batch cut process. (MCI Lichtenberg at 46).

MCI's claims make no sense. First, Verizon's batch hot cut process, which MCI fails to address, *will* govern the "everyday" conversions of customers from Verizon to a CLEC, if requested by the CLEC, in addition to the transition of the embedded base of UNE-P to UNE-L.

Second, to the extent MCI is arguing that Verizon's other hot cut processes must somehow be changed to accommodate MCI's alleged operational concerns, MCI is incorrect. Under the *TRO*, because Verizon is only presenting a triggers analysis in this proceeding, the Commission must perform only two tasks prior to eliminating mass market circuit switching in this market: (1) determine whether the self-provisioning trigger has been satisfied (*i.e.*, that there are three CLECs using their own switches); and (2) adopt and implement a batch hot cut process. The FCC did *not* require states to modify existing procedures for individual hot cuts, and in fact required that, if the trigger is met, the state make no further inquiry into operational issues. *TRO* ¶ 506.

Thus, states are not permitted, much less required, to modify existing *individual* hot cut processes (as opposed to the batch hot cut process) in this proceeding. MCI tacitly concedes as much, by recommending that the Commission open a *separate* docket to address issues concerning migration issues that will arise after the conversion of the embedded base. (MCI Lichtenberg at 28).

Q. HAS VERIZON TAKEN ANY STEPS TO IMPROVE ITS EXISTING, NON-BATCH HOT CUT PROCESSES?

A. Yes. Although not required by the *TRO*, Verizon has recently introduced a streamlined individual hot cut option that utilizes the Wholesale Provisioning Tracking System ("WPTS") to eliminate almost all of the manual coordination tasks associated with hot cuts. WPTS has been well-received by the CLEC community in this proceeding and before other state commissions.

For example, in the October 28, 2003 workshop, when asked what MCI would like to see in a batch hot cut process, the witness stated: "MCI would certainly

like to see BellSouth take look at WPTS system and see how they could implement something similar." TRO Hot Cut Workshop (Oct. 28, 2003) (quotations transcribed from audio tape). MCI acknowledged in its direct testimony that Verizon's system goes a long way to addressing the CLEC's desire to streamline the hot cut process and eliminate manual tasks associated with hot cuts. (MCI Webber at 24 ("Verizon, for example, has developed a wholesale provisioning tracking system known as 'WPTS' that has automated a number of the manually intensive coordination steps [of the individual hot cut process]."))

Similarly, in a recent filing with the Colorado Public Utilities Commission, MCI recommended that "Qwest should develop an electronically bonded and on-line system for communicating with CLECs similar to the Verizon [WPTS]." MCI's Response to Qwest's Proposal for Region-Wide Batch Loop Conversion Process" (Colo. PUC Docket No. 03I-485T) (Nov. 18, 2003), at 10 (footnote omitted) (In the footnote, MCI added a boilerplate disclaimer indicating that its reference to WPTS "does not mean that MCI considers that system in its presently identified status to be ideal or acceptable to MCI.") In a California hot cut workshop, an MCI representative identified WPTS as "a very robust system from my perspective," admitting that "one of the recommendations we made to SBC in the Ohio collaboratives was that they look at WPTS." The MCI witness further stated that "we're moving our folks onto WPTS because we do believe that it will – that the less you have to send email or faxes or phone calls, the better that we can manage this process, particularly in seeing the status of that cut rather than waiting for jeopardy

notifications." California Public Utility Commission Rulemaking 95-04-03 and Investigation 95-04-044, Collaborative Workshop on Batch Hot Cut Processes (Nov. 17, 2003), Tr. 2411-12.

C. Scalability

Q. AT&T ASSERTS THAT VERIZON'S ANALYSIS OF ITS ABILITY TO "SCALE UP" TO MEET INCREASED HOT CUT VOLUMES FAILS TO ADDRESS A NUMBER OF RELEVANT CONSIDERATIONS, INCLUDING "THE IMPACT OF WIN-BACKS BY VERIZON" (AT&T VAN DE WATER AT 31). IS THIS ALLEGATION CORRECT?

A. No. Verizon has conducted a comprehensive analysis, using a sophisticated force-to-load model, of its ability to "scale up" to meet the incremental demand for hot cuts that would occur if unbundled mass market circuit switching were eliminated throughout the Verizon territory in Florida. *See* Verizon Panel Direct on Hot Cuts at Part IV. As Verizon's direct testimony in Florida (and other states) states explicitly, winbacks (also known as "reverse hot cuts") *are* taken into account in Verizon's scalability analysis, since they are part of the additional work load that would result from the elimination of UNE-P, and would use some of the same resources as standard hot cuts. *See id.* at 9; *see also id.* at 59 (discussing treatment of winbacks in scalability model).

Q. AT&T ALSO ASSERTS THAT VERIZON'S SCALABILITY ANALYSIS DOES NOT TAKE INTO ACCOUNT "HOW MANY VERIZON PERSONNEL CAN WORK AT A FRAME" (AT&T VAN DE WATER AT 30). HAS VERIZON CONSIDERED SPACE LIMITATIONS AT

THE FRAME IN ASSESSING ITS ABILITY TO HANDLE THE INCREASED VOLUMES OF HOT CUTS THAT WOULD RESULT FROM THE ELIMINATION OF UNE-P?

A. Yes. As explained in our direct testimony, the increased force levels estimated by that model simply bring the level of frame activity closer to staffing levels in earlier years, when crowding was not a problem. *See* Verizon Panel Direct on Hot Cuts at 66. If, in rare cases, two frame technicians are assigned work in the same frame location at the same time, they are experienced in making pragmatic scheduling adjustments to deal with such conflicts on a real time basis. Such measures, which work well today and worked well in the days when frame staffing levels were as high as those predicted by the Force Load Model, will be sufficient to resolve any space availability issues.

Indeed, the additional flexibility created by the batch hot cut process makes the work-space issue even *less* significant. That process, by significantly reducing Verizon/CLEC coordination requirements, will enable Verizon to spread cutover work over an entire 24-hour period, rather than limiting it to one or two work shifts. Even where the batch process is not utilized, pre-wiring activities can be done outside of normal work hours.

Q. DO YOU AGREE WITH AT&T'S CLAIM THAT VERIZON'S SCALABILITY ANALYSIS DOES NOT ADDRESS THE "IMPACT OF IDLC"? (AT&T VAN DE WATER AT 31)

A. No. Again, Verizon's scalability model, filed on December 4, 2003, explicitly addresses the impact of IDLC loops by appropriately accounting for the added

level of work required by the outside field dispatches associated with IDLC. *See* Verizon Panel Direct on Hot Cuts at 60.

D. Types Of Loops Covered By Batch Cut Process

Q. DO YOU AGREE WITH THE CLECS' CLAIM THAT ANY BATCH HOT CUT PROCESS MUST INCLUDE LINE SPLIT LOOPS? (AT&T VAN DE WATER AT 31, 46-52; MCI WEBBER AT 20; MCI LICHTENBERG AT 26.)

A. No. Issues relating to the migrations of line split loops have nothing to do with this proceeding. The *TRO* discusses hot cuts in general, and batch hot cuts in particular, as a means to migrate "mass market" customers served by Verizon-provided loops from one local circuit switch to another. *See* 47 C.F.R. §§ 51.319(d)(ii), 51.319(d)(ii)(A). Thus, the batch hot cut requirements of the *TRO* do not apply to line sharing or line splitting arrangements because these arrangements do *not* involve the mass migration of local circuit switched customer lines from one carrier to another, but rather involve non-switched data service. DSL service, whether provided on a line split or line shared loop, does *not* rely on circuit switching. Not surprisingly, then, although the *TRO* discusses the issue of hot cuts at length, there is absolutely no mention of any need for a batch process specific to customers receiving data service via line splitting or line sharing arrangements. Indeed, the *TRO* explicitly addresses line splitting issues separately in the *TRO* in Rule 319(a)(1).

Not only did the FCC *not* require line splitting issues to be addressed in the context of a batch hot cut inquiry, it specifically "encourage[d] incumbent

LECs and competitors to use existing state commission collaboratives and change management processes to address OSS modifications that are necessary to support line splitting." Consistent with the *TRO,* several migration issues relating to line splitting recently have been raised in Verizon's established and agreed-upon Verizon OSS Change Management process. Thus, the Commission should resist the implicit invitation in the CLECs' testimony to turn this case into a broad-ranging inquiry into provisioning and other issues related to line splitting.

Q. PLEASE BRIEFLY DESCRIBE VERIZON'S CHANGE MANAGEMENT PROCESS.

A. Verizon and the CLECs jointly designed Verizon's OSS Change Management Process to address precisely the type of technical and operational issues associated with the growth of line splitting arrangements. The FCC has repeatedly approved this process in Verizon's Section 271 proceedings. *See, e.g.*, Memorandum Opinion and Order, *Application by Bell Atlantic New York for Authorization Under Section 271 of the Communications Act to Provide In-Region, InterLATA Service in the State of New York*, 15 FCC Rcd 3953, 4004-4005 ¶¶ 111-112 (1999); Memorandum Opinion and Order, *Application of Verizon New England Inc., Bell Atlantic Communications, Inc. (d/b/a Verizon Long Distance), NYNEX Long Distance Co. (d/b/a Verizon Enterprise solutions) and Verizon Global Network Inc., for Authorization to Provide In-Region, InterLATA Services in Massachusetts,* 16 FCC Rcd 8988, 9045-9046 ¶ 102 (2001); *see also id.* at 9046 ¶¶ 103-113. This process includes a framework for setting priorities among requested system changes that assigns priority,

based on agreed criteria, to change requests affecting CLEC interfaces and business processes, whether initiated by Verizon or by the CLECs. The priority assigned to a change request as a result of this process is a key factor in scheduling work on the change requests.

Verizon will work with the CLECs to further define the line splitting-related migration scenarios they have recently raised in Change Management, explore the feasibility of the OSS changes necessary to accommodate this CLEC request, and report on the progress of these efforts at the monthly Change Management meetings.

Q. ARE THERE MANY LINE SPLITTING OR LINE SHARING ARRANGEMENTS CURRENTLY IN PLACE IN FLORIDA?

A. No. There are no line splitting and only a minimal number of line sharing arrangements in place in Verizon's service areas in Florida. With respect to line sharing, the voice provider is, by definition, Verizon (rather than a CLEC). Thus the elimination of unbundled mass market circuit switching would not result in increased demand for hot cuts to transfer customers from Verizon's switch to a CLEC switch. This is another reason why this issue is irrelevant to this proceeding. The migration of any future volume of line splitting or line sharing arrangements can easily be handled on a project basis.

Q. BOTH AT&T AND MCI DISCUSS CLEC-TO-CLEC MIGRATIONS (AT&T VAN DE WATER AT 63; MCI WEBBER AT 20; MCI LICHTENBERG AT 26), AND AT&T ASSERTS THAT A BATCH CUT

PROCESS MUST HANDLE SUCH CONVERSIONS. WHAT IS YOUR REACTION?

A. As Verizon made clear in its direct testimony, both the basic hot cut process and the project hot cut process (also known as the "large job" process) apply to all types of hot cuts, whether Verizon retail to UNE-L, resale to UNE-L, UNE-P to UNE-L, and UNE-L to UNE-L. *See* Verizon Panel Direct on Hot Cuts at 19-20. The mechanics and coordination requirements of all of these types of hot cuts are identical, except for the identities of the carriers that are involved. In addition, CLEC UNE-P to CLEC UNE-L order can be provisioned using Verizon's proposed batch hot cut process.

Q. CAN THE BATCH PROCESS BE USED FOR CLEC UNE-L TO CLEC UNE-L MIGRATIONS?

A. No. The batch hot cut process cannot be used for CLEC UNE-L to CLEC UNE-L migrations because of problems caused by the failure of the "losing" CLEC to coordinate with the "winning" CLEC. Under the Batch Hot Cut process, Verizon (rather than the CLEC) submits the final number porting notification to NPAC. This process works when migrating to UNE-L from UNE-P, resale, or Verizon retail, because Verizon submits a porting trigger order to NPAC, while the UNE-L provider (*i.e.*, the new local service provider) creates the initial porting notification with NPAC. However, in a CLEC UNE-L to CLEC UNE-L migration, the trigger order would have to be created by the old local service provider. And, the CLECs have no incentive to cooperate with one another. Because Verizon would not be able to determine whether the porting trigger order had in fact been submitted and the port was ready to be

activated, it is possible that a number of customers would be left without service. Therefore, to ensure that continuity of service is not put at risk, CLEC UNE-L to CLEC UNE-L migrations are not eligible for the Batch process. In addition, it makes little sense for Verizon to become involved in disputes between the old and new CLECs concerning the submission of information and authorizations to NPAC.

CLEC UNE-L to CLEC UNE-L migrations can be handled, however, via either the Basic or Large Job processes, because in such processes Verizon is not responsible for placing the porting trigger order to NPAC.

Q. DO AT&T AND MCI TAKE CONSISTENT POSITIONS WITH RESPECT TO THE INCLUSION OF CLEC UNE-L TO CLEC UNE-L MIGRATIONS IN THE BATCH CUT PROCESS?

A. No, they do not. Although both allege that such migrations are important, MCI appears to take the position that such conversions are more appropriately handled through a process to be developed in a separate proceeding. (Although by no means clear, it appears that MCI believes that such a process would be what they term a non-batch "Mass Market Hot Cut process"). MCI acknowledges that CLEC UNE-L to CLEC UNE-L conversions require a significant degree of tri-party coordination among the two CLECs and the ILEC. (MCI Lichtenberg at 27). MCI therefore "recommends that the Commission open a separate docket to address these issues and additional operational issues." (MCI Lichtenberg at 28). Although Verizon does not object to discussing the CLECs' concerns in another docket or, more

appropriately, through the well-established change management process (which is the appropriate forum for handling these complex business to business issues), such a proceeding should have no bearing on the Commission's finding that Verizon has met the triggers and implemented a batch hot cut process.

Q. THE CLECS CLAIM THAT THE BATCH HOT CUT PROCESS MUST INCLUDE LOOPS PROVISIONED ON IDLC. (AT&T VAN DE WATER AT 63; MCI WEBBER AT 20, 29; MCI LICHTENBERG AT 26.) WHAT IS YOUR REACTION?

A. As discussed at length in Verizon's direct panel testimony, IDLC loops cannot be handled through the Large Job or Batch hot cut processes because there is no technically feasible, practicable means of obtaining access to individual voice-grade loops at the central office when such loops are provisioned over an IDLC system. *See* Verizon Panel Direct on Hot Cuts at 9-11. This does not mean that there is no "bulk" method for migrating such loops. As explained in our direct testimony, each of Verizon's three hot cut processes (Basic, Large Job, and Batch) is capable of handling large line volumes *(i.e.*, "bulk" orders). *See* Verizon Panel Direct on Hot Cuts at Part II.

Q. DOES THE EXCLUSION OF IDLC LOOPS FROM THE BATCH AND LARGE JOB PROCESSES CREATE PROBLEMS FOR CUTTING OVER MULTI-LINE CUSTOMERS WHERE ONE OR MORE OF THE CUSTOMER'S LINES ARE PROVISIONED THROUGH IDLC, AS THE CLECS CLAIM? (AT&T VAN DE WATER AT 45-46).

A. No. Such orders can simply be submitted through the Basic Hot Cut process.

Moreover, if an IDLC loop is encountered in the context of a Large Job, the process is even simpler. As Verizon indicated in the New York technical workshops, it would be willing to modify its procedures to create a Basic Hot Cut order for such a loop, and attempt to cut it over within the time frame of the Large Job from which it was excluded. Thus, although CLECs should attempt to identify IDLC lines in advance and exclude them from Large Job and Batch orders, they can certainly be processed in large volumes through the Basic process.

Q. SHOULD ENHANCED EXTENDED LINKS ("EELS") BE INCLUDED IN THE BATCH CUT PROCESS, AS MCI ARGUES? (MCI WEBBER AT 20).

A. No. EELs have never been subject to hot cuts of any sort—whether batch or otherwise – because there is no way to "hot cut" an EEL. Hot cuts have always been available only for ordinary two-wire loops, as the FCC was no doubt aware when it issued the *TRO*. EELs, by contrast, are "designed" circuits providing "special" services over a combination of a loop plus interoffice transport. In addition, there is no way for an ILEC to identify the local loop portion of an EEL in order to transfer it from one carrier to another because the circuit identification is for the entire EEL rather than the loop alone. EELs are, in any event, very rare in the mass market and thus there is clearly no need for Verizon or any other ILEC to have any type of "batch" or "bulk" process for migrating EEL-served customers from one carrier to another.

Q. MCI ASSERTS THAT VERIZON'S BATCH CUT PROCESS CANNOT BE USED FOR CUSTOMERS HAVING MORE THAN FOUR LINES (MCI WEBBER AT 20). IS THAT TRUE?

A. No. The Batch Cut Process will be available for all mass market customers regardless of the number of lines per customer. Thus, whatever this Commission establishes as the break point between the mass market and the enterprise market, the Batch Cut process will apply to those customers that are considered part of the mass market. Verizon addresses the appropriate break point in the rebuttal testimony of Orville D. Fulp filed on January 7, 2004.

Q. PLEASE RESPOND TO MCI'S ALLEGATION THAT THE BATCH CUT PROCESS WILL NOT PERMIT REQUESTS FOR MORE THAN 25-50 LOOP CUTOVERS PER DAY PER CENTRAL OFFICE WITHOUT SIGNIFICANT NEGOTIATION AND DEPARTURE FROM EXISTING PROVISIONING AND PERFORMANCE INTERVALS (MCI WEBBER AT 20).

A. Again, this is not true with respect to the Verizon Batch Cut process. As noted above, the size of the "batch" will vary by central office. There is no pre-set limit on the size of the batch, and the vast majority of Verizon central offices in Florida will be able to accommodate batch cutovers of more than 25-50 loops per day. Moreover, such batch cutovers will be performed in the same amount of time as any other Batch Cut orders – in a minimum of 6 business days from the submission of the order to a maximum of 26 business days after order submission.

E. Testing

Q. THE CLECS ASSERT THAT VERIZON'S BATCH CUT PROCESS MUST BE SUBJECT TO PRE-IMPLEMENTATION TESTING (AT&T VAN DE WATER AT 65). DO YOU AGREE?

A. No. Verizon agrees that one issue that should be examined in this case is whether Verizon can handle the volume of hot cut orders that would be expected in a post-UNE-P environment. Verizon has addressed that question through the scalability analysis included in its initial testimony. We do not agree, however, that the Commission must or should address the scalability issue through "volume testing" of the new Batch Hot Cut process or, for that matter, of the existing Basic and Large Job processes.

Q. WHY NOT?

A. The *TRO* clearly does not contemplate volume testing of Verizon's batch hot cut processes. First, by July 2004, this Commission is required by the FCC's rules either to either approve a batch hot cut process, or to show why the current hot cut process is sufficient. In other words, the Commission does not have the option of delaying its approval of the process indefinitely while volume testing takes place. *See* 47 C.F.R. § 51.319(d)(2)(ii).

Moreover, Verizon's proposed Batch Hot Cut process is not yet in place on a commercial basis (nor is it required to be). Additional OSS support for the process is now being developed. This fact necessarily limits the time that can be devoted to large volume testing of the process before the end of the nine-month deadline.

Q. DOES THIS MEAN THAT THE COMMISSION AND THE PARTIES WILL BE STUCK WITH ANY LIMITATIONS OR FLAWS IN THE BATCH HOT CUT PROCESS THAT ARE DISCOVERED AFTER A PERIOD OF ACTUAL COMMERCIAL USE?

A. Not at all. Verizon is confident that the careful development of the process, the experience that will be gained during the trial period, and the intensive scrutiny that is being given to the process in this proceeding, make it unlikely that any important aspect of the process will escape the Commission's attention. Furthermore, as Verizon and the CLECs gain real production experience, Verizon will work with the CLECs to ensure that the process works well and will make modifications that may be needed.

It should be emphasized that most of the "piece parts" of the Batch Hot Cut process already exist and are already being utilized in other contexts in commercial volumes. For example, WPTS currently has the ability to identify and count hot cut orders on a central-office-by-central-office basis. This is essentially the accumulation or "batching" process described in our initial testimony. WPTS is also a proven communication tool, utilized by many CLECs across the nation. In addition, Verizon already activates number ports for itself on winback orders, and, therefore, it has significant experience managing the porting activations offered as part of the Batch Hot Cut process. Finally, Verizon central office forces currently manage projects for a number of CLECs across the country; thus, Verizon is also experienced with the management of "batch" migrations themselves.

Q. ARE THERE ANY OTHER CONSIDERATIONS THAT BEAR ON THE FEASIBILITY AND DESIRABILITY OF VOLUME TESTING OF VERIZON'S PROPOSED BATCH HOT CUT PROCESS?

A. Yes. Hot cut volume testing would be costly, difficult to manage logistically, and ultimately of minimal practical benefit either to Verizon, the CLECs, or the Commission.

Q. WHY WOULD HOT CUT VOLUME TESTS BE COSTLY?

A. Among other things, in order to perform hot cut volume tests, Verizon undoubtedly would be forced to create hundreds of test accounts and arrange for the use of collocation space at the central offices so that connectivity can be established at the Verizon MDF and switch. Hot cut volume testing, therefore, would be costly for both Verizon and the CLECs.

Q. WHY WOULD HOT CUT VOLUME TESTING BE LOGISTICALLY DIFFICULT?

A. Hot cut volume testing would require a high level of CLEC cooperation, and it would be very difficult to coordinate this assistance with Verizon's resources. Moreover, Verizon would have to hire and train large numbers of people to perform and manage the hot cut testing, who would be needed only for the duration of the test. These sorts of logistical problems make volume testing impractical.

Q. PLEASE EXPLAIN YOUR STATEMENT THAT THE RESULTS OF HOT CUT VOLUME TESTING WOULD BE OF MINIMAL

PRACTICAL BENEFIT.

A. A hot cut volume test would be of minimal practical benefit because of the extreme artificiality of the testing environment. A test would be most reliable and effective when the testing environment is as close to "real life" as possible and the test participants do not know that the test is being conducted. But it would be virtually impossible to create a blind hot cut volume test.

In short, given Verizon's past experience with volume hot cuts, and the managerial and staffing issues associated with organizing a hot cut volume test, as well as the very short timetable that would be imposed for such a test, the value of a hot cut volume test at this point in time would be questionable. The substantial costs and logistical difficulties to be shouldered by Verizon and the CLECs would certainly outweigh any utility of a hot cut volume test.

Q. HAS HOT CUT VOLUME TESTING BEEN REQUIRED IN THE PAST UNDER SIMILAR CIRCUMSTANCES?

A. No. In the Section 271 proceedings in the East, state commissions retained KPMG to conduct OSS testing. These states included — along with New York — Massachusetts, Rhode Island, Pennsylvania, New Jersey, and Virginia. No hot cut volume testing was performed in any of these states. Moreover, in its publicly filed reports, KPMG concluded that for certain processes, including those that involved "provisioning of large volumes of test transactions that would exceed the manual capacity of [Verizon's state] work center . . . it was not practical to simulate certain order types, troubles, and processes in a test situation." State of New York Dept. of Public Service, Bell Atlantic OSS

Evaluation Project, KPMG's Final Report at II-7 (Aug. 6, 1999), *available at* http://www.dps.state.ny.us/tel271.htm; *see also, e.g.,* Virginia State Corporation Commission, Verizon Virginia, Inc. OSS Evaluation Project, KPMG's Final Report at II-16 (April 15, 2002), *available at* http://www.state.va.us/scc/division/puc/osskpmg_final.htm. Hot cuts were among the transactions KPMG and the state commissions declined to volume test.

Q. WILL VERIZON CONDUCT A TRIAL OF ITS PROPOSED BATCH HOT CUT PROCESS?

A. Yes. Through this trial Verizon will be able to confirm that it is capable of activating the line number ports on behalf of the CLECs — the one step of the Batch Hot Cut process that will be relatively new — and that the process otherwise performs as expected.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.