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Legal Department

E. EARL EDENFIELD JR.  
General Attorney

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BellSouth Telecommunications, Inc.  
150 South Monroe Street  
Room 400  
Tallahassee, Florida 32301  
(404) 335-0763

RECORDS AND  
REPORTING

September 8, 2000

Mrs. Blanca S. Bayó  
Director, Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

**Re: Docket No. 000636-TP (Sprint Complaint)**

Dear Ms. Bayó:

Enclosed is an original and fifteen copies of BellSouth Telecommunications, Inc.'s direct testimony of David Scollard and Jerry Hendrix, which we ask that you file in the captioned docket.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served to the parties shown on the attached Certificate of Service.

Sincerely,

*E. Earl Edenfield Jr.*  
E. Earl Edenfield Jr. *(ba)*

cc: All Parties of Record  
Marshall M. Criser III  
R. Douglas Lackey  
Nancy B. White

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*[Signature]*  
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DOCUMENT NO  
11183-60

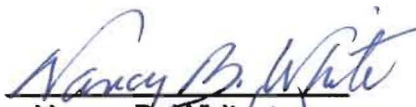
**CERTIFICATE OF SERVICE**  
**Docket No. 000636-TP**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via

U.S. Mail this 8th day of August, 2000 to the following:

Timothy Vaccaro  
Staff Counsel  
Division of Legal Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Susan S. Masterton, Esq.  
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Nancy B. White  
(pa)

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BELLSOUTH TELECOMMUNICATIONS, INC.  
DIRECT TESTIMONY OF DAVID P. SCOLLARD  
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 000636-TP  
SEPTEMBER 8, 2000

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 billing of

1 unbundled network elements (“UNEs”), and the development of billing  
2 solutions in support of new products offered to end user customers. I am  
3 familiar with the billing services provided by BellSouth Telecommunications  
4 to local competitors, interexchange carriers and retail end user customers.

5  
6 Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY IN THIS  
7 PROCEEDING?

8  
9 The purpose of my testimony is to provide the Commission with an  
10 understanding of the work that has been done within BellSouth’s Carrier  
11 Access Billing System (“CABS”) to process usage records for calls originating  
12 from an Alternative Local Exchange Carrier (“ALEC”) (such as Sprint) bound  
13 for Internet Service Providers (ISPs) served by BellSouth.

14  
15 Q. WHAT IS CABS?

16  
17 A. CABS is a system that BellSouth uses primarily for billing interexchange  
18 carriers for services ordered from the FCC and state Access Tariffs. BellSouth  
19 also uses CABS to bill ALECs for a number of services such as local  
20 interconnection trunking and usage charges, unbundled designed loops and  
21 unbundled dedicated interoffice transport. CABS is designed to accept service  
22 orders which are initiated from IXC, ALECs and other customers as they  
23 order access, local interconnection and UNE types of services. In addition,  
24 CABS processes the massive numbers of call records that are produced in the  
25 BellSouth central offices associated with access, local and other types of

1 facilities. For example, when an ALEC sends a call across one of its  
2 interconnection trunks, the BellSouth switch to which that trunk interconnects  
3 generates a usage record. CABS processes that record and bills the applicable  
4 rate elements to the ALEC or other interconnecting carrier based on whether  
5 the call is local, intra-LATA toll or inter-LATA.

6

7 Q. DID BELLSOUTH MAKE ANY CHANGES TO CABS TO SEPERATELY  
8 METER OR OTHERWISE SPECIFICALLY HANDLE USAGE RECORDS  
9 FOR CALLS BOUND FOR ISPs SERVED BY BELLSOUTH?

10

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

24

25

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 BELL SOUTH BILLED ALECS RECIPROCAL COMPENSATION  
10 FOR ISP TRAFFIC?

11

12 A. No. BellSouth has never intentionally billed reciprocal compensation for ISP  
13 traffic to any ALEC. In October 1995, when the billing requirements for ALEC  
14 traffic were first being addressed, BellSouth's systems were not equipped to  
15 bill ALECs for reciprocal compensation. Thus, BellSouth implemented a  
16 process in CABS to create an error record for any call originating from NPA-  
17 NXXs being used by ALECs. While these calls were not actually "errors", an  
18 error record provided an easy way to hold the usage records associated with the  
19 traffic while BellSouth revised CABS to implement the various billing  
20 provisions of the ALEC contracts. BellSouth designed the error record process  
21 to ensure that ALECs were not billed for any reciprocal compensation  
22 whatsoever, including for ISP traffic, while the local contract billing  
23 requirements were implemented in the systems. So that BellSouth could  
24 ensure it billed ALECs appropriately when BellSouth completed the  
25 implementation of the enhancements to CABS to appropriately bill for

1 reciprocal compensation, BellSouth wrote off the usage held beginning in  
2 October 1995 rather than billing the ALECs for that reciprocal compensation.

3

4 Q. WAS THE TRANSITION FROM THE PROCESS IMPLEMENTED IN  
5 CABS IN 1995 TO THE ISP PROCESS IMPLEMENTED IN SEPTEMBER  
6 1997 A SEAMLESS ONE?

7

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

17

18 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

19

20 A. Yes.

21

22

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